

**IRAQ: STATUS AND PROSPECTS FOR
RECONSTRUCTION—NEXT STEPS**

HEARING
BEFORE THE
COMMITTEE ON FOREIGN RELATIONS
UNITED STATES SENATE
ONE HUNDRED EIGHTH CONGRESS
FIRST SESSION

—————
JULY 23, 2003
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WEDNESDAY, JULY 23, 2003

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

The committee met at 3:53 p.m., in room SH-216, Hart Senate Office Building, Hon. Richard G. Lugar (chairman of the committee), presiding.

Present: Senators Lugar, Hagel, Chafee, Allen, Brownback, Alexander, Coleman, Sununu, Biden, Sarbanes, Feingold, Boxer, Bill Nelson, and Corzine.

The CHAIRMAN. This hearing of the Senate Foreign Relations Committee is called to order.

We thank the witnesses for their promptness, and we regret that Senators were called to the floor for a rollcall vote that is still in progress, but we will be joined by our colleagues as they complete their duties and come to the hearing.

Let me just say at the outset that we may at some point, providence willing, have a quorum of the committee present, and I want to seize that opportunity when it comes to ratify five treaties, advance the Foreign Service list, and other purposes, which should be unanimously received.

Let me simply say the Committee on Foreign Relations welcomes Dr. John Hamre, former Deputy Secretary of Defense and currently the president of the Center for Strategic and International Studies. Accompanying Dr. Hamre is his team from the Commission on Post-Conflict Reconstruction: Dr. Robert Orr, Mr. Frederick Barton, Dr. Johanna Mendelson-Forman, and Ms. Bathsheba Crocker. Also with us today is Anthony Borden, executive director of the Institute for War and Peace Reporting, and we welcome Mr. Borden's insights on the media situation in Iraq.

Dr. Hamre, we are pleased especially to have you to be able to discuss with you the excellent report you and your colleagues have prepared on Iraq reconstruction.¹ I commend Secretary Rumsfeld and Ambassador Bremer for commissioning your mission to Iraq. The resulting report, entitled "Field Review and Recommendations on Iraq's Post Conflict Reconstruction," was published last week by the Center for Strategic and International Studies. It carefully outlines the difficult challenges our country faces in Iraq and makes

¹The report referred to is included with Dr. Hamre's submitted statement and can be found on page 10.

32 urgent recommendations for improving conditions in that country.

For the Senate Foreign Relations Committee, this hearing provides a marker with which to measure both our hopefulness and our frustration. We are hopeful because the recommendations of your report are being taken very seriously. Since the report was released last week, Defense Department officials have praised its conclusions and emphasized the work that is already underway to implement many of them. It is frustrating, however, because many of the issues you raise, particularly those concerning the need for improved application of resources, for better planning, for broader international involvement, are the same issues we have been raising here in the committee for months.

I would like to read two paragraphs of a letter that Senator Biden and I wrote to President Bush before the war in Iraq, and I quote from our letter. "The United States should pursue a policy in Iraq that has broad international support. Such support is desirable for both substantive and political reasons. Our allies around the world and our friends in the region have important, and possibly even necessary contributions to make to the effort to disarm Iraq. We may need their support for any initiatives we take at the United Nations. Should we pursue military action, we will want them with us and, at a minimum, require basing and over-flight rights from several countries. If, in the course of disarming Iraq, we end Saddam Hussein's regime, a massive rebuilding effort will be required that the United States will not want to shoulder alone. We also depend on the active and continued cooperation of many allies in the unfinished war against terrorism. In short, building international support for our Iraq policy must be a priority."

End of quote from that portion of the letter, but we continue. "We must be candid with the American people that Iraq represents a long-term commitment by the United States. We urge you to formulate and express a vision for a democratic, unified, post-Saddam Iraq, living in peace with its neighbors. The American people must know the military, financial and human capital the United States would be prepared to commit to help realize that vision. The Iraqi people and their neighbors must be confident that chaos will not follow Saddam Hussein. Moreover, you would help assuage international concerns that the current unsettled situation in Afghanistan may be replicated in Iraq, and if so with far greater strategic consequences."

Now, that is the end of the passage from our letter.

Senator Biden and I sent that letter to President Bush more than 10 months ago on September 10, 2002. I share this historic footnote not to prove the prescience of the committee, but rather to underscore that the basic questions and problems surrounding post-war Iraq have been known and were discussed mercifully by many expert witnesses before this committee in many hearings for a long time. We must answer those questions and implement solutions to the problems now. The report before us is a very good place to begin a review of what will be necessary to achieve our objectives.

We know that the planning for post-war Iraq was inadequate. But we must move beyond simply second-guessing the administra-

tion. None of us should pretend that a few adjustments to our reconstruction strategy or an extra month of planning could have prevented all the challenges we now face. Even in the best circumstances, reconstructing an unpredictable country after the overthrow of an entrenched and brutal regime is going to stretch our capabilities, resources, and patience to the limit. Moreover, Congress as an institution has not fully lived up to its own responsibilities in foreign affairs. We lament that nation-building in Iraq has not progressed as quickly as hoped, but many Members of Congress considered that term “nation-building” to be pejorative just a few months ago. We worry about the urgency of administration initiatives in Iraq while we allow unrelated domestic obstacles to delay even the Senate passage of our foreign relations authorization bill.

The findings of Dr. Hamre’s group confirm that we must act with both urgency and patience in Iraq. America must take critical steps now to give nation-building a chance to succeed. We must be prepared to stay the course in Iraq for years. The report states, “The potential for chaos is becoming more real every day,” and the Coalition Provisional Authority “lacks the personnel, money and flexibility needed to be fully effective.” The report describes the resistance in Iraq as “well-trained, well-financed, and well-organized irregular forces throughout the country.”

We need to ensure that there are adequate resources and the right type of resources to respond to the attacks that are occurring. There must be enough military forces, police, and civilian personnel, and we must not marginalize non-military agencies with expertise in post-conflict reconstruction.

I am particularly interested in the recommendation that we mobilize a “new reconstruction coalition.” The broader international community remains the one untapped resource for the potential for completely changing the dynamics on the ground in Iraq. The coalition that won the war is not the same one that can win the peace, and the United States needs to involve the international community in Iraq to reassure the Iraqi people that the results of our nation-building efforts are legitimate and accepted by the international community. Building an effective coalition that reduces U.S. burdens and expands the legitimacy of our efforts must be the top priority of American diplomacy with respect to Iraq.

I look forward to your suggestions on how the United States can internationalize the effort. We need to overcome our disagreements with allies over pre-war strategy and move forward on the common objective of ensuring that Iraq emerges as a peaceful and stable nation. The pledging conference in October is an opportunity for all nations to exhibit leadership and engage in stabilizing and rebuilding the country.

Having recently visited Iraq with my colleague, Senator Hagel, and the ranking member, Senator Biden, who will join us in due course, I am confident that officials and troops in Iraq understand what is at stake and the urgency of their task. They know that United States national security depends on what they do in the coming months. We cannot afford to let Iraq become a failed state that could be an incubator of terrorism and anti-Americanism throughout the Muslim world. Today, the Foreign Relations Committee should focus on how we can help the administration and our

troops and officials in the field to succeed. How can our committee and this Congress expand the tools available to the Coalition Provisional Authority? How can we support efforts to broaden the international coalition engaged in Iraq? How can we strengthen the resolve and understanding of the American people with regard to the realities of this mission?

The situation in Iraq is changing quickly. The next few months may well determine, as you pointed out, the type of nation that emerges. With this in mind, we are very thankful for the work that our witnesses have done today, namely yourselves, and we look forward to your testimony.

When Senator Biden arrives, of course, he will have an opportunity to offer an opening statement and will be recognized.

For the moment, I want to recognize Dr. Hamre for his opening statement and we will then give the other four members of the commission, beginning on the left with Ms. Crocker, an opportunity to add any personal observations that they may have. Finally, we will recognize Mr. Borden for his statement concerning the media situation in Iraq.

Let me say at the outset that your full statements will be made a part of the record, so you need not ask for permission to have them included. They will be a part of the record, and you may proceed as you wish with as full a discussion as you choose. This is an important hearing. You have done important work and we really want to hear from all of you. Dr. Hamre.

[The opening statement of Senator Lugar follows:]

OPENING STATEMENT OF SENATOR RICHARD G. LUGAR

The Committee on Foreign Relations welcomes today Dr. John Hamre, former Deputy Secretary of Defense and currently the president of the Center for Strategic and International Studies. Accompanying Dr. Hamre is his team from the Commission on Post-Conflict Reconstruction, Dr. Robert Orr, Mr. Frederick D. Barton, Dr. Johanna Mendelson-Forman, and Ms. Bathsheba Crocker. Also with us today is Anthony Borden, executive director of the Institute for War and Peace Reporting. We welcome Mr. Borden's insights on the media situation in Iraq.

Dr. Hamre, we are pleased to have the opportunity to discuss with you the excellent report that you have prepared on Iraqi reconstruction. I commend Secretary Rumsfeld and Ambassador Bremer for commissioning your mission to Iraq. The resulting report entitled, "Field Review and Recommendations on Iraq's Post Conflict Reconstruction," was published last week by the Center for Strategic and International Studies. It carefully outlines the difficult challenges our country faces in Iraq and makes 32 urgent recommendations for improving conditions in that country.

For the Senate Foreign Relations Committee, this hearing provides a marker with which to measure both our hopefulness and our frustration. We are hopeful because the recommendations of your report are being taken seriously. Since the report was released last week, Defense Department officials have praised its conclusions and emphasized that work is already underway to implement many of them. It is a frustrating occasion, however, because many of the issues you raise—particularly those concerning the need for improved application of resources, for better planning, and for broader international involvement—are the same issues that we have been raising for months.

I would like to read two paragraphs of a letter that Senator Biden and I wrote to President Bush before the war in Iraq:

The United States should pursue a policy [in Iraq] that has broad international support. Such support is desirable for both substantive and political reasons. Our allies around the world and our friends in the region have important, and possibly even necessary contributions to make to the effort to disarm Iraq. We may need their support for any initiatives we take at the United Nations. Should we pursue military action, we will want them

with us and, at a minimum, require basing and over-flight rights from several countries. If, in the course of disarming Iraq, we end Saddam Hussein's regime, a massive rebuilding effort will be required that the United States will not want to shoulder alone. We also depend on the active and continued cooperation of many allies in the unfinished war against terrorism. In short, building international support for our Iraq policy must be a priority.

Later in the letter, we continue:

We must be candid with the American people that Iraq represents a long-term commitment by the United States. We urge you to formulate and express a vision for a democratic, unified, post-Saddam Iraq, living in peace with its neighbors. The American people must know the military, financial and human capital the United States would be prepared to commit to help realize that vision. The Iraqi people and their neighbors must be confident that chaos will not follow Saddam Hussein. Moreover, you would help assuage international concerns that the current unsettled situation in Afghanistan may be replicated in Iraq, with far greater strategic consequences.

Senator Biden and I sent that letter to the President more than 10 months ago on September 10, 2002. I share this historic footnote, not to prove the prescience of this committee, but rather to underscore that the basic questions and problems surrounding postwar Iraq have been known and discussed for a long time. We must answer those questions and implement solutions to those problems now. The report before us is a good place to begin a review of what will be necessary to achieve our objectives.

We know that the planning for postwar Iraq was inadequate. But we must move beyond simply second-guessing the administration. None of us should pretend that a few adjustments to our reconstruction strategy or an extra month of planning could have prevented all the challenges we now face in Iraq. Even in the best circumstances, reconstructing an unpredictable country after the overthrow of an entrenched and brutal regime was going to stretch our capabilities, resources, and patience to the limit. Moreover, Congress, as an institution, has not fully lived up to its own responsibilities in foreign affairs. We lament that nation-building in Iraq has not progressed as quickly as hoped, but many members of Congress considered that term to be pejorative just a few months ago. We worry about the urgency of administration initiatives in Iraq, while we allow unrelated domestic obstacles to delay Senate passage of the Foreign Relations Authorization bill.

The findings of Dr. Hamre's group confirm that we must act with both urgency and patience in Iraq. America must take critical steps now to give nation-building a chance to succeed, and we must be prepared to stay the course in Iraq for years. The report states that "The potential for chaos is becoming more real every day," and the Coalition Provisional Authority "lacks the personnel, money and flexibility needed to be fully effective." The report describes the resistance in Iraq as "well-trained, well-financed, and well-organized irregular forces throughout the country."

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Having recently visited Iraq with Senator Biden and Senator Hagel, I am confident that the officials and the troops in Iraq understand what is at stake and the urgency of their task. They know that U.S. national security depends on what they do in the coming months. We cannot afford to let Iraq become a failed state that could be an incubator of terrorism and anti-Americanism throughout the Muslim

world. Today, the Foreign Relations Committee should focus on how we can help this administration and our troops and officials in the field succeed. How can our committee and this Congress expand the tools available to the Coalition Provisional Authority? How can we support efforts to broaden the international coalition engaged in Iraq? How can we strengthen the resolve and understanding of the American people with regard to the realities of this mission?

The situation in Iraq is changing quickly, and the next few months may well determine what type of nation emerges in Iraq. With this in mind, we are thankful for the work that our witnesses have done, and we look forward to their testimony.

After Senator Biden has delivered his opening remarks, we will recognize Dr. Hamre for his opening statement. We will then give the other four members of the Commission, beginning on the committee's left with Ms. Crocker, an opportunity to add any personal observations they may have. Finally, we will recognize Mr. Borden for his statement concerning the media situation in Iraq.

STATEMENTS OF DR. JOHN HAMRE, PRESIDENT AND CEO, CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES, WASHINGTON, DC; ACCOMPANIED BY: FREDERICK BARTON, CO-DIRECTOR, POST-CONFLICT RECONSTRUCTION PROJECT, CSIS; BATHSHEBA CROCKER, COUNCIL ON FOREIGN RELATIONS FELLOW AT CSIS; DR. JOHANNA MENDELSON-FORMAN, SENIOR PROGRAM OFFICER, UNITED NATIONS FOUNDATION; DR. ROBERT ORR, DIRECTOR, WASHINGTON OFFICE, COUNCIL ON FOREIGN RELATIONS

Dr. HAMRE. Chairman Lugar, to you and your colleagues, it is a real privilege to come here. These are enormously important issues. I was very careful to take notes. Your statement has laid out I think a very challenging agenda for the Senate to take on this shared task of making sure we are successful in Iraq. We have to be successful in Iraq and I think it means listening carefully and wisely to the issues you put out in front us, and we will try to be responsive and helpful to you today. Thank you for this privilege.

I was the weakest member of the team on this delegation, so they are going to let me go first with the clear instructions that I quickly get out of the way. And I will do that.

First, let me just say we were invited by Secretary Rumsfeld and Ambassador Bremer to go. They initiated it with us and we said we will if we can be helpful. And I must say they were completely open. The very morning that we arrived—we arrived in the evening. In the next morning, when we arrived, Ambassador Bremer invited me into his staff meeting and he went around the room. He listened to everybody with their normal report, and then he said, by the way, that is Hamre. He has been sent over here by Secretary Rumsfeld. Anything he needs, make sure you give it to him because he is here to help us. It is that kind of approach. Very open. I think my colleagues would agree. Nothing was kept from us, and there was a tremendous sense of openness and willingness to hear both our experiences and our reaction to their ideas.

Second, when we returned, we have experienced nothing but complete openness to our ideas. We have met extensively with members of the administration. That does not say that they agree with everything we have recommended. They do not, but they have been completely open and interactive with us. Well, why do you think that? What led you to that conclusion? Who did you talk to? How solid is that judgment in your view? That has been the total

tenor of the conversations we have had with them, and it has been very good, very constructive.

Third, I would say I think they have already tried to implement things that we brought back. As I said, they have been extremely open to working on the problems, those that we identified, frankly ideas that they had of their own that preceded our return. So it has been a very constructive perspective.

I would like to speak about two issues and then I would like to turn to my colleagues.

First, the issue of security. Iraq is currently insecure and we have a complex problem that goes beyond the Saddam loyalists that we see in the paper. There are a good number of just flat-out criminals. Remember, Saddam opened all the prisons right before the war. He let out 100,000 criminals, people that are living among Iraqis today creating great personal threat and violence in the society. So that is a problem.

There are, of course, the Saddam loyalists that are out trying to rekindle an affection with the past with these mindless acts against our own troops.

And then there are large, organized mafia-style, black market gangs, gangs that were created during the years of sanctions, the years of oil for peace. Those gangs are plundering the countryside, and that is a very big problem, in some sense a bigger, longer-term problem to deal with. That is all part of the security picture.

It is bigger than just saying we need more American soldiers on the ground. That is a judgment that the military has to render. I am worried about our troops. I think they are pretty tired, but the security picture is bigger than just that. And we have to do, as the Secretary has recently done, bring more Iraqis to the business of defending their own country, and he has made some very important, constructive steps and developments in the last couple of weeks. And I think we really need to support him with that and take other steps to make it possible.

Second, let me just say a word about finances. I was surprised. You know I used to be the Comptroller at the Defense Department, so I know how budgets are put together. I sat down and spent probably a half a day with the budgeting people over there, and I was surprised to find a fairly good, relatively simple, right now, but relatively good, budget process for building the next budget for the next 18 months in Iraq.

Ambassador Bremer has \$5.9 billion right now he can count on to work with. Remember, this is an economy that was before the war probably a \$25 billion to \$30 billion gross domestic product, and he has got about \$6 billion to last for 18 months. That is not going to be enough.

Now, obviously, we are hoping that we can get oil moving quickly. Frankly, I think they have conservative assumptions for oil, but they need to be. I think it is very hard to get the oil moving in Iraq. And they are only counting on a fairly modest amount of revenue coming from oil over the next, say, 9 months, and then the following 9 months, it is still pretty conservative, which I think it ought to be. It is not nearly enough. It is probably only 40 percent of what the gross domestic product would require.

Obviously, we are hoping for a good donors' conference. There are a lot of questions about the donors' conference. The donors themselves are going to be skeptical until we resolve the issue of prior debt. That is a big issue. The other big issue for the donors' conference is, is there a legitimate government that we can make an agreement with? Right now they do not feel they want to make a deal with the Coalition Provisional Authority. They want to have an Iraqi Government and the question that you should be asking is: will the governing council that Ambassador Bremer has created be strong enough to become the basis for donor countries to make contributions to in the October timeframe? A very important issue.

But I also just have to say you really need to start thinking we are probably going to require another supplemental. I leave it to the administration to decide what that is going to have to be and when it is going to be, but there is not going to be enough money in my personal view to carry us through the next 18 months until you get significant oil revenues. And that should just be on the table in your thinking right now.

One last statement, 30 seconds. Ambassador Bremer needs to have more flexibility on how he spends his money and how he makes contract actions than he has. I am afraid we are doing too much business as usual for him. He needs to be given much more authority to be able to do his job in theater, and I would ask you and your very capable staff to look into that issue as well.

Let me now turn to my colleagues, and I think, Sheba, you were going to be the next person.

[The prepared joint statement of Dr. Hamre, Mr. Barton, Ms. Crocker, Dr. Mendelson-Forman, and Dr. Orr follows:]

JOINT STATEMENT BY JOHN HAMRE, FREDERICK BARTON, AND BATHSHEBA CROCKER, CSIS; JOHANNA MENDELSON-FORMAN, UNITED NATIONS FOUNDATION AND ROBERT ORR, COUNCIL ON FOREIGN RELATIONS

Chairman Lugar, Senator Biden, distinguished members of the Committee on Foreign Relations, it is an honor to testify before you today on the subject of Iraq's post-conflict reconstruction. Together we recently visited Iraq and spent nearly two weeks in comprehensive interviews on the progress in post-conflict reconstruction. We went to Iraq at the invitation of the Secretary of Defense and the Administrator of the Coalition Provisional Authority, Ambassador Bremer.

We were invited to undertake this trip because of the extensive research we have completed over the past two years on the post-conflict reconstruction challenges that the world has faced during the past fifty years, and how the lessons from that analysis might be applied to the situation in Iraq. This work was undertaken by the Center for Strategic and International Studies and the Association of the United States Army, with support provided by the United Nations Foundation, and the William and Flora Hewlett Foundation.

Let me state that we were given complete cooperation and support by Administrator Bremer and his team in Baghdad. We have shared our findings with Administrator Bremer and with Secretary Rumsfeld. We have provided to the Committee a copy of our report and would ask that it be included in the formal record of these proceedings.

Mr. Chairman, we know that you, your colleagues, and staff have recently visited Iraq, and we know that our trip report has been reviewed. Therefore, permit me to summarize briefly a few key points so that we might quickly turn to your questions.

Despite the difficulties that we confront in Iraq at this time, we cannot fail in our mission to create a new government in Iraq, a government that represents the people of Iraq, embraces a constructive agenda of economic and social development and establishes a set of positive security policies and programs in the region. While we cannot fail in this task, success is far from certain. Indeed, the next 3-6 months are crucial.

There are seven points we would like to reinforce.

First, the security environment today is impeding all other aspects of the reconstruction of Iraq. There are insufficient security forces in Iraq. That does not necessarily mean that we need more troops in Iraq. It does mean, however, that we need to dramatically expand the role of indigenous Iraqi security forces and tailor U.S. and allied contributions to most effectively meet the composite security needs of the country.

Second, Iraqis need to take control of the future of their country. Administrator Bremer took the crucial first step by establishing the Iraqi Governing Council and local and provincial political councils throughout the country. It is essential that these councils succeed. We believe this requires a careful balance of mentoring and challenging the Governing Council to address increasingly complex issues, but at a pace where it can succeed.

Equally important, we need to start knitting together the growing governance institutions at the national, provincial, and local levels. Our military forces and Coalition Provisional Authority (CPA) officials have done an excellent job of creating the local political councils. It is now critical to link these councils to the Iraqi Governing Council, and to give the local and provincial councils the resources to meet needs that have been identified through local priority-setting processes.

Third, we must grow the economy. The crucial first step is to secure the countryside so that reliable electricity can be delivered to the cities and to the oil fields and refineries. Iraq has been blessed with excellent natural resources. We cannot ensure that those resources are fully applied to Iraq's reconstruction until we make it safe and are able to deliver reliable power.

This is not by itself enough, however. Under Saddam Hussein, Iraq developed a deeply flawed, corruption-ridden economy that needs complete reform. This task cannot be met overnight. Indeed, we must proceed with structural reform carefully, since there is already excessive unemployment.

Fourth, the Coalition Provisional Authority needs to extend its representation into the country. Specifically, the CPA needs to establish offices in Iraq's 18 provinces, and to provide these provincial officers with adequate staffing and resources. Currently the CPA depends on military commanders in the field to undertake civil reconstruction efforts. These military commanders have done an excellent job, but they are at the edge of what they are trained to do as we start the most complex governance, economic, and social tasks.

Field CPA offices will serve to help link the local provincial governing structures with the Iraq Governing Council, provide a much better ongoing assessment of conditions in the country, enhance operational speed and effectiveness, and allow maximum empowerment of Iraqis.

We also believe that these field offices represent an opportunity to broaden international participation in the civil reconstruction effort. These provincial CPA offices do not have to be—indeed should not be—exclusively staffed by American and British officials. This is an opportunity to widen the basis of international cooperation in the rebuilding of Iraq.

Fifth, our information campaign must be more aggressive. We have failed to communicate our vision for a new Iraq to the Iraqi people. We need an enhanced public outreach program, complete with radio, television, and print media, and Iraqi word of mouth. We should also explore unconventional communication channels such as the Internet and school programs. This cannot be overstated. In a society where rumors dominate and trust has not existed, two-way communications need to be dynamic and ever-present.

Sixth, we have an international coalition that is helping us build a new Iraq, but we need to broaden that coalition even further. We need to find ways to invite other countries in to help with the rebuilding. The creation of the Iraqi Governing Council represents an important opening in that regard.

Finally, Administrator Bremer and his team need greater flexibility and funding to deal with the daunting challenges they face. The CPA needs more money. There are several ways to fix this problem. We need to harvest what resources we can from the old "oil for food" program. We need to hold a successful donors conference in October. And—although this is not a popular thing to say in the face of record deficits—we are likely to need additional supplemental appropriations this fall or winter. Finally, we need to ensure that all potential revenue for the reconstruction is unencumbered, which will require addressing the question of Iraq's outstanding debt and reparations, relieving funding from internal U.S. government constraints, and avoiding encumbering future oil revenues to generate immediate income.

The more we cheat the present, the longer the reconstruction stretches into the future. Saving now is a false economy.

There are many individuals who question whether or not we should have undertaken the war against Iraq. This is a perfectly legitimate line of inquiry, but it is

not the situation we face. We did defeat an evil regime. We do have a responsibility to rebuild Iraq. We cannot fail in this task.

Mr. Chairman, distinguished committee members, we can go into each of these areas in extensive detail. We are pleased to answer your questions and to help the committee in any way as you participate in this national responsibility. Let me again state that for this mission, we cannot fail.

IRAQ'S POST-CONFLICT CONSTRUCTION
A FIELD REVIEW AND RECOMMENDATIONS—JULY 17, 2003

Foreword

At the request of Secretary of Defense Donald Rumsfeld and Ambassador L. Paul Bremer, I led a team of experts in the field of post-conflict reconstruction to Iraq from June 26 to July 7, 2003 to assess the reconstruction efforts there. The other members of my team were Frederick D. Barton, Co-Director of the Post-Conflict Reconstruction Project at CSIS; Dr. Robert C. Orr, the Director of the Washington Office of the Council on Foreign Relations; Dr. Johanna Mendelson-Forman, a Senior Program Officer at the United Nations Foundation; and Bathsheba N. Crocker, a Council on Foreign Relations Fellow at CSIS. The attached report synthesizes the issues we focused on during our 11 days in Iraq.

The team traveled throughout the country, visiting 11 major cities and two ports, including nine of Iraq's 18 governorates (provinces). We met with over 250 people, including Coalition Provisional Authority (CPA) officials and staff, coalition military officers, international organization representatives, non-governmental organization (NGO) staff, bilateral donor representatives, and Iraqis from all walks of life (including Iraqi political leaders, ministry and local government officials, police officers, professionals, NGO representatives, and ordinary citizens). We saw significant progress everywhere we went, but the enormity of this undertaking cannot be overstated; there are huge challenges ahead. We hope the recommendations in the attached report will assist in shaping a successful reconstruction in Iraq. We are deeply committed to that success.

We owe everyone involved our deepest thanks. Without the strong support of the Department of Defense, this trip would not have been possible. Ambassador Bremer and the entire CPA team gave us incredible access and support in Baghdad and throughout Iraq. We thank Justin Lemmon, Matthew Fuller, Dennis Sabal, Paul Hughes, Bill Krause, and Ambassador Hume Horan in particular. We extend special thanks to Daniel Werbel-Sanborn, Milan Vaishnav, Caroline Maloney, Lena Hagelstein, and Vinca LaFleur for their invaluable assistance and support.

JOHN HAMRE, *President, CSIS.*

EXECUTIVE SUMMARY

Rebuilding Iraq is an enormous task. Iraq is a large country with historic divisions, exacerbated by a brutal and corrupt regime. The country's 24 million people and its infrastructure and service delivery mechanisms have suffered decades of severe degradation and under-investment. Elements of the old regime engage in a campaign of sabotage and ongoing resistance, greatly magnifying the "natural" challenges of rebuilding Iraq. Given the daunting array of needs and challenges, and the national security imperative for the United States to succeed in this endeavor, the United States needs to be prepared to stay the course in Iraq for several years.

The next 12 months will be decisive; the next three months are crucial to turning around the security situation, which is volatile in key parts of the country. All players are watching closely to see how resolutely the coalition will handle this challenge. The Iraqi population has exceedingly high expectations, and the window for cooperation may close rapidly if they do not see progress on delivering security, basic services, opportunities for broad political involvement, and economic opportunity. The "hearts and minds" of key segments of the Sunni and Shi'a communities are in play and can be won, but only if the Coalition Provisional Authority (CPA) and new Iraqi authorities deliver in tort order. To do so, the CPA will have to dramatically and expeditiously augment its operational capacity throughout the country, so that civilian-led rebuilding can proceed while there are still significant numbers of coalition forces in Iraq to provide maximum leverage over those who seek to thwart the process.

To succeed, the United States and its allies will need to pursue a strategy over the next twelve months that: recognizes the unique challenges in different parts of

the country; consolidates gains in those areas where things are going well; and wins hearts and minds even as it decisively confronts spoilers.

Seven major areas need immediate attention.

1. *The coalition must establish public safety in all parts of the country.* In addition to ongoing efforts, this will involve: reviewing force composition and structure, as well as composite force levels (U.S., coalition, and Iraqi) so as to be able to address the need for increased street-level presence in key conflictive areas; quickly hiring private security to help stand up and supervise a rapid expansion of the Iraqi Facility Protection Service, thereby freeing thousands of U.S. troops from this duty; ratcheting up efforts to recruit sufficient levels of international civilian police through all available channels; and, launching a major initiative to reintegrate “self-demobilized” Iraqi soldiers and local militias.

2. *Iraqi ownership of the rebuilding process must be expanded at national, provincial, and local levels.* At the national level ensuring success of the newly formed Iraqi Governing Council is crucial. This will require avoiding overloading it with too many controversial issues too soon. The natural desire to draw anger away from the coalition by putting an Iraqi face on the most difficult decisions must be balanced with a realistic assessment of what the council can successfully manage. At the provincial and local levels, coalition forces and the CPA have made great progress in establishing political councils throughout the country, but they need direction and the ability to respond to local needs and demands. To achieve this, local and provincial political councils need to have access to resources and be linked to the national Iraqi Governing Council and the constitutional process.

3. *Idle hands must be put to work and basic economic and social services provided immediately to avoid exacerbating political and security problems.* A model economy will not be created overnight out of Iraq’s failed statist economic structures. Short-term public works projects are needed on a large scale to soak up sizable amounts of the available labor pool. Simultaneously, the CPA must get a large number of formerly state-owned enterprises up and running. Even if many of them are not competitive and may need to be privatized and downsized eventually, now is the time to get as many people back to work as possible. A massive micro-credit program in all provinces would help to spur wide-ranging economic activity, and help to empower key agents of change such as women. The CPA must also do whatever is necessary to immediately refurbish basic services, especially electricity, water, and sanitation.

4. *Decentralization is essential.* The job facing occupation and Iraqi authorities is too big to be handled exclusively by the central occupying authority and national Iraqi Governing Council. Implementation is lagging far behind needs and expectations in key areas, at least to some extent because of severely constrained CPA human resources at the provincial and local levels. This situation must be addressed immediately by decentralizing key functions of the CPA to the provincial level, thereby enhancing operational speed and effectiveness and allowing maximum empowerment of Iraqis. The CPA must rapidly recruit and field a much greater number of civilian experts to guide key governance, economic, social, justice, and also some security components of the occupation.

5. *The coalition must facilitate a profound change in the Iraqi national frame of mind—from centralized authority to significant freedoms, from suspicion to trust, from skepticism to hope.* This will require an intense and effective communications and marketing campaign, not the status quo. The CPA needs to win the confidence and support of the Iraqi people. Communication—between the CPA and the Iraqi people, and within the CPA itself—is insufficient so far. Drastic changes must be made to immediately improve the daily flow of practical information to the Iraqi people, principally through enhanced radio and TV programming. Iraqis need to hear about difficulties and successes from authoritative sources. Secondly, the CPA needs to gather information from Iraqis much more effectively—through a more robust civilian ground presence, “walk-in” centers for Iraqis staffed by Iraqis, and hiring a large number of Iraqi “animators” to carry and receive messages. Thirdly, information flow must be improved within the CPA itself through an integrated operations center that would extend across both the civilian and military sides of the CPA, and by enhancing cell-phone coverage and a system-wide email system that could ease the timely dissemination of information to all CPA personnel.

6. *The United States needs to quickly mobilize a new reconstruction coalition that is significantly broader than the coalition that successfully waged the war.*

The scope of the challenges, the financial requirements, and rising anti-Americanism in parts of the country make necessary a new coalition that involves various international actors (including from countries and organizations that took no part in the original war coalition). The Council for International Cooperation at the CPA is a welcome innovation, but it must be dramatically expanded and supercharged if a new and inclusive coalition is to be built.

7. *Money must be significantly more forthcoming and more flexible.* Iraq will require significant outside support over the short to medium term. In addition to broadening the financial coalition to include a wider range of international actors, this means the President and Congress will need to budget and fully fund reconstruction costs through 2004. The CPA must be given rapid and flexible funding. “Business as usual” is not an option for operations in Iraq, nor can it be for their funding.

The enormity of the task ahead must not be underestimated. It requires that the entire effort be immediately turbo-charged—by making it more agile and flexible, and providing it with greater funding and personnel.

IRAQ RECONSTRUCTION ASSESSMENT MISSION—JUNE 27-JULY 7, 2003

INTRODUCTION

The next 12 months will be critical to the success or failure of the Iraq reconstruction effort. The potential for chaos is becoming more real every day, given the unclear status of the old guard—former Republican Guard members and Ba’ath party loyalists; the small irregular militias throughout Iraq that could wreak havoc in the absence of a strong coalition military presence; the beginnings of attacks on Iraqis labeled as “collaborators” with the United States; and continuing attacks on U.S. military forces and soft targets—such as power plants and civilians (including NGO workers)—that are undermining the CPA’s ability to provide basic service and reverberating into decreased popular support for the mission in the United States and the United Kingdom.

There are real threats to the CPA’s efforts:

- the potential use of force (or at least intimidation) by multiple internal and external players;
- serious security breaches that could challenge U.S. confidence and undermine U.S. credibility;
- rising economic insecurity, combined with the entrenchment of pre-existing black-market economic networks;
- a lessening of support for the occupying authority within Iraq;
- suspicions about U.S. intentions with respect to oil production and use of Iraq’s oil revenue, and the hand-off of the UN oil-for-food program, which has fed large parts of the Iraqi population for years;
- the prospect of internal fighting between factions;
- the expansion of guerrilla-like warfare.

In our travels throughout the country, Iraqis uniformly expressed the view that the window of opportunity for the CPA to turn things around in Iraq is closing rapidly. The following factors coalesce to make the next few months particularly crucial.

- The coalition has not addressed the heightened sense of expectation among the Iraqis as to how quickly the coalition can produce results, and frustration levels are growing.
- There is a general sense of steady deterioration in the security situation, in Baghdad, Mosul, and elsewhere.
- There are several key impending changes of the guard—new coalition military forces are rotating in; the overall lead is shifting from military to civilian; and Iraqis are assuming greater responsibility for key security and governance tasks.
- The national Iraqi Governing Council came together in mid-July. Thousands of Iraqis are now engaged in local political councils, but their function needs better definition in order to link them with the national political scene and take full advantage of the current level of energy and expectation.
- The coalition forces and the CPA have set up a skeleton infrastructure under extremely difficult circumstances. The CPA must now become increasingly oper-

ational, but it lacks the resources, personnel, and flexibility to move into the next stage of the mission.

- The coalition currently has two critical pieces of leverage that must be taken advantage of: significant military forces are still in theater, capable of carrying out priority tasks and handling spoilers and the CPA and the military have some liquidity (due largely to seized assets of the former regime).
- A series of upcoming external deadlines will drive policy decisions with respect to Iraq: (1) the U.S. budget process in September; (2) the October/November donors' conference; and (3) the oil-for-food transition in November.

The coalition has made significant progress in just sixty days.¹ This is due in large part to the exceptional work of the coalition military forces in carrying out tasks far removed from their combat duties. Civil affairs contingents have been key to their efforts, although much more civil affairs capacity was needed in the early stages of the reconstruction. The energy and enthusiasm of the CPA staff is remarkable, as is their sense of mission and dedication.

But the enormity of this undertaking cannot be overstated; there are huge challenges ahead. Iraq is a large country with historic divisions, exacerbated by a brutal and corrupt regime. The country's 24 million people, and its infrastructure and service delivery mechanisms have suffered decades of severe degradation and under-investment. The CPA lacks the personnel, money, and flexibility needed to be fully effective. Military officers and civilians are carrying out post-conflict reconstruction efforts in a war zone. Every small step of progress is counterbalanced by fundamental problems that must be addressed before the CPA can capitalize on the advances seen in particular towns or provinces throughout Iraq.

In order to succeed, the United States and a broadened international coalition will need to pursue a strategy over the next 12 months that: recognizes the unique challenges in different parts of the country; consolidates gains in those areas where things are going well; and advances the national mindset of the Iraqi people while decisively confronting spoilers. To put Iraq on a successful path over the next year, seven major areas need immediate attention.

SEVEN PRIORITY AREAS

1. ESTABLISHING PUBLIC SAFETY

Virtually every Iraqi and most CPA and coalition military officials as well as most contractors we spoke to cited the lack of public safety as their number one concern. The war continues, but it has entered a new phase of active resistance to the coalition's efforts, involving attacks on U.S. troops and Iraqi "collaborators" as well as sabotage of vital infrastructure. Even outside the "Sunni triangle" (the area from Ramadi in the west, north to Tikrit, and east to Baghdad), there have been attacks on civilians, including NGO workers: their vehicles have been shot at in Mosul, and aid workers in Basra have had stones thrown at them at reconstruction sites. Iraqis (particularly in Baghdad) remain afraid to be out on the streets after dark, and Iraqi women do not attend school or run basic errands without escorts.

Although the coalition military presence is large, it is not visible enough at the street level—particularly in Baghdad—nor is it sufficiently agile,² implying the need to reassess the force composition, size, and structure. The current configuration of composite security forces (U.S., coalition, and Iraqi) does not adequately support the reconstruction mission; and attacks on coalition forces and civilians and the sabotage and plundering of infrastructure continue.

Ultimately, Iraqis will have to take responsibility for addressing these types of problems, but it is unrealistic to expect them to have the competence to do so in the near term. The new Iraqi security forces will face well-trained, well-financed,

¹For example, in the area of security, the CPA reports that 35,000 Iraqi police officers are back out on the streets, conducting sensitive raids and arrests; a facilities protection service is being trained to guard static sites, with some promise in the south with the Basra River Service. In the area of governance, the CPA reports that 85 percent of Iraq's towns have town councils up and running. The new Iraq Governing Council was established on July 13, 2003 and includes representatives of all of Iraq's major political parties, religions, and ethnicities, as well as three women. In the justice realm, de-Ba'athification of Iraq's judges is proceeding; courts are being reestablished and have started to hear cases; and Iraq's laws have been stripped of Saddam-era decrees. On the economic front, quick impact projects have begun repairing schools and government buildings throughout the country; civil servant and army salaries are being paid; low level economic activity (street markets) is burgeoning.

²A significant number of U.S. troops are engaged in static support rather than patrolling and policing. 5,000 troops are being used to guard static sites in Baghdad alone, and two and a half battalions are being used to guard the CPA headquarters in Baghdad.

and well-organized irregular forces throughout the country, in addition to the Republican Guard forces that may be awaiting a return. The new Iraqi security forces (whether paramilitary, the new Iraqi army, the Facility Protection Service, or the Iraqi police) will not be capable of handling security matters without significant international oversight and rapid response capacity for at least two to five years. Joint patrols with coalition forces and Iraqis should be initiated immediately. International police trainers and monitors are also needed during this time to conduct joint patrols with Iraqis, and train, oversee, and monitor the Iraqi police force.

Finally, battalion commanders and Iraqis throughout the country were uniform in their assessment that without an overwhelming presence of coalition forces or international police, potential spoilers will move in, whether in the form of “self-demobilized” soldiers or local militia members (e.g., the Iranian-backed Bad’r Corps, the Kurdish Peshmerga, and smaller regional militias such as that operating in the Maysan province). The CPA has not adequately addressed the need for demobilization, disarmament, and reintegration (DDR) of Iraq’s armed forces, in part because of an assumption that the “self-demobilization” of the Iraqi army during and after the conflict means that they are fully demobilized in actual fact. The CPA must launch a major initiative to reintegrate these soldiers and militia members, in order to minimize the opportunity for them to pose security threats in the future.

Recommendations

- The coalition should reassess force composition and structure and troop levels, commensurate with immediate needs, including that of improving street-level visibility of coalition troops, particularly in Baghdad.
- The United States could use contract private security forces to help rapidly expand security at low-risk installations, freeing up some coalition troops for other security tasks. A standardized policy on uniforms and identification could help alleviate concerns about the proliferation of private militias throughout Iraq.
- The United States must recalibrate its expectations of how quickly Iraqis can be expected to address the serious and growing security problems and must plan for U.S. and UK forces to be available in a rapid response capacity whenever Iraqi forces are being asked to take over security tasks. The CPA must also raise and rationalize the salary structure of the Iraqi forces.³
- The CPA should decentralize the process of training and equipping the Iraqi police force and Facilities Protection Service to allow for faster and more enduring progress than the centralized training of thousands of police officers.
- The CPA must begin serious efforts to recruit international civilian police (CIVPOL) and should open all possible spigots for such recruitment, including the United Nations, the OSCE, and any potential bilateral contributors.⁴
- The CPA must develop and implement a reintegration program that provides opportunities for demobilized soldiers to gain counseling and placement, either in the new Iraqi security forces or major public works projects or other jobs. Reintegration programs must include all the different militias throughout the country in order to protect against future problems these well-organized forces could pose.

2. IRAQI OWNERSHIP

Iraqi responsibility for their own future must be firmly established at the national, provincial, and local levels. At the national level, ensuring the success of the newly formed Iraqi Governing Council is crucial. The CPA runs the risk of overloading the new council by pushing too many controversial issues to it, which would undermine this otherwise positive development.⁵ The natural desire to draw anger away from the coalition by putting an Iraqi face on the most difficult decisions must be balanced by a realistic assessment of what the council can successfully manage.

The CPA has made great progress in establishing municipal and provincial political councils throughout the country, but those councils need direction as to their

³For example, most CPA and coalition military officials we spoke to in the field thought that the current police salary of \$60/month was far too low to ensure a professional, corruption-free police force.

⁴The United Nations has considerable experience in fielding CIVPOL forces. The Organization for Security and Cooperation in Europe (OSCE) alone does not have the experience or recruiting capability to manage a CIVPOL effort along the order envisioned for Iraq.

⁵These issues include: appointing a new cabinet; approving the national budget; initial preparations and plans for a national constitutional process; food subsidies after the oil-for-food program phases out in November 2003; salary levels; agricultural price supports; the size of the new Iraqi army; de-Ba’athification follow-through; and currency problems.

purpose and the ability to respond to local needs and demands. If not properly resourced and hooked into the national governing council and constitutional process, these councils could result in heightened expectations and dangerous levels of frustration, rather than positively harnessing demands for change.

Recommendations

- The CPA must give the Iraqi Governing Council time to build on a series of initial successes. The CPA itself should make more progress on some of the immediate, sensitive issues—such as the handling of the remaining escrowed oil-for-food money that supported myriad development projects in the north, retraining and stipends for former soldiers and militia members, and food and agricultural subsidies—before handing them over to a fragile new governing structure.
- The CPA should provide local and provincial councils with funds to address priority local infrastructure needs. Local CPA overseers could sign-off on use of funds.
- The CPA should formulate plans to link the local and provincial councils to the central political and constitutional processes. The CPA should convene a national conference of town and provincial councils from all over Iraq to launch a process of defining their relationship to the national government and creating fresh channels of cooperation.

3. PUTTING PEOPLE TO WORK AND PROVIDING BASIC SERVICES

Rebuilding a functioning Iraqi economy out of failed statist economic structures is a daunting task. A host of thorny challenges persist: difficulty in restarting vital public services, particularly power and water; out-of-work civil servants and former soldiers; Iraq's crushing international debt burden; a plethora of state-owned industries that are not market competitive; a literacy rate that has been falling for decades; infrastructure in need of serious investment; shortages of gas (for cars and cooking) and other key supplies; and a population that is predominantly young.

The immediate needs will be providing short-term employment opportunities to keep people off the streets and refurbishing basic services such as electricity, water, and sanitation, to avoid exacerbating political and security problems. Low level economic activity is returning to normal, and markets are filling up. But there are long lines of Iraqis waiting for work wherever it is announced. Many old state-owned enterprises are not competitive, but they are a major source of employment and should not be closed during this most unstable time. Moreover, a new civil and commercial code will be needed to attract regional and international investment in Iraq's industries.

Recommendations

- Develop a series of work initiatives to keep Iraqis from being idle, with a particular emphasis on young, urban populations.
- Get and keep state-owned enterprises up and running in the short-term to provide employment, while developing a clear medium and long-term plan for privatizing those enterprises.
- Start micro-credit programs in all provinces immediately, placing a special emphasis on lending to women.
- The CPA should do whatever is necessary to improve provision of basic services, such as electricity, water, and sanitation.
- Begin developing follow-on for the oil-for-food program, as a food shortage caused by any disruption will cause a national protest. This must include the transparent handling of obligated resources under the program.
- The CPA should involve Iraqis personally in the success of Iraq's oil industry. Personal bank accounts or trust funds funded by oil revenues should be developed, to catalyze the banking system and get cash to the public.

4. DECENTRALIZATION

The job facing occupation and Iraqi authorities is too big to be handled by the center. Implementation is lagging far behind needs and expectations in key areas, at least to some extent because of severely constrained CPA human resources at the provincial and local levels. There is a disconnect between on-the-ground realities and policy formulation at CPA headquarters. Decentralization of key CPA functions will enhance operational speed and effectiveness and allow maximum empowerment of Iraqis. Placing significantly more CPA civilians in the field would help deliver more of what is needed on the ground and improve the general understanding of the reconstruction.

Recommendations

- The CPA must be given adequate resources and personnel to immediately establish 18 provincial CPA offices, including 18 provincial civil administrators with clear authorities and appropriately staffed offices of 20-30 people.⁶ Attaching one political adviser to each battalion command will not be sufficient. Each CPA provincial office will need funds for operational support and flexible funding and authority for quick impact projects.
- The Department of Defense should establish a headhunting capacity in the United States to help identify, recruit, and retain a steady pool of civilian talent to fill the CPA's needs. Given the broad nature of the tasks, this office should have strong interagency support, from State, USAID, Treasury, Justice, Agriculture, and other relevant departments. At the same time, the United States must internationalize the recruiting effort for CPA civilians. Potential talent within other foreign governments and international organization officials with experience in Iraq and the region should be identified. This effort must break through the lingering pre-war differences with logical partners on the civilian front.

5. CHANGING THE IRAQI NATIONAL MINDSET

The CPA must facilitate a profound change in the Iraqi national frame of mind—from centralized authority to significant freedoms, from suspicion to trust, from skepticism to hope. The CPA needs to effectively communicate its strategy and vision—what will success look like, what does the United States intend to provide, and how long will it stay. This will require an intense and effective communications and marketing campaign, not the status quo. Communication—between the CPA and the Iraqi people and within the CPA itself—is insufficient so far. The CPA message is not getting out, either to the Iraqi people or within the CPA. All potential constituencies are not being adequately exploited; every CPA interaction with Iraqis should be considered a communications opportunity. Radio and television programming are the most critical means to getting the message out.⁷ Without seeing or hearing Bremer and others, disinformation will continue to prevail over truth on key policy issues, such as U.S. intentions about Iraq's oil money.

Under the current set-up, the CPA is isolated and cut off from Iraqis. Most CPA officials we interviewed confirmed that the CPA does not know even close to what it needs to know about the Iraqi people. (This problem is worst in Baghdad; in other areas, CPA and military officers are in more regular contact with Iraqis.) The CPA does receive information from Iraqis at the local, regional, and national levels, but it does not have the organizational tools to assess that information adequately.

Finally, there is a need for enhanced communications flow within the CPA structure—both to provide updated, real information to CPA staff about Iraq news and to enhance communication on policy matters between the CPA front office and the rest of the organization, especially the regional and provincial offices. Serious time is also being lost because of the absence of reliable telephone communications nationwide, which inhibits the transmission of timely information.

Recommendations

- The CPA should engage in blanket marketing in every venue it can access, including using advertising on every channel that feeds into Iraq and public service messages. Every interaction with Iraqis should be seen as a message dissemination opportunity, including salary distribution centers, oil-for-food distributions, and town meetings.
- All day programming is needed on a revamped and upgraded Iraqi Media Network, with a focus on television programming. The CPA also should encourage the establishment of more local TV stations, which have proved more successful in getting out CPA's messages in areas such as Karbala and the north. Creating a "headline news" type of program would address Iraqis' desire to hear both the CPA global messages and very practical information about such pressing issues as power outages, sensitive arrests, sabotaged infrastructure, and dismissals of former Ba'ath party officials.

⁶Based on our informal survey of governorates we visited, there is general consensus that each provincial CPA office will need between 20-30 people in order to ensure an effective hand-off from military to civilian lead and give the CPA the operational capacity it needs to address priorities.

⁷Based on our interviews, Iraqis are dismissive of the Iraqi Media Network—the CPA-funded indigenous media outlet—noting that it does not have good programming and is only on the air during certain limited times of the day.

- The CPA should establish walk-in centers staffed by Iraqis and use Iraqi “animators” to give average Iraqis ways to make their views known to coalition authorities. The CPA should utilize international players—particularly the UN specialized agencies—that have been on the ground in Iraq for years to boost its capacity to collect information and views from Iraqis.
- The CPA must create an effective fusion mechanism into which all information collected at headquarters and in the field can be fed, to ensure it is being used to the fullest extent.
- The CPA headquarters should focus on engaging and building a community among all CPA employees. Regular town meetings featuring Ambassador Bremer and other senior officials would help. Daily email briefs containing real, hard information—including information on the latest attacks and about basic services—should be provided to all CPA employees.
- The CPA should convene regular interactive meetings with its regional and provincial offices, whether in person or by video conference.
- The CPA should expand current contractor capacity to encourage the provision of regular nationwide telephone service immediately.

6. MOBILIZING A NEW RECONSTRUCTION COALITION

Relying on the war coalition will not produce sufficient resources or capacity. The scope of the challenges, the financial requirements, and rising anti-Americanism in parts of Iraq argue for a new coalition that includes countries and organizations beyond the original war fighting coalition. The recent donor discussions at the United States in late June reflected low projections for donor financial support, further highlighting this need. The Council for International Cooperation (CIC) at the CPA is a welcome innovation, but it must be dramatically expanded and supercharged if a new and inclusive coalition is to be built.

Recommendations

- The United States, working with the G7 and the World Bank, should oversee the donor coordination process, including by keeping a central databank of resource needs and donor fulfillment of those needs. Donor coordination efforts should be broadened beyond the 15 states that are currently members of the CIC, and those efforts should be bolstered by providing the CIC support staff in Europe and the United States.
- The CPA should reach out broadly to other countries in its efforts to recruit civilians to fill its staffing needs, as the U.S. government will not be able to fill those needs on its own.
- The CPA should take advantage of the UN’s unique capacities in support for constitution drafting, access to regional and Iraqi legal expertise, and gender and education issues. The CPA should utilize the UN’s systems, including the oil-for-food network, as a valuable means of connecting with Iraqis.
- The CPA should draw on valuable international expertise to assist the Iraqis in dealing with war crimes and the legacy of Saddam Hussein.

7. MONEY AND FLEXIBILITY

The CPA currently has four sources of revenue: appropriated funds, oil revenue, vested assets in the United States, and assets that have been seized in Iraq. Of these, seized regime assets are the most flexible and readily available, but these are finite—and in any case, the overall resources available are inadequate to the challenges at hand. It is highly likely that the CPA will need supplemental appropriations to get through fiscal year 2004. Oil revenue projections for the next few years are low—the CPA expects production to reach 1.5 million barrels per day (bpd) by the end of 2003 and 2.5 million bpd by the end of 2004. It is currently at around 600,000 bpd. The CPA expects to earn \$5 billion in oil revenue by the end of 2003, but this projection may decrease if security problems persist and oil infrastructure continues to be targeted. Power shortages are also hampering efforts to restart oil production.

The CPA is badly handicapped by a “business as usual” approach to the mechanics of government, such as getting permission to spend money or enter into contracts. This approach is not reasonable given the urgency of the situation in Iraq. There also appear to be unnecessary limitations in the area of contracts.

Recommendations

- The CPA should be given complete flexibility to spend money—even appropriated funds and vested assets—as it views necessary without project-by-

project oversight by Washington. A process should be established to ensure appropriate accountability for all spending, through regular reports from the CPA back to Washington. Any funds appropriated in the future for Iraq reconstruction needs should not require prior notification of Congress. Congress could request quarterly reports detailing how appropriated funds have been spent on reconstruction activities in Iraq.

- The United States needs to ensure that Iraq's revenues are not encumbered by past or future obligations. This will require resolving the debt issue within the U.S. government, and pushing Iraq's creditors to forgive or significantly reduce Iraq's outstanding debt burden. The United States should also avoid encumbering future oil revenues to generate immediate income.⁸
- The relevant United States government agencies should deploy military and civilian contracting officers to the theater to streamline the contracting processes.
- The Department of Defense should create a strong office in Washington to support the CPA's needs, including recruiting of appropriate civilian personnel.

CONCLUSION

Eleven days in Iraq left indelible images in our minds. Fathers escorting young girls to school; young men waiting in long lines everywhere jobs are announced; young kids flashing the thumbs-up sign (and swarming around us asking for money); a rebuilt prison with a newly installed manager; retrained Iraqi police officers directing traffic; snaking lines of cars at gas stations; a festive 4th of July party thrown by the Kurds in the north (and celebrating 4th of July at Saddam's palace in Baghdad); racing through small towns in heavily armed convoys; 19-year old American soldiers standing out in 120 degree heat to guard Iraqi sites, and chatting on street corners with Iraqi children; the blackness and heat of the night with power shortages; the pleasure of a shower after days without running water; the energy, commitment, and intensity of Iraqis as they discussed their country's future; the natural beauty of the mountains in the north and Iraq's fertile crescent; the pride and professionalism of Iraqi members of newly established town councils; the palpable fear of Iraqis out in the street after the sun went down, and the security bubble U.S. officials work in; the high expectations of Iraqis as to what the United States can provide, and their frustration and anger over intermittent electricity and water service; the resourcefulness of U.S. and British troops as they restart civil society; the sincere efforts of civilians to forge ahead despite the looming insecurity; devastated university buildings in Basra, completely ravaged by looters; the opulence of Saddam's palaces; and Iraq's ancient history and cultural richness.

As we traveled throughout the country, it was impossible not to be impressed by the character and drive of the coalition forces, the dedication and enthusiasm of the CPA, the wearied endurance of the Iraqi people, and the enormity of the opportunities, challenges, and risks before them all.

The U.S. government has chosen to use a different model for post-conflict reconstruction in Iraq. Not only is it being led by the United States, but it is being led by an institution—the Department of Defense—with relatively untested capacities. There has been progress to date, but using a new model heightens the challenges and requires a new definition of relations and responsibilities.

The United States will need significant international assistance—from the United Nations, other international organizations, and bilateral donors. Security forces, CIVPOL, information flows, and ensuring a ready supply of CPA personnel with relevant capabilities are just four such areas.

The U.S. government—both the executive branch and the Congress—must change certain business as usual practices in order to maximize the CPA's opportunities to be successful. The CPA needs more resources, personnel, and flexibility. We owe it to our people in the field, and to Iraqis, to provide everything necessary to get this right. U.S. credibility and national interest depend upon it.

⁸It will be critical that the CPA handle oil revenues as transparently as possible. Iraqis were met with a sense of continuing suspicions about U.S. intentions with respect to their oil industry.

The CHAIRMAN. If I may interrupt now for just a moment. We are going to have our magic moment of business, with consent of the group. If members will bear with us for just a second, we will be able to ratify five treaties, a Foreign Service officer list, and other important issues.

[Whereupon, at 3:12 p.m., the committee proceeded to a business meeting, and resumed the hearing at 3:15 p.m., this same day.]

The CHAIRMAN. I thank the witnesses for their patience for this intervention.

I will call now upon the distinguished ranking member for his opening statement and then we will proceed to Ms. Crocker for her comments. Senator Biden.

Senator BIDEN. Thank you very much, Mr. Chairman. I apologize to the witnesses for being a few minutes late.

I am going to begin by saying, Mr. Hamre, I think your report and that of your colleagues is first-rate, absolutely first-rate. And I compliment the Secretary on asking you to undertake this. Coincidentally, the three of us in the middle here were on the ground almost in the same timeframe that you were, and it will not surprise you, speaking for myself, but I think for my colleagues as well, that the conclusions we reached were very similar to the ones that you have reached. The committee report² is forthcoming. I think you will find it mirrors your report.

I would also like to note that, with the chairman's permission, we "left behind" for 8 days two senior staff members, the senior Republican staff member handling this area, as well as the senior Democratic staff member. Again, after 8 days on the ground and extensive interviews—and they went back on their own back into the country and had wide-ranging freedom to move about, although they were in peril like all of you were and everyone is who wanders around that country right now, particularly Baghdad—they reached the same conclusions basically.

We have, in my view, a very first-rate team in Iraq. People like Ambassador Crocker, who I think is one of the finest people we have in our Foreign Service; Walt Slocombe, a serious player from the Defense Department; and a truly professional team working with them, including a former police commissioner from New York City and a number of people who I have dealt with at length in my dozen visits, literally, into Bosnia and Kosovo over the previous 6 or 8 years. We have a considerable learning curve that we have already turned on in terms of police forces. So we have some very, very serious people there.

Unfortunately, it seems to me it is painfully obvious that their job is made all that much harder by the fact that the planning for the aftermath of the war started much too late and was based on some deeply flawed assumptions. I think unless we examine some of the assumptions that the rebuilding of Iraq was based upon that we now know were inaccurate, it is going to be kind of hard to figure out exactly what we should be doing.

We were told that Iraq would inherit a fully functioning government, that the ministries would be fully operational in a short time after they had been decapitated of Ba'ath leadership, that the military would be basically intact after being decapitated at the general level of Ba'athist Party members, and that the police forces remain on the job. Well, in fact, none of that occurred for whatever

²The Committee Print report referred to is entitled "Iraq: Meeting the Challenge, Sharing the Burden, Staying the Course," July 2003, S. Prt. 108-31. It is available from the Senate Foreign Relations Committee or can be accessed on the Government Printing Office Web site at www.gpo.gov

reasons. None of that is in place. We were also told that we would have a quick ramp-up of oil production, and then the impression was we could pack up and go home because all this would be up and running.

Now, a number of people, led by the chairman of the committee and by very different folks from uniformed military, General Shinseki to a whole range of other people, thought—and this committee held extensive hearings—it would be a lot more difficult and that many of those assumptions were not based upon what a lot of the experts we were talking to were telling us on both sides of the aisle. There was a pretty consistent message we kept getting in this committee that things would be different.

And there are some things none of us anticipated in my view. At least I did not. I did not anticipate just how badly broken the Iraqi infrastructure was. I did not realize how badly treated and/or maintained the oil fields were, separate and apart from the fact that we miraculously worked our military so that they were not destroyed. They were already in many ways destroyed in ways that we did not anticipate.

My purpose today is not to dwell on the past, but focus our attention on the realities which I think is what your report did. Law and order, especially in Baghdad, has collapsed. Electricity, water, fuel supplies remain unreliable in temperatures as high as 120 degrees. It is not like having the same thing happen occur in an area where the mean temperature is 80 degrees.

And on top of it all, we lack in my view a public information strategy to communicate with the Iraqis. I would note, Mr. Chairman, I found it fascinating today and tried to call the Secretary that we were in demand on the part of the Iraqi people to be shown that Saddam's sons were killed and were talking about disseminating photographs. Why in Lord's name would we not let Al Jazeera television or anybody come in and look at this? I do not know whether people over there do not seem to understand. We are not believed. We are not believed when we lay out these things in our own terms. So there is an awful lot to do in stabilization of that country in order to be able to begin to do what every American wants to do which is share the costs and bring our troops home, bring them home more rapidly than we otherwise would have to.

Two, which I predict will happen if we do not start to get things in order pretty quickly, decide that we are going to put an Iraqi provisional government in power. We are going to basically try to turn it over to the U.N. We are going to try to bring folks home and get out of there and leave, which I think would be a prescription for absolute, total chaos.

We have, it seems to me, three choices. One, we continue to bear the burden ourselves, deploy additional forces that are needed, spend the tens of billions of dollars for reconstruction out of our own treasury, and maintain again the carrying of 90-plus percent of the cost. We can do that.

We have a third option. We can figure out a way to internationalize this to get other people to take on part of the burden, take on part of the cost. I remind everyone what this committee reminded everyone for the last year and more, that for the first gulf war, we only paid about 20 percent of the total cost of that war.

We only paid about 20 percent. Everyone from the Japanese to the EU to the Arab states came in and picked up the bill. We are paying it all now virtually. And there seems to be a lack of a game plan or a will to figure out how to internationalize this and get everybody in on the deal.

As you point out, folks are going to want to know, Mr. Hamre, what this provisional government is going to look like. How legitimate is it before they decide at this donors' conference they are prepared to jump in? Well, part of that is I have never found people being very receptive to being able to pick up the check without having to at least have some say in what is on the menu and having some say about what is going on in the country. I think we are kidding ourselves if we think that that is going to happen.

So the thing that I most welcome about your report is the stark assertion—and I am paraphrasing—that we have a relatively narrow window. I want to make sure that I characterize it correctly from reading your report. The narrow window is not whether we can get anything done. The narrow window is the period of time in which to convince the Iraqi people that we, in fact, are part of their salvation and not their problem. In my view if 60 to 90 days from now conditions have not markedly changed on the ground, as it relates to security, as it relates to basic services, particularly electricity, as it relates to police forces on the ground, then I think we are going to find ourselves in a tough spot.

Serious polling has been done showing that the Iraqi people are prepared to give us—the vast majority—between 6 months and 2 years to begin to get this right. They want us to stay. They want us to stay. And some good things are happening. Some good things are happening on the ground over there. But I think we have a fairly narrow window.

The last point I want to make is this, and I am going to want to talk to you about this. You mentioned oil. One thing the chairman spoke about last July, August, September, October, November in his straightforward traditional, conservative, insightful way was how are we going to set up an economy. Remember you kept saying that? What is going to be the economy? As my grandfather would say, what horse is going to carry the sleigh? What is the horse that is going to carry the sleigh? And we keep being told—or implied—not to worry. Iraq has the second-largest oil reserves in the world. That can do the job.

I want to make it clear to everybody what we were told in Baghdad by our persons on the ground—and I cannot remember the man's name.

Senator HAGEL. Phil Carroll.

Senator BIDEN. Phil Carroll is a serious oil man, appointed to get that oil industry up and running. My recollection is that he said if everything goes as planned without any serious interruption of oil flow through sabotage and investments in the fields continue, then over the next 18 months we may generate up to \$16 billion to \$18 billion in revenues.

Now, one little thing. Our folks over there who are going to train an Iraqi police force are telling us that they need now a minimum of 5,000 trained police officers from Europe or other parts of the world on the ground now to allow them to maintain order and

train. A 1-year budget for that operation is \$725,023,000. So almost three-quarters of a billion dollars just for 1 year to maintain a total of roughly 6,000 trainers and police officers on the ground. And we are paying \$4 billion a month just to maintain U.S. forces on the ground. That is just to get some sense of proportion.

So if anybody thinks that we are going to be able to rebuild Iraq, not pay for any of our stuff, rebuild Iraq with Iraqi resources over the next 18 months, they are kidding themselves because you laid out we have got \$6 billion that is on hand now. We are going to have max \$14 billion to \$16 billion the next 18 months in oil based on everything we have been told and we are hoping for the donors' conference. That requires us to focus on the thing the chairman talked about last October and that is what to do about Iraqi debt.

So the point I want to make is that I hope we start to get rational and reasonable about how urgent this is, how badly we need others in on the deal to help carry a lot of this burden, and how much that requires us to have a patina of legitimacy that I think can only come through the United Nations, NATO, the EU and the Arab nations as to the government that we are helping put in place, to be chosen by the Iraqi people ultimately.

I think your report is a first-rate contribution to alerting us to, A, we are going to need more money; B, the window is pretty narrow; C, it is going to take a long time; and D, we better get underway. So I have specific questions when we get to that, but again, I want to compliment you. I think it is a first-rate report and it is one heck of a starting point. I heard you say, as I came in, your statement that you are being listened to, and I hope that in your weighing in, you will help settle the ongoing debate within this administration about which way to go in terms of what we do from this point on. Again, I thank you.

I thank you for the time, Mr. Chairman, and I will wait till we get to questions to pursue some of the things I would like to talk about.

[The opening statement of Senator Biden follows:]

OPENING STATEMENT OF SENATOR JOSEPH R. BIDEN, JR.

I welcome our witnesses who have recently spent time in Iraq and produced first-rate assessments of conditions there.

I commend you for doing a fine job in your reports. Your conclusions track with what the chairman, Senator Hagel, and I found in Baghdad and what my staff and Senator Hagel's staff have reported based on an additional eight days on the ground.

We have a first-rate team in the Coalition Provisional Authority. They're doing their level best under the most difficult circumstances to bring a semblance of stability to Iraq. We met with several of them during our visit—Ambassador Bremer, Ambassador Crocker, Walt Slocombe, and a truly professional team working on police training. And of course we spent time with our men and women in uniform who are bearing the brunt of the heavy lifting in Iraq.

Unfortunately, it is painfully obvious that their job has been made all that much harder by the fact that planning for the aftermath of the war started too late and was based upon deeply flawed assumptions.

We were told that the Iraq we would inherit would have a fully-functioning government. That the ministries would be fully operational, the military would remain intact, and police forces would remain on the job. We could come in, remove the top few layers of Ba'athists in each of these organizations, put our favorite exiles in power, quickly ramp-up oil production, then pack up and go home.

The reality is starkly different. Iraq is a broken country. It has been devastated by 35 years of mismanagement and misrule, over 12 years of sanctions, and extensive looting after the most recent conflict.

My purpose today is not to dwell on the past. Instead, I want to focus our attention on the realities of a dangerous situation on the ground that we have to fix.

Law and order, especially in Baghdad, has collapsed. Electricity, water, and fuel supplies remain unreliable as temperatures approach 120 degrees. Unemployment is estimated at over 60%. And on top of it all, we lack an effective public information strategy to communicate with Iraqis.

The longer this situation persists the more frustration will grow and the more difficult it will be to achieve our two objectives in Iraq: first, to stabilize the country, and second to bring our troops home.

We have three options before us.

One is to continue to bear the burden ourselves, deploy the additional forces that are needed, and spend the tens of billions of dollars for reconstruction out of our own treasury. Well, it's beyond me why we would continue to treat Iraq as if it is some sort of prize. It is not. It is an enormous burden that we need not and should not bear alone.

The second option is to cut and run. Capture or kill Saddam, turn things over to an Iraqi political body, and get our forces out. This, in my judgment, would be a disaster. It would leave Iraq in chaos, invite neighbors such as Iran to intervene, and damage our credibility badly.

The final option is to bring in our friends and allies. To ask NATO to take command and send roughly 25,000 troops to Iraq. To ask the European Union and others to contribute 5,500 police forces and the tens of billions of dollars that will be needed for reconstruction. And to seek a United Nations resolution giving the world body a greater role if that will give other countries the political cover to provide troops and dollars.

In my judgment, the third option is the only option. It is one we could have achieved before we went to war, one we should have pursued immediately after the war in the flush of success, and one we must set our sights on now.

Again, I welcome our witnesses. I would urge you to focus your remarks not only on what went wrong, but on how, specifically, we can get things right.

We want to hear any concrete recommendations you have for restoring security, reviving the economy, putting Iraqis to work, empowering them politically, communicating more effectively and getting more help from our friends and allies. I look forward to your testimony.

The CHAIRMAN. Thank you very much, Senator Biden.

Ms. Crocker, would you proceed with your testimony?

Ms. CROCKER. Well, thank you, Mr. Chairman. I think I will pick up on one of Senator Biden's important points about how we need to remember that there are some good things happening on the ground here.

One of the areas where we saw that was the area of the setting up of local and provincial political councils and the recent establishment of the Iraqi Governing Council, all of which are very important steps going forward.

What we were concerned about and have highlighted in our report is the need to make sure that we give these councils all of the tools they need to succeed so that we can sort of maximize what we have started in the way of progress in this area.

In thinking about the local councils, what we noticed when we went out in the field was that there is a bit of a disconnect still between what is happening out in the field, very excellent work being done by our military commanders and the civilians in the field to set up local councils and provincial level councils. But they are not, as of yet, really connected in any way to what is going on in the national political front, and we will need to make sure that we find a way to make that link.

One piece of that may also be making sure that we engage in some revenue sharing so that we get some resources out to the localities, that we decentralize this effort a little bit so they can start responding to the local needs in their communities.

Just a second point on the Iraqi Governing Council itself. One thing that also concerned us was that the Coalition Provisional Authority, of course, has a natural and understandable inclination to want to put an Iraqi face on some of the very difficult issues that they are facing. Although I think we all agree that that is the right direction to be going in, we will also have to be careful to make sure that we do not overload that council too early by sort of dumping off all of the very controversial issues that will be coming up.

The CHAIRMAN. Thank you very much.

Mr. Orr.

Dr. ORR. Thank you, Mr. Chairman.

In your initial remarks, you said that you would be looking for tools that you might use to move this process forward. I would like to call your attention to one very powerful tool that we heard calls for from different parts of the country and that is decentralization. Iraq is a huge country, as all of you who have visited it know. It is a very diverse country. If you go north, go south, go to south central, Baghdad, it looks very different. The problems look very different, and I would argue the solutions look very different or need to look very different.

We need to pursue a strategy where we consolidate gains in those places where things are going well, even as we naturally are going to focus on the places where there are problems. To do that, we need to get authority and resources out to our own people in the field at the provincial level. There are 18 provinces in Iraq. I think on paper we do have at least one person in every one of those provinces, but we cannot kid ourselves here. We are not up to the task out in the field. Most of our resources, human and otherwise, are concentrated in Baghdad and the area around Baghdad.

I think what is interesting about this is the model we have been thus far through the military is a decentralized model. It is these amazing majors and captains that are standing up town councils, that are getting economies going, that are starting quick impact projects. But by their own accounts out in the field, they said in numerous conversations in all parts of the country, we have done what we can, but sir, I just do not know what to do with this town council now. Can you please get some civilian out here who has served on a city council or has at least seen one before? I think our military has done an amazing job. What we need to do now is get the civilians into the field to follow through on their good startup work.

In order to do that, we have to get mechanisms in place to recruit civilians aggressively and get them out to the field. I think there is a recognition that some of the bureaucratic problems here in Washington have held up a lot of these civilians that we need to get into the field. It is time to get past our bureaucratic problems in Washington.

Under Secretary Feith the other day at the Pentagon noted that he was planning to take one of the recommendations and, in fact, had started to set up a backstopping office for Ambassador Bremer here in Washington. One of the key functions of that office would be to collect an interagency group of people—he said someone from all of the agencies that are on the ground in Iraq—and to use that office for one very important purpose, among others, and that is to

recruit the right civilians. Get the Agriculture Department employee who knows all the right people in this area to identify the five agricultural engineers that we have to get to specific provinces. Have the Justice Department play their role, the State Department play theirs. Only by having that office up and running are we going to see the right people getting out into the field.

As you and Senator Biden noted, this window is closing. I think the key here is to go from the talking about the decentralization stage to the implementation stage immediately.

Thank you.

The CHAIRMAN. Thank you very much, Mr. Orr.

Dr. Mendelson-Forman.

Dr. MENDELSON-FORMAN. Thank you, Mr. Chairman. Thank you.

I wanted to talk about what I think is probably something that both of you have referenced in your statements, and that is, in order to restore the economy, we need to get the power running, the oil pumping, and the water flowing. But we also need the Iraqi people employed back again in the jobs that they once held. Even if, in the short term, that is not the key to privatization, they need to be off the streets with a meaningful existence and some money in their pockets so they can buy the food that they need, and the way to survive in this critical window is to make them feel they are part of this operation.

My colleagues like to talk about an iron triangle of water, oil, and power. I think it is clear that we all know that we were uninformed about the gravity of the power situation, but we now know what to do to solve it. I think the faster we get every generator available and every kind of technical capacity available into the field, the sooner Iraqis will feel a greater sense of progress because they will feel the air conditioning, they will feel the power on more than 2 hours a day. I spoke to women whose children had to study by lantern light in Baghdad because there was no power and there was a continuing blackout. So these are emergencies.

On the jobs' end, many people in industries have to be reemployed in the status industries right now. It is a recurring cost. It is going to add to the budget that Mr. Biden made reference to, but in the long run, this will provide the stability and the security that we need.

And finally, I think we are moving ahead on some of the credit areas, but the provisional council, while it is not the actual government, has to provide some kind of a legal framework so that investors and people who want to start business in Iraq can move forward and understand that there is going to be reliability of the economic system. We were at a meeting yesterday. Nobody wants to invest when there is no regular regard for a contract. But if these three areas are taken care of in the short run—and I think they can be—we certainly could move forward.

The CHAIRMAN. Thank you very much, Dr. Mendelson-Forman.

Mr. Barton.

Mr. BARTON. Well, thank you very much. It is a pleasure to be here. My father was a member of the staff 30 years ago and had the chance to work with you. For those staff members who wonder what might be happening to them, may your children grow up to testify before this committee. It is a pleasure to be here.

In the midst of enormous challenges that we are looking at here in Iraq, perhaps one of the greatest is moving the Iraqi mind set. In a society that is dominated by rumor-mongering and a complete lack of trust, the availability of constantly reliable information and of constant communication is absolutely essential. We believe that this is an area that still needs a tremendous amount of attention. Other than the \$25 million reward for bringing in Saddam Hussein, in our travels we found very little understanding of what was going on in their country, where it might be heading, and what their individual roles might be.

So what we have suggested is that what is clearly needed here is a national marketing campaign in the best sense. We felt that there are really three large voids. We do not know what the Iraqis are thinking still. Despite our presence in the community, we are living in something of a bubble.

Second, we are quite clear that the Iraqis do not know what we are thinking.

And then the third area is we are not sure that we know what we are communicating among ourselves.

So the national marketing campaign obviously needs to be, first and foremost, built on a fully informed sense of what the Iraqi public is thinking and what it wants. And this will not be able to be done in sort of the traditional ways. We are going to have to get way beyond our occasional polling or some of the other methods that we have seen here.

The second part of that is that we have to get the full contact with the people of Iraq. And we have a lot of opportunities that we think are being missed. We are paying salaries to tens of thousands of Iraqis and we are not using those opportunities. We have some TV programming that we put into place, but again it is nowhere near the 24/7 appetite that we saw there on the ground. We have the oil-for-food program, which essentially still is reaching the vast majority of the people of the country. These are channels that can be used and they need to be used if we are going to really get the kind of well-informed participation from the Iraqi public that we think is necessary.

So this is something that is not typically within the working strengths of our government. We have joked among ourselves. We have said there is probably only one person in the U.S. Government who really is prepared to run this kind of an effort, and it may well be Karl Rove. But that is the sort of focus and attention and seriousness of effort that we believe is absolutely necessary.

The CHAIRMAN. Thank you very much, Mr. Barton.

Let me now call upon Mr. Anthony Borden who is executive director of the Institute for War and Peace Reporting in London, United Kingdom, for his comments. Mr. Borden.

**STATEMENT OF ANTHONY BORDEN, EXECUTIVE DIRECTOR,
INSTITUTE FOR WAR AND PEACE REPORTING, LONDON,
UNITED KINGDOM**

Mr. BORDEN. Thank you, Mr. Chairman, Senators, ladies and gentlemen, and my esteemed colleagues on the panel. It is a particular pleasure for me to be here, especially coat-tailing on their excellent report. As the executive director of the Institute for War

and Peace Reporting, I have been working in post-conflict and conflict areas seeking to strengthen local journalism for more than 12 years. This is in many cases working in training, reporting, research programs, and local capacity-building. Our organization works in the Balkans, the Caucasus, Central Asia, Afghanistan, and now Iraq, and we have a long-term program supporting information flow from the War Crimes Tribunal in the Hague on the former Yugoslavia.

Personally I traveled to Iraq just before the war to get some sense of what one could of the regime and also the information system there, and with a number of other organizations, I traveled to Baghdad and throughout the country in the preceding month. My remarks now are based on an assessment report³ which we produced and which has been disseminated but slightly updated since that report was finished.

Mr. Chairman, efforts by the U.S.-led authority in Iraq to establish responsible media are in crisis. Poor planning and implementation are undermining efforts to inform the Iraqi population and to lay out a framework for media development.

The stakes are very high. A prerequisite for any kind of emerging democracy is a trusted and professional media to convey facts, support responsible debate, and represent the diversity of communities and views within the country. But the absence of reliable Iraqi media exacerbates the frustration and growing anger felt because of the absence of Iraqi governance and the continuing lack of basic security and services. Powerless and uncertain, Iraqis need a voice.

There has been a dramatic post-war boom in local media, with the launch of up to 150 newspapers and many radio stations. Indeed, there is a bewildering, even exciting, diversity of new media for a changed Iraq emerging from decades of dictatorship.

But the majority of these media are highly partisan operations established by rival political interests jockeying for position and could be destabilizing in a fragile post-conflict environment. Many are directly produced by political parties or by former senior Ba'athists or other figures with a political, rather than a journalistic, orientation. Media beamed in from other countries in the region with very different agendas have far outpaced any U.S.-launched initiatives. Informed media with balanced reporting is largely absent.

Most disappointing, the United States, through the Coalition Provisional Authority, has failed in the core task of communicating with the Iraqi people. With a weak and poorly executed information and media strategy, the U.S. has spent around \$20 million, yet failed either to provide basic information about its actions and intentions or to lay a meaningful groundwork for a future responsible Iraqi media.

The central problem is a conceptual one: the U.S. administration has not firmly separated its policies for media from its agenda for public diplomacy. Both are very important objectives. The occupying authority has a responsibility to communicate with the popu-

³The assessment report referred to serves as Mr. Borden's prepared statement and can be found on page 29.

lation to allay fears, provide basic information, and explain the purpose and potential of its intervention. But independent and reliable reporting is entirely different and must be structurally separate.

In particular, the Iraqi Media Network, which is the authority media team, has been tasked both with broadcasting and with regulatory authority, with producing media and with providing information for the CPA. Overall, IMN has simply not demonstrated the vision and professional capacity to meet the major challenge it faces.

Compounding the problem, interagency rivalry has contributed to an absence of strategy, bad hiring and purchasing practices, and debilitating internal dispute. TV programming, as my colleagues mentioned, has in particular been poor. As a result the IMN television news neither provides credible information to the population nor serves as the flagship fresh face of a new and democratic Iraq.

An urgent step change is required in the structure and ambition of U.S. media and information strategy, focusing on three main points.

One, the CPA must create a professional and substantial information operation to communicate basic facts to the population. Treat Iraqi people with respect by speaking to them honestly, regularly, and in their own languages about the challenges and prospects for their country, and they will give their support. Keep them in the dark or communicate through spin and half-truths, and frustration and anger will grow.

Two, establish an independent Iraqi media commission to create the legal framework and regulatory and other institutions necessary for a free media environment. Superseding the existing Iraqi Media Network, the new commission must include incubating an Iraqi public broadcaster which itself would gain early independence.

Through an initiative of USAID and the U.S. organization Internews, a framework for just such an approach has been drafted and consensus at a senior level appears to be emerging. Yet, it is important to emphasize that, as with IMN, the effort will falter if right from the start it is not granted full independence from direct CPA control or if ambitious multi-year resources are not reliably pledged. The challenge of winning buy-in from Iraqis also remains.

Third and finally, empower Iraqi democrats. Draw on existing professional talent, urgently launch training to develop new capacity, and provide meaningful positions of responsibility for Iraqis in all new institutions. It is their country and the only effective approach will be one that makes them direct stakeholders.

This should include a new Iraqi media institute as a coordinating body for training and media development and for strengthening the ties between emerging independent media and the broader Iraqi civil society which must sustain and be sustained by it. This is the area of focus of my organization, the Institute for War and Peace Reporting, which with British support will be launching a significant journalist training and humanitarian reporting project in the coming weeks.

No one should under-estimate the extreme difficulties facing Iraq, a civil society destroyed, an economy in ruins, communica-

tions nonexistent, continuing uncertainty and violence. It will not be easy to overcome years of censorship and brutal repression of dissent.

Yet, Iraqis are confronting this huge challenge with considerable energy and initiative. A proud people, they are highly educated and have shown enduring desire, even through the stultifying decades of Ba'athist rule, to be informed. The possibility for a responsible press and a sophisticated audience is evident, a potential revolution in open media for the whole region.

This would only make the loss of such an opportunity all the more disappointing. The information chaos in Iraq undermines both Iraq's interests and America's, and urgent steps to chart a fresh course for a clear new democratic media voice in the region must not be missed.

Thank you.

[The following media assessment report was submitted by Mr. Borden:]

A NEW VOICE IN THE MIDDLE EAST:
A PROVISIONAL NEEDS ASSESSMENT FOR THE IRAQI MEDIA

1. EXECUTIVE SUMMARY

Stabilisation and development in post-war Iraq depend on the creation of new forms of representative government in a country that has suffered decades of war and brutal dictatorship. A prerequisite for success is the emergence of a professional and independent media, to convey reliable facts, support responsible debate and represent the diversity of communities and views within Iraq.

Iraqis are confronting this huge challenge with considerable energy, but face serious obstacles. In the weeks since the end of hostilities, dozens of new newspapers and magazines have been launched in the capital, Baghdad, while the busy media culture in Iraqi Kurdistan—established during the decade of self-rule—has continued. Much of this output is due to the entrepreneurial and professional skill of Iraqis from within the country, and returning exiles bringing technical ability and mobilising financial and other outside resources. Meantime, the United States, through the Coalition Provisional Authority (CPA, formerly ORHA) has launched radio and television programming and two newspapers.

Yet the difficulties are extreme. Iraqi civil society has been destroyed, the economy is in ruins and security is poor. Rival political interests jockeying for position are establishing highly partisan media which could be destabilising in a fragile post-conflict environment. Infrastructure for effective production, distribution and broadcast are inadequate and in many cases destroyed through bombing and looting. Reliable communications systems—essential for effective media—are non-existent.

The majority of media professionals have politicised backgrounds, either with the opposition or government media, or the Ba'ath Party itself: there are few experienced journalists, editors and managers to operate truly independent media. The absence of the rule of law, and of a broader democratic culture, impede the free flow of information and debate essential to open media. Poor planning and bureaucratic in-fighting within the international authority responsible for reconstruction have inhibited efficient and effective media development. Practical local reporting on humanitarian issues is absent. The lack of an Iraqi authority, the lack of basic security and services, and the absence of a reliable Iraqi voice are all contributing to a sense of powerlessness and, among some, anger.

The key is a coordinated and strategic approach that will encourage media diversity while seeking to ensure a balancing core of independent reporting and responsible debate. This cannot be delivered by any single body, but will require transparency and consultation, and a willingness by coalition authorities to engage Iraqi media organisations and media professionals, and draw on the expertise of multilateral bodies and international media development organisations and associations.

This independent snapshot of the media environment in post-war Iraq reviews existing and known new media in planning, and suggests areas for further monitoring and research.

Meantime the report identifies priorities for the emergence of a truly independent media culture. The prerequisite is for the US to clarify and firmly separate its pub-

lic diplomacy agenda from any media development strategies. Confusion on this fundamental issue has contributed to the failure of both. More broadly, competent Iraqis must be given greater control over media projects for Iraq. In specific:

- *Transparent and Inclusive Media Policy:* The CPA should publish a consultative paper on media policy and law and engage in open debate with Iraqi and international media experts through meetings, public discussion and a major conference in Iraq. It should draw on extensive NGO contributions to draft policy and regulatory frameworks.
- *Rule of law:* The occupying powers, and emerging Iraqi authorities, should expedite the promulgation of regulatory frameworks for broadcast frequencies, and laws guaranteeing the legal rights and responsibilities of Iraqi media. This must include a substantial consultative process within Iraq, involving coalition authorities, international organisations, Iraqi independent institutions and political parties, and Iraqi media professionals.
- *Independence for Iraqi Media Authorities:* Regulatory responsibility for frequency licensing should be removed from the CPA and be given to an independent body, which should also be separated from any public broadcasting agency. An independent professional body should be established for monitoring broadcast and print output.
- *Independence for the Iraqi Media Network:* The CPA's Iraqi Media Network should be dismantled and the constituent parts all located within independent institutions. A clear policy for handing over its TV and radio to an independent broadcaster, outside direct control of any new ministry, should be confirmed. Newspapers should be given formal independence and senior staff removed from the payroll of government contractors.
- *Media Professionalisation:* Steps to professionalise the output and clarify a strategy for the public broadcaster should be implemented immediately. This should include reviewing all consultants and staff and establishing appropriate management, editorial production and staff training.
- *Iraqi Professional Bodies:* Early support should be provided to assist in the formation of new independent Iraqi journalist associations, to strengthen Iraqi voices in the policy debate and provide a base for Iraqi efforts to defend freedom of expression and security for journalists.
- *Official information:* The CPA should urgently improve communications and the dissemination of official information, especially to the Iraqi press. This should include communicating in Arabic and Kurdish and establishing accessible contact points outside militarily protected compounds and former regime presidential palaces so local journalists can readily contact officials.
- *Training:* Training programmes for journalists, editors and media managers should be initiated as a priority, ideally through a coordinated strategy in partnership with local institutions to improve professional levels and build long-term training capacity.
- *Regional Media:* International donors should reserve development funds for incubating regional media, especially in southern Iraq, and national media which can improve the flow of reliable information from and to regions outside the capital.
- *De-Ba'athification:* International policy on removing ex-members of the former ruling party should be clarified, and vetting procedures agreed for media projects operated or funded internationally, to clarify current staffing and remove uncertainty for those who remain.

In addition, the importance of broader issues outside the remit of this report should be recognized for the critical impact they have on the media and any civil society efforts. Lack of security remains a serious concern for all civilians, inhibiting movement by anyone, including journalists, especially after dusk. The lack of telecommunications systems seriously impedes all communications—a particular obstacle for working journalists.

2. MISSION BACKGROUND

This independent report has been undertaken as a joint mission by the Baltic Media Center (BMC), *Index on Censorship* and the Institute for War & Peace Reporting (IWPR). Financial assistance and project conceptualisation has been provided by International Media Support, Denmark, with additional support from the UK Foreign and Commonwealth Office via *Index on Censorship*, and the Dutch gov-

ernment and the Open Society Institute via IWPR, which provided overall project coordination.

The mission was undertaken May 15 to June 15 by Antti Kuusi (BMC), Rohan Jayasekera (*Index*) and Anthony Borden, Julie Flint and Duncan Furey (IWPR). Research support was provided by Jaafar El-Ahmar. Mission members visited Baghdad, Basra, Erbil, Karbala, Najaf and Suleimaniya. Meetings were held with Iraqi editors, publishers, producers and journalists, CPA representatives, advisors and other contractors with the US Department of Defense, donor representatives, as well as Iraqi, US and British political officials. The mission was developed at a coordinating meeting of international media development organisations held in London April 24. The mission benefited from several media and NGO reports on the media sector, including a recent report by the BBC World Service Trust.

The views expressed in this report reflect those of the mission members alone. It is a provisional snapshot at an early stage of a dynamic situation. As such it is presented as a discussion document, to be supplemented by further research and assessment.

3. BA'ATHIST MEDIA

Media under the dictatorship of Saddam Hussein were under total government control, fully instrumentalised for the purposes of supporting the regime and glorifying the president. As a primary tool of official power, the media were under the authority of Saddam's widely feared son Uday, and thoroughly infiltrated by the security services.

Journalism at most levels was the domain of trusted party loyalists. Dissent was out of question—even in private circles, where individuals could be reported on for making critical remarks and suffer physical punishment, prison terms or both. In effect, the entire country was turned into a population of potential reporters—filing secret reports on each other in service of the regime. Satellite dishes were banned. The Ministry of Information controlled all media and served as official censor, requiring prior approval of all copy and programming. A student in the journalism faculty claimed he had been jailed for three years for an article published in the student newspaper. Mission members heard another story of a graphic designer being severely beaten for publishing a line drawing which entirely unintentionally contained an image which could be taken to resemble Israel's Star of David.

As in other dictatorships, the media served to promote the image of the president. Especially in periods of conflict with the United States—as observed by mission members who visited the country before the war—state television presented a noxious mix of Arab victimisation, glorious Iraqi struggle and anti-western propaganda. Shortly before the onset of fighting, the foreign editor of the Iraqi News Agency boasted that his agency had never experienced conflict with the government over any of its reporting in his several decades as a journalist. The primary state newspapers, representing the party and the army, competed to reproduce the largest front-page photograph of the president (often therefore looking nearly identical). In the run-up to war they took painstaking effort to present every western voice against the looming US-led attack as a declaration of support for Saddam Hussein.

Uday Hussein was proprietor of the main “non-state” newspaper, *Babel*, the country's most widely read publication. Boasting high production values, including full colour photographs and a sharper writing style, it was spared the requirement to lead with every day's new image of the leader. It also contained selected (and largely incoherent) foreign news and advertisements for unachievable modern goods such as computers and the latest audio equipment. Entirely unreported in the media was any real information about life within Iraq, particularly the rule of fear which dominated the country for more than three decades.

Up to 4 million Iraqis, out of a total population of 24 million, went into exile. Among these, a number continued or entered journalism, taking up senior positions in leading Arab media, such as the London-based newspaper *al-Hayat*. One Iraqi journalist boasted that there are more Iraqi editors and reporters working for Middle Eastern media than from any other Arab nation.

Many Iraqis engaged in ill-starred exile productions: many of these were highly propagandistic anti-Saddam vehicles promoting various opposition factions, and controlled by Egyptian, Saudi Arabian or other local intelligence agencies. The most ambitious enterprise was a TV and newspaper operation run by the Iraqi National Congress from London, supported by the US State Department until political differences and alleged misappropriation of money (never proven) led to the revocation of funding and the closure of the operation.

Following the first Gulf war of 1991, and the establishment of self-rule in Iraqi Kurdistan under US and UK protection, Kurdish media flourished. Countless tele-

vision channels, radio stations, newspapers and magazines emerged throughout the territory, joined later by dynamic Web sites featuring reporting from the ground and analysis and comment from Kurdish, Arabic and international experts around the world. Nevertheless, Kurdish media was riven by the deep political divide between the two main parties, and in a close-knit traditional society unaccustomed to internal criticism (much less leadership change), meaningful independent journalism failed to emerge.

While media in government-controlled Iraq languished, many within a highly motivated and educated population followed reliable ex-territorial broadcasting services such as the BBC World Service, and the US-funded Radio Sawa and Radio Free Iraq. Iraqi journalists like to boast of the country's history of innovation in Arab media, especially the supposed golden years before the 1950s. Iraqis have shown an enduring desire, even through the stultifying decades of Ba'athist rule, to be informed. Despite the problems, the potential for a responsible media, and sophisticated audience, is evident.

4. US MEDIA OPERATIONS

Planning for media policy and media development has been poor. As part of its constitution-drafting effort, the US State Department's Future of Iraq project sketched basic concepts of independent media, but did not elaborate detailed policy. The Iraqi Media Network (IMN) was established in January 2003, led by Bob Reilly, a former director of the Voice of America, and Mike Furlong, a long-time Defense Department contractor who had worked on broadcasting issues in post-war Kosovo. A budget of \$15 million was confirmed in February, a month before fighting began.

The US assembled a diverse team of exile Iraqi consultants, to serve as an editorial group to establish a TV station, a radio station and a newspaper, and to act as a policy unit, to advise on media strategy. Several westerners were employed, to provide journalism, technical and logistical support. Consultants were hired through Science Applications International Corporation (SAIC), an employee-owned services company with a long record as a Defense Department subcontractor. By mid-April, the overall media team comprised more than two dozen people, largely based in Kuwait. Contracts were set to expire, and the entire operation due for review by the coalition authority, on June 10.

During the war the US adopted a "psyops" strategy, broadcasting Towards Freedom, predominantly military information, from a converted cargo plane overflying the country. Leaflets instructing Iraqis to remain at home were dropped on the territory. An anti-regime station Radio Tikrit, named after Saddam's home town, was initiated.

The IMN team began radio broadcasts from Um Qasr on mid-March (later moved to Basra to improve country-wide coverage). With the collapse of the regime, IMN's TV output was launched on May 13, from Baghdad. *Al-Sabah*, a CPA sponsored newspaper produced in Baghdad by a SAIC employed Iraqi exile, was launched May 15. On May 28, the first issue of a second CPA sponsored newspaper, *Sumer*, produced in Kuwait, was distributed in Baghdad.

In late May, IMN was considering options for the dispensation of a regulatory authority, the licensing of newspapers and the establishment of the IMN as a public service broadcaster. Plans were discussed for closing all non-US authorised broadcasters (excluding Iraqi Kurdistan) and holding a frequency competition, with proposals due in June and decisions for 90-day allocations to be taken in July. The Iraqi Ministry of Information was abolished on late May, sacking its nearly 7,000 staff and handing its assets over to IMN.

The Authority's ruling giving the IMN responsibility for both overseeing regulation and operations is problematic. It creates an unavoidable conflict of interest that could spark considerable controversy. Recognising that ultimate decisions such as the status and funding of the state broadcaster will be taken by a future Iraqi government, debate within IMN focused on whether to transfer responsibility for broadcasting to an independent board outside of ministerial control, as with the BBC, or to fold broadcasting within one of the emerging ministries, such as a ministry for communications. Meantime, the confusion over its role as media and as a tool of public diplomacy are enshrined in apparently contradictory requirements to "promote . . . excellence" in journalism and to "provide an information service to the CPA".

From the start, the media project was beset by problems. Bitter disputes erupted between senior US representatives on the IMN, leading to chaotic and at times directly competitive decision-making. Hiring was ad-hoc, and although consultant salaries were high, posts and experience levels were often not well matched. Equipment purchases were poorly planned, Internet access was not established. Fierce in-

ternal rivalries emerged between projects with the network itself. Budgets were undefined and not devolved, restricting the ability of staff to get on with the job. No serious professional training was offered, and programme planning was non-existent. Hiring of local staff in Baghdad was not systematic, with very little pre-vetting for political links or professional capacity. Of the approximately 130 staff, of which around 25 are journalists, IMN officials estimated that more than 90 per cent were former employees of the Ministry of Information.

The plan for TV was for two hours of output, from 18:00 to 20:00, and then repeated, comprising 30 minutes of news and 90 minutes of children's programming, old documentaries and files. Controversy arose immediately over supposed "censorship": the IMN broadcast team refused demands to prescreen the output, and Iraqi staff insisted on starting the day's broadcasting with a standard reading from the Koran, against objections.

Yet the real issue was quality, particularly TV. With a skeleton staff of around a dozen, the Voice of New Iraq, broadcasting via AM from the south and not properly audible in Baghdad, still achieved a basic quality news service, mixed with extended interviews, talk shows and music over a six hour output. But the TV news was very weak. In the period under assessment, information during the 30-minute news programme was primarily conveyed via public service announcements, with occasional news shorts. The presentation was confusing and often just dull. There was no coverage of the core political issues facing the country and no systematic reporting on the humanitarian effort.

The dramatic absence of any quality programming was highlighted by the delight of IMN staff in locating 300 old VCR tapes from one of Uday Hussein's palaces, a typical scattering of Hollywood capers, romance and comedy—with, intriguingly, a copy of a book by one of Uday's body doubles in the pile. But still, tapes without legal rights negotiated to broadcast could only remain on the basement floor, unused.

As a result, the authorities lost a critical opportunity to present a fresh and dynamic face for a new Iraq, and failed in its duty to provide basic information to a frightened and traumatised population. Experienced professionals have no doubt that a well-prepared team could have been parachuted in to launch reasonable broadcasting quickly. Alternatively, it would have been more effective to present simple informational announcements until an effective media operation could have been put in place. Many Iraqis complained about the coalition's fundamental lack of communication, and expressed bewilderment that an occupying army would not exploit the airwaves for this obvious purpose.

As this report was being completed, at least one senior US member of the IMN team had been transferred from his position and one experienced exile media professional resigned citing "nepotism and incompetence". Reilly, the head of IMN, opted to discontinue with the project, and at least one other senior Iraqi team member declined to renew his contract. But plans to approve a further \$34 million on the project appeared on course. In a continuing sign of the Defense-State Department rivalry, the contract for SAIC with the Defense Department to employ the IMN staff was renewed, but only for one month. Further turmoil seems likely.

5. MEDIA EXPLOSION

Outside the confines of the presidential palaces from which the international authority operates, Iraq is experiencing a media boom. In the weeks since the end of fighting, up to 150 new publications have been launched in central and southern Iraq. Radio stations have also begun to proliferate. Each morning, newspaper sellers on the commercial Al-Saadoon Street and outside major hotels mark out broad swathes of sidewalk on which to lay out the latest titles on offer.

For those who can afford it, satellite dishes offering access to international TV stations are on sale for around \$200, well more than an average annual salary. The BBC has established FM re-broadcasting, while the Iranian TV station Al-Alam broadcasts slick 24-hour programming from across the border, 150 kilometres from Baghdad.

Yet amid this media chaos, and evident explosion of open speech, the provision of balanced reporting, especially about local issues and humanitarian concerns, remains scant.

Baghdad Media

In Baghdad, the content of most of the newspapers is essentially the same: politics and current affairs, domestic issues, features, entertainment and sports. A few publications address culture or non-political topics. With Internet only beginning to appear, and no telephones, there is a distinct lack of international news, dispassionate analysis of the Iraqi situation or detailed local reporting. The first issues

of most newspapers appeared rushed out, with poor design and editing, but for those that continued beyond that first step, the appearance improved.

Yet in the absence of a functioning economy and trained reporters, truly independent and reliable journalism is almost impossible. Outside business and political interests are all seeking a foothold in the country via the media. The publications can roughly be divided into party organs run by various religious, ethnic or political factions; relatively professional appearing titles mostly produced by veterans of the Ba'athists press, many of whom were senior figures in the party; and likely fly-by-night productions by local printers, even a sweet-seller—apparently anyone with a bit of funds wanting to put their name out into the fray.

Among the first new papers to start publishing in Baghdad was *Azzaman* (“Time”), owned by Sa’ad al-Bazzaz, former editor-in-chief of the state-owned *Al-Jumhuriya* who defected in the mid-1990s. It is run as a slip edition, with the bulk of the pages produced in London, and locally produced front and inside pages inserted in Baghdad before printing. Its production values are high, and it is widely seen as the most popular newspaper. Yet the proprietor has made no secret of his own political ambitions. “To spend all this money, to make all this investment, to take all this risk, it is because I am a politician,” Bazzaz told *The New York Times* in May. “And to be a politician, you have to use the media as a channel.” The articles often bear an anti-Shia tone.

Al-Saah (“The Hour”) is published by Sheik Ahmed al-Kubeisy, a Sunni Muslim cleric who voluntarily left Iraq a few years ago to work as an advisor for a senior sheikh from the United Arab Emirates. He had a weekly religious program on Abu Dhabi TV. *Al-Saah* is regarded as a platform for an Iraqi Sunni agenda. The paper’s editor-in-chief is Adeeb Shaaban, a former special secretary to Uday Hussein who fell foul of his boss a few months before the last Gulf war. His appointment has angered some Iraqis and his name has been removed from its masthead, though he continues in his post.

Fajr Baghdad (“Baghdad Dawn”) bills itself as “Iraq’s first democratic and independent newspaper.” Its front-page generally focuses on daily worries such as the lack of gasoline and electricity, and the looting and lawlessness that have swept the nation since Saddam’s ouster.

The most influential Islamist papers are likely to be *Al-Da’wa*, the organ of the Al-Da’wa party that was the first to fight against the Ba’ath; *Sadr*, the organ of radical Shias who seek an Islamic Republic of Iraq; and *Al-Adallah*, the organ of the Supreme Council of the Islamic Republic in Iraq of Ayatollah Hakim. For the moment, neither *Al-Da’wa* nor *Al-Adallah* criticise either other parties or the occupation forces. An anti-occupation agenda is apparent in *Sadr*. Kurdish parties have established several newspapers, as well as radio stations.

Al-Sabah, one of two US-sponsored newspapers, is an unremarkable news review, providing extensive space to official statements and steering shy of critical analysis of the CPA and the US. *Sumer*, the second US-sponsored newspaper, could present greater competition for *Azzaman*. It is edited by Hassan Allawi, a former spokesman for Saddam Hussein in the 1970s who has been in exile for many years and edited the Iraqi opposition newspaper *Al-Mutamar*. *Sumer* has attracted leading Iraqi and Arab writers with wide-ranging debate and analysis. But produced in Kuwait, early issues were short on news and information from Iraq. As this report was completed, discussions within IMN arose, subject to the usual rivalries, about merging the two US-funded titles, and the future was unclear.

The Shia South

Outside of the Baghdad newspaper hot-house, there is still considerable activity. Media in the Shia south of Iraq will play a critical role in the coming years. The Shia, Iraq’s most oppressed and neglected community, form a majority of the Iraqi population and will be a key to stability in post-war Iraq. In the absence of any post-war government, sections of the Shia community who have not been permitted a voice for 35 years are already emerging as a radical, destabilising force, backed by a flood of new publications in Baghdad and the south.

There is also a wealth of initiative and raw talent outside the capital—a result, one teacher-turned-journalist said, of intellectuals fleeing the centre in the days of the Ba’ath hoping to escape the worst excesses of the regime.

Like Baghdad, the south has seen a flood of indigenous publications since the disappearance of the Ba’ath. Almost all are in the hands of religious groups or small collectives of intellectuals—or even single individuals—keen to capitalise on the new freedom of expression. The assessment team visited four cities—Basra, Amara, Najaf and Hilla. It found two local television stations and several dozen publications, the vast majority of them in the holy city of Najaf, long a centre of learning and a meeting point for Shias from many countries and cultures.

Few of those working in the new media have had any experience of journalism. Most publications observe an Islamic tone, and highlight the speeches and declarations of various senior clerics, with large photographs of the religious leaders dotting the front and inside pages. News—especially balanced reporting from throughout the country—was essentially absent. Indeed, most proprietors or journalists seemed to be publishing/broadcasting simply because they could at last have a voice. Profit was not the main motive. Everyone was losing money and did not appear overly concerned. Those who lacked the resources to sustain these losses were walled out, notably in Basra, where efforts to open local newspapers have been stymied by the number of Baghdad and Kuwait produced papers given away free in the city, including *Bazzaz's Azza* man. A rainbow-coloured tabloid sports paper was launched in the city at the end of May.

Basra boasts the main radio station which was operating in the South at the time of the assessment mission besides the IMN operation in Um Qasr. The 24-hour Radio Nahreen (“Two Rivers Radio”) appeared to have gained a considerable audience, and affection, for its lively mix of Arab and European music, military messages and public service announcements, and twice hourly news gleaned from the web and news wires. Produced by a British Army Psychological Operations unit and run by reserve Col. Colin Mason, a former BBC broadcaster now working in commercial radio, it launched on the eve of the war, broadcasting towards the Fao peninsula from the Iraqi desert, and moved steadily north until it arrived in Basra at the end of March. It broadcasts 24 hours a day—live only in daylight hours—with news gleaned from the web and wires on the hour and local news gathered largely from the military, “because most of the initiatives in Basra are military”, on the half-hour.

A dozen local restaurants and businesses get free advertising in return for advertising the radio on their premises. The hope is that advertising revenue will make the radio self-sustaining when it is eventually handed over to Iraqis. Its five energetic young Iraqi broadcasters each received three days’ training, having been selected for their youth and lack of baggage—i.e., without experience of the Ba’athist media. On May 27, *Radio Nahreen* began to be re-broadcast by the CPA radio that had moved a few days earlier into Basra from Um Qasr. It was expected that the station will be handed over to the CPA as the British wind down their military presence in Basra.

Directed by Ali Qashif el-Ghita, son of a prominent clerical family, the heavily-Islamist *Najaf Television* broadcasts from a relay station appropriated from the former regime. It can only be received in Najaf and environs and pumps out a combination of religious material, children’s cartoons and pirated news programmes from *Al-Jazeera* and *Manar*, the television station of Lebanon’s Hezbollah party, for approximately 10 hours a day.

On May 19, the US-backed civil administration in Najaf ordered *Najaf Television* to put itself under US control. El-Ghita refused, even though it would have meant salaries for his staff. He declines to broadcast tapes given him by the administration. However the station is not popular in Najaf, where most people dislike its heavy diet of Islamic lectures, many by Iranian-based clerics. El-Ghita says he has no financial backers, but many in Najaf question this. The general view in Najaf is that a takeover of *Najaf Television* by the occupation forces will be regretted only by the religious hard core, but only if the station retains a minimum of religious content. If religious content is scrapped altogether, the occupation forces’ claim to be creating an independent media network will be discredited and the move will be seen as anti-Shia.

The station’s main competition presently comes from the city of Hillah. *Hillah Television* uses a relay transmitter seized locally from the Ba’ath and can be received in Najaf, where it is more popular than *Najaf Television*. Manager Sabah el-Tae owned a video shop under the Ba’ath and says his aim is “to change the old philosophy: from concentrating on one person, to cover all people and all problems”. The station broadcasts for 6-7 hours each day, from early evening until midnight, with two local news bulletins each day and pirated national and international news. There is very little religion. “People want entertainment, not just religion,” el-Tae says.

Among the many publications that have sprung up since the war ended, the range extended from newspapers and tabloid-sized colour magazines that purport/attempt to be independent to religious pamphlets masquerading as newspapers. Those behind the secular publications in Najaf and Amarah tend to be intellectual opponents of the Ba’ath—translators/poets/novelists. The technical quality of their papers is poor, but the content is often informative and non-partisan. Only one newspaper was identified in Hillah—*El-Fahya*, financed by a local businessman, which gives prominence to local politics and the US occupation forces.

Iraqi Kurdistan

Long-established during the past decade of autonomy from Baghdad, Kurdish media is sharply divided between pro-Kurdistan Democratic Party (KDP) operations centred around Erbil, and pro-Patriotic Union of Kurdistan (PUK) efforts, in Suleimaniya. The media environment is extremely active, but also bound by the lack of training and resources, uncertain legislation and heavy party political and other traditional influence.

According to the best estimates available during the assessment mission, there are 344 media outlets registered in Iraqi Kurdistan. These are split between 132 print media and 24 TV and radio stations in Erbil, and 110 print and 78 TV and radio station in Suleimaniya.

The vast majority are supported by political parties or specialist organisations contained within or directly associated to these parties. (In Suleimaniya, a Council of Independent Media has been established to support independent media efforts, though its council is strongly PUK-led.) There is little advertising. All political parties have at least one print publication, often more. The faces of Massoud Barzani and Jalal Talabani, the KDP and PUK leaders, respectively, dominate the front pages of the publications in their respective power-base cities.

In recent years a small number of less partisan print publications have begun to appear, while the broadcast scene, both radio and TV, remains entirely politically dominated. In addition to financial support, sometimes the political connections are more direct: the wife of Jalal Talabani plays a senior managerial role in the satellite channel KurdSat, the "private" terrestrial TV station Khak TV, and Media House, with three print publications.

Much of the publications are made up of political comment, social issues and sports as well as a high percentage of letters from readers. Few have any international news and few have correspondents outside Iraqi Kurdistan. Many of the journalists spoken to saw their primary role as agents for change and campaigning.

Both main Kurdish political parties sponsor a major satellite-broadcasting channel, the PUK's KurdSat and the KDP's Kurdistan TV. These are large operations: KurdSat boasts easily the most modern equipment seen in Iraq on the mission. It has access to VOA TV and APTN news feeds. The majority output is in Kurdish, with some Arabic and English programming. Cultural programming and Kurdish folk music dominate, along with extended interviews and live discussions on political issues.

There are also a total of 62 terrestrial TV and radio broadcasters registered with the two respective Ministries of Culture in Erbil and Suleimaniya, with 24 in Erbil and 38 in Suleimaniya. While some, making no claims of independence, overtly represent either political or religious parties or movements, the editors of others claim independence editorially, if not financially. These claims to independence were disputed by other media professionals and some officials in both cities.

Output is mixed between some news and extended political debate, a Koranic section, cartoons and western films, all interspersed by live Kurdish folk music. Some stations visited produced their own news bulletins from correspondents within Iraqi Kurdistan. Others drew from news on the BBC, Al-Jazeera and the Internet. Others simply recorded and re-broadcast segments of Arabic news, mixed with news read by presenters in Kurdish. Many of the radio stations are based in the same premises as the TV broadcasters, and thus are similarly politically dominated. Most equipment observed was very basic. Programming was a combination of Kurdish and Arabic music usually played from cassettes, and studio interviews either with important political personalities or folk music singers.

The entire Kurdish media scene is complicated by lack of clarity over the legal framework. Kurdish authorities in the autonomous region established separate legislation over the past decade, some of it covering the media. But it appears incomplete, with some legislation from the Ba'athist period still in place. Despite official commitment to freedom of speech, there is a sense that political and tribal habits against public criticism of leaders remain strong, and that, in any case involving the media, the judiciary are inclined to support the political parties. The relationship between Iraqi Kurdistan and any new legislation or regulatory system established by the coalition authorities from the centre in Baghdad is also unclear, and leave the entire Kurdish media scene in uncertainty.

Meantime, with the fall of the Ba'athist regime, the political context in the Kurdish areas has shifted. Reacting to the new environment, the fierce competition between the two parties is formally, if slowly, being put aside, in favour of a more common position to represent Kurdish interests vis-à-vis Baghdad. This could reduce support for so many competing politically oriented media, although whether it opens the space for a gradual de-politicisation of Kurdish reporting remains to be seen.

7. JOURNALISM INSTITUTIONS

University of Baghdad Faculty of Mass Communications. Journalism courses started at Baghdad University in 1964 and throughout have relied on regime-adjusted interpretations of Soviet ideas on the role of the media in society. Journalists say the department was heavily infiltrated by security services. After the war, the university's media department was completely stripped clean by looters and its remaining staff is not better equipped to tackle a modern journalism training programme. Courses restarted in May but it is not clear if anything can be salvaged from the existing university setup. The faculty includes courses in public relations and media studies as well as conventional "journalism" but not use of print technology or the Internet. Recent changes within the department do not give confidence of an infusion of fresh thinking. Given that the *de facto* state broadcasters at the Iraqi Media Network will be required to set up or contract out for staff training and that international NGOs are already beginning training schemes for the rest of the media, some thought could be given to running parallel journalism and media production courses for university students as a separate module or a post-graduate course—but this would have to be under entirely independent management and tutorial jurisdiction from the university, until the university is completely reformed.

Iraqi Journalists' Associations. With the collapse of Ba'athist dominated media clubs and journalist unions, a wholly new national journalists' association with a balanced management structure should be created. This new body will be better equipped to provide an open and effective forum for the defence of freedom of speech and freedom of information, to reach consensus on key issues of editorial independence and self-regulation of media, and to encourage debate about the ethics of journalism, public service values in broadcasting and political/commercial influence over the media. In Iraq, where community divisions based on religious and ethnic differences threaten stability, its journalists should work together to agree the rules and standards for ethical conduct. As the International Federation of Journalists notes, "unless Iraqi colleagues are fully involved in setting the standards for journalism, a rush to regulate will hinder efforts to build a free and independent media community. The priority must be to place journalism firmly in the hands of media people themselves, not to impose rules that will undermine an emerging democratic process." Individual journalists should not be required to be accredited by either the authorities or a journalists' association in order to carry out their duties.

Kurdistan Journalism Training. The Erbil Technical Institute offers a two-year journalism course, and will graduate its third class of students this year. Yet placement of students through a Central Admissions Department results in very mixed classes, and the focus appears to be on theory rather than practical training. The University of Suleimaniya offers a new four-year course through a journalism faculty, with a stronger emphasis on modern journalistic practices and practical training. Nevertheless, lack of funding has limited equipment and textbooks, and faculty themselves appear to have limited experience in the media. Neither faculty have sufficient funds to operate a student newspaper.

8. GETTING TO GRIPS

Despite chaos on the airwaves and at the news sellers, and turmoil within the CPA's Iraqi Media Network, there were some positive signs. There appeared to be some recognition that expertise in media development and policy could usefully be drawn from professionals with experience in other conflict areas. Despite the overriding obstacles, efforts by the IMN crew were being made to improve and expand the output, and as with the newspapers, gradual improvements could be noted.

While the explosion of Iraqi media showed no sign of slowing, the BBC World Service Trust developed plans for launching a new radio station in Basra, and donors began to express interest in supporting training and other development projects on the ground. Some of the organisations represented on this mission launched their own training efforts, and were developing other projects to support programming, policy debate and the establishment of independent Iraqi media institutions. These included plans for further assessment, especially into training needs, research into the developing market and monitoring of media content. Discussions have also continued towards a joint conference in Baghdad to help bridge the gap between the international debate over Iraqi media policy and Iraqi media professionals themselves. (For further information, contact the organisations involved in this assessment.)

Meantime, the US non-profit agency Internews, with funding from the US Agency for International Development and the Greek government, has completed a detailed media policy and law project, and produced extended draft legislation and other proposals for the authorities.

The document, produced by a small working group of international, Arab and exile Iraqi media experts, provides policy recommendations for legal and regulatory measures. These include an official revocation of all Ba'athist media laws and the adoption of an interim media law providing for a press and broadcast council, an interim media commission, an independent broadcast authority, a media appeals board, and freedom of information, and the adoption of a clear public service broadcast policy.

Concluded at a conference in Athens, with a wide number of international, Arabic and Iraqi experts and media professionals, the recommendations, if adopted, would provide an important framework for forging democratic media in Iraq. But its compilation has so far suffered from a lack of information from inside Iraq on the current situation there; some of its proposals had already been superseded by events by the time they were published. The document has yet to be debated among the Iraqi population and media community, but its conclusions—a standard international framework with lessons drawn from other conflict areas—are available in Arabic. IMN director Reilly attended the conference and agreed to take it back to the IMN for consideration, but then departed the project.

In the last days of May, CPA senior administrator L. Paul Bremer drafted and released strict new rules on the operation of the media. All Iraqi media must now be registered. Licences will be revoked and equipment confiscated from media sources that break the rules. Individual offenders “may be detained, arrested, prosecuted and, if convicted, sentenced by relevant authorities to up to one year in prison and a \$1,000 fine”. Appeal is to Bremer only, and his decision is final.

His nine point list of “prohibited activities” include incitement to racial, ethnic or religious hatred, advocating support for the banned Ba'ath Party, and publishing material that “is patently false and is calculated to provoke opposition to the CPA or undermine legitimate processes towards self-government”. Officials say the order is intended to stop “hate speech”—the kind of language they say could trigger violence between Iraqis and westerners, or Sunni and Shi'a or Arab and Kurd. Appropriately used in fragile circumstances, such mechanisms could be a necessary tool of last resort. But ham-fisted efforts to impose a pro-western view would only backfire. So major challenges remain, from within Washington as well as Iraq itself.

Baghdad, London, Copenhagen
May-June 2003

The CHAIRMAN. Thank you very much, Mr. Borden, for that excellent statement.

I would like to suggest, because we have a number of Senators present, that we start with a 7-minute limit and then we may have a second round if Senators are not able to satisfy their questions or get the answers they want on the first opportunity.

Let me begin by picking up on a point that you made, Mr. Hamre, that the economy of the country—and you described this—is roughly a \$25 billion to \$30 billion economy pre-war. It really calls for a multi-year budget estimate, at least in my judgment. We heard from Mr. Bremer yesterday that he has fashioned a budget for the final months of 2003, which is a considerable advance, and has plugged in figures of oil revenue, revenue from miscellaneous sources of impounded funds, gifts, whatever activities that we are doing, and that other countries might do. This somehow looks like a budget that might fit for the remainder of 2003. But then comes January 2004.

We have been told by other witnesses, and we ourselves have said, that other countries in the world there will be no payments or servicing of the debt that Iraq owes on the estimates of what it owes. What legitimate situation there is certainly in dispute, but one could estimate billions of dollars; some would say tens of billions, and some go into hundreds of billions.

All that is like an 800-pound gorilla overhanging the situation. Let us say on the ground we begin to deal with figures like \$10

billion, \$20 billion, \$30 billion for an annual budget. People in foreign countries or sovereign states are demanding to recognize someone in Iraq who has both sovereignty and the legitimacy. It is not yet well established as to who can assume the debt or who should pay it or who should forgive it. This is a very big problem. It has been there for a while, but it has not been addressed, and I think it needs to be both by our government and by other governments that we are able to pull together with us.

Second, on the matter of the budget itself—I have been raising this issue, so it is not a new idea today, but I would like for someone to fill in the blanks for 2004 and 2005 just as starters. It could very well be that additional years are required for this exercise to estimate how much money comes in. Senator Biden has pointed out that Mr. Carroll said to us—and my recollection is about the same as his—that we could estimate \$14 billion of oil revenue. Now, this is export oil revenue over and above oil that would be needed by the Iraqi people for their internal use. So there is \$14 billion.

When we pressed Mr. Bremer for what the other sources of revenue are, he kept saying, oil, oil, oil. There are not any until there is an economy that perhaps somebody might be able to tax or until some revenue comes from that, and in due course that will happen. So he would fill in, at least hypothetically, maybe 5 percent, maybe 10 percent from some other source on the ground from Iraqis themselves.

Now, at that point, if we are dealing with the feeding of the people, the security of the people, the infrastructure repairs, leaving aside tough judgments, do you fix up the oil wells in a way that they could pump more oil? If that is a source of revenue, do you make an investment in the future of that kind? How much money on the revenue side is required? And what is going to be expended on the expenditure side?

Now, thus far no one in the administration has wanted to deal with this issue. Each person would say you are dealing with hypotheticals. You are dealing with a world we do not know about. We are dealing with all sorts of things that we do not want to talk about.

Yet you, Mr. Hamre, have mentioned this word “supplemental.” The reason it is so important that the administration get into this is that it is obvious to me and I think to many of our members that substantial United States moneys are going to be required in one form or another, hopefully not always in the form of an emergency supplemental as a surprise, but rather in a straightforward way in which we understand that for the next few years our budget is going to have a component along with the budget of Iraq.

Now, to the extent that we are successful with pledging conferences, with sharing the burden, with almost an international United Way like the first President George Bush brought about in of Desert Storm, then that figure, whatever it is on the revenue side, may be shared in various ways. Our burden may be substantially less, we hope. But it will be there. The thing that is important about your report is not just the next 3 to 6 months, which you say are critical, but rather the trust of the American people that we are leveling with now in what is a multi-year situation.

Now, that is a tough thing for all of us to do, whether it is the administration or Congress.

As I mentioned in my first statement, nation-building has had a pejorative connotation. People did not like that idea. They said that we are not in that business and that we must not slip into that situation. In fact, peace keeping is not very popular, and we do not want to get into that situation. Nonetheless, we are there and we are trying to keep peace and establish order and build a nation. In fact, the objectives of the war are often given. The success of the war will hinge on how good a nation state emerges from this. We have made that commitment.

I would just like some more thoughts from you, Mr. Hamre. You have been a budgeteer for the Pentagon, so this is why it is a fair statement or line of questioning. Is it reasonable to try to fill in the blanks even hypothetically for the next 2 or 3 years so that there is some idea of how much money is required, some idea of how much may be required from the American people so that there will not be one supplementary surprise after another? Because my fear is that during some hearing some day, perhaps during this Congress or the next one, many people are going to revolt and say we have been surprised enough. We simply do not trust your figures. It was apparent to all of you, as it is to everybody in this room today, that there were expenditures that were going to be required unless we decided to just bail out and say this was an unfortunate experiment. It did not work.

You are saying that that would be unconscionable, and we do, too. That is not the objective of the hearing. We seek to build a sense of trust that somebody understands in a real world, including you as a budgeteer and a fine person who has brought together this report, as well as some of us who have responsibility to vote for these things on behalf of constituents who look to us to have some foresight and some honesty as to how we foresee it.

Is the idea of a multi-year budget a good one? If so, who begins to fill it in? Where is the expertise somewhere in our government to fill in those figures?

Dr. HAMRE. Sir, I think you do have to take a multi-year perspective on the budget because there are multi-year investments that we are going to have to make, have to help the Iraqis make so that they can get a sustainable economy. The oil infrastructure needs serious renovation, serious renovation. It has been badly maintained and, frankly, plundered for the last 8 years. The electric industry. There is probably only 60 to 70 percent of the generating capacity that the country needs, and it is antiquated. So there is probably a \$5 billion to \$10 billion investment in electricity generation and distribution that is required. These are all multi-year projects that need to be undertaken.

I honestly think they really do have a good start on this. They have put together a process for aligning what are the obligations, when do we need to make them, how do we assign priorities between oil, gas, et cetera. So they have got the tools there, and I honestly think it has to be built up there and it has to be built up with as many Iraqis as possible because they need to feel we are not dictating their future, turning them into a plantation. We are simply helping them get started what they need to do.

But as I look at the resources that Ambassador Bremer has, right now he has \$6 billion of reliable money.

The CHAIRMAN. And that is it.

Dr. HAMRE. That is it.

The CHAIRMAN. He runs through it this year.

Dr. HAMRE. Well, sir, it actually has to carry for the next 18 months. Now, at some point he is going to get oil revenue. It is coming more slowly than we had hoped. The original expectations for getting oil production were probably too optimistic, and we heard exactly the same thing that you did when you were there. We will hope to get \$12 billion to \$14 billion a year for oil revenue over, say, the next 15 to 24 months. As I said, this is a \$25 billion to \$30 billion economy. It was. It is not going to get there immediately, but that is roughly the level of expectation for living standards, et cetera.

So somehow we are going to have to fill the bucket up. This needs to be done as much, I think, on an international basis. But when you get right down to it, I think we are going to need to acknowledge we will probably need supplemental funding, and I think it is a lot better to tackle that problem right now than it is to, all of a sudden, look at a supplemental next March and April. The politics are different next March and April. It would be a lot better to take on the issue of a supplemental now in my view.

The CHAIRMAN. Thank you.

Senator Biden.

Senator BIDEN. I would like to follow up on that a little bit. The thing that I found most striking about your report—you know, we get a lot of reports filed, and half of the time you get a staff summary of and half the time you read that. I read your report. The central point you make and the absolutely essential point that we all focus on is that we have this window to convince the Iraqi people that it is a good idea for us to be there and to help them get the job done. The moment they change their mind about that en masse that is the moment that everything become exponentially harder no matter what it is we are going to do.

But the point the chairman is making here, if you will forgive me for piling on, is that the American people are going to get to that point pretty soon. The American people. The idea that we are not factoring into our regular budget for next year a considerable number for Iraq is shameless. The failure to do that implies to the American people that we do not need to do that. We are not going to sit here and not factor in what the cost of our military is going to be overall. We are not going to say we are not going to guess about what the military budget should be, what Homeland Security should be, what other things should be. A supplemental implies we have enough now, if we need more, we will come back for it. We do not have enough now.

And I am telling you—I am telling you. That is the wrong way to say this.

I believe that if we do not start to level with the American people, we are going to lose them. My phrase. I am not disassociating myself from the chairman or he will not want to disassociate himself from me on this.

When the President finally comes to his senses and realizes he has to go the American people and level with them, not what the exact amount is, but that this is going to cost us tens of billions of dollars in the near term and it is going to cost us tens of thousands of American troops in place in the near term. Until he says that to the American people, they wonder what we are doing. They wonder what we are talking about because they expected Johnny and Jane to come marching home.

So I want to pursue in the probably 4 minutes I have left priorities here. The two gentlemen that the committee left behind took what they found in Iraq, as well as what we together found, and have drafted a report that is only in draft form, the chairman has not seen it yet, and I have just seen, and it is only a draft. But they lay out five or six things. They say that the priorities are security, which is different than law and order. Law and order is two. Reestablishing services, getting the message out, which is half of Mr. Borden's statement, generating employment, the part Dr. Mendelson-Forman is talking about, and internationalization of this effort.

Now, my question is very, very basic. Notwithstanding the fact that we ought to be able to walk and chew gum at the same time, notwithstanding the fact, as Ms. Crocker said—we attended those town meetings too. They are remarkable. I do not know why they are not televised live on an Iraqi version of C-SPAN with no commentary, just for all of Iraq to see it, just to see that. It is remarkable, truly remarkable what we are doing there.

But in the meantime, we are finding that a lot of those folks are not prepared to participate in those councils because they are afraid they may get shot dead. They are afraid. Women are not willing to walk out of their homes. You passed schools like we did. There are all these automobiles outside of schools, and they sit there the whole day with a parent sitting in a car. I wondered what that was all about. Mothers or fathers will not let their daughters go into the school without staying on guard outside the school because their daughter will be abducted and/or raped.

So what do we have to do in your view in terms of priorities? Should establishing order and infrastructure, getting up and running the lighting and the air conditioning, be the immediate priority, notwithstanding the fact we have got to go out in the countryside, notwithstanding the fact we have got to do a lot of other things? If you were able to wave a wand and solve one of the many immediate dilemmas facing us—unfair question, but it will at least focus us—what would it be? What would the thing be that you think is the most urgent immediate need in the next 4 weeks?

Dr. HAMRE. Everybody at this table will say security. It has to be put in place because without it, you do not get reliable electricity. Without it, you do not get oil for long-term health because you cannot pump oil without having—

Senator BIDEN. Now, what was your sense—and I realize even being there a couple weeks like you were, you are not claiming to be omniscient, that you do not think you know it all. But what was your sense about our ability in the next 4 to 6 weeks to really get a handle on security?

Dr. HAMRE. Well, let me say a word first, and then my colleagues. I think our focus, understandably, has been on the Saddam loyalists, the spoilers that are out actively trying to undermine our forces and the security of the emerging government. That is not going to be adequate in the long run. We have to deal with the broad criminality on the streets, and we have to deal with the economic plundering. That has not been the primary focus of our military. I understand that. It is at the local level. They are trying to keep it safe at local communities. But the big gangs that are operating throughout the country and the basic security in the cities has got to be fixed because, as you said, people are not willing to work with us, and that means it is a broader security problem than just military.

Senator BIDEN. Right.

Dr. HAMRE. The Iraqis have to be brought to the process of defending their own country.

Senator BIDEN. Now, having said that, my time is about to be up. Let me tell you what we were told and you tell me if it is different than what you were told. We were told that in order to begin to stand up an Iraqi police force, just in Baghdad, let alone other places, that it was going to have to be from scratch because although there were 79,000 Iraqi policemen, none of them were cops as we know them. None of them were trained as cops as we know them.

They gave an example. If there was a murder in an apartment building, everyone was expected in an apartment building to get in a car, bus, or walk to the police station and come in for an interview. Nobody went to the apartment building and interviewed the folks there because it was very simple. If you did not show up, you probably got shot or put in jail. It was a real simple proposition. In a democracy that does not work.

So we are having to stand up a whole new police force. Even though 30,000 have come back and say they want to participate in a police force, some are not willing to go out to the police stations because they are afraid they are going to get shot on the way or shot when they are there, and even those we are standing up need basic training. So we were told that we need somewhere on the order, very quickly, of 5,000 trained police officers, European preferably.

And this is my question. I have not gotten the impression we have been actively, above Bremer's pay grade, seeking with a sense of urgency contributions to such a force. What is your assessment of what you think we need and what you think we are doing? How high a priority is it at the moment with the CPA as well as within the administration?

Dr. MENDELSON-FORMAN. Let me just say one thing. I think there is a recruitment beginning on a civilian police.

Senator BIDEN. There is.

Dr. MENDELSON-FORMAN. There is, and we were told that in our briefing prior to our departure when we were—

Senator BIDEN. They told us that is going to take at least 6 months to be able to stand up anything of any consequence.

Dr. MENDELSON-FORMAN. That may be the case, but let me talk about the creativity of our troops on the ground. They have started

patrolling using these recycled policemen with U.S. MPs. Now, obviously, it is not going to solve the problem of an absence of a legal system, but you have got to create short-term interim solutions that will give people confidence.

Senator BIDEN. Most of those MPs are reservists and National Guard, and most of those MPs have no way of being extended, and they are going to come home or they are going to be there for extended periods of time which is going to cause another problem.

Dr. MENDELSON-FORMAN. But I would suggest that in the internationalization issue, which you raised, Senator, there is a critical need that could help draw the recruitment, and I suspect through the European community, through NATO, through other forces, we could get the number of people. It will not be the exact number that we need right now, but I think Dr. Hamre, in fact, had done a back-of-the-envelope calculation of how many we might possibly get even from our coalition in Spain where they are a member of the coalition, just to become members on the street. In fact, I got a call from somebody in Bridgetown from the CARACOM people saying, do you want us out in Iraq? So I think if there were an internationalization, if the U.N. were asked or other institutions were asked, people would send policemen forward.

Dr. HAMRE. Sir, may I just add to this that I think the case you described where someone is murdered in the home and you need to go investigate, those are fairly advanced police skills. Police forensics are more advanced skills. It does not take nearly so much effort to get a guy out there to stand in front of a building and check an ID. It does not take nearly as much to do that.

Senator BIDEN. I agree with that.

Dr. HAMRE. So I think they are taking on the near-term security challenge, and frankly, you could do rent-a-cops for some facilities. We went to the tomb of the unknown soldier or whatever it was called, and you could put a couple of rent-a-cops up there who would be Iraqi citizens. They do not have to be finely skilled police detectives who know good forensic skills.

So I think if we parse out the problem, I think we can advance the domestic security agenda much more quickly.

To your point, though, we clearly need more carabinieri type elements, and I think the Europeans have those. We should be asking them for them. I believe that the Italians are going to contribute them. I think the Spanish intend to contribute some or at least are prepared to be asked about it. We are going to need more than 5,000 in my view until we get our arms around the security environment, and we do not have them around it yet, but they are working on it.

Senator BIDEN. Well, to paraphrase the chairman on another matter, I am anxious to see what the plan is. I would like to see the administration let us know what they are asking because, as Mr. Borden knows, in Bosnia we had a lot of experience in this and it took a long time and it took a lot of effort.

The CHAIRMAN. Thank you very much, Senator Biden.

Senator Hagel.

Senator HAGEL. Mr. Chairman, thank you.

Dr. Hamre, thank you, your associates, all the organizations that are represented here at the table today. We know it is far and wide

and it is very inclusive. So each of you who represent different organizations, in addition to CSIS, John, thank you very, very much.

Your statement, Dr. Hamre, focused on seven points that you wanted to reinforce which summarized your study, and I wanted to go to the sixth which has been alluded to generally here in the opening statements of both the chairman and the ranking member, and that is the international coalition. If I could just read back to you a sentence or two, and then I have a question based on that.

You mentioned the sixth priority. We have an international coalition that is helping us build a new Iraq, but we need to broaden that coalition even further. We need to find ways to invite other countries in to help with the rebuilding.

How do we do that? Now, we have a donor conference, but John, get specific, and I would obviously welcome the comments of your associates. Let us start with the United Nations. What should we be doing? Are you recommending that we go to the United Nations with a resolution, go to NATO with a formal request, go to where and who and when? Take us down a little deeper into how we do that.

Dr. HAMRE. I really will turn to my colleagues first and then let me offer a comment at the very end. Rick and Johanna, do you want to speak to this?

Mr. BARTON. This is probably something that every one of us would be happy to speak to, but I think that we feel that probably another resolution would be helpful. Clearly, this is a domestic political problem for many of our allies. It is not at this moment a politically popular position to take within their own body politic to really get involved with Iraq. The U.N. would be helpful and we all believe that.

I think secondarily we have clearly come to the aid of our allies as we did in Bosnia when the French and the British got stuck. I think this is one of those opportunities that is saying we would welcome your help rather than the more subtle, the more private communications. This has gotten to such a public stage that the word has to go out in a more public way.

Senator HAGEL. So a resolution would be one way that you all would recommend to broaden and deepen it.

Mr. BARTON. A resolution and the more direct communication that says we need your help. This is too big a task for any one of us to succeed, and it is vitally important that we all succeed. This is not the United States and Britain. This is a global effort and it requires a global commitment.

Senator HAGEL. In the interest of all nations.

Dr. Mendelson-Forman, you had a—we will come to you here, Mr. Orr, in just a moment.

Dr. MENDELSON-FORMAN. Senator Hagel, I think your question and also the chairman's opening statement and Mr. Biden's statement point to internationalization specifically on the United Nations. Yesterday, the Special Representative, Sergio de Mello, gave his report. They gave very positive signs. I visited, once with Dr. Orr and once by myself, the U.N. headquarters. They are looking for a job. They want to help. And I think that is what we have to send a signal that is needed. Donors want to work with the U.N. There have been issues in the past, but the legitimacy of 191 mem-

ber states is key at this moment, and if we are going to get the money that is described in the deficit, they certainly need the fiduciary agency of the U.N. to provide that in the absence of a government. An Iraqi Government will come, we are sure of that. But in the interim, even the donor regulations have the same bureaucratic problems as we do. They need to give state to state. There is no Iraqi state. There is an occupying power, and that is the first step that a resolution could address.

Senator HAGEL. Thank you.

Mr. Borden.

Mr. BORDEN. Yes. As the European resident at the table, I would think two things might be important to stress. One, Senator Biden referred to the problem of picking up the check without having had any say in the selection of the menu. I think that is a really strong, useful way of thinking and it represents much of what the Europeans are feeling right now.

I think some very open speaking about the way we got into the conflict and where we are now would be useful. In the British presses, we know that American-allied Blair is getting hammered every day about the WMD issue. These matters need to be cleared up and moved on, and it may be worth addressing them quite openly first.

Second, in the media field, just to give you an example, one of the things that we in the community of the media development groups are looking at are ways to create independent institutions from the CPA. We do this, because as journalists, we think media has to be independent of government. We also do this somewhat strategically because we think once we get these things carved out of the CPA, I can go to Brussels or I can go to Stockholm or I can go in Europe to raise matching money for this because they will be pleased to do so. It is not that they do not want to give money to America, but they want to give something to Iraqis. They want to give something independent, and they do, frankly, feel sore about the American dominance of the project. So find ways to loosen the strings a little bit, and I think you will find more contributions to the budget.

Senator HAGEL. Thank you.

Dr. Orr

Dr. ORR. Senator, you can tell what an issue you have hit on, that every one of us is leaning forward in our chair to try to get in on this one.

There are a couple of key things that we can do in the immediate run. The Center for International Cooperation, the CIC, has been set up within the CPA. It is still somewhat marginal. It is kind of sticking out there. It is headed by a very able Polish gentleman, former Deputy Finance Minister. His deputy is an Australian. So far that body has been charged with going out and rounding up funds. They are very clear that they cannot round up funds unless they are brought into the decisionmaking process. Within the CPA, there needs to be progress toward getting the international voices in the councils making decisions on how the CPA will run.

Second, the issue of recruiting civilians. We have been focused on foreign troops. We need to focus on foreign civilians too. They do not require the same logistical trains. One of the problems with

going out and recruiting all the foreign troops is that we have to do a lot of the logistics for them. That is an incredible burden on us. Recruiting talented non-American civilians does not bring that same burden. If we use this decentralization model that I talked about, there would be plenty of great opportunities to plug in European, Asian, Middle Eastern civilians into that decentralized structure, and I guarantee you the donors' conference is going to go much better. When there are at least five or six nationals of a given country on the ground out there, they will be much more ready to pony up.

Senator HAGEL. Ms. Crocker, did you have a comment?

Ms. CROCKER. I do not have anything to add to that, no.

Dr. HAMRE. Could I just have 30 seconds, sir? The one thing, though, I would say I think it would be very useful, if we think about the United Nations, to try to put our efforts around getting greater international recognition to this governing council. Clearly we intend that to be the core of the new process under which a new government emerges, and I think that is probably a better basis for doing resolutions. My fear is that there is so much extra politics with going to the U.N. right now. It would be one thing if the Europeans were ready to say we will give you 100,000 troops tomorrow if you come back to the United Nations, but I have not found any commitments to 100,000 troops anywhere in Europe. So there is not going to be a big, serious contribution coming from that process. So let us just do this the old-fashioned way. Let us try to build up the part of the credibility around which the new government is going to emerge and make that our focus.

Senator HAGEL. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much, Senator Hagel.

Senator Sarbanes.

Senator SARBANES. Thank you, Mr. Chairman.

In the New York Times a week ago, there was a story about the U.S. trying to get help with the Iraq costs, which of course you have touched on in your report, and I do want to express our appreciation to you for your report and the effort that obviously went into it. It is enormously helpful.

At the conclusion of that story, though, it concludes as follows. "Administration officials say there may be resistance if other countries want some say in how money is spent for Iraq. Many officials are adamant"—that is our officials—"that it will be the Coalition Provisional Authority, or CPA, the current name for the American and British-led occupation, that decides. It still hasn't entirely sunk into the international community, but the CPA is the government of Iraq, said a senior administration official. There are already unfortunate misunderstandings on that, but I cannot underline that often enough. The CPA is the government of Iraq."

Now, how are we going to get others to give money if they are not included in the decision process with respect to the use of that money?

Dr. ORR. I think that is exactly the right question. We can involve them on two levels, at the national level and at the local level. I have talked with a number of Europeans in particular that have reached out to us since this trip and said, is there a place for us to plug in? We have some people to send, everything from the

carabinieri to other civilian administrators with experience in the Middle East with the language skills. Again, if we would just say yes, open that door and get some of them into the field, I think those governments will be much more willing to contribute.

Dr. HAMRE. Sir, I think that the CPA—because I spent a fair amount of time going through their budget and what they are looking to spend money on for Iraq for the next 18 months. It is pretty logical. I think it would stand the test of public discussion. And if you can say this is what our assessment is of what we think needs to happen, getting up electricity, repairing electric fields, paying, employing teachers, getting cops on the beat, it is a very sensible set of ideas that they have worked up. I think that if we get past this initial philosophic position, which I agree with—I mean, they are not going to want to give money in the abstract to us, but if we lay out what is the framework that we are trying to build for the new Iraq, invest this governing council so that they see this as a logical thing as well, become the basis for people that are making international contributions that fit a big plan. That I think is a good idea, and I think that it is not entirely clear to me that we cannot resolve this dispute if we can work on creating greater legitimacy around the governing council.

Senator SARBANES. Well, now, U.N. Secretary General Kofi Annan just this week in a report to the United Nations Security Council said—and I quote him—“It is important that Iraqis are able to see a clear time table leading to the full restoration of sovereignty. There is a pressing need to set out a clear and specific sequence of events leading to the end of military occupation.” What is your view of that statement by the Secretary General?

Dr. MENDELSON-FORMAN. I think we are all in agreement, and I think Ambassador Bremer is as well, that the time table needs to be laid out. I think we go back to certain issues that we face. We have to get the security under control in order for the troops to leave, but I also think that empowering the Iraqis through this governing council would be—

Senator SARBANES. We were told here, as I understand it, before I got here, that I read in the statement that we should not put too much of a burden on the governing council because they cannot handle it. They are in an extremely delicate situation and therefore we cannot, in effect, hand off to them making any tough decisions.

Dr. MENDELSON-FORMAN. I do not think I was suggesting handing off, Senator, but I was suggesting that the first thing they are doing and they are actively working on is the creating of a committee that can create a constitutional basis. That is a job that they need to get Iraqi input into. They need to go out into the countryside. They need to go to these regional councils.

Senator SARBANES. Do you think the governing council now is perceived by the Iraqis as having legitimacy?

Mr. BARTON. I think it has a mixed perception right now.

Senator SARBANES. Unlike Karzai in Afghanistan when he was selected by the loya jirga. Would you say that was markedly different?

Mr. BARTON. I think we feel that the public participation was broader in the case of Afghanistan, but then again, we never dealt

with the warlords there, so we have a complicating factor in that case.

I think that the Kofi Annan statement we would agree with, and we should not only have the very clear sense of direction, but we should also explain what kinds of things could happen that might derail the process that is laid out, and that needs to happen. People are looking for that.

Dr. HAMRE. But, sir, I do not think that Ambassador Bremer is opposed to giving the council as much authority as it can manage. I think our concern is that we not push it to failure before it develops the internal competence to handle very complex issues because there are very complex issues.

Second, I think a time table—

Senator SARBANES. So are you recommending that we sort of ride with the council over a period of time as opposed to trying to move to put in its place a governing mechanism that was at least more internally chosen and so perceived by the Iraqi people?

Dr. HAMRE. Sir, I think Ambassador Bremer's plan—I personally happen to agree with it—is to grow around this council a broader process that is seen as legitimate by the Iraqi people, and that is first getting competent services demonstrated in the country and gradually infusing it with the authority that it can run the country over time. But it still has to stand for election, and it will take a little while for us to be able to do that. I do not think that is a bad plan. I think it would be very hard right now to go out and just try to have 500 people showing up and writing a constitution in Iraq. I think that would be probably failure-prone. So this strikes me as a pretty good compromise. That is my personal view. I do not know if my colleagues agree or disagree.

Mr. BORDEN. May I add just a comment? Two comments, please, Senator. The establishment of the government must be a process, not just an event. That is a bit of a cliché, but I think some of us remember in Bosnia where the rush to have elections and create a government there actually entrenched in many ways the forces that we, broadly speaking, were seeking to overturn, namely the warlords. My impression was that at least the Iraqis I spoke to were very happy that the council was created. They felt that this was not an open and democratic process, but it gave some voice and it was part of an ongoing process that would, in time, create a more legitimate government. I think it is understood that you will not have a realistically legitimate government until many other things are solved, such as outlined in the report and so on. You cannot have democracy without the society and even the economy functioning more broadly. First point.

Second, I think, with respect, Mr. Biden was referring to setting priorities, and the Senator referred to information within that. I think he would understand and I would hope agree that information actually not in security terms perhaps seems to be the priority, No. 1. But in all of these issues, I think you will not succeed unless you have an information strategy as part of it. You cannot have the process of creating government unless you have honest information around it. If you set a time table, you are going to break that time table whatever you set. You need honest information around it so that people can understand that, and I think even in security

terms, the analogy I would use would be being in New York City in a subway when it stops between stations. When you get that announcement that there is a delay and somebody is working on it, you relax a little bit, and when you do not get that announcement, you get nervous and you are frustrated and you feel very tense. You are left in the dark. I think that is where they are. So I think security is related also to information as well.

Thank you.

The CHAIRMAN. Thank you very much, Senator Sarbanes.

Senator Sununu.

Senator SUNUNU. Thank you, Mr. Chairman.

Ms. Crocker, you talked about the value of funds flowing to the provinces or to the local level. Are there any funds flowing locally now even in limited amounts, and to the extent that they may be, what are they being used for and how can they be used more effectively?

Ms. CROCKER. At the moment there are not funds flowing, and so the answer is they are not really being used for anything. There are some funds flowing to our military commanders out in the field, and they have been able to use those funds for certain quick start projects that have been put in place such as rebuilding schools and sort of very small projects. That has actually been working quite well so far. But our suggestion is that we need to broaden that so that we also have some money flowing to these local councils.

It also gets back to Senator Sarbanes' point before about sort of the legitimacy of the governing council itself because one of the ways that I think we would see that legitimacy increase is if we were able to link what is going on in the field to what is going on at the center. So we need to make sure that those local councils that may be more representative of their communities are linked into this national process.

Senator SUNUNU. Where the quick start moneys have been used, have they been used autonomously by the military structure command locally, or have they been used collaboratively or cooperatively with the councils?

Ms. CROCKER. As far as we know, they have been used autonomously, although I think the answer is probably that it has been ad hoc because I think what has been going on in the field has been rather ad hoc and it just depends on which military commander is running the show in that particular town so that we might find that in some, there has been very close coordination with the local councils in terms of setting up priorities.

But I did talk to a couple of people who said there was actually a great level of frustration on the part of Iraqis. For example, at one particular hospital, there had been three units of military guys who had come through as various ones had been rotating through, who had come to the hospital and said, tell us what you need, give us your list of priorities. And they said finally on the third such visit, they turned to the guy and said, I do not mean to be disrespectful, but we have actually given this list over three times. And they gave it again. But I think that just does point out that there is still a bit of a disconnect and it highlights the importance of doing that.

Senator SUNUNU. Assuming there was a system set up that provided some level of funding to the local councils, do you see or are you concerned about any limitations in the council's ability to handle, use, distribute, invest money effectively?

Ms. CROCKER. I think we would be concerned about that just given the lack of experience probably with doing this sort of thing, but I think what will just be important in that regard is making sure that we have a process in place. I would assume and something that we point out in the report is that if we were to engage in this kind of revenue-sharing plan, that you might require a co-signature of the military commander or the civilian leadership there or that you might, at least, have some sort of an oversight process in place.

Dr. ORR. Senator, I think this is an area where in military terms, we do not like to use the term "dual key approach," but I think on this financial question, a dual key approach would be appropriate. The local councils make their decisions, but if you had civilian CPA officials in each of those areas, they could make sure that there is some oversight of those moneys.

Senator SUNUNU. With regard to investments in infrastructure, there was some discussion in the recommendations about the value of investments in infrastructure. When we heard from Mr. Bremer, he noted that one of the most effective and efficient ways to make a difference economically and to deal with some of the security issues—and I think this was mentioned by the panel as well—is to invest in construction projects. It is a way to give someone a job, to get them to work, and obviously to make a difference on infrastructure.

Does the panel have any specific recommendations for construction or infrastructure projects? Was there any sense of prioritization established in the recommendations?

Mr. BARTON. I think again we would go back to the iron triangle and we would say those would be the three major areas. All of us who visited were impressed by quite a lot of the infrastructure actually. The roads are superb. Much of the construction techniques looked excellent.

We visited, outside of Basra, a large water plant which is essentially the water supply for the entire southern, very dry region. That is already on the list, and clearly the Army Corps of Engineers was coming in as well, but the USAID, Bechtel people were there visiting that site. That is going to be a public works project that will take years, would be our guess, to clean out the canal that has not really been maintained. We looked at the infrastructure inside of that plant. It was well worn down. So those kinds of opportunities really exist everywhere.

And clearly the \$5 billion plus figures that we have heard about getting the oil industry up to the point where it can produce 2 million barrels a day, or hopefully 3 million barrels a day, is really the starting point for that industry, but I think we would focus in that iron triangle which everything else depends upon.

Senator SUNUNU. I do not want to put too fine of a point on it, but I see a distinction here between critical infrastructure projects or essential services whereby the most effective way to make a difference might be to contract to go get international contractors, for-

eign contractors who have an expertise in an area of technology maybe having to do with energy services, maybe having to do with water plant construction in order to get it done as quickly as possible and other areas where the more appropriate goal would be to provide funding perhaps locally, but to provide funding domestically to employ domestic workers in industry.

Did you make a distinction between these two groups of projects or make any effort to try to distinguish between these two somewhat different sets of priorities?

Mr. BARTON. I do not think we differentiated, but I think we believe that you have got to have a bottom-up and a top-down approach. Because you have this imperative to really make tangible progress in these coming few months, you really have to do whatever you can to get that going.

This is a management by chaos period, and if you think you are going to bring in lovely, well-coordinated teams of people—we saw some of those teams coming in. They are bringing in their own private security guards, retired British Special Forces agents that look as tough as anybody we saw in the country, and half of the money they were spending was on that element of their work. So this is the reality on the ground, and so you really have to come at it every which way you can.

Dr. HAMRE. But, Senator, while we were there, they released \$100 million worth of construction contracts, and it was with local firms. Now, there is a good construction industry there and it is exactly for that purpose that Ambassador Bremer is trying to get that going. This is for things like repairing bridges and this sort of thing. That industry which was fairly competent has been a bit damaged by the looting. The one company in the country that makes these long concrete pillars that span bridges—whoever it is stole all the electric motors for their overhead cranes. So they have got problems like that. But I think Ambassador Bremer understands that is an option and he is pressing as fast as he can with real projects as fast as he can. It was right in the neighborhood of \$100 million that he did right away.

The long-term investment, for example, electricity which I would put as the highest priority, is going to take outsiders because there is no domestic production to produce new generation capacity.

Senator SUNUNU. I have one more question. I see my time is up, but a final question for Dr. Orr. You talked about the civilians and getting more civilians in place for a number of reasons, which I very much agree with. Could you be a little more specific about the types of civilians you are talking about in terms of prioritization, what kind of backgrounds are most essential, what kind of role do you see them playing? In other words, is it just a leadership role or is it an on-the-ground implementation role? And when you say civilian, are you talking perhaps about Federal employees here from the Department of Agriculture or Department of Justice that have expertise, or are you talking about private sector civilians that are identified and take advantage of an opportunity to make a difference in Iraq?

Dr. ORR. In terms of the types of civilians, first I should address the volume question. In each province we asked: how many people do you need? We asked the military. We asked the civilians we did

find there. On the international side, how many civilians would you need to make this province function, with respect to the kinds of issues that you raised with us, agriculture, infrastructure, security. The numbers that they came back with were fairly consistent at about 20 to 30. They differed by province as to what the functions would be, but agriculture showed up in some provinces, financial management and budget showed up everywhere.

Senator SUNUNU. About 20 or 30 per province?

Dr. ORR. Per province.

Senator SUNUNU. And 18 provinces?

Dr. ORR. Yes, 18 provinces. If you cost it out we came up with about \$200 million a year. And that does not all have to be American.

I think the key is that a coherent group of people come in as advisors. They could be seconded American Federal employees seconded. They could be private sector employees that we have specifically gone out and recruited. It could be done through contractors and it certainly could be internationals as well. So not all those costs would have to be borne by the United States.

Senator SUNUNU. Thank you.

Thank you, Mr. Chairman.

Mr. BORDEN. May I please make one contribution? I know that light was red a second ago.

Senator SUNUNU. That light is for me. It cuts me off. It does not necessarily cut you off.

Mr. BORDEN. I am here slightly to bang one drum, but I will relate the information of the media issue to the budgeting question you were referring to. I happen to have a colleague with me from my organization who is intimately involved in public service broadcasting reform in Kosovo, and I think there is a relationship here.

A key question is multi-year budgets. It sounds very technical and very dull, but especially if you want to bring in outside contractors, and I would say this particularly for the media field because that is the field I know, but I am just guessing that it relates to many of the other ones. If I am a manager asked to do something, you must give people the responsibility to do it and the tools with which to do it, and then step back, and they succeed or they fail. But many times—and I am sure people who have been on assessment missions in the field have seen it many times before—the budget is confirmed, it is not confirmed, I am only here for 4 months, I do not now what is going to happen next, or the project, as soon as it is launched, it falls into a desperate fund-raising process itself. So it really is from the minute, and there is a great fear within in it because in many of these public service broadcasting reform projects, whether in Bosnia, Kosovo, Afghanistan to a degree, which we are also involved in, there is a political will for the moment. But the manager needs to take a 3- to 5-year view. The director general of this has to take a 3- to 5-year view. But he knows in 2 years the world is going to be looking elsewhere, and he is very terrified. It is very difficult to get the quality people you need and really make the investment in the start. So while it is management by chaos—and I picked up on that phrase—even within the chaos, if you are a good manager, you have to have a stra-

tegic plan and you cannot do that if the resources are not somehow more confidently behind you as you get started.

Thank you.

The CHAIRMAN. Thank you very much, Senator Sununu.

Senator Corzine.

Senator CORZINE. Thank you, Mr. Chairman. Let me join and echo the gratitude we have, all of us, for the report and the insights.

I will read the phrase that made the headlines, “the potential for chaos is becoming more real every day,” in that section of your report, you went on to talk about multiple internal and external players. Can you talk a little bit, give a little scope of understanding of how you see the external player piece to the security issue which appears to be priority No. 1 and give us some framework? Is this external players that have been, continue to be joining the chaos, the word of the moment?

Dr. HAMRE. Let me say a word and then I will turn to my colleagues. Sir, I think that clearly in the southern part of Iraq, we know that there were Iranians who moved in, more really to connect with Shia followers in the south. I do not think that there is a lot of evidence that they have been behind the physical violence directed toward our forces. I think they have been more toward organizing the Shia population, more on religious affiliation grounds.

There certainly are rejectionist radical islamic elements that have operated in the area. Some reportedly are moving back, but they tend to be more minor in nature. It is certainly something to be concerned about.

The bulk of security is frankly in two dimensions. It is the Saddam rejectionists who really are invested in the past, not the future, and see themselves threatened by the future.

I think there is an international connection which is under-appreciated which are these smuggling gangs. There is a great deal of black market activity that is plundering the country. These are gangs that are taking things out of the country. In many ways they operate like where you see convergence between drug trafficking and terrorists in South America and around the world. This tends to happen in places where you impose long-term sanctions. Black markets emerge and they get deeply entrenched in these societies. And they operate transnationally in this region. They are taking things they steal from Iraq and they are taking them into neighboring countries. That is a very real problem. Now, they are not right now trying to attack our troops because they are trying to avoid our troops. They are trying to steal stuff. But it is definitely an international dimension of corruption and violence that we are going to have to come to grips with. And to the extent that that becomes a vehicle for politically motivated violence—I cannot say that we see that now, but it has happened in other places where we have seen this phenomenon, and that is a real source of worry over time.

Senator CORZINE. In that connection, is there any sense that there is trafficking in military equipment, munitions, any of the potential for the yet-undiscovered smoking gun falling into the hands of this crowd of folks that proliferate this in and outside of the borders?

Dr. HAMRE. They undoubtedly are trafficking in arms. These sorts of gangs do that as well. It is simply part of the commodity line, anything from melting down salvaged copper to turning it into ingots to taking munitions that are still in cases and selling them to the black market. So the answer is yes.

Senator CORZINE. More worrisome obviously, in the context of the overall framework in which we entered into this conflict, was weapons of mass destruction. Do you have any evidence that they have involved themselves in trafficking and things other than conventional weaponry?

Dr. HAMRE. Sir, I do not have any personal knowledge about that, so I cannot comment on that in any authoritative way. I think we would be concerned about it obviously, but I do not have any knowledge about it.

Senator CORZINE. Sort of a follow-on to Senator Sununu's questions. Rebuilding requires security. That is why I think all of you talked about security as project No. 1. How much of what is being rebuilt has become subject to the kind of—whether it is loyalists and rejectionists or organized crime figures, is being limited in its ability to be effective because it gets destroyed before it gets put in place, and how big a problem is this?

Dr. MENDELSON-FORMAN. Maybe I can start, and I know my colleagues have other comments. But we were told, when we arrived in Baghdad, that 60 percent of the power generating capacity was actually destroyed during the looting. Now, that is not saying it had a great system to begin with, but if you cut out 60 percent, you have a tragedy.

The other thing we were told in the—

Senator CORZINE. Have we stopped the bleeding, though, I guess?

Dr. MENDELSON-FORMAN. Well, hopefully we are beginning to stop that bleeding now, but you started really hobbled by a looting situation. Also, some of the looting that is going on where the copper in the wires and other pieces of just basic hardware are being taken out of the walls as soon as they are put in because there are no jobs. People sell these and they sell it to a black market which, as Dr. Hamre said, then exports these. So you have the need for static security. All of this is circular because you have to guard what you build in order to prevent things from happening overnight.

But I will let others comment as well.

Dr. HAMRE. If you bring in a generator, you have got to protect it. If you are going to bring in a brand new generator to keep water pumps working, you have got to put a guard by it. Now, we hope to get Iraqi guards guarding it rather than American troops guarding it, but you have to do that right now because there is this industrial-strength plundering still going on in the country.

Dr. ORR. Senator Corzine, I would add that one of the key elements of security that should not be overlooked is when communities are involved in the decision, they will protect what they just decided on, and that is why these local governance councils we have talked about are so important. If they enumerated their top three priorities and then we put money against it, the chances of that community organizing itself to keep those assets safe goes up exponentially.

Senator CORZINE. The civilians that you had suggested that are an important element of moving the country forward—what security arrangements do we think we would need to put in place to make sure that that happens? It sounds if we cannot keep copper wire in the wall or we have a death a day among military forces, civilians would be much more vulnerable I presume.

Dr. ORR. You are absolutely right, but the key point here is that the security situation is very different in different parts of the country. While it is a little bit sketchy in most of the country, you could safely put civilians in over half the provinces without significant extra increments of security over what is already there. There are obviously parts of the country where you would have to implement the security package alongside the addition of civilians.

Senator CORZINE. I am presuming that that 30 folks that you talked about in the individual provinces did not include the security forces that would be necessary.

Dr. ORR. No, that did not.

Senator CORZINE. Thank you.

The CHAIRMAN. Thank you very much, Senator Corzine.

I am going to ask unanimous consent, with Senator Corzine still here, with just myself asking myself.

I request that an excellent review of U.S. decisionmaking with respect to Iraqi reconstruction that appeared in the July 22, 2003 edition of USA Today be included in the hearing record at the conclusion. Hearing no objection, that article will be reproduced.

The CHAIRMAN. I know that Senator Biden and Senator Hagel have questions, and they have temporarily absented themselves, but will be back. In fact, Senator Biden is back now. So I will recognize him at this point.

Senator BIDEN. Thank you very much, Mr. Chairman. I will try not to trespass too much on your time.

I would like to ask a couple very basic questions, if I can. Anyone, if there was a television and radio that was up and running that had the force of some legitimacy in the minds of the Iraqi people, that just chronicled, nothing else, what is going on right now, what would be the impact?

What made me think of this was Ms. Crocker's point about some good things happening. What does your gut tell you would be the response of the Iraqi people if they knew, for example, they could actually see these town council meetings that we saw and sat through? We were there and they were talking about, if I am remembering correctly, well, why cannot the water main go an extra 250 meters or whatever to get to our side of the neighborhood. And then they would turn to the guy who had been the former director of education for that area of Baghdad. The neighborhoods represented roughly 14,000 people. And there were two neighborhoods that were part of this essentially town council. Being a former county councilman, it was an impressive display of participation that was genuine, real disagreement, dialog and consensus. And how impressive, as you said, doctor, those young lieutenants and the young majors and young colonels who were standing there. I mean, they are an impressive group of people.

What is your sense about that window that we have if people in Iraq knew that we are actually setting those, whatever you want to call them, neighborhood councils up?

Mr. BARTON. Our sense is they would have a huge and beneficial impact. Right now seeing is believing is the only credible way that information is moving within the country. We talked to three young attorneys who were working inside of the palace. They would not tell anybody but their families that they worked inside the palace. So that gives you a sense of that.

On the other hand, when we started talking about Saddam, they said, why do we not see the people that you have arrested in shackles? Why do we not have the confirmation that you mentioned earlier? We had also said it would not hurt to have crime watch shows. We are not going to be able to figure out what the high ratings are. We really just need to get every single form of communication that we can imagine into play because the appetite is absolutely unbound at this moment. The Iraqis need information. Furthermore, they have got an awful lot of time to digest and process information because there are not a lot of activities going on right now inside the country.

So we believe it is essential. It needs to happen. There are a lot of ways of doing it, but we have to go way beyond sort of "psyops" and government public information. We are talking advertising. We are talking focus groups. We are talking every conceivable form, hiring thousands of young Iraqi students who do not have anything to do this summer to go out as promoters in the community so that we will also have a better sense of what is going on in the community. We cannot just count on young American soldiers who do not necessarily have the language skills to be our key intermediaries. We have got to expand it. So clearly do it on the media level, but this is much more of a campaign than kind of an ordered exercise.

Senator BIDEN. Well, I am going to save you to the end, Mr. Borden, because I have three questions I want to ask you and you can then add anything you want to say.

I want to go back to Dr. Orr and talk about civilians in the provinces. We have a fairly extensive track record in this country, initially the SEED legislation back in the 1980s. We had the Freedom Support Act that we worked in Eastern European countries, former Soviet states. We have some experience in dealing with getting civilians into Bosnia and Kosovo. Hopefully our learning curve on this has improved.

Have you had an opportunity, any of you, since you have been back, to interface with our government people, our agency people about mechanically, A, how we recruit or what recruiting mechanism and how we would dispense? If not we, there are all kinds of NGOs out there who are chomping at the bit, but for the security concerns of getting out there. Is there anything in play since your report? And if you were sitting up in our job, who would you be calling before the committee from the administration to tell us about what, if any, plans they had about implementing a civilian corps, in effect, that is international. As you said, they do not have to be Americans. Can you talk to me about that a second?

Dr. ORR. Absolutely. On Friday, Under Secretary Feith, in a briefing at the Pentagon that he invited us to join, said that they

would be taking this recommendation of setting up a backup office for Ambassador Bremer in DOD, but that it would include people from all of the relevant agencies. Since that time, I have had at least two other agencies in town say, we are ready to put up our person for that office. So I think it is in play, but it would be important to get it up and running very quickly. Those people should not just be any old person from the agency. It should be the person who is the talent scout in that agency that normally does that, that knows how to look into the private sector, look into local government, look into Federal Government to find those people.

Senator BIDEN. My time is about up. I want to end with you, Mr. Borden, if I may. I think your recommendations are, as some of my British friends might say, spot on. I think they are pretty darned good here. I think what you have in mind is the game plan; your three recommendations are the way to go, personally.

My problem is immediately. Again, we are running up against this immediate crunch. What is left of this committee here and everybody there, I think we are all on the same page here on that score.

Now, as long as this security vacuum exists, as we are trying to fill this vacuum, it is going to hopefully get filled gradually day by day. But as long as it exists, what can Jerry Bremer do now to better communicate with the Iraqi people? I realize we need a long term, and I am not trying in any way to diminish how consequential that is and we ought to be able to walk and chew gum at the same time. Plan for that and get that underway. But what does Ambassador Bremer do now—now, tomorrow—to say to the folks he has on the ground now, this is how we are going to better communicate beginning today? What kinds of things does he need to do?

Mr. BORDEN. Thank you. With respect, I think if your own office and department had the information campaign and information strategy that he does, you would not be a Senator. You are a politician and you know about information. You know about communicating with the constituency. You know how important it is. It is part of the democratic process. And I believe this is beginning to be quite understood within Baghdad. They need a director of communications and a proper information operation, which is very robust, and begins immediately.

What I would urge them to do is to separate the understanding of the information from the plumbing by which you communicate it. They are, as they said, the government. Bremer does not need a TV station. He just needs a microphone and a press conference and people will come. Focus on getting the message out, figuring out what the message is. And not to distinguish myself from my colleagues, but I am a journalist by background. I would focus on information and honest conveyance of, as you say, briefings and so on. Marketing and all the rest has its role, but I do think the Iraqis have a long history of, let us say, propaganda, and they want the truth, and when they have the truth, I think they will understand the difficulties and appreciate it and be generally on side.

Senator BIDEN. One last point, Mr. Chairman. I have been, as we all have here, a strong supporter of our Board of International Broadcasting. Our Board of International Broadcasting not only

has Voice of America, it also has those apparatus that have literally journalistic independence, the radios, the so-called Radio Free Europe, Radio Liberty, the remnants of those and new startups. I would like to ask you—and you may not have an answer now, and you may. If you have it, please tell me—what you would think about a recommendation of getting Bremer and company or at least folks in the administration to call these folks in and have them come up with a proposal near term to immediately be able to deal with the dissemination of information.

I realize it is different, but literally in a matter of several months, they put together this Radio Sawa that became the most listened-to radio station in that part of the Arab world, almost overnight, because we took, what you are suggesting, Dr. Orr, a very smart guy who made a billion bucks putting together radio stations in the United States of America. We went out. He volunteered his time. He sat on the Board. The Board turned to him and said, put together a radio station. How would you do it if you were going out there?

We invented Madison Avenue, for Lord's sake. Our inability to be able to communicate is probably—if you were sitting on Mars for the last 6 years or 60 years and got brought back to Earth and said, well, what is the one shortcoming we would have, the last one you would come up with is thinking we would not be able to communicate our point of view.

So I would like you to think about—and I have no ability, like the Secretary of Defense or anybody else, to task you in any way. But I would appreciate it, as one member of this committee, if you would, Dr. Hamre, think about whether or not existing governmental agencies are up to the task. When we were riding back, the chairman and I with General Kerr, who was being, as all the military were, absolutely straightforward with us. The chairman was saying we have to learn to plan for this kind of stuff much better in the future in terms of nation building or whatever you want to call it, to have a much bigger civil affairs component of this operation. Kerr was not lamenting but pointing out that he is very shorthanded, that there is not as much of a workup on this side of the equation as necessary, and that he could use a whole lot more on the civil affairs side.

So my question, not to be answered at this moment, for you to consider for the committee is within the present Federal Government structure that exists, what should we be doing? What other parts of the government should we be calling on to assist on this communications side, if that is the case? Mr. Borden, if you would think about it for me. If this were the President, the Secretary of State, and I am the commanding general and I am Bremer and we all come to you and say, hey, look, we want you to become the public information officer for Biden sitting over there trying to put this together, what would you be doing not next month? What would you be doing tomorrow and the next day and the next day?

Dr. Hamre, this is not a criticism of Jerry Bremer, and it really is not. I mean it sincerely. But when I asked the Ambassador yesterday about this issue, he said, look, I am doing x number of press conferences a day. I am on Al Jazeera. I am making myself avail-

able. And he is and doing a good job when he does. But that is not a press plan. That is not a press plan or a communications plan.

So anyway, I have trespassed on my time already. If you all would consider that, if you could either put it in writing, pick up the phone and call, seriously, and I look forward to meeting with you separately, Mr. Borden, if you would be willing to give me some time. I do not know how long you are in the States, but just to come in and sit down and educate me a little bit. OK?

Mr. BORDEN. A pleasure.

Senator BIDEN. Thank you very much.

[The following response to Senator Biden's questions was subsequent received from Mr. Borden.]

INSTITUTE FOR WAR & PEACE REPORTING,
LANCASTER HOUSE,
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London N1 9LH UK, July 31, 2003.

Senator JOSEPH BIDEN,
United States Senate,
201 Russell Senate Office Building,
Washington, DC.

DEAR SENATOR BIDEN:

Re: Iraqi Media and Information Strategies

Thank you for your invitation last week during the hearing on Iraq to present further thoughts on information and media strategies.

As I understood, your outstanding question was how to achieve immediate impact, in light of the poor information flow to the population and the short window of opportunity described by Dr. Hamre and colleagues.

Your championing of this issue itself offers the kind of constructive pressure that can make a real difference in achieving early results.

Practically speaking, I would strongly argue that the primary approach should be to press ahead hard with the strategies I outlined. Political pressure to ensure rapid and professional implementation, and appropriate allocation of resources, can achieve a great deal—and relatively quickly.

(1) In a fast-moving environment, my understanding is that a Director of Communications for the CPA has been identified. That person needs to be in post, with clear authority and adequate resources, and close scrutiny in the first instance to ensure creative and energetic implementation. I hope for an aggressive and progressive strategy for providing information, especially to Iraqis through Iraqi media. In a politicized environment, a message needs to be clarified and communicated, but the emphasis should be on transparent and honest facts rather than spin and marketing. Communications need to be offered in Arabic and Kurdish, and mechanisms developed to enable local media to make contact, which means getting outside the cloistered palaces.

(2) A head for a new independent Iraqi media commission has also been identified. He also needs clear authority and remit. As I indicated in my testimony, mid-level bureaucratic resistance and delays in allocating resources present a serious obstacle to success here. In particular, full independence needs to be provided from the start, especially in terms of staff hires. On the positive front, there are creative strategies to exploit frequency regulation in the first instance to gain rights for public service programming across all existing local Iraqi media. So there can be "early wins", as long as this process is allowed to move ahead with full steam. Any let-up here would be a disaster.

(3) I am pleased to note that the British development agency DIFD has confirmed a grant to my organization, the Institute for War & Peace Reporting, to launch a journalist training and humanitarian reporting project with local journalists, and we expect this to begin in a matter of weeks. Our understanding is that this will be the first such field training and reporting effort. The aim is to produce reliable reporting through local voices on humanitarian developments and disseminate this work through local print and radio outlets. Further resources through organizations like IWPR and others with whom we cooperate could extend such activities. In terms of other immediate possibilities, fresh re-

sources could also be utilized to provide free Internet access for local journalists, which could substantially improve their capacity to report. Such an effort could serve as a first project of an independent Iraqi Media Institute and could be implemented quickly. Public private partnerships should also be encouraged to ensure the establishment of sustainable Iraqi media with a focus on promoting civil society and engendering broad debate and political participation.

In the Balkans and elsewhere, we have seen crisis response initiatives undermine long-term strategies, soak up substantial donor funds, and ultimately fail in their own terms as well. After the initial false start, the strategies outlined—establishing a CPA information strategy, creating an independent media commission, and supporting independent and Iraqi-led activities—are solidifying and on the verge of implementation.

The challenge now is to see them through, and your championing of the issue would make a very important contribution to maintaining pressure and mobilizing support to ensure that that happens.

It was a particular honor to testify before you and your colleagues on the Senate Foreign Relations Committee. I would be delighted to provide you with any further assistance you may require, and your staff have all my contact details. If we do not speak by telephone, I will be regularly in the States from September and could meet any time.

With thanks for your interest and support on this issue, and best regards.

Yours,

TONY BORDEN, *Executive Director*.

The CHAIRMAN. Thank you, Senator Biden.

Let me just indicate—I am going to call upon Senator Hagel now—that a rollcall vote has commenced on the floor and there will be another following that. So after this questioning, the hearing will be coming to a conclusion, and you will finally be released.

Senator Hagel.

Senator HAGEL. Mr. Chairman, thank you, and I very much appreciate the chairman's giving me an opportunity to ask one final question and I will be very direct.

It is your last point, Dr. Hamre, of your seven points you laid out in your statement. Dr. Orr you referred to it, I believe, referencing bureaucracy in Washington slowing Ambassador Bremer down. You talk about it, Dr. Hamre, here saying, "finally, Administrator Bremer and his team need greater flexibility." You went a little further I think, Dr. Orr, in being a little more specific about bureaucracy hanging him up here in Washington. We heard some of this when we were in Iraq, by the way, and we heard it rather plainly and it was put indelicately by some, not in earshot of the authorities, but nonetheless I think we got the picture.

Would you care to respond to the points you each made, in a brief amount of time here, because obviously I do not want to use all the time? The chairman has time here.

Dr. HAMRE. Sir, I understand that people here in Washington want to try to be helpful, but I think that they are really operating within the Washington frame of reference when that, frankly, is not helpful right now. We need to trust the people over there to be making the right decisions. Just like Ambassador Bremer trusts a local lieutenant colonel to spend money on a project on his word this is going to help, we need to really start investing that kind of trust in Ambassador Bremer and his whole team. It is taking too long to get money released. It is taking too much time to get contracts approved. We ought to have much more contracting capability there in theater. They need to be held accountable, but they feel they are accountable. So let us not tie them up with lots of second-guessing and micro-management in Washington, and I think

that would be our plea. I think it is in the area of funds release, funds control, accountability, personnel assignments, that sort of thing.

Senator HAGEL. Before I go to Dr. Orr for a very quick answer, let me just add, if you have not done this already and if it is not in your complete report, which I have just read the abbreviated version of, the executive summary of, it would be very helpful to get down into that because we heard specific agencies—in fact, OMB was mentioned, too much control at DOD. Everything was having to go back through DOD, then OMB, then back around. So anything specifically that you could touch on would be helpful. I would be very interested in getting any of that myself to see if I can help.

Dr. HAMRE. Most of those complaints I heard directed at me when I was comptroller. So I am very familiar with them, and I will be glad to report on it.

Senator HAGEL. Thank you.

Dr. Orr.

Dr. ORR. Just as Dr. Hamre describes himself as a money guy, I will describe myself as a people guy. I think on the personnel side the needs are just screaming, quite frankly, and I think Ambassador Bremer and all of his top people know what they need. They have put this to us many times, and we said, well, why do you not have it? They said, well, we have asked for it. I cannot tell you why exactly. It goes to Washington and we just do not get the people that we really need here on the ground. So I think we need to have someone take a look at the process of where the echo chamber is bouncing these names around, where it is bouncing the money around. Someone could cut through a lot of that business as usual. This is a situation where I think, as Dr. Hamre said, we cannot afford business as usual either on the money side or on the personnel side.

Senator HAGEL. Well, if you have not done it, I just say—and I know you want to make a quick comment, Dr. Mendelson-Forman—I think this is a critical part of this, especially in light of the larger dynamic of your recommendations, all of you. Time is not on our side here, and you all presented that pretty clearly today on the great challenges that we have here. We are going to stay the course and accomplish what we have to accomplish. But just as you point out, Bremer needs a straight line here and his people do or it is going to be much more difficult, and you know that.

Dr. Mendelson-Forman.

Dr. MENDELSON-FORMAN. I just wanted to add to Dr. Orr's comment because this project started as a look at the gaps in U.S. capacity to deal with post-conflict reconstruction. We did write a paper about some of the funding obstacles, and we would be happy to share some of that information because it does not touch on Iraq because it happened before Iraq, but I think some of the obstacles and the needs for these quick infusions of cash are discussed and ways to deal with them. So we can send that to you.

Senator HAGEL. Thank you.

Mr. Chairman, you were very generous with your time. Thank you.

Senator BIDEN. Mr. Chairman, may I make very one brief point to reinforce the point you all made? Right after the Taliban was rooted out, I spent 5 days, 6 days, or whatever it was, in Kabul at Bagram Air Base. Our Ambassador had people coming to him, Ambassador Crocker, acting, to ask just to get a little bit of help. I think it was something like \$360 to fix a boiler in a hospital that was a pediatric hospital where they had no heat and the average temperature there was 19 degrees. And DOD had no money. He had no money. I came back and found out that there is a fund at State where I called a guy—he was one of the best guys I ever dealt with at cutting through stuff. He is the No. 2 guy over there. And I called him up and I said, look, you have \$20 million. Send it to them.

What happened was immediately you had Rich Armitage send them \$20 million over there to Crocker so he did not have to go through anybody. And he put a sewer in here. He put a well in there. And it was of significant immediate impact. That is the kind of stuff you are talking about right now. Is it not?

Dr. HAMRE. Absolutely.

Senator BIDEN. And I wish you guys were able to talk to State a little bit too, but that is another question.

Dr. HAMRE. Well, we will.

The CHAIRMAN. Let me just add one further thought on the communications thing, which I would have amplified if more time had been available to us. Yesterday Jerry Bremer told us a television station was stood up on the 13th of this month, and he estimated that through radio maybe 90 percent of the population of Baghdad is able to get messages. He did not make estimates for beyond Baghdad for the rest of the country.

Each of you have been there even more recently than we. I am eager to get some analysis of how the word would get to people. How many people have TV sets or radio sets or what have you in Baghdad or elsewhere. Even as we think about the importance of the message, even after you have the vehicles, it was not clear to me at the time—we were there 4 weeks ago yesterday—how many people could hear anything, if you even had some content. I am just curious about the infrastructure of communications because this is obviously a very important matter, as are the budget, the personnel, and the other items we have tried to cover today.

We thank you again for a remarkable report and for being so forthcoming in your testimony and your responses.

Dr. HAMRE. Thank you.

Ms. CROCKER. Thank you.

Dr. ORR. Thank you.

Dr. MENDELSON-FORMAN. Thank you.

Mr. BARTON. Thank you.

Mr. BORDEN. Thank you.

Senator BIDEN. A good hearing, Mr. Chairman.

The CHAIRMAN. The hearing is adjourned.

[Whereupon, at 5:10 p.m., the committee adjourned, to reconvene subject to the call of the Chair.]

ADDITIONAL SUBMISSIONS FOR THE RECORD

[From USA TODAY, July 22, 2003]

HOW PEACE IN IRAQ BECAME SO CONTINUED—VIOLENCE AND CHAOS NOT ONLY
JEOPARDIZE TROOPS BUT ALSO THE FUTURE OF U.S. FOREIGN POLICY IN THE MID-
DLE EAST

(By Barbara Slavin and Dave Moniz)

WASHINGTON—On March 16, three days before the first U.S. bombs fell on Iraq, Vice President Cheney signaled on NBC's *Meet the Press* what sort of war the Bush administration thought American troops were about to fight: "Things have gotten so bad inside Iraq . . . we will, in fact, be greeted as liberators," Cheney said.

Baghdad fell 21 days after the initial assaults, and military analysts describe the campaign as historic, even brilliant.

But so far, the verdict on the aftermath of that campaign is much harsher. More than three months after Baghdad fell, American soldiers are not being treated like liberators. Instead, they face a guerrilla war, according to Gen. John Abizaid, the commander of U.S. forces in the region. Shadowy forces prey on U.S. troops, sabotage the nation's electric grid and other vital infrastructure, and spread fear among average Iraqis that Saddam Hussein is coming back.

Administration officials say the violence will eventually subside. But as of mid-July, even the top U.S. official in Iraq was offering no clear forecast for when, "We need to be patient," Paul Bremer, the U.S. administrator for Iraq, told *Meet the Press* on Sunday. Though expressing confidence that resistance could be overcome, he conceded that "we are going to be there for a while. I don't know how many years."

Interviews with more than 30 current and former U.S. officials, analysts, Iraqi-Americans and others—including a cross-section of those involved in the planning process—identified a number of prewar decisions that they say helped create the current situation. Hasty planning, rosy assumptions about Iraqi attitudes and a failure to foresee and forestall the disastrous effects of looting and sabotage all contributed, they say.

Most spoke on the record, but a few in sensitive positions requested anonymity. Whatever the reasons for the disarray, the stakes are enormous. A failure to create a successful, stable Iraq could have grave repercussions throughout the Middle East and beyond, jeopardizing U.S. efforts to deter support for terrorism, curb proliferation of dangerous weapons and encourage democratic reforms. The outcome could also affect voters' views of the war and President Bush's reelection prospects.

Failure to secure the peace in Iraq "has the potential to outweigh every accomplishment of American foreign policy," says Leslie Gelb, who recently stepped down as president of the Council on Foreign Relations, a prominent think tank.

Should planners have foreseen the chaos and disorder that now stalk Iraq? And how did such a well-fought combat operation give way to such a messy and seemingly open-ended guerrilla conflict? Those interviewed disagree about precisely what went awry, but they identify at least six different reasons for the current difficulties:

DEPLOYING A LIMITED NUMBER OF TROOPS

When major cities were captured quickly by a comparatively small force of allied ground troops, military officers and analysts who had advocated a massive invasion force were silenced—for awhile. Now they say the postwar chaos shows they were right after all, that it was crucial to have a massive force on the ground, not just to win the war, but to establish a commanding presence the minute the war was over. Instead, once Saddam loyalists sensed how thin the U.S. forces were, they became emboldened to begin looting, conduct sabotage and, finally, wage guerrilla war.

"Once we got to Baghdad, we needed to establish an immediate presence to show the people we were in charge," says Ralph Peters, a retired Army officer and strategist. "We did not present tangible strength on the ground."

Four years ago, those who devised an Iraq war game called "Desert Crossing" concluded that a large force would be needed to subdue the country. "We were concerned about the ability to get in there right away, to flood the towns and villages," says retired Marine Gen. Anthony Zinni, who was commander of U.S. forces in Iraq and the surrounding region when he supervised "Desert Crossing." "We knew the initial problem would be security."

The 1999 exercise recommended a force of 400,000 troops to invade and stabilize Iraq. But at the insistence of Defense Secretary Donald Rumsfeld, ground forces in the March invasion were held to less than half that: about 130,000 U.S. combat troops and some 30,000 British troops.

Top Pentagon officials fiercely defend their decision to hold troop numbers down. Douglas Feith, undersecretary of Defense for policy and an influential adviser to Rumsfeld, says the strategy prevented much worse problems that could have arisen if Saddam Hussein's regime had had more time to react.

Taking time to deploy more troops, Feith said in an interview July 8, would have given Saddam "more chances to send a Scud missile into Kuwait or Israel, rig bridges to explode, or prepare to hide or use chemical weapons."

Feith said it's easy in hindsight to identify problems that should have been planners' primary focus. "But if we didn't have a looting problem, but we had the oil fields blown, and refugees fleeing across the border, and mass starvation, and all other things we planned against . . . would everybody now say that was a brilliant job of planning because you put an extra 100,000 forces in and a building didn't get looted?"

It's uncertain whether a force of 400,000 or more would have prevented looting and sabotage or headed off a guerrilla war. Peacekeeping missions vary from country to country, and what worked in one nation might not work in another. But participants in the war preparations offer insights into the information planners considered and what assumptions they made when they rejected the idea of a larger force.

As late as February, barely a month before the war began, the question of how many troops to send to Iraq to stabilize the country after the war was unsettled, according to a high-ranking Defense Department official involved in the planning process.

To help planners reach a decision, staff members on the White House's National Security Council (NSC) prepared a memo that looked at the numbers of troops used in recent peacekeeping operations and stated what numbers would be sent to Iraq if those models were followed, the official said. If the peacekeeping operations during the 1999 Kosovo crisis were used as a benchmark, the memo said, 500,000 troops would have been deployed to Iraq. A large number of peacekeepers was also sent to Bosnia, but relatively smaller forces were deployed in other crises in Haiti and Sierra Leone, where the outcome has been less successful than in the Balkans.

The memo did not set an inflexible rule for force size, but instead laid out the apparent lessons of recent peacekeeping operations. National security adviser Condoleezza Rice saw the memo, but it is not clear whether President Bush did. Michael Anton, an NSC spokesman, refused to comment on the document, apart from denying that any specific recommendation had been made regarding how many troops should be deployed. "The NSC staff does not make recommendations or provide estimates to the president on the number of troops needed for any mission," he said.

Yet about the same time the document was drafted, Rumsfeld and his deputy, Paul Wolfowitz, harshly criticized then Army Chief of Staff Gen. Eric Shinseki for telling the Senate Armed Services Committee that it would take "something on the order of several hundred thousand soldiers" to stabilize Iraq in the months after the war.

In the end, the conviction that U.S. forces would be warmly welcomed was at the heart of the decision-making, judging from the administration's public statements and inside accounts from those who took part in the debate.

Thomas White, who served as secretary of the Army until Rumsfeld pushed him out after the war over differences about force size and other matters, traces the force-size decision to the belief by Cheney, Rumsfeld and others that U.S. troops would be hailed as liberators.

The implication was that "liberated people don't misbehave," White said in an interview. When Army generals suggested larger troop numbers, "that was not music anyone down the hallway (in Rumsfeld's office) wanted to listen to," White said. "Anybody who looked at the situation, that string of assumptions, it affected what kind of force we took in there and how we are conducting ourselves now. This is going to be a long, drawn out affair."

White's description of Rumsfeld's view was corroborated by three serving high-ranking Pentagon officials, as well as analysts at the Pentagon's own academic institution, the National Defense University.

Former and current Pentagon officials also say Rumsfeld decided to limit ground forces in part because of his conviction that high-tech arms can transform military operations and reduce the need for boots on the ground.

Feith confirmed that the decision to limit the number of troops sent in was "strategic and goes far beyond Iraq. This is part of his (Rumsfeld's) thinking about defense transformation. It's an old way of thinking to say that the United States should not do anything without hundreds of thousands of troops. That makes our military less usable."

STARTING TOO LATE

While war planning started more than a year before the March 2003 invasion, Pentagon planning for postwar Iraq did not get underway in earnest until shortly beforehand.

The Pentagon's Office of Reconstruction and Humanitarian Assistance (ORHA), tasked with initial post-Saddam political and economic work, was not created until Jan. 20 and did not really start functioning until a few weeks before the war began. Wolfowitz told the Senate Foreign Relations Committee that "to my knowledge this is the first time we have created an office for postwar administration before a conflict had even started." While that's technically true, U.S. planning for the occupation of Germany began three years before the end of World War II.

Retired Army general Jay Garner, who headed initial post-Saddam planning and reconstruction efforts, says U.S. officials were inhibited partly by the need to show the world that they were giving diplomacy a chance. But he says he could have used more time. "I didn't have all the people who had been appointed to work in the ministries," Garner says. Also "10 of 13 major contracts (for reconstruction work) weren't signed until after the war started. Should we have done it earlier? Sure."

UNDERESTIMATING THE IMPACT OF LOOTING AND THE POOR STATE OF LOCAL INFRASTRUCTURE

Only three brigades of about 6,000 soldiers were in Baghdad when the city fell on April 9, controlling just 15% of a city with a population of more than 5 million. Among them were only 140 MPs, says Maj. Gen. Buford Blount, commander of the Army's 3rd Infantry Division. As a result, U.S. forces were not in a position to stop the widespread looting that broke out after Saddam fell, even if they had been ordered to. And they were not given such orders because the pilferage was regarded by Rumsfeld and his top aides as a minor annoyance, a letting off of steam by newly liberated Iraqis.

"Looting wasn't taken into military consideration," Blount says. "It never came in the order process that it would be a major problem."

But the devastation seriously undermined the postwar mission. Iraqis stole, destroyed or scattered furniture, computers, electric lines, archaeological relics, crucial records, and vital equipment at power plants, oil installations and hospitals.

"It presented us with a hard problem," acknowledges Garner. "Our plan was to immediately stand up 20 of 23 existing ministries," he says. "But 17 of them had been vaporized."

U.S. officials also overestimated the condition of Iraqi infrastructure, discounting reports from the United Nations and others about the jury-rigged nature of Iraq's oil industry and electrical grid. As a result, they face a much bigger task trying to restore basic services than they anticipated. Two prior wars and a decade of U.N. economic sanctions "killed this country," says a congressional aide who recently returned from Iraq. "We had no idea how bad it would be."

MAKING WRONG ASSUMPTIONS FROM THE LAST GULF WAR

Pentagon and State Department experts, studying the lessons of the 1991 Gulf War, expected ordinary Iraqi soldiers to surrender in large numbers instead of taking off their uniforms and melding back into the population. There was also an assumption, a senior State Department official involved in Iraq planning said, that U.S. forces could immediately use the rank-and-file Iraqi soldiers and police to stabilize the country once the top officers had been removed.

"The fact is that the so-called decapitation theory, the thought that somehow or other the United States would take out of commission police officers, army officers, people who were in the ministries, who were identified with Saddam Hussein and the regime, and the rest of the forces would continue on to do their duty, was totally inaccurate—a disastrous assumption," says Sen. Richard Lugar, R-Ind., chairman of the Foreign Relations Committee.

"The policemen seem to have been better trained to raid people's homes at night than to patrol the streets," Wolfowitz acknowledged before the Foreign Relations Committee in May.

PLANNING FOR CRISES THAT DIDN'T HAPPEN

Much of the prewar planning focused on crises that did not materialize: oil field fires, large refugee flows and huge numbers of prisoners. In a clear strategic success, U.S. and British forces got to the oil fields before they could be sabotaged in a significant way. The initial combat ended so quickly that most Iraqis stayed in their homes.

"A lot of our current problems have to do with the fact that we planned for the wrong immediate aftermath," says Richard Haass, a former senior State Department official who now heads the Council on Foreign Relations.

"The administration planned quite a lot. But planning is only as good as the assumptions, and one of the assumptions built in was that a lot of the initial period was going to be dealing with the humanitarian crisis."

Haass, who occasionally clashed with Pentagon hardliners over U.S. policy toward nations such as Iraq, says the swiftness of Baghdad's fall, ironically, made the post-Saddam effort more difficult.

"The fact that the Iraqi people were so spared by the war, psychologically, there wasn't a sense of the defeated society," he says.

"So it's not nearly as pliable as Japan or Germany were after World War II."

Turkey's refusal to allow 60,000 U.S. troops to invade Iraq from the north meant that the so-called Sunni Muslim triangle north of Baghdad was largely untouched. That region has become a focal point for resistance.

Feith conceded that he was surprised by the degree of opposition from remnants of Saddam's Baath party, which he said was "more sustained and more intense than anticipated."

FAILING TO RESOLVE INTERAGENCY CONFLICT

Chronic feuding between the State Department and the Pentagon's civilian leadership made the planning process even more difficult, those involved in the process say.

The office of the secretary of Defense largely ignored position papers produced over the past year by the State Department's Future of Iraq program, which brought together about 200 Iraqi exiles to discuss reorganization after the fall of Saddam.

Instead, the Pentagon early this year started a parallel operation with exiles vetted for support for Ahmad Chalabi, an exile leader close to Republican neo-conservatives and distrusted by the State Department.

Pentagon civilians also vetted State Department volunteers for service in Iraq and tried to bar those considered hostile to Chalabi, State Department officials said.

"What went wrong was turf war in Washington," says Feisal Istrabadi, an Iraqi-American lawyer in Chicago who participated in the State Department effort to draft new laws for Iraq.

"The Pentagon won the (bureaucratic) war in January and shunted us off to one side on the theory that they could re-invent in two months what we had done in ten months."

Pentagon and State Department officials, as well as Middle East experts from all sides of the political spectrum, also fault the National Security Council, which is supposed to be the coordinating body for foreign policy.

One Pentagon hardliner, who asked not to be named, said so-called "principals' meetings" that brought together Rumsfeld, Secretary of State Colin Powell and Rice, often failed to reach decisions, leaving subordinates to improvise as they went along.

"We have to understand that it was the function of the NSC to insure that the interagency process worked," says Anthony Cordesman, a Middle East military expert at the Center for Strategic and International Studies (CSIS). "Failure must be placed at the level of the NSC and the president."

As attacks on American and British forces intensify, concerns are growing about whether the U.S.-led coalition will be able to stabilize Iraq.

"The next three months are crucial to turning around the security situation," concluded a task force of foreign policy experts from CSIS and the Council on Foreign Relations who visited Iraq last week at Rumsfeld's request.

"The window for cooperation may close rapidly if they (Iraqis) do not see progress," the report said.

PREPARED STATEMENT OF AMERICAN ASSOCIATION OF ENGINEERING SOCIETIES, PAUL J. KOSTEK, CHAIRMAN

The American Association of Engineering Societies (AAES), its 24 member societies and the over one million U.S. engineers it represents, wish to thank Chairman Lugar and Ranking Member Biden for the opportunity to submit testimony for the record on the topic of Reconstruction in Iraq.

The engineering community understands and believes the most pressing task in Iraq is to establish secure and stable conditions throughout the country, and we believe that the Coalition forces are well on their way to doing just that. Key to the

establishment of secure and stable conditions is the reconstruction and building efforts to improve the country's infrastructure, which are currently underway. Since the President declared an end to major combat operations on May 1, 2003, building and reconstruction efforts have focused on critical areas of infrastructure that will each contribute to substantial improvements in the lives of the Iraqi people. They are water, sanitation, health, education, electricity, ports, airports, and local governance.

The US engineering community believes that one of the most important actions to occur during the building and reconstruction process must be the engagement of the Iraqi people in all aspects of the process, especially the Iraqi engineering community. It is an accepted fact that the Coalition forces will be a strong presence in Iraq for years to come, but at the same time it is also understood that the Iraqi people will be responsible for their own community once the Coalition forces have decreased and withdrawn.

In conjunction with the World Federation of Engineering Organizations (WFEO), the US Army Corps of Engineers and others, the US engineering community has begun to work directly with the Iraqi engineering community during the building and reconstruction process. Through regular video conference calls, e-mail exchanges, meetings and the like, the US engineering community has come together to help its colleagues in Iraq. Some examples of that assistance include providing technical journals and literature in an effort to update existing engineering skills and technology; providing volunteer US engineers willing to travel to Iraq to help their colleagues; and providing contacts within the technical community for general assistance in all manner of issues. At this critical time, we appreciate the efforts made by the US Army Corps of Engineers and other federal agencies to help facilitate our outreach to the Iraqi engineering community.

Our outreach to the Iraqi engineering community is an example of how the US engineering community is working to create a sustainable world that provides a safe, secure, healthy life for all peoples. The US engineering community is increasing its focus on sharing and disseminating information, knowledge and technology that provides access to minerals, materials, energy, water, food and public health while addressing basic human needs. Engineers must deliver solutions that are technically viable, commercially feasible, and environmentally and socially sustainable.

The reconstruction of Iraq, and indeed the survival of our planet and its people requires the collaboration of all professions in both developed and developing countries to sustain future generations. The goal of improving the social and economic well being of all peoples in the developed and lesser-developed countries is a prerequisite for creating a stable, sustainable world. Although achieving this goal will require a broad coalition of well-crafted policies, it will only be realized through the application of engineering principles and a commitment to public/private partnerships involving professionals from all fields including the social sciences, engineering and medicine. It will also require collaboration for development, acceptance and dissemination of innovative solutions and better use of existing technologies.

Today's world is increasingly complex, and the need for US assistance in building and reconstruction more common. The US engineering community stands at the ready to provide any manner of assistance to help in the creation of a sustainable world.

