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S. HRG. 110–367

IRAQ BENCHMARKS

HEARINGS

BEFORE THE

COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE

ONE HUNDRED TENTH CONGRESS

FIRST SESSION

SEPTEMBER 7 AND 11, 2007

Printed for the use of the Committee on Armed Services

U.S. GOVERNMENT PRINTING OFFICE

38–716 PDF WASHINGTON : 2008

For sale by the Superintendent of Documents, U.S. Government Printing Office
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A REPORT ON THE GOVERNMENT ACCOUNTABILITY OFFICE'S ASSESSMENT OF 18 IRAQ BENCHMARKS

FRIDAY, SEPTEMBER 7, 2007

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

The committee met, pursuant to notice, at 9:00 a.m. in room SH–216, Hart Senate Office Building, Senator Carl Levin (chairman) presiding.

Committee members present: Senators Levin, Lieberman, Reed, Akaka, Bill Nelson, E. Benjamin Nelson, Bayh, Webb, McCaskill, Warner, Inhofe, Sessions, Collins, Chambliss, Graham, Dole, Thune, and Corker.

Committee staff members present: Richard D. DeBobes, staff director; Leah C. Brewer, nominations and hearings clerk; and John H. Quirk V, security clerk.

Majority staff members present: Daniel J. Cox, Jr., professional staff member; Evelyn N. Farkas, professional staff member; Peter K. Levine, general counsel; Michael J. McCord, professional staff member; William G.P. Monahan, counsel; Michael J. Noblet, research assistant; and William K. Sutey, professional staff member.

Minority staff members present: Michael V. Kostiw, Republican staff director; William M. Caniano, professional staff member; Derek J. Maurer, minority counsel; David M. Morriss, minority counsel; and Lynn F. Rusten, professional staff member.

Staff assistants present: Fletcher L. Cork, Kevin A. Cronin, and Benjamin L. Rubin.

Committee members' assistants present: Vance Serchuk and Colleen J. Shogan, assistants to Senator Lieberman; Elizabeth King, assistant to Senator Reed; Bonnie Berge and Richard Kessler, assistants to Senator Akaka; Christopher Caple and Monica Thurmond, assistants to Senator Bill Nelson; Andrew R. Vanlandingham, assistant to Senator Ben Nelson; Jon Davey, assistant to Senator Bayh; M. Bradford Foley, assistant to Senator Pryor; Gordon I. Peterson, assistant to Senator Webb; Stephen C. Hedger, assistant to Senator McCaskill; Sandra Luff, assistant to Senator Warner; Anthony J. Lazarski, assistant to Senator Inhofe; Todd Stiefler, assistant to Senator Sessions; Mark J. Winter, assistant to Senator Collins; Clyde A. Taylor IV, assistant to Senator Chambliss; Greg Gross and Lindsey Neas, assistants to Senator Dole; David Hanke, assistant to Senator Cornyn; and Stuart C. Mallory, assistant to Senator Thune.

OPENING STATEMENT OF SENATOR CARL LEVIN, CHAIRMAN

Chairman LEVIN. Good morning, everybody. The committee welcomes this morning David Walker, the Comptroller General of the United States, to testify on the Government Accountability Office's (GAO) assessment of 18 Iraqi benchmarks for political security and economic progress. Again, we thank Senator Warner for his leadership and I think Senator Byrd was also involved in getting this language in the bill, which resulted in this assessment.

Senator WARNER. Chairman, I'd like to also credit Senator Snowe.

Chairman LEVIN. Thank you.

Senator WARNER. She was very active, I believe, with Senator Bayh, in getting this provision in.

Chairman LEVIN. We appreciate the reference to them and we would surely add them.

We've all been interested in the benchmarks, and those Senators have taken a leadership role, although they're obviously not alone in this interest. The question of benchmarks has been a question which just about every Senator has become involved in. I will have more to say about what benchmarks we're talking about in a moment.

The Comptroller General's assessment is one of two independent reports that Congress required in approving emergency funding for operations in Iraq. The committee received the other congressionally-mandated report yesterday, hearing from retired General Jim Jones, and other members of the Independent Commission on the Security Forces of Iraq. One of that Commission's findings was that, "Political reconciliation is the key to ending sectarian violence in Iraq." Then they said, "The single-most important event that could immediately and favorably affect Iraq's direction and security, is political reconciliation focused on ending sectarian violence and hatred." They ended that paragraph by saying, "Sustained progress within the Iraqi security forces depends on such a political agreement."

The Jones Commission report provided a independent assessment of the Iraqi Army and police capability. The GAO's report, which is the subject of today's hearing, provides an independent assessment of whether the Iraqi Government has met the 18 benchmarks which it, the Iraqi Government, specifically committed to. Fifteen of which, according to the GAO report, were part of the international compact with Iraq and three of which were commitments made directly to President Bush.

These assessments of the situation in Iraq, along with the testimony that we will receive next week from General Petraeus and Ambassador Crocker, and the President's report which is due on September 15, are critical to Congress's understanding.

So, the 18 benchmarks, reviewed by the GAO, were not created by Congress. Those commitments were made by the Iraqi Government as far back as June 2006. In fact, as confirmed by Secretary Rice in correspondence with me, 7 of the 18 benchmarks—those comprising the political, security, and economic benchmarks that are the most important for political reconciliation, had timelines for their completion, between September of 2006 and March of 2007.

Now, there's two important facts that I want to single out from that statement. Number one, sometimes Nouri al-Maliki, the Prime Minister of Iraq, says that he's not going to be bound by timelines which the U.S. Congress imposes on him or outsiders impose on him. That is not accurate. The timelines we're talking about were adopted formally by the Government of Iraq. They were approved by the Iraqi Prime Minister and Iraq's Policy Committee on National Security in September 2006. They were reaffirmed by the Iraqi Presidency Council, consisting of the President and two Deputy Prime Ministers, on October 16, 2006. That specific timeline, relative to the seven benchmarks, was a timeline adopted formally by the Iraqi Government and attached to Secretary Rice's letter to me.

Now, when President Bush announced his new strategy for Iraq in January of this year, he stated that the purpose of the so-called surge was to provide Iraq's leaders breathing space to make the political compromises necessary for progress. Again, those were compromises that they had committed to make.

In July, the administration provided its initial assessment of whether Iraq was making satisfactory progress toward meeting its political, security, and economic benchmarks, as required by Congress. The administration's July assessment claimed that Iraq was making satisfactory progress on 8 of the benchmarks, mixed progress on 2 others, unsatisfactory progress on 6 benchmarks, and they didn't even provide a rating on 2 of the 18 benchmarks.

The unsatisfactory benchmarks included failing to enact and implement legislation on de-Baathification, failing to enact and implement legislation to ensure an equitable distribution of hydrocarbon resources, failing to allow the Baghdad Security Plan to be implemented without political interference, failing to ensure that Iraqi security forces provide even-handed enforcement of the law, failing to increase the number of Iraqi security force units capable of operating independently, and failing to ensure that Iraq's political authorities are not making false accusations against leaders of the Iraqi security forces.

Now, that the administration's own assessment of progress in Iraq. There were no consequences arising from the Iraqi Government's failure to meet its commitments. Instead, the President said he'd wait until September to judge what to do next. Now, the GAO's Report, which we'll hear today, paints even a more negative picture than the administration's July report. In carrying out its task, the GAO talked to numerous military and civilian officials, and gathered information from a broad range of agencies and organizations, including the Department of Defense (DOD), the Department of State (DOS), the Department of Treasury, Multinational Forces Iraq, the Defense Intelligence Agency, the Central Intelligence Agency, the National Intelligence Council, and the United Nations. GAO personnel made multiple trips to Iraq during 2006 and 2007.

By the way, while we're on the subject of the GAO personnel, we want to thank you, particularly, Mr. Walker, and your staff for not only the work that they do, which is thorough and comprehensive, but for the risks that they take when they make those multiple trips to Iraq.

The GAO report concludes that the Iraqi Government has met only 3 of the 18 benchmarks. Four others have been partly met. Nearly 8 months into the new strategy, 11 of the 18 bencharks remain unmet. The Iraqi Government has met only one of eight legislative benchmarks, and partly met one other, according to the GAO report. Key revisions to Iraq's constitution have not been made, laws have not been enacted on de-Baathification, oil revenue-sharing, provincial elections, amnesty, and disarming militias. As a matter of fact, the GAO notes that 15 of 37 members of the Iraqi Cabinet have withdrawn from the Cabinet.

Of the nine security benchmarks, the GAO finds that only two have been met. It finds that two additional benchmarks have been partly met, that leaves five of the security benchmarks, the majority, unmet.

The time is long overdue to make it clear to Iraq's leadership that there will be consequences to their failure to live up to their commitments. Failing to hold Iraq to its commitments is the definition of an open-ended commitment on our part.

One of the reasons to begin to reduce U.S. forces, is to put in place an action-forcing mechanism, to get the Iraqi Government to meet its own benchmarks and to take responsibility for the future of their country.

I thank our witness for coming before the committee today. We look forward to his testimony. Again, special thanks to his intrepid staff for the great work that they do, not only under some risk in Iraq for this report, but also for the work that they do in so many other parts of our Government and for this Congress.

Senator Warner.

STATEMENT OF SENATOR JOHN WARNER

Senator WARNER. Thank you, Mr. Chairman. I'll ask to place my statement into the record, given that we're about to have a vote in less than an hour.

Mr. Walker, I want to commend you, as does the chairman, for your work and that of your colleagues. There are risks to all of us who take these trips over there. But, those trips are essential.

I've read through your report. I think it's a constructive, well thought-through contribution to the significant group of factual information that is being put before Congress and equally, if not more important, before the American people.

While the President, as Commander in Chief, has to make these tough decisions, it's helpful to have the American people get a broad understanding of the complexities of this situation. I think your report does that quite fairly. So, I commend you.

Mr. Chairman, I think we should just get underway.

[The prepared statement of Senator Warner follows:]

PREPARED STATEMENT BY SENATOR JOHN WARNER

Thank you, Mr. Chairman. I join you in welcoming Mr. Walker.

This Government Accountability Office (GAO) report and this hearing is part of a series of very important reports and hearings that will help shape the setting for the President, as well as Congress and the American people, as we evaluate the complex situation in Iraq at this historic time.

Yesterday we received testimony from General Jim Jones and his respected team on the capabilities of the Iraqi security forces. Next week, Ambassador Crocker and General Petraeus will testify before committees in both bodies of Congress and the

administration will submit their second report on Iraqi progress to meet congressionally-mandated benchmarks. These reports are essential for Congress and the American people to conduct a full and informed appraisal of the situation in Iraq.

Eleven months ago, I returned from my 9th trip, and said things were "drifting sideways." In January, when the President announced his new way forward in Iraq, I was not fully supportive of all aspects of that surge. In May, I had a hand in crafting the benchmark legislation which was intended to set a common starting point and schedule for the upcoming debate.

This report fulfills a requirement that is contained in legislation that I had a hand in crafting. The requirement for an independent assessment of benchmarks by the GAO was originally introduced by Senators Snowe and Bayh, and eventually included in the bill that the President signed into law in May.

Public Law 110–28 requires the GAO to provide an assessment of the "status of achievement of the benchmarks." By contrast, the administration reports whether or not satisfactory progress is being made toward meeting the 18 benchmarks. As a result, the GAO assessment, in some cases, differs from the administration report because of different standards of evaluation. If Congress determines to continue this benchmark reporting, then we should ensure to reconcile this difference in standards.

Nonetheless, it is a very important contribution to this historic debate, if for no other reason than it comes from the GAO, always regarded as the voice of independence and integrity.

Mr Walker, again, welcome back before this committee and I wish to thank you and all of those involved in the preparation of this report on Iraq's benchmarks. We also recognize the personal risks associated with travel in Iraq by those involved in the preparation of this report.

Yesterday, General Jones and his team provided a very thoughtful alternative strategy that involved what they called a "strategic shift." The "strategic shift" would re-task the Iraqis to take more responsibility for daily combat operations while coalition forces would transition to "strategic overwatch" and the active defense of the border and critical infrastructure. In addition, I believe the Jones Commission report made a very forceful argument that all provinces should be transferred to Iraqi control immediately. I will be very interested in your thoughts on both of those concepts.

We always appreciate the benefit of the GAO analysis and look forward to your testimony and the discussions it will generate.

SA 1134. Mr. WARNER (for himself and Ms. COLLINS) submitted an amendment intended to be proposed by him to the bill H.R. 1495, to provide for the conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes; as follows:

TITLE __--PRESIDENT'S STRATEGY IN IRAQ

SEC. 1. FINDINGS REGARDING PROGRESS IN IRAQ, THE ESTABLISHMENT OF BENCHMARKS TO MEASURE THAT PROGRESS, AND REPORTS TO CONGRESS.

(a) Congress makes the following findings:

(1) Over 145,000 American military personnel are currently serving in Iraq, like thousands of others since March 2003, with the bravery and professionalism consistent with the finest traditions of the United States armed forces, and are deserving of the strong support of all Americans;

(2) Many American service personnel have lost their lives, and many more have been wounded in Iraq; the American people will always honor their sacrifice and honor their families;

(3) The United States Army and Marine Corps, including their Reserve components and National Guard organizations, together with components of the other branches of the military, are performing their missions while under enormous strain from multiple, extended deployments to Iraq and Afghanistan. These deployments, and those that will follow, will have a lasting impact on future recruiting, retention, and readiness of our nation's all volunteer force;

(4) Iraq is experiencing a deteriorating problem of sectarian and intrasectarian violence based upon political distrust and cultural differences among factions of the Sunni and Shia populations;

(5) Iraqis must reach political and economic settlements in order to achieve reconciliation, for there is no military solution. The failure of the Iraqis to reach such settlements to support a truly unified government greatly contributes to the increasing violence in Iraq;

(6) The responsibility for Iraq's internal security and halting sectarian violence rests with the sovereign Government of Iraq;

(7) In December 2006, the bipartisan Iraq Study Group issued a valuable report, suggesting a comprehensive strategy that includes new and enhanced diplomatic and political efforts in Iraq and the region, and a change in the primary mission of U.S. forces in Iraq, that will enable the United States to begin to move its combat forces out of Iraq responsibly;

(8) The President said on January 10, 2007, that ``I've made it clear to the Prime Minister and Iraq's other leaders that America's commitment is not openended'' so as to dispel the contrary impression that exists;

(9) It is essential that the sovereign Government of Iraq set out measurable and achievable benchmarks and President Bush said, on January 10, 2007, that ``America will change our approach to help the Iraqi government as it works to meet these benchmarks'';

(10) As reported by Secretary of State Rice, Iraq's Policy Committee on National

Security agreed upon a set of political, security, and economic benchmarks and an associated timeline in September 2006 that were (a) reaffirmed by Iraq's Presidency Council on October 6, 2006; (b) referenced by the Iraq Study Group; and (c) posted on the President of Iraq's website;

(11) On April 21, 2007, Secretary of Defense Robert Gates stated that ``our [American] commitment to Iraq is long-term, but it is not a commitment to have our young men and women patrolling Iraq's streets open-endedly'' and that ``progress in reconciliation will be an important element of our evaluation'';

(12) The President's January 10, 2007 address had three components: political, military, and economic. Given that significant time has passed since his statement, and recognizing the overall situation is ever changing, Congress must have timely reports to evaluate and execute its Constitutional oversight responsibilities.

SEC. 2. CONDITIONING OF FUTURE UNITED STATES STRATEGY IN IRAQ ON THE IRAQI GOVERNMENT'S RECORD OF PERFORMANCE ON ITS BENCHMARKS.

(a) **IN GENERAL.**--(1) The United States strategy in Iraq, hereafter, shall be conditioned on the Iraqi government meeting benchmarks, as told to members of Congress by the President, the Secretary of State, the Secretary of Defense, and the Chairman of the Joint Chiefs of Staff, and reflected in the Iraqi Government's commitments to the United States, and to the international community, including:

(A) Forming a Constitutional Review Committee and then completing the Constitutional review;

(B) Enacting and implementing legislation on de-Baathification;

(C) Enacting and implementing legislation to ensure the equitable distribution of hydrocarbon resources of the people of Iraq without regard to the sect or ethnicity of recipients, and enacting and implementing legislation to ensure that the energy resources of Iraq benefit Sunni Arabs, Shia Arabs, Kurds, and other Iraqi citizens in an equitable manner;

(D) Enacting and implementing legislation on procedures to form semi-autonomous regions;

(E) Enacting and implementing legislation establishing an Independent High Electoral Commission; provincial elections law; provincial council authorities; and a date for provincial elections;

(F) Enacting and implementing legislation addressing amnesty;

(G) Enacting and implementing legislation establishing a strong militia disarmament program to ensure that such security forces are accountable only to the central government and loyal to the Constitution of Iraq;

(H) Establishing supporting political, media, economic, and services committees in support of the Baghdad Security Plan;

(I) Providing three trained and ready Iraqi brigades to support Baghdad operations;

(J) Providing Iraqi commanders with all authorities to execute this plan and to make tactical and operational decisions, in consultation with U.S. commanders, without political intervention, to include the authority to pursue all extremists, including Sunni insurgents and Shiite militias;

(K) Ensuring that the Iraqi Security Forces are providing even-handed enforcement of the law;

(L) Ensuring that, according to President Bush, Prime Minister Maliki said ``the Baghdad security plan will not provide a safe haven for any outlaws, regardless of [their] sectarian or political affiliation'';

(M) Reducing the level of sectarian violence in Iraq and eliminating militia control of local security;

(N) Establishing all of the planned joint security stations in neighborhoods across Baghdad;

(O) Increasing the number of Iraqi security forces units capable of operating independently;

(P) Ensuring that the rights of minority political parties in the Iraqi legislature are protected;

(Q) Allocating and spending $10 billion in Iraqi revenues for reconstruction projects,

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including delivery of essential services, on an equitable basis; and

(R) Ensuring that Iraq's political authorities are not undermining or making false accusations against members of the ISF.

(2) The President shall submit reports to Congress on how the sovereign Government of Iraq is, or is not, achieving progress towards accomplishing the aforementioned benchmarks, and shall advise the Congress on how that assessment requires, or does not require, changes to the strategy announced on January 10, 2007.

(b) **REPORTS REQUIRED.--**

(1) The President shall submit an initial report, in classified and unclassified format, to the Congress, not later than July 15, 2007, assessing the status of each of the specific benchmarks established above, and declaring, in his judgment, whether satisfactory progress toward meeting these benchmarks is, or is not, being achieved.

(2) The President, having consulted with the Secretary of State, The Secretary of Defense, The Commander, Multi-National Forces-Iraq, the United States Ambassador to Iraq, and the Commander of U.S. Central Command, will prepare the report and submit

the report to Congress.

(3) If the President's assessment of any of the specific benchmarks established above is unsatisfactory, the President shall include in that report a description of such revisions to the political, economic, regional, and military components of the strategy, as announced by the President on January 10, 2007. In addition, the President shall include in the report, the advisability of implementing such aspects of the bipartisan Iraq Study Group, as he deems appropriate.

(4) The President shall submit a second report to the Congress, not later than September 15, 2007, following the same procedures and criteria, outlined above.

(5) The reporting requirement detailed in Section 1227 of the National Defense Authorization Act for Fiscal Year 2006 is waived from the date of the enactment of this Act through the period ending 15 September, 2007.

(c) **TESTIMONY BEFORE CONGRESS.--**

(1) Prior to the submission of the President's second report on September 15, 2007, and at a time to be agreed upon by the leadership of the Congress and the Administration, the United States Ambassador to Iraq and the Commander, Multi-National Forces Iraq will be made available to testify in open and closed sessions before the relevant committees of the Congress.

SEC. 3. LIMITATIONS ON AVAILABILITY OF FUNDS

(a) **LIMITATION.**--No funds appropriated or otherwise made available for the ``Economic Support Fund'' and available for Iraq may be obligated or expended unless and until the President of the United States certifies in the report outlined in subsection (2)(b)(1) above and makes a further certification in the report outlined in subsection (2)(b)(4) above that Iraq is making progress on each of the benchmarks set forth in Section 2 above.

(b) **WAIVER AUTHORITY.**--The President may waive the requirements of this section if he submits to Congress a written certification setting forth a detailed justification for the waiver, which shall include a detailed report describing the actions being taken by the Unites States to bring the Iraqi government into compliance with the benchmarks set forth in Section 2 above. The certification shall be submitted in unclassified form, but may include a classified annex.

SEC. 4. REDEPLOYMENT OF U.S. FORCES FROM IRAQ.

(a) The President of the United States, in respecting the sovereign rights of the nation of Iraq, shall direct the orderly redeployment of elements of U.S. forces from Iraq, if the components of the Iraqi government, acting in strict accordance with their respective powers given by the Iraqi Constitution, reach a consensus as recited in a resolution, directing a redeployment of U.S. forces.

SEC. 5. INDEPENDENT ASSESSMENTS.

(a) Assessment by the Comptroller General.

(1) Not later than September 1, 2007, the Comptroller General of the United States shall submit to Congress an independent report setting forth--

(A) the status of the achievement of the benchmarks specified in Section 2 above; and

(B) the Comptroller General's assessment whether or not each such benchmark has been met.

(b) Assessment of the Capabilities of Iraqi Security Forces.

(1) *In general*.--There is hereby authorized to be appropriated for the Department of Defense, $750,000.000, that the Department, in turn, will commission an independent, private-sector entity, which operates as a 501 (c)(3), with recognized credentials and expertise in military affairs, to prepare an independent report assessing the following:

(A) The readiness of the Iraqi Security Forces (ISF) to assume responsibility for maintaining the territorial integrity of Iraq, denying international terrorists a safe haven, and bringing greater security to Iraq's 18 provinces in the next 12-18 months, and bringing an end to sectarian violence to achieve national reconciliation.

(B) The training, equipping, command, control and intelligence capabilities, and logistics capacity of the ISF.

(C) The likelihood that, given the ISF's record of preparedness to date, following years of training and equipping by U.S. forces, the continued support of U.S. troops will contribute to the readiness of the ISF to fulfill the missions outlined in subparagraph (A).

(2) *Report*.--Not later than 120 days after the enactment of this Act, the designated private sector entity shall provide an unclassified report, with a classified annex, containing its findings, to the House and Senate Committees on Armed Services, Appropriations, Foreign Relations/International Relations, and Intelligence.

Chairman LEVIN. Mr. Walker?

STATEMENT OF HON. DAVID M. WALKER, COMPTROLLER GENERAL OF THE UNITED STATES, GOVERNMENT ACCOUNTABILITY OFFICE

Mr. WALKER. Thank you, Mr. Chairman and Senator Warner, other members of the Senate Armed Services Committee. I appreciate the opportunity to be here today to present GAO's report on the status of the 18 benchmarks relating to the Iraqi Government's commitments, and related issues.

This is the fourth hearing I've held this week on this topic, and I really appreciate being able to end with the Senate Armed Services Committee, a very well-respected committee. I know you try to work as much as you can on a bipartisan basis.

As has been mentioned, we did this work because we were required to do this work. There was a legislative mandate. That legislative mandate required GAO to report by September 1, 2007, as to whether or not the Iraqi Government had met or had not met the 18 benchmarks.

These 18 benchmarks, as you properly pointed out, Mr. Chairman, were not created by Congress, they were the result of other commitments that the Iraqi Government had made in various forms over a period of time. I think it's important to keep in mind that the administration's report in June 2007, used a fundamentally different basis to evaluate these 18 benchmarks. They used whether or not satisfactory progress was being made. That's dif-

ferent than whether or not the benchmark has been met, or not met, or partially met. It's also inherently somewhat more subjective. But nonetheless, it's important information you need to consider, and compare with the report that's coming up.

In this work, we received an extensive amount of documents, both classified and unclassified, and we had a team of analysts go to Iraq again in late July, early August. We interviewed numerous officials from DOD, DOS, Multinational Forces Iraq, various intelligence agencies, et cetera. These officials included General Petraeus and Ambassador Crocker.

Importantly, we have issued over a hundred reports and testimonies on Iraq since May 2003. Our staff have made numerous trips to Iraq. I, myself, have been to Iraq twice. Therefore, in addition to the work that we did for these 18 benchmarks, our work and any questions that I might answer are informed by these 100-plus reports and testimonies, as well as my personal interaction with my colleagues in Iraq and the Middle East; as well as my former colleagues who are graduates of Capstone, for Flag Officers, from which I was also fortunate to be able to graduate.

I think it's important to note that our report does—in no way, shape, or form—serve to diminish the courageous efforts and the accomplishments of our military and those of our coalition partners. We're reporting on whether or not the Iraqi Government has met their commitments and to what extent that's been the case.

In performing our work we used our independent professional judgment to also use a partially met criteria. I think this is very important. Because when we looked at the facts and when we looked at how best to present where things stood, we felt that there was a number of these benchmarks that we ought to consider a partially met criteria and, in fact, we did for most of them. On four of them, we gave a partially met rating because we think it wouldn't have been fair to say not met, given the substantial progress that had been made, even though clearly you couldn't say that it had been fully met.

We've laid out, in our report, clearly-defined, consistently applied, well-documented, and transparent criteria as to how we reached our judgments. We think that's important. Reasonable people can—and will—differ, but it's important that you be able to make your own judgment based upon what we've done.

So now, if I can, let me summarize the report and I will refer to the pages of my testimony where these boards with charts appear.

On page 4 of my testimony, this chart shows the origin of the 18 benchmarks that I'm referring to here today. I won't spend much time on it, but they go back to 2006 and they've been reaffirmed at various points in time since then.

Next graphic, please. The next one shows, which is on my left over here, shows the result of our evaluation. As a result of this, you will see that in the legislative area, one of the eight benchmarks was met, one was partially met, and six were not met. In the security area, two were met, two were partially met, and five were not met. In the economic sector, none were met, one was partially met, and that's all there was, it was the only one in that area.

I think it's important to note that we did use partially met ratings, in order to provide a fair and balanced view. We also added commentary on the status and in our report, to provide further contextual sophistication with regard to where things stand.

Next one over here on my right represents the status of the legislative benchmarks. Obviously yourselves being Members of the United States Senate, you understand that the legislative process has a number of different stages that you have to go through in order to be able to get a bill to be a law. This basically demonstrates where things stand, with regard to the key pieces of legislation that have yet to be enacted. Some have made more progress than others and hopefully more will be forthcoming.

The next one shows the level of violence, specifically the average number of daily enemy-initiated attacks against the Coalition, Iraqi security forces, and civilians, from May 2003 to July 2007. This is important. We used average daily because every month doesn't have the same number of days, and so we want to try to be fair in that regard. We also broke it down between civilians, Iraqi security forces, and coalition forces so you can see the differences in those trends. These represent the total. This does not separate between sectarian and non-sectarian violence. There is a significant difference of opinion on the sectarian issue. The primary difference between us and the military is whether and to what extent violence has been reduced with regard to sectarian violence.

There is one party that maintains that data. That's Multinational Force-Iraq (MNF–I), General Petraeus' group. They're the only ones that maintain that data. We're aware of that data. That data does show a decline in sectarian violence. Just as you can see here, there was a decline in total violence in July. We haven't seen the final August numbers yet, but you'll get that, presumably next week, from General Petraeus.

There was an increase up until July, but a decrease in July. You'll hear next week what the results are in August. We could not get comfortable with MNF–I's methodology for determining what's sectarian versus nonsectarian violence. It's extremely difficult to know who did it, what their intent was, and therefore, we feel more comfortable looking at total violence, and breaking it down by civilians versus other segments. But you'll have to make up your own mind, based upon the information that you receive.

Next, please. Now, this represents a comparison of GAO's most recent assessment, the one that I'm conveying to you today, and the administration's July assessment. As has been mentioned, they looked at whether or not satisfactory progress was being made, rather than whether or not the benchmark had been met or not met, if you will, so that's a different standard.

But if you look at that, you'll see that in the first one, there was significant difference of opinion. The rest of them, either we agreed or we had a one difference in rating. Namely, of the three possible ratings, there was a rating difference of one.

Now, next week you're going to hear an updated report. I would hope that their ratings might be better. We'll see, but I think it's important to keep in mind we're rating based on a different standard than they are. You need to consider both. You need to use your

judgment and you need to consider both, as well as the Jones Commission Report, et cetera.

In conclusion, as of August 30, 2007, based upon our extensive work, which included receiving information from the Pentagon right up until the day that we finalized the report, the Iraqi Government had met 3, partially met 4, and had not met 11 of the legislative, security, and economic benchmarks. Importantly, in late August, Iraqi senior Shia, Sunni, Arab, and Kurdish political leaders signed the Unity Accord, signaling efforts to foster greater national reconciliation. The Accord covered draft legislation on de-Baathification reform and provincial powers laws, as well as setting up a mechanism to release some Sunni detainees being held without charges. Time will tell whether or not this Unification Accord results in progress on the political front, which—as has been mentioned—is deemed to be key by many parties with regard to national reconciliation.

As Congress considers the way forward in Iraq, in our view we believe it's important to consider not just our report, but also the reports from General Petraeus, Ambassador Crocker, and the Jones Commission, among others.

You have an opportunity to receive input from a variety of parties, to compare and contrast what they're saying, and then to make up your own judgment as to what you feel is appropriate.

We also think that it's important to consider, not just the benchmarks, but also military progress and various homeland security, foreign policy, and other goals of the United States, including regional goals, national goals, and economic status, which is not here, what's going on with regard to economics in the lives of Iraqis on a day-to-day basis. Those are important factors, we think, as well.

We made three recommendations in our report about what we thought would be more helpful to Congress going forward, for the administration to provide a more timely, detailed, and useful information to you. The administration agreed with those recommendations and we, along with yourselves, look forward to receiving that information.

Finally, I too, Mr. Chairman and Senator Warner, would like to thank our team. We have incredibly capable staff at GAO. They're highly educated, very dedicated, courageous—although they don't wear a uniform—and they do a heck of a job for Congress and the country, and they've done a heck of a job here.

Thank you very much.

[The prepared statement of Mr. Walker follows:]

PREPARED STATEMENT BY DAVID M. WALKER

Mr. Chairman and members of the committee: I am pleased to appear today to discuss our report[1] on whether or not the Government of Iraq has met 18 benchmarks contained in the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act of 2007[2] (the Act). The Act requires Government Accountability Office (GAO) to report on the status of the achievement of these benchmarks. Consistent with GAO's core values and our desire to be fair and balanced, we also considered and used a "partially met" rating for some benchmarks. In comparison, the act requires the administration to report on whether sat-

[1] GAO, Iraqi Government Has Not Met Most Legislative, Security, and Economic Benchmarks (GAO–07–1195) (Washington, DC: Sept. 4, 2007).

[2] Section 1314 of P.L. 110–28.

isfactory progress is being made toward meeting the benchmarks. The benchmarks cover Iraqi government actions needed to advance reconciliation within Iraqi society, improve the security of the Iraqi population, provide essential services to the population, and promote economic well-being.

To complete this work, we reviewed U.S. agency and Iraqi documents and interviewed officials from the Departments of Defense, State, and the Treasury; the Multi-National Force-Iraq (MNF–I) and its subordinate commands; the Defense Intelligence Agency; the Central Intelligence Agency; the National Intelligence Council; and the United Nations. These officials included Ryan Crocker, the U.S. Ambassador to Iraq, and General David H. Petraeus, Commander of the MNF–I. We made multiple visits to Iraq during 2006 and 2007, most recently from July 22 to August 1, 2007. Our analyses were enhanced by approximately 100 Iraq-related reports and testimonies that we have completed since May 2003. We conducted our review in accordance with generally accepted government auditing standards.

SUMMARY

In summary, we found:

The benchmarks were derived from commitments first articulated by the Iraqi government in June 2006.

The Iraqi government met 3, partially met 4, and did not meet 11 of its 18 benchmarks. Overall, key legislation has not been passed, violence remains high, and it is unclear whether the Iraqi government will spend $10 billion in reconstruction funds. These results do not diminish the courageous efforts of coalition forces and progress that has been made in several areas, including Anbar Province.

The Iraqi government met one of eight legislative benchmarks: the rights of minority political parties in Iraq's legislature are protected. The government has not enacted legislation on de-Baathification, oil revenue sharing, provincial elections, amnesty, and militia disarmament.

It is unclear whether sectarian violence in Iraq has decreased—a key security benchmark—since it is difficult to measure whether the perpetrators' intents were sectarian in nature, and other measures of population security show differing trends.

As Congress considers the way forward in Iraq, it should balance the achievement of the 18 Iraqi benchmarks with military progress and with homeland security goals, foreign policy goals, and other goals of the United States.

ORIGINS OF THE BENCHMARKS

The benchmarks contained in the act were derived from commitments articulated by the Iraqi government beginning in June 2006 and affirmed in subsequent statements by Prime Minister Maliki in September 2006 and January 2007 (see fig. 1). Iraq's commitments to these benchmarks were most recently stated in the May 2007 International Compact for Iraq.

Figure 1: Origin of Iraqi Benchmarks

May 25, 2007	2006		2007				
BENCHMARKS Public Law 110-28	June 24 Point Iraqi National Reconciliation Plan	Sept. Prime Minister Maliki's Benchmarks[a]	Jan. Additional commitments by Prime Minister Maliki	Jan. President Bush's New Way Forward speech	Jan. Highlights of the Iraq Strategy Review	Jan. & Feb. Prime Minister Maliki's speeches	May Compact commitments by GOI
1. Forming a Constitutional Review Committee and then completing the constitutional review.		■		■			■
2. Enacting and implementing legislation on de-Ba'athification.	■	■		■		■	■
3. Enacting and implementing legislation to ensure the equitable distribution of hydrocarbon resources of the people of Iraq without regard to the sect or ethnicity of recipients, and enacting and implementing legislation to ensure that the energy resources of Iraq benefit Sunni Arabs, Shia Arabs, Kurds, and other Iraqi citizens in an equitable manner.		■		■		■	■
4. Enacting and implementing legislation on procedures to form semi-autonomous regions.		■					■
5. Enacting and implementing legislation establishing an Independent High Electoral Commission, provincial elections law, provincial council authorities, and a date for provincial elections.		■		■			■
6. Enacting and implementing legislation addressing amnesty.	■	■					■
7. Enacting and implementing legislation establishing a strong militia disarmament program to ensure that such security forces are accountable only to the central government and loyal to the Constitution of Iraq.	■	■				■	■
8. Establishing supporting political, media, economic, and services committees in support of the Baghdad security plan.						■	■
9. Providing three trained and ready Iraqi brigades to support Baghdad operations.			■	■	■		
10. Providing Iraqi commanders with all authorities to execute this plan and to make tactical and operational decisions, in consultation with U.S. commanders, without political intervention, to include the authority to pursue all extremists, including Sunni insurgents and Shiite militias.	■		■	■	■	■	■
11. Ensuring that the Iraqi security forces are providing even-handed enforcement of the law.			■	■	■	■	■
12. Ensuring that, according to President Bush, Prime Minister Maliki said "the Baghdad security plan will not provide a safe haven for any outlaws, regardless of [their] sectarian or political affiliation."				■		■	
13. Reducing the level of sectarian violence in Iraq and eliminating militia control of local security.						■	■
14. Establishing all of the planned joint security stations in neighborhoods across Baghdad.[b]							
15. Increasing the number of Iraqi security forces' units capable of operating independently.	■				■		■
16. Ensuring that the rights of minority political parties in the Iraqi legislature are protected.							■
17. Allocating and spending $10 billion in Iraqi revenues for reconstruction projects, including delivery of essential services, on an equitable basis.			■	■	■		■
18. Ensuring that Iraq's political authorities are not undermining or making false accusations against members of the Iraqi security forces.						■	■

Source: GAO analysis of Department of State, Department of Defense, and Iraqi government data.

[a]Iraq's Policy Committee on National Security agreed upon a set of political, security, and economic benchmarks and an associated timeline in September 2006. These were reaffirmed by the Presidency Council on October 16, 2006.

[b]In December 2006 the Multi-National Force-Iraq and government of Iraq agreed to establish the Joint Security Stations.

GAO ASSESSMENT OF THE 18 BENCHMARKS

As of August 30, 2007, the Iraqi government met 3, partially met 4, and did not meet 11 of its 18 benchmarks. Overall, key legislation has not been passed, violence remains high, and it is unclear whether the Iraqi government will spend $10 billion in reconstruction funds.

Figure 2: GAO Assessment of the 18 Benchmarks

Benchmark	GAO assessment	Status
1. Forming a Constitutional Review Committee and completing the constitutional review.	○	Committee formed but amendments not approved by the Iraqi legislature and no referendum scheduled.
2. Enacting and implementing legislation on de-Ba'athification.	○	Laws drafted.
3. Enacting and implementing legislation to ensure the equitable distribution of hydrocarbon resources of the people of Iraq without regard to the sect or ethnicity of recipients, and enacting and implementing legislation to ensure that the energy resources of Iraq benefit Sunni Arabs, Shia Arabs, Kurds, and other Iraqi citizens in an equitable manner.	○	3 of 4 components drafted; none being considered by parliament.
4. Enacting and implementing legislation on procedures to form semi-autonomous regions.	◐	Law enacted; implementation scheduled for 2008.
5. Enacting and implementing legislation establishing an Independent High Electoral Commission, provincial elections law, provincial council authorities, and a date for provincial elections.	○	Commission law enacted and implemented; however, supporting laws not enacted.
6. Enacting and implementing legislation addressing amnesty.	○	No law drafted.
7. Enacting and implementing legislation establishing a strong militia disarmament program to ensure that such security forces are accountable only to the central government and loyal to the Constitution of Iraq.	○	No law drafted.
8. Establishing supporting political, media, economic, and services committees in support of the Baghdad security plan.	●	Committees established.
9. Providing three trained and ready brigades to support Baghdad operations.	◐	Forces provided; some of limited effectiveness.
10. Providing Iraqi commanders with all authorities to execute this plan and to make tactical and operational decisions, in consultation with U.S. commanders, without political intervention, to include the authority to pursue all extremists, including Sunni insurgents and Shiite militias.	○	Political intervention continues.
11. Ensuring that Iraqi security forces are providing even-handed enforcement of the law.	○	Iraqi security forces engaged in sectarian-based abuses.
12. Ensuring that, according to President Bush, Prime Minister Maliki said "the Baghdad security plan will not provide a safe haven for any outlaws, regardless of [their] sectarian or political affiliation."	◐	Militia infiltration of some security forces enables some safe havens.
13. Reducing the level of sectarian violence in Iraq and eliminating militia control of local security.	○	Militias control some local security; unclear whether sectarian violence has decreased.
14. Establishing all of the planned joint security stations in neighborhoods across Baghdad.	●	32 of 34 stations established.
15. Increasing the number of Iraqi security forces units capable of operating independently.	○	Number of independent units declined between March and July 2007.
16. Ensuring that the rights of minority political parties in the Iraqi legislature are protected.	●	Legislators' rights protected; minority citizens' rights unprotected.
17. Allocating and spending $10 billion in Iraqi revenues for reconstruction projects, including delivery of essential services, on an equitable basis.	◐	Funds allocated but unlikely to be fully spent.
18. Ensuring that Iraq's political authorities are not undermining or making false accusations against members of the Iraqi security forces.	○	Unsubstantiated accusations continue to be made.

● Met ◐ Partially met ○ Not met

Source: GAO analysis of UN, U.S., and Iraqi data.

MOST LEGISLATIVE BENCHMARKS HAVE YET TO BE ENACTED AND IMPLEMENTED

The Iraqi government met one of eight legislative benchmarks: the rights of minority political parties in Iraq's legislature are protected. The government also partially met one benchmark—to enact and implement legislation on the formation of regions; this law was enacted in October 2006 but will not be implemented until April 2008. Six other legislative benchmarks have not been met. Specifically, a review committee has not completed work on important revisions to Iraq's constitution. Further, the government has not enacted legislation on de-Baathification, oil revenue sharing, provincial elections, amnesty, and militia disarmament. The administration's report cited progress in achieving some benchmarks but provided little information on what step in the legislative process each benchmark had reached. We provide that information below.

Figure 3: Enactment and Implementation Status of Six Legislative Benchmarks

	Drafting laws	Enacting									Implementing		
	Laws drafted and reviewed	Draft referred to Council of Representatives/Committee	Draft placed on calendar by Speaker's Office	First reading completed	Draft amended by Committee, placed on calendar by Speaker's Office	Second reading completed	Draft amended by Committee, placed on calendar by Speaker's Office	Third reading completed, vote taken	Ratification procedures	Law published in Gazette	Guidance issued by Prime Minister	Orders written by Cabinet Ministers/other	Directives drafted by Cabinet Director
De-Ba'athification[a]	✓	✓											
Hydrocarbon laws													
Framework	✓												
Revenue sharing	✓												
Ministry of Oil Restructuring	✓												
Iraq National Oil Company	—												
Formation of regions	✓	✓	✓	✓	✓	✓	✓	✓	[b]				
Elections													
Electoral commission	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Provincial authorities[c]	✓	✓	✓	✓	✓	✓							
Provincial election law	—												
Provincial election date[d]	—												
Amnesty	—												
Disarmament and demobilization	—												

— No legislation drafted

Source: GAO analysis of Department of State, Department of Defense, UN and Iraqi government data.

Notes:

[a]The Iraqi legislature is considering several competing drafts.

[b]The Iraqi Constitution exempts the law on formation of regions from following the Presidency Council's ratification process that is set out in Article 138 of the Constitution.

[c]The draft deals with broader federal versus provincial powers, according to the United Nations.

[d]According to State, the Iraqi government may not need a law to set the election date, though to date this is unclear.

MIXED RESULTS IN ACHIEVING SECURITY BENCHMARKS

Two of nine security benchmarks have been met. Specifically, Iraq's government has established various committees in support of the Baghdad security plan and established almost all of the planned Joint Security Stations in Baghdad. The government has partially met the benchmarks of providing three trained and ready brigades for Baghdad operations and eliminating safe havens for outlawed groups. Five other benchmarks have not been met. The government has not eliminated militia control of local security, eliminated political intervention in military operations, ensured even-handed enforcement of the law, increased army units capable of independent operations, and ensured that political authorities made no false accusations against security forces. It is unclear whether sectarian violence in Iraq has decreased—a key security benchmark—since it is difficult to measure perpetrators' intents, and various other measures of population security from different sources show differing trends. As displayed in figure 4, average daily attacks against civilians have remained unchanged from February to July 2007.

Figure 4: Average Number of Daily, Enemy-Initiated Attacks against the Coalition, Iraqi Security Forces, and Civilians (May 2003-July 2007)

COMPARISON OF GAO AND EXECUTIVE BRANCH ASSESSMENTS

Public Law 110–28 requires GAO to report to Congress by September 1, 2007,[3] on whether or not the government of Iraq has met 18 benchmarks contained in the act, and the status of the achievement of these benchmarks. The Act requires the administration to report in July and September 2007 on whether satisfactory progress is being made toward meeting the benchmarks. As stated previously, we considered and used a "partially met" rating in several circumstances. Figure 5 compares the two assessments.

[3] GAO provided this report to Congress on September 4, 2007, the first business day following September 1, 2007.

Figure 5: Comparison of GAO Assessment with Administration's July 2007 Initial Benchmark Assessment Report

Benchmark	GAO assessment	Administration assessment of progress
1. Forming a Constitutional Review Committee and then completing the constitutional review.	○	■
2. Enacting and implementing legislation on de-Ba'athification.	○	□
3. Enacting and implementing legislation to ensure the equitable distribution of hydrocarbon resources of the people of Iraq without regard to the sect or ethnicity of recipients, and enacting and implementing legislation to ensure that the energy resources of Iraq benefit Sunni Arabs, Shia Arabs, Kurds, and other Iraqi citizens in an equitable manner.	○	□
4. Enacting and implementing legislation on procedures to form semi-autonomous regions.	◐	■
5. Enacting and implementing legislation establishing an Independent High Electoral Commission, provincial elections law, provincial council authorities, and a date for provincial elections.	○	◧
6. Enacting and implementing legislation addressing amnesty.	○	a
7. Enacting and implementing legislation establishing a strong militia disarmament program to ensure that such security forces are accountable only to the central government and loyal to the Constitution of Iraq.	○	a
8. Establishing supporting political, media, economic, and services committees in support of the Baghdad security plan.	●	■
9. Providing three trained and ready Iraqi brigades to support Baghdad operations.	◐	■
10. Providing Iraqi commanders with all authorities to execute this plan and to make tactical and operational decisions, in consultation with U.S. commanders, without political intervention, to include the authority to pursue all extremists, including Sunni insurgents and Shiite militias.	○	□
11. Ensuring that the Iraqi Security Forces are providing even-handed enforcement of the law.	○	□
12. Ensuring that, according to President Bush, Prime Minister Maliki said "the Baghdad security plan will not provide a safe haven for any outlaws, regardless of [their] sectarian or political affiliation."	◐	■
13. Reducing the level of sectarian violence in Iraq and eliminating militia control of local security.	○	◧
14. Establishing all of the planned joint security stations in neighborhoods across Baghdad.	●	■
15. Increasing the number of Iraqi security forces units capable of operating independently.	○	□
16. Ensuring that the rights of minority political parties in the Iraqi legislature are protected.	●	■
17. Allocating and spending $10 billion in Iraqi revenues for reconstruction projects, including delivery of essential services, on an equitable basis.	◐	■
18. Ensuring that Iraq's political authorities are not undermining or making false accusations against members of the Iraqi security forces.	○	□
Summary	3 met, 4 partial, and 11 not met	8 satisfactory, 2 mixed, and 6 unsatisfactory

● Met ◐ Partially met ○ Not met ■ Satisfactory ◧ Mixed □ Unsatisfactory

Source: GAO analysis of UN, U.S., and Iraqi data.

[a]According to the U.S. State Department, conditions are not present for these benchmarks.

CONCLUSIONS

As of August 30, 2007, the Iraqi government met 3, partially met 4, and had not met 11 of 18 legislative, security, and economic benchmarks. The Iraqi government has not fulfilled commitments it first made in June 2006 to advance legislative, security, and economic measures that would promote national reconciliation among Iraq's warring factions. Of particular concern is the lack of progress on de-Baathification legislation that could promote greater Sunni participation in the National government and comprehensive hydrocarbon legislation that would distribute Iraq's vast oil wealth. In late August, Iraq's senior Shia, Sunni Arab, and Kurdish political leaders signed a Unity Accord signaling efforts to foster greater national reconciliation. The Accord covered draft legislation on de-Baathification reform and provincial powers laws, as well as setting up a mechanism to release some Sunni detainees being held without charges. However, the polarization of Iraq's major sects and ethnic groups and fighting among Sh'ia factions further diminishes the stability of Iraq's governing coalition and its potential to enact legislation needed for sectarian reconciliation.

Reconciliation was also premised on a reduction in violence. While the Baghdad security plan was intended to reduce sectarian violence, it is unclear whether violence has been reduced. Measuring such violence may be difficult since the perpetrators' intents are not clearly known. Other measures, such as the number of enemy-initiated attacks, show that violence has remained high through July 2007.

As Congress considers the way forward in Iraq, it should balance the achievement of the 18 Iraqi benchmarks with military progress and homeland security, foreign policy, and other goals of the United States. Future administration reports on the benchmarks would be more useful to Congress if they clearly depicted the status of each legislative benchmark, provided additional quantitative and qualitative in-

formation on violence from all relevant U.S. agencies, and specified the performance and loyalties of Iraqi security forces supporting coalition operations.

RECOMMENDATIONS

In preparing future reports to Congress and to help increase transparency on progress made toward achieving the benchmarks, we recommend that:

1. The Secretary of State provide information to the President that clearly specifies the status in drafting, enacting, and implementing Iraqi legislation;
2. The Secretary of Defense and the heads of other appropriate agencies provide information to the President on trends in sectarian violence with appropriate caveats, as well as broader quantitative and qualitative measures of security; and
3. The Secretary of Defense and the heads of other appropriate agencies provide additional information on the operational readiness of Iraqi security forces supporting the Baghdad security plan, particularly information on their loyalty and willingness to help secure Baghdad.

We provided drafts of the report accompanying this testimony to the relevant U.S. agencies for review and comment, which we incorporated as appropriate. We received written comments from the Departments of State and Defense and technical comments from the Central Intelligence Agency and National Intelligence Council, which are included in the report. State and DOD concurred with our recommendations but disagreed with our assessment of certain benchmarks. Although we analyzed classified data, including the August 2007 National Intelligence Estimate for Iraq, the testimony and report only contain unclassified information, as of August 30, 2007. We issued a classified report to supplement the information discussed in our report.[4]

Mr. Chairman and members of the committee, this concludes my prepared statement. I would be happy to answer any questions that you may have.

CONTACT AND STAFF ACKNOWLEDGEMENTS

If you or your staffs have any questions about this testimony, please contact me at (202) 512–5500 or Joseph A. Christoff, Director, International Affairs and Trade, at (202) 512–8979. Key contributors to this testimony include Stephen Lord, David Bruno, Howard Cott, Timothy Fairbanks, Mattias Fenton, Whitney Havens, Dorian Herring, Bruce Kutnick, Judith McCloskey, Tetsuo Miyabara, and Kathleen Monahan.

In addition, Ashley Alley, Monica Brym, Lessie Burke-Johnson, Joe Carney, Miriam Carroll, Debbie Chung, Thomas Costa, Lynn Cothern, Aniruddha Dasgupta, Martin de Alteriis, Etana Finkler, Muriel Forster, Patrick Hickey, Michael Jenkins, Sona Kalapura, Jeremy Latimer, Mary Moutsos, Sidney Schwartz, Jena Sinkfield, Audrey Solis, Cynthia Taylor, and Christina Werth provided technical assistance.

Chairman LEVIN. Thank you, Mr. Walker, very much for a very succinct, direct report and testimony. Let's try a 7-minute round, the first round here for our questions this morning.

Looking at the origin of Iraqi benchmarks, that particular chart.

Mr. WALKER. Yes, sir.

Chairman LEVIN. The second column, you say, is Prime Minister Maliki's benchmarks, those are the ones that I made reference to before that were attached to Secretary Rice's letter. You got a footnote A, relative to that. I just want you, if you would, to read that footnote, if you have it handy. Let me read it to you.

Mr. WALKER. Thank you, Mr. Chairman, because I don't have it.

Chairman LEVIN. "Iraq's Policy Committee on National Security agreed upon a set of political, security, and economic benchmarks and an associated timeline in September 2006. They were reaffirmed by the Presidency Council on October 16, 2006." I want to make it clear that the title, with that A after it, makes it clear that those weren't just Maliki's benchmarks, they were, according

[4] GAO–07–1223C.

to their own footnote, and as Secretary Rice said, they were reaffirmed by the Presidency Council. Is that correct?

Mr. WALKER. That's my understanding, Mr. Chairman. That's right.

Chairman LEVIN. The timeline that was attached to those benchmarks was the following: that they would agree on an investment law by September 2006; they'd approve provincial elections law and set a date for provincial elections by October 2006; they'd approve a hydrocarbon by October 2006; they'd approve a de-Baathification law by November 2006; they'd approve a provincial council authorities law by November 2006; they would address the question of amnesty, militias, and other armed forces in the Council of Representatives by December 2006; they'd approve those laws by December 2006; the Constitutional Review Committee would complete its work by January 2007; and they'd have referendum on Constitutional amendments by March 2007. Have any of those commitments been kept, the ones I just identified?

Mr. WALKER. We've noted that those have not been met, based upon our evaluation, and that there clearly has been a significant delay in the Iraqi Government being able to meet its milestones. That's the area of greatest disappointment, namely, the lack of political progress.

Chairman LEVIN. In terms of those specific self-adopted, self-imposed, not just benchmarks, but timelines.

Mr. WALKER. The milestones.

Chairman LEVIN. The milestones that they set out for themselves, they have not been met, is that correct?

Mr. WALKER. That's correct, Mr. Chairman.

Chairman LEVIN. So, that when Prime Minister Maliki rails against others for trying to impose benchmarks and milestones on Iraq, is it not accurate to say that they, in fact, have adopted their own benchmarks, which is part of the compact commitment that you make reference to in your last column? They also have adopted timelines, which have not been met?

Mr. WALKER. What I don't know, Mr. Chairman, is whether or not they've modified those timelines, but not published it. But you're correct, they did not meet those, the timelines that you refer to.

Chairman LEVIN. As far as you know, did they ever modify those timelines?

Mr. WALKER. We're not aware of any formal modification to those timelines.

Chairman LEVIN. How about informal modifications?

Mr. WALKER. We're not aware of any such modification, Mr. Chairman.

Chairman LEVIN. All right. Yesterday we were given a report by the Jones Commission in which the Commission concluded that the Iraqi Armed Forces are, "capable of assuming greater responsibility for the internal security of Iraq." What that was based on, was a finding that they made—and that has been made by others—that a majority of the Iraqi Army units, not police units, Army units—are able either to act independently, which is so-called category 1, what you were asked to look at, but also category 2 units, which

are characterized as being able to act in the lead with the support of the coalition.

Those are categories which we use, in our own operational readiness assessments, we look at four categories. The first category is the ability to act independently, the second one is to take the lead, in essence, with the support of coalition forces.

Now, I believe that you looked only at the category 1 units, the ability to act independently. Is that correct?

Mr. WALKER. For benchmark number 15, you're correct, but we are aware of the other data that you're referring to.

Chairman LEVIN. You are, okay.

Mr. WALKER. We are.

Chairman LEVIN. Relative to the combined number of category 1 and 2—because that's the unclassified number, that's the number which our folks are currently using: that number, according to our statistics, which are given to us by DOD, and are given to us in accordance with section 9010 of the Defense Appropriations Act, those figures impact 89 of 159 units that are at either fully independent or can take the lead, essentially, are category 1 or category 2. Is that similar to the information you have?

Mr. WALKER. That's consistent with the information that we have for category 1 and category 2, Mr. Chairman.

Chairman LEVIN. Now, let me first give you my impression. It's my impression—and I believe from the testimony yesterday, that the Independent Commission would agree with this—that while over half of the Iraqi units are capable of either acting independently—which there are relatively few—but also of taking the lead in operations with the support of coalition forces, that many fewer are actually either acting independently or taking the lead with coalition support and that there's a significant number of units that are not taking the lead, although they have the capability of doing so with coalition support. Did you make any finding or do you have any——

Mr. WALKER. We did not, but the data would seem to support that position.

Chairman LEVIN. Do you have any finding as to why that is true, assuming it's true?

Mr. WALKER. I think one of the things that people need to keep in mind is how much support you need for category 2. It could be considerable support, especially logistical support, air support, et cetera. Second, it's not just the issue of readiness, it's also the issue of reliability. By reliability I mean, they may have the capability to do it, but will they do it and will they act in a non-sectarian fashion?

Chairman LEVIN. Is that particularly a problem with the police?

Mr. WALKER. It is clearly a much greater problem with the police and much less of a problem with the Army. But we would note, that we had recommended to the Defense Department some months ago, that in addition to considering traditional readiness factors, they also consider reliability factors. They now, in fact, are doing that.

Chairman LEVIN. Finally, on the Unity Accord, to which you referred. Senator Warner and I were in President Talibani's house,

actually having dinner with General Petraeus and our Ambassador when presented to the——

Senator WARNER. General Petraeus was not there.

Chairman LEVIN. I apologize. You're correct. Senator Warner is correct. Ambassador Crocker was there, but General Petraeus was not at that dinner. Presented to President Talibani were these initialed agreements, it was a so-called initialed by, perhaps, the second-level person in each of those factions. Then, later on, a couple weeks later, last week or early this week there was this meeting where the five top folks came together in this so-called Unity Accord, and I guess signed what was previously initialed.

Senator WARNER. Not all of them.

Chairman LEVIN. One or more of the items, Senator Warner, I think is probably correct on that, even though it maybe that just one of them was going to be immediately presented to the Assembly and the other two were signed, but not going to be immediately presented.

But whatever the precise accuracy of that—it's obviously important—but my point is this: Would you agree that the ability of the government to achieve the goals laid out in that Unity Accord is severely undermined by the withdrawal of 15 of 37 members of the Cabinet?

Mr. WALKER. It clearly shows that there is significant strife and significant differences that exist within the elected government of Iraq.

Chairman LEVIN. Do you have an assessment on the likelihood of the Iraqi legislature to enact that legislation?

Mr. WALKER. No, we don't, Mr. Chairman. That was really beyond the scope of what we were asked to do. I wouldn't want to speculate on that.

Chairman LEVIN. Would you agree that it's not a done deal by any stretch of the imagination, given the history of that assembly?

Mr. WALKER. Given the history of any assembly, I would say it's probably not a done deal.

Chairman LEVIN. Because that is a parliament where majority rules?

Mr. WALKER. Yes, I understand.

Chairman LEVIN. Is that correct?

Mr. WALKER. Well, but I think the other thing, Mr. Chairman, as you undoubtedly know, part of the issue is not whether or not they have the votes, but when do they want to take the vote, because of the potential implications of that vote. I can't get into that. I don't know where they stand there.

But I think only time will tell whether or not this national Unity Accord will, in fact, result in real legislation being enacted, which is necessary for reconciliation and for people to have confidence that it's not a temporary thing, but that it has a more lasting significance.

Chairman LEVIN. Thank you.

Senator Warner.

Senator WARNER. Mr. Chairman, one of my members has a commitment, so I'm going to yield to Senator Inhofe. But I would think it important that we place in the record, at an appropriate place, perhaps directly following my opening testimony, and quote the

law as written and perhaps that will help clarify the different procedures by which you proceeded.

I note that, having had a hand in writing the basic law, the provision relating to your organization was in the form of an amendment. I think if I and others had been a little more alert we would have seen if we couldn't have had a parallelism as to the requirements. But nevertheless, I think both reports do basically reach much of the same conclusions.

Mr. WALKER. Senator Warner, I'd also like to mention that should you desire us to do further work in this area, we would like to work with this committee for possible refinements on what we might be able to do to improve the usefulness to this committee and Congress as a whole.

Senator WARNER. We will take that offer.

Senator INHOFE. Thank you, Senator Warner. That's kind of my thought too. Mr. Walker, you've done a great job in coming up with the report that you've come up with. I question if it really tells me what I know about the progress that's being made there. What I'm saying, and I'm not being critical at all, but from my understanding, you were charged with reporting on the various benchmarks as they have been met. I'm not disagreeing with your conclusions. You've done exactly what you were charted to do.

But I am questioning that if this report provides us with something beyond just a snapshot of where we are today as opposed to what kind of progress that we've been able to make. Focusing on a black and white, yes or no report on benchmarks seems to be a little myopic in its attempt to oversimplify an extremely complex and dynamic situation.

Actual progress has not been considered under these standards. Representative Jimmy Saxton (New Jersey, 3rd District) yesterday said, "By solely examining whether each benchmark has achieved without considering the actual progress being made under each area, it appears that this hearing has been set up with a goal of providing a negative picture by failing to accurately reflect the current activities on the ground in Iraq." Mr. Walker, you stated Tuesday, I guess it was and I agree with this, you said, "Progress is a highly subjective issue and by definition, one would expect that there would be a better rating that would be achieved if one solely focused on progress." I agree with that and that's what I focus on. I've had occasion to be, not always in Iraq, but in the Iraqi area of responsibility, 15 times now. Last week was the last time. So as I go through and I see some of the great progress that's being made, I don't see that this report reflects that progress.

I think the Iraqi Government, while not agreeing on legislative language, has put into an accumulation of practices, many of the benchmarks. The Iraqi Government is sharing oil revenues, is taking steps towards the de-Baathification, it is giving conditional immunity to the Baath Party members. There's been a 75-percent reduction in religious and ethnic killings in the capitol between December and August 7.

Along this line, one of the great progresses that I see, and it was reflected from our intel going to the various mosques and their weekly meetings and coming back with the idea that there's been a total abrupt change since this surge took place, in terms of the

programs that are given by the clerics and Imans in the mosques. Moreover, prior to January, 85 percent of the services were anti-American, by nature, but since April there hasn't been anything anti-American. I think that accounts for some of the success that we've had.

We've doubled the seizure of insurgent's weapons caches between January and August. A rise in the number of al Qaeda killings and captures, Anbar incidents of attacks are down from 40 per day down to 10 per day at the present time. As far as economic growth—I'll talk about that in just a minute—but the markets are open, crowded, and stacked. I know that. I've been in the markets. I've also been in the same markets several years, probably each 3 or 4 months. So, it's easy to see the progress when you're looking at that.

The large hospital projects in the Sunni triangle are back on track. Three of the provinces were transferred to Iraqi control on May 30. The Iraqi police are in control inside the city of Kirkuk. In Mosul, a mixed population of Sunni and Shia have been turned over to Iraqi control. Only a small U.S. presence remains in that area. Additionally, the Iraqi Army continues to perform very well. Although we tend to look at things by our standards, and sometimes that's rather difficult to do.

In visiting last week with General Petraeus on the overall picture, he says less than half of the al Qaeda leaders that were in Baghdad when the surge began are still in the city. Half of them are still in the city, less than half. They fled and are being killed and captured. Seventy-five percent reductions in religious and ethnic killings. The improvised explosive devices (IEDs) decreased by the use of advanced IEDs. In fact, he said the IEDs, really, are dead now, it's the advanced IEDs that we're having a problem with.

Ambassador Crocker, when we talked about the markets and about the economy, about the large hospital projects and this type of thing. Well, up in the Multinational Division North, Major General Benjamin R. Mixon's, USA, area of responsibility, progress is being made. It's in the right direction up there. The only problem is the city of Diyala is where most of the problems are. I think what's happened is that as the successes in Anbar have taken place, it's kind of squeezed it up into that area, and now it's confined to Diyala at the present time. At least that's my conclusion after being up there.

Patrol Base Murray, the same thing there. I've had a chance to meet with former Iraqi Army Brigadier General Mustafa Kamel Hamad Shabib al-Jabouri (better known simply as General Mustafa), founder of Concerned Citizens, Iraq now three times, you probably did when you were over there, too. He's the one who talks about the Concerned Citizen's groups and how successful they have been. Your report also shows the success in the joint security stations, 32 of the 34, that benchmark, I think, is pretty healthy. That reflects a lot of progress. Lieutenant General Raymond T. Odierno talking about the progress in Iraq called it, "Baghdad, back to normalcy."

All these things are happening. I would also reflect that even earlier—this is about a month or 5 weeks ago—I observed progress,

and I think a lot of it is due to the, not the political, but the religious leaders. I've kind of come to the conclusion that they're more important than the political leaders. I remember in a hearing in this committee about a little over a year ago, it was predicted that Ramadi was going to be the terrorist capitol of the world. Well, now it's under control and so is Fallujah.

I'd say, the only question I'd have, and you can answer for the record, since I've gone over my time, can you tell us better ways that you suggest to measure this benchmark, and how a snapshot in time can accurately reflect a constantly evolving situation? In other words, provide more depth to the assignment that was given to you.

Mr. WALKER. Sure. Let me briefly respond. First, we did what we were asked to do.

Senator INHOFE. I said that already.

Mr. WALKER. However, we did use "partially met" in an attempt to be fair and balanced and we provided more commentary, because even a "not met" doesn't mean no progress, okay? So, you need to understand that.

My personal view and professional opinion as Comptroller General of the United States is, that these 18 benchmarks need to be considered, but there are things beyond these 18 benchmarks that you ought to consider. Furthermore, ideally in evaluating any type of progress, including this type of progress, it's good to look at where you stand as of a point in time, what progress you are making, and how does it relate to the commitments that have been made?

I think having all of that information is relevant in order to be able to make the fully-informed view. That would be a suggestion that I would make for your consideration, to the extent that you want to continue to have GAO do something going forward.

Senator INHOFE. That's an excellent statement. Thank you so much.

Chairman LEVIN. Senator Reed is next, but he has agreed—as he is always so generous—to switch places in the order with Senator McCaskill.

So, Senator McCaskill?

Senator MCCASKILL. Thank you, Mr. Chairman.

First, I want to tell you that I appreciate the atmosphere in which this report is released, is highly politically charged. I'm not sure that it could be more politically charged than this particular topic at this particular time with our Government and with our elected leaders.

In that environment, I want to compliment what you've done because, as always, what the GAO has done, is you've been a fact gatherer and a fact reporter. I would challenge anyone in the administration, in DOD, in the military, in this committee, or in Congress to find a factual piece of information that you report here that is a mistake. I know that there has been a little controversy over your report in the House, when you testified I think they roughed you up a little bit. Let me tell you from my perspective, being called an auditor is the highest compliment that anyone could ever give you. I appreciate the fact that some of our col-

leagues in the House called you an auditor, as if it was a derogatory term.

I have read the facts and I want to state the obvious here. I have a great respect for General Petraeus too, but I think everyone needs to understand the differences in your positions. Who do you work for? Who do you work for, Mr. Walker?

Mr. WALKER. I work for the Congress of the United States. I'm sorry. [Laughter.]

Chairman LEVIN. There's no doubt in my mind about that.

Mr. WALKER. Believe me, I know. I just didn't know it was a question.

Senator MCCASKILL. It was a question. Who, in fact, does General Petraeus work for? Who is his boss?

Mr. WALKER. The President of the United States is Commander in Chief.

Senator MCCASKILL. His job is much different than yours. I appreciate that he's going to have additional perspective that you could never bring to this discussion.

Mr. WALKER. Absolutely. He's management, he's responsible for helping to define and execute the strategy. He's on the ground, he's extremely capable. You ought to seriously listen to what he has to say.

Senator MCCASKILL. Absolutely. I have looked at the nine benchmarks, I have honed in on the nine benchmarks that President Bush laid out in his speech to the American people in January, "A new way forward." This was the President's decision to lay out these nine benchmarks. It was his attempt to convince the American people that we were going to provide accountability. If we were going to put more lives on the line and go even deeper in debt in order to finance this effort, we were going to require certain commitments of the Iraqi Government. This was not anything Congress foisted upon him. These were his nine he laid out in his speech.

I've looked at your analysis of those nine benchmarks. You say they have not been met in six instances. You give him partial credit, partially met for three of those. Six no, three partial. The President, in July, said four of those there had been satisfactory progress, four he admitted no, unsatisfactory progress. So, by his own report in July, four yes, four no, and then he said one partial. So, I tried to go in and look at one of those benchmarks in detail, the one where you say partial and he says it's satisfactory, which concerns the spending of the $10 billion of Iraqi money.

Now, there are several reasons I honed in on this. One, I think it will satisfy people because as one House member called you a bean-counter, this is about the finances, this is about the ability of the Iraqi Government to spend their money.

Now, when I was in Iraq in June, I asked some of the Missouri soldiers on the ground what was their biggest challenge in one of these Provincial Reconstruction Teams. They said to me, "electricity." They said that these people are getting 1 hour of electricity a day on average in Baghdad. Now, how in the world do we ever get to a point that they have any confidence whatsoever in their government if they can't get electricity. Spending this money on infrastructure and capital projects, this $10 billion, a very modest

amount—I hate to count the billions and billions we've spent—ought to be something that we feel confident that they're moving towards doing. It shouldn't be that hard to spend money. We manage to do it around here without blinking an eye.

I looked to see what, exactly, factually you found and what the President reported. As of the middle of the year, they had spent, according to the U.S. Embassy, $1.5 billion of the $10 billion—24 percent—leaving 76 percent that had not yet been spent. But if you look behind that number, you find the Ministry of Oil's money, you all determined, based on the Special Inspector General's report, that of the $1.5 billion that they're getting credit for spending, $500 million of that, they're not confident that all has been spent. That's because it was just transferred to the Marketing Division. There wasn't really any evidence that it had actually been spent. If you look at the money that's been given to the provinces, there is no confidence that that money is going to be spent. They haven't even spent last year's money yet, much less this year's money, which in this instance, they're not going to be allowed to carry forward.

I read every word about that benchmark. Now, the interesting thing is, the President said it was satisfactory progress. Now, I would like you to speak about that benchmark, if you would, and talk about the factual basis for the difference between your findings. You said partially met, which by the way, I thought was wildly generous, because you're saying because they've allocated it. For gosh sakes, allocating money is not spending money. If you would address that particular benchmark and the difference between the President and GAO. I'm trying to figure out where the spin is here and I got to tell you, with this benchmark, I don't think there's much spin on your side. I think you are being wildly generous and I think there's a whole lot of spin going on, on the other side.

Mr. WALKER. Thank you, Senator McCaskill.

Obviously you've done a thorough job, again, in reading this report. I appreciate that.

First, I'm proud to be a Certified Public Accountant, to be an auditor, among other things.

What we did here, is we looked at the language. "Allocating and spending $10 billion in Iraqi revenues for reconstruction projects, including delivering of essential services on an equitable basis." Now, they have allocated $10 billion. They have transferred some of the money, but clearly not most of the money. They've obligated even less and we have a concern as to whether or not this amount is ultimately going to be spent and whether or not it's going to be spent in a manner that will result in delivering essential services on a equitable basis.

The best we could get to was partial. We wanted to give them credit for the fact that they had allocated the money, they've transferred some of the money, they've spent some of the money.

However, our opinion there has also been formed by work that we've done in many other areas in Iraq, where frankly they haven't spent, historically, a lot of the money that's been allocated. We think that, as I said, we based the work on these 18 benchmarks, not just on what we did in the last couple of months, but what

we've done over several years and the track record that has been established there.

Senator MCCASKILL. But I want to make it clear that the facts indicate, that of the $1.5 billion or 24 percent of the $10 billion, that the U.S. Embassy is saying has been spent, there is not even concrete factual evidence that we could rely on as auditors, that all of that money has actually even been expended, even though it was only 24 percent of the total.

Mr. WALKER. Yes, $1.5 billion, of course, would be 15 percent, so there's other money in there, but they've transferred a certain amount, they've obligated a certain amount, they've spent a certain amount, but a significant majority of the funds don't meet any of those criteria.

Senator MCCASKILL. Thank you very much.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator McCaskill.

Senator Warner.

Senator WARNER. I'm going to defer down to Senator Collins.

Senator COLLINS. Thank you, Mr. Chairman.

Mr. Walker, I want to talk further with you about benchmark 15, which is a very important benchmark because it's an evaluation of whether the Iraqi security forces can operate independently.

Obviously, the scale and the success of the Iraqi security forces directly affects when our troops will be able to come home. Your assessment that this benchmark of increasing the number of Iraqi security forces units capable of operating independently, is that it was not met. It's not one where you said there was limited progress or partially met. You say it was not met, and you even say that the number of capable forces has actually declined.

This seems at odds with the testimony that we had yesterday from the Jones Commission. I have a great deal of respect for both the GAO and the Jones Commission. I am surprised that the conclusions seem to be so at odds on such a vital issue. I'd like to have you comment further on why GAO reached such a different assessment.

Mr. WALKER. First Senator Collins, thank you very much for the question. Because in reality, the reason that we reached a different conclusion is because we had a different metric that we had to evaluate.

As Chairman Levin mentioned earlier, if you look at categories one and two of the four readiness categories, you get a different number with regard to how many people, how many units might be able to operate either fully independently or lead. Our requirement was just to look at those who could operate fully independently. So in other words, category 1, the highest category. We've issued a classified report, which I would commend to you and every member of this committee, that clearly demonstrates why we put this benchmark in the not met category. Basically, we are looking only at category 1, because operating independently is category 1. They either went up, or they went down, or they stayed the same, and that's in our classified report.

Senator COLLINS. Sounds like we need to review the classified information, as well.

This is an area that Senator Warner has been the leader on getting this assessment. I hope that the Jones Commission and GAO can come together on this issue because this is so vital to the ability of our troops to be able to turn over responsibility to the Iraqi security forces, and ultimately to their ability to be able to come home.

There's a broader issue that I want to raise with you to make sure that this committee fully understands what you mean by each of your assessments. Of the 18 benchmarks that were graded by the GAO, your report states that only 7 received a grade of met or partially met. So, of the other 11 benchmarks, are you implying that there's been no progress at all? That the Iraqi Government is no further along on those benchmarks than they were a year ago? I'm trying to understand the difference between not met—which can be read as no progress at all, which I don't think is really what you're saying—versus partially met.

Mr. WALKER. Again, thank you for this question because it helps add contextual sophistication.

The biggest problem is in the legislative area. One of the exhibits that we had, which is on page eight of my testimony, illustrates the progress that has been made. So, on these, the ones that been met and not met. So, the fact that they're not met doesn't mean that nothing has been done, but it means that not nearly enough has been done in order to justify a partially met rating. As I mentioned earlier, my professional opinion is, the most meaningful information for Congress would be, not just to know where things stand as of a point in time, but also what type of progress is being made.

It's my understanding that Congress may have intended—and I don't know this for sure, Senator Warner and Senator Levin would—that it was contemplated that this might end up being a baseline that could then provide a basis to compare. Even if that was the case, my personal view is you need to look at where do things stand and what progress is being made. You need to look at both in order to be able to consider that. That's not what we were asked to do.

Senator COLLINS. Thank you.

Thank you, Senator Warner.

Senator WARNER. If I could interject, Mr. Chairman. What amount of time and effort would it take for you to try and reconcile your data and put it into a format that comports with what we tasked the President to do, by way of the benchmark assessment?

Mr. WALKER. Well, you asked the President to talk about progress rather than status. First thing we'd have to do is define, we'd have to come up with a definition of what's satisfactory.

Senator WARNER. Instead of taking up time getting into detail, do you think that you could take the criteria we laid down for the executive branch and apply your own metrics and come up with conclusions?

Mr. WALKER. Mr. Chairman, I'd want to consult with my very capable staff on what were those metrics, are we comfortable with those metrics, and what do we think it would take. We will do that expeditiously.

Senator WARNER. Thank you.

Mr. WALKER. Get back to you later.

Chairman LEVIN. Whether those metrics are available to you?

Mr. WALKER. Correct.

Chairman LEVIN. Senator Akaka.

Senator AKAKA. Thank you, Mr. Chairman.

I want to say aloha to Mr. Walker and welcome to you to this committee.

I would like to first congratulate you and your staff for the excellent work you've done on reporting the Iraqi Government's legislative, security, and economic benchmarks. I believe that the GAO conducted an excellent assessment of the Iraq benchmarks and I want to convey my appreciation, again, to you and your staff.

The inability of the Iraqi Government to meet its benchmarks is one of the main issues in the overall debate regarding whether to begin redeployment of our troops. This report will provide us with valuable information in our deliberations on any future involvement of the U.S. military forces in Iraq.

I do have few questions to you, Mr. Walker. The GAO's report states that the Iraqi Government has provided $10 billion in its current budget for reconstruction projects, including delivery of essential services on an equitable basis, but that it is unlikely to be spent by the end of this year. As of July 31, the Iraqi Government had only about $1.5 billion of the allocated funds.

Now, my question to you is can you tell us what is the underlying cause of the Iraqi's failure to use their budgeted resources to rebuild critical infrastructure? In addition to that, could you describe some of the key projects that will likely not be accomplished if the Iraqi Government continues at this current pace?

Mr. WALKER. First, whether or not the money will be spent depends, in great part, on their willingness and ability to spend that money. We have seen, historically, that amounts have been allocated, but not transferred. Of the amounts that have transferred have not necessarily been spent, in the past. Some of the reasons for that are that Iraq does not have a well-established capacity, as it relates to acquisition and contracting. They have a serious problem with regard to having an adequate number of people with the knowledge, the right type of systems and controls to get things done.

Some people are concerned about moving too quickly because of the possibility of being accused of corruption or other types of activities if they don't dot all the Is and cross all the Ts. So, I can't comment on their willingness to spend it. I can comment on the fact that historically they have not had a good track record and some of that is because of the lack of enough people and enough infrastructure to be able to make it happen in a timely manner. I'll be happy to provide, for the record, some examples of things that might not get done.

[The information referred to follows:]

As we recently reported, the energy sector is critical for Iraq's economy and for rebuilding the country. Experts estimate that over the next few years, $27 billion will be needed for the electricity sector to keep up with needed demand and $20 to $30 billion will be needed for the oil sector to reach production goals. Since most U.S. reconstruction funds have been obligated, the Iraqi Government will need to assume a more prominent role in rebuilding Iraq's electricity and oil sectors. Major challenges to these efforts include continued security concerns, lack of expertise to

plan for and maintain the infrastructure, and lack of a legislative framework that would encourage international investment.

Mr. WALKER. But as Senator McCaskill said before, they include reliable electricity and adequate, safe water, and appropriate levels of oil production. These are basic things that I think are important that they be measured. From a professional standpoint, I believe it's important they be measured and reported on.

Senator AKAKA. Mr. Walker, GAO credits the Iraqi Government with meeting benchmark 16, "Ensuring that the rights of minority political parties in the Iraqi Legislature are protected." However, the report then states that because of the security situation, Iraqi legislators interviewed by GAO insisted that the situation in their communities has a direct bearing on their work in the legislature, their freedom of movement to and from the legislature, and their ability to engage fully in Iraq political life.

If I understand the report correctly, the Iraqis have met this benchmark because their constitution has provisions guaranteeing minority party rights. However, in practice, this benchmark is not actually being met because minority rights are still being violated. Is my understanding correct?

Mr. WALKER. My understanding, Senator Akaka, is the reason we showed this as met is because, in fact, they have enacted a constitution that provides for minority rights. There are issues, you talked about two. One, security—whether or not there's adequate security for people to be able to get to the parliament to be able to exercise their rights. Second, there are significant sectarian issues. I mean, there are significant sectarian issues between the Shia, the Sunni, the Kurd, there are also significant issues within those segments, especially the Sunni segment. So, we assessed it, based upon the fact that they've done what they have to do, as a matter of law. But, let me come back to an issue I've mentioned before.

One of the issues that they have to think about is how do they execute? The Shia have 60 percent of the population, the Kurds have 20 percent of the population, and the Sunnis have 20. Well, the Sunnis are used to running things on a totalitarian basis for awhile, but now they have only 20 percent in the democracy. On a vote basis, they're not there. I think that's one of the issues that you ought to try to find out more about, as to whether and to what extent that's had a practical problem in being able to move forward in some areas where, otherwise, people might want to, and may even have the votes.

Senator AKAKA. I'd like to ask about the impact the surge has had. If we have not improved the protection of minority rights of legislators, then it suggests that a fundamental tenant of the surge is not being met. Is there any evidence that the surge has improved the protection of the rights of minority members of the legislature?

Mr. WALKER. We didn't look to that level of detail, Senator Akaka. I think that one can say is the surge has had an impact in at least two areas.

First, Anbar Province, and the efforts that we're taking there to combat al Qaeda. Second, in the efforts of U.S. and Iraqi forces to try to be able to provide additional security, in major portions of Baghdad, including these joint security stations and related activi-

ties there. Those are the areas where I think the surge has had the most impact so far.

But, keep in mind that one of the reasons for the surge was to provide, one of the Senators mentioned, "breathing room," to make political progress. So far, that political progress has not been made. Hopefully, it can be and it will be, but so far, it has not.

Senator AKAKA. Thank you very much, Mr. Walker, for your responses.

Chairman LEVIN. Senator Chambliss?

Senator CHAMBLISS. Thank you, Mr. Chairman. I'll be brief so others can have a chance to make comments or ask questions before the vote.

Mr. Walker, first all let me thank you for doing a great job. Your staff, too. Most everybody on this committee—not all, but most of us—have been in theater, we know the difficulties that you encounter there, and your staff is to be commended for taking the time, making the efforts, and really getting down to the core of some of the issues that need to be called to our attention, and addressed. It's information like this that, I think, does provide us with the background to be able to make the decisions that we're going to make, relative to the situation in Iraq.

That being said, you have highlighted something that has concerned me from day one over there, and the more I'm in Iraq, the more I talk with people who are in theater, and I frankly agree with you about the issue of the lack of movement by the government. That's the weakest aspect of what's going on over there.

I was pleased to hear you say that "not met" in your chart, doesn't mean that there's been no progress, because actually, I could probably argue with you, but it's immaterial as to whether or not the "not met" is correct on a number of these. But, the fact is, I think you have fairly stated what's going on over there, from the standpoint of the government not moving forward.

By the same token, if you had assessed the commitments made by the current majority back in December, and done an assessment at the end of 6 months, I daresay it wouldn't have looked very positive. It's not just the current majority, you could take the previous majority in any Congress, and assess the activity of Congress, and I don't think we would have scored very well on a points chart, like you've been tasked to do.

So, I think you've done a good job in making the point that they have failed to achieve some of these benchmarks. But, it does appear from your report that they are moving forward.

The one chart that you had up there, relative to the level of violence, brings to mind a charge that we saw yesterday from General Jones, that's probably the most significant I've seen relative to the conflict in Iraq. It was a chart which, unlike yours which simply shows the number of incidents of violence, and whether it had gone up or down, and that could be a suicide bomber walking in and blowing up 100 people, or it could be a few rifle shots, on incidents of violence.

What General Jones' chart showed was the decrease in violent activity in the City of Baghdad. He took it over a timeframe of several months. What that diagram showed, that the incidences of violence are shrinking. The area where the incidents of violence are

occurring, is shrinking. That bears out exactly what I expect to hear from General Petraeus next week, and what I have personally seen on the ground in Iraq when I've been there, and that is that we are making great strides from a military perspective, and that our men and women wearing the uniform are doing a terrific job.

General Petraeus is also, I think, going to validate what you have reported to us, that the government has a long way to go.

In summary, I just want to say, I think you've done a good job of coming forward with facts, with telling us, you're giving us a report of your investigation of the benchmarks that we have tasked you to address. I look forward to seeing additional reports like this, Mr. Chairman, as we move forward, under whatever scenario we undertake, after General Petraeus and Ambassador Crocker's report.

Mr. Walker, thanks to you and your folks. We commend you for a job well done.

Mr. WALKER. Senator Chambliss, so I can mention quickly, for your benefit and the benefit of the other members of the committee—this graphic is just total activity, it's not lethality—there's a difference as to what type of casualties might cover.

Senator CHAMBLISS. Yes.

Mr. WALKER. In our classified report, we do have information on Baghdad, versus overall. I would commend our classified report—as well as a classified report from the National Intelligence Estimate (NIE) to you to look at. I think, though, they're both important.

Senator CHAMBLISS. Yes, I agree. I think that's much more meaningful than just a diagram showing spikes up and down.

Mr. WALKER. Thank you.

Chairman LEVIN. Thank you, Senator Chambliss.

Senator Reed.

Senator REED. Thank you very much.

General, let me thank you—not only for your work, and for your staff's work, but your staff is not unaccustomed to dealing with these issues. In fact, not only their expertise individually, but their experience over the last 4 or 5 years, with this topic in particular, is outstanding.

This is not a drive-by evaluation. These are people, I presume, who are deeply, on a daily basis, involved. They have a perspective, as well as the expertise to look at these issues, and I thank you for that.

I think one of the critical issues that we're going to have to address is the issue of these numbers, the accuracy of numbers. You point out, there's a difference in methodology, that you differ with General Petraeus' command. In that line, there was an article yesterday in the Washington Post that pointed out that DOD, in their releasing death counts, dramatically shifted the results from last year to this year. They had a report released in March which showed a peak in December 2006 of approximately 1,200 and then they had a June report that showed that to increase. General Petraeus is using that as his baseline, the increased numbers. Can you comment, at all, about the General's methodology, or the issue of whether these numbers are accurate?

Mr. WALKER. We're generally comfortable with the approach that's taken on Figure 4 which is on page 10.

Senator REED. Right.

Mr. WALKER. I would commend to you, Senator, and the other members of this committee, our classified report, that supplements this non-classified report, because there's information in it that's directly relevant to our concerns with regard to data on sectarian violence. There's a lot of emphasis on that, and I think you need to look at that.

Senator REED. I appreciate that very much, and certainly we don't want to intrude publicly here, today. But, we're going to have a very public debate. General Petraeus will make public statements about the decrease in violence, about the level, et cetera, and if there are details in that classified report that we can't divulge, then we, frankly, are disadvantaged.

I just wonder, from your perspective, without broaching the security which we all recognize, do you have a comment on the accuracy? The methodology?

Mr. WALKER. Well, let me give you a comment that would be non-classified. First, his (General Petraeus') data will show that sectarian violence is going down, in recent months. He will show that. Second, we are not comfortable with the methodology that's used to determine, of total violence, which is sectarian-related, and which is non-sectarian-related. It's extremely difficult to do that, since people don't necessarily leave calling cards when certain things happen. Even if there is some type of attempt to leave information, you don't know the accuracy or reliability of it.

So, we've said that his data will show it's gone down. We're not comfortable with the methodology, and please read the classified report, because it's not just our view.

Senator REED. I will do that, but let me ask you another question, which I think is appropriate. Your data, as I look at your chart, suggests a decrease in violence over the last month or so, is that fair?

Mr. WALKER. Correct. It showed an increase in violence, overall, up until June——

Senator REED. Right.

Mr. WALKER. The surge reached its full level in mid-June. It shows a decrease since June, and the level at the end of July of total violence is roughly the same as it was in February 2007.

Senator REED. General Petraeus' methodology shows a much steeper decrease, is that fair?

Mr. WALKER. His sectarian data, I think, shows a more dramatic decline. I don't have it in front of me, and I can't get much more specific than that.

Senator REED. If this dramatic decline is urged upon us, at least from a methodological basis, you have questions about that?

Mr. WALKER. We have questions about it. The other thing you have to look at is, is it sustainable? You'll have to ask the General that and you'll also have to look at what's going on—this is in our classified report, too, which you need to look at. You need to look at what migration has been taking place. If you look at what Baghdad looks like today, versus 4 years ago, with regard to which portions of the city are mixed, and which portions of the city are pre-

dominantly Sunni or Shia, you'll see there's been considerable migration, and you'll also know that there is more difficulty in movement between one area to another.

Senator REED. You've anticipated my next line of questioning, which is ethnic cleansing. One of the consequences is perhaps because they succeeded in pushing people out of these neighborhoods, that the intimidation, the violence, the killing has gone down a bit that's not a good sign, that's just a consequence of the facts on the ground, is that the case?

Mr. WALKER. Our classified report has more information on it.

Senator REED. Can I ask you, this might seem like a dumb question, but why is this classified? I mean, who are we trying to keep this information from, the American people?

Mr. WALKER. Well, we're not the ones that decide whether or not it's classified, and we've expressed concerns in the past as to whether or not there's over-classification.

Senator REED. The only people who are not getting this information, frankly, are the American people, and Congress, in an open session, where we can honestly and fairly debate these issues with people who have access to this information, and can choose to divulge what they want, or not.

Mr. WALKER. I would respectfully request, Senator Reed, you ought to ask the administration witnesses that. Because the administration is the one that decides whether or not to classify data—whichever administration it is, that's not new, it's been that way for a long time.

Senator REED. Your point about ethnic cleansing was one that I wanted to address, and that is—this might be peripheral to the benchmarks you've looked at. But, I presume from what you've said, your conclusion is that there's been a significant ethnic displacement within Baghdad.

Mr. WALKER. There's been significant migration within Baghdad, correct.

Senator REED. Also, migration out of the country, internal displacement, unrelated to Baghdad, all over the country?

Mr. WALKER. Correct, and we have data on that, and others have data on that. Again, I think our classified report, and the NIE classified report are two things, for sure, you need to read.

Senator REED. I guess the final point, and it's more of a comment than a question, is that, we've had, I think, a very important debate about, one, why should it be classified, and two, what's the difference between the different methodologies. My presumption would be that, for the Iraqi citizen, this is all very immaterial. They're living in a very violent atmosphere which undermines their trust in their government, and undermines the ability of the government to function, and not much has changed in that regard, even as we debate the nuances of sectarian versus non-sectarian.

Mr. WALKER. Well, in my professional opinion, I think one of the things that Congress needs to consider is whether or not the relevant benchmark should be sectarian violence or total violence. It's difficult to be able to determine the difference, and to some people, a casualty, is a casualty, is a casualty.

Senator REED. Final point—and this might go more for anecdotal responses. My impression is that many of these sectarian, ideolog-

ical groups, also engage deliberately in criminal activity, and so that the same person could be taking you out, because he wants your money, and an hour later, taking you out, because he doesn't like your religion, or your politics, or your clothes. Is that, sort of, fair?

Mr. WALKER. There's significant criminal activity, there's significant corruption that exists, as well, in Iraq.

Senator REED. Thank you very much, Mr. Chairman.

Chairman LEVIN. Mr. Walker, you said, just to clarify one point of Senator Reed's that you don't do the classification?

Mr. WALKER. That's correct, Mr. Chairman.

Chairman LEVIN. Who did the classification of Benchmark 13?

Mr. WALKER. DOD.

Chairman LEVIN. All right. I think that that was the specific benchmark that you were referring to.

Mr. WALKER. I think so, Mr. Chairman.

Chairman LEVIN. What we will be doing is making an urgent request to the Secretary of Defense to reconsider the classification of that benchmark, and any other benchmark, or part of that document which any member of this committee wants to add to the request. So, we're not just limiting the request to one benchmark.

So, if by 3:00 this afternoon, any member of the committee wants to seek reconsideration of any part of the classified part of the GAO report, kindly let our staff director, Rick DeBobes, know and we will include that in an urgent request, that over the weekend there be reconsideration of this classification. I briefly looked at this, and I don't quite understand the reason for the classification.

Senator REED. Thank you.

Mr. WALKER. Mr. Chairman, you're correct, it is number 13. Also, I would point out for 13, there are two levels there, first the level of sectarian violence, and second, eliminating militia control of local security—both the administration and we are in agreement, there has not been elimination of militia control of local security, and we've already talked about the sectarian violence issue.

Chairman LEVIN. All right, now, Senator Warner, again, you would be next.

Senator WARNER. I'm going to defer to Senator Thune.

Chairman LEVIN. Senator Thune, let me ask you—have you voted?

Senator THUNE. No.

Chairman LEVIN. I don't mean to intrude on your privacy, here. The vote, I think, only is for a few more minutes. I'm happy to recognize you if you want to stay here, but that's a risk that you carry. If not, would you—when you're finished—just simply recess for the call of the chair.

Senator THUNE [presiding]. I will be happy to recess it, Mr. Chairman.

Thank you, Mr. Chairman, and thank you, General, and your staff for an excellent work product, and for the very thorough and detailed way in which you go about this.

The one distinction you made that I think is a very relevant one, when you said that you're tasked with determining status as opposed to progress. I think that standard is a little bit different for our benefit and use. I think it would be very helpful if you can

have apples-to-apples comparisons with this report, and some of the other reports that are being made, and just so that there is some, I guess, standard threshold that we're all using when we evaluate whether or not we are making headway and making progress.

There's one in particular that I would like to question, I'd like to draw to your attention, with regard to that issue, and that is, yesterday the committee received testimony from the Iraqi Security Forces (ISF) Assessment Commission, the Jones Commission, that the ISF was made up of two parts—the Iraqi Army and the Iraqi police. Benchmark 11 in your report, does that apply to both the Iraqi Army, and the Iraqi police force? I guess my question is, in assessing the benchmark, how did you define Iraqi security forces?

Mr. WALKER. My understanding is it's both forces. Consistent with what you heard from the Jones Commission yesterday, there's a much greater problem with the police forces than with the Army.

Senator THUNE. In writing your assessment of this benchmark, you said you lumped them together? You put them together?

Mr. WALKER. That's correct.

Senator THUNE. In other words, you did not differentiate or distinguish between the two, and clearly, I think, in terms of at least their testimony yesterday, there is a very clear difference between the progress that's being made, and the work that's being done by the Iraqi Army, versus the Iraqi police force?

Mr. WALKER. Senator, I think one of the things that we would like to have the opportunity to work with this committee on, if you want us to do additional work, going forward, is how these benchmarks might be refined, and how they might be able to be enhanced, and coming back to where you started—the best type of information that you would have from my professional opinion, would be where do things stand on relevant benchmarks, and what progress is being made? You could require all parties to do the same, and then you have an apples-to-apples comparison that you can deal with and reach your own judgment.

Senator THUNE. That would be very useful, and I know, even with regard to the, the violence numbers, the casualty numbers, and there are sort of different metrics that are being used, but I think it would be extremely helpful if there was some way in which these metrics could be applied in the, essentially, same way.

Mr. WALKER. I think they can be, they should be, we can help you if you want to do that. But again, we did what we were asked to do, but we did provide more information, in order to help you get a sense as to whether, and to what extent, progress has been made, both in the areas that we assessed as not met, as well as those areas where we assessed as partially met.

Senator THUNE. I guess one of the reasons I say that is, at least the way this is being interpreted out there by the media and the public and others, are this report is very much at odds with the other reports. I'm not sure there is as much difference there as is being reported, but it's primarily, in my view, because you were tasked differently than some of these other Commissions have been.

Mr. WALKER. We've tried to make that very clear, right up front, at the beginning of the report, on the highlights page, at the begin-

ning of my testimony. We stand behind our report. I think next week when General Petraeus comes, and you need to seriously consider what he and Ambassador Crocker have to say. The biggest area of disagreement will be on the sectarian violence issue. We've already talked about that, and our classified report has a lot more information you need to look at there, I think.

Senator THUNE. I appreciate that. I have to run and vote, thank you again for your good work.

Mr. WALKER. We'll be in recess, from what I understand.

Senator THUNE. I will slam the gavel and put us in recess until the chairman is able to return. Thank you.

Mr. WALKER. Thank you, Senator. [Recess.]

Senator WEBB [presiding]. The committee will be in order. We're going to continue the testimony, Senator Graham has another engagement. He's asked to give his questions now, so we'll begin with Senator Graham.

Senator GRAHAM. Thank you, Senator Webb, that's very kind of you. I appreciate you letting me do that so I can catch my flight.

Mr. Walker, I'd just add my high opinion of you to the list of people who said nice things about you. I have to work with you and your staff on Social Security. You all really do a good job for us.

Now, your paycheck, I think, comes from Congress, is that right?

Mr. WALKER. It comes from the Treasury, but I work for Congress.

Senator GRAHAM. Work for Congress, and you've come to Congress many times, saying things about entitlement reform, I think, that Congress needs to hear. So, the fact that you're employed by this body, I've never once thought for a second that you would say anything other than what, professionally, you've arrived at, and I hope people believe that about General Petraeus and Ambassador Crocker, because I think you all have that in common. You just have different universes from which you come.

But this information you're giving Congress is important, and I think the American people want to know where we're at in Iraq, and what does it look like going forward.

Now, the political reconciliation part, is the prize. You can have a million troops in Iraq, it is not going to change things in a permanent fashion until the government reconciles itself. What is your belief regarding a breakthrough in the next 60 days regarding legislation called de-Baathification, or provincial election legislation being passed in Baghdad?

Mr. WALKER. Senator Graham, I don't think it would be appropriate for me to try to give you odds on that. I will tell you, as I noted in my testimony, based on our work, that was part of the National Unity Accord that's been signed.

Senator GRAHAM. That was about 2 weeks ago, right?

Mr. WALKER. That's correct.

Senator GRAHAM. How do you evaluate that Unity Accord? Is that a significant event for you?

Mr. WALKER. It is a significant event, but it states intent, and as you can see from this graphic here, there are lots of steps you have to go through, in the legislative process, in order to make it a reality.

Senator GRAHAM. Would you agree with me, that when Congress really wants to do something, it will do it, and when it finds reasons not to, it won't?

Mr. WALKER. There are lots of reasons not to move things, but when there is agreement, broad-based agreement, things can happen quickly.

Senator GRAHAM. From your visit, did you sense a war-weariness among the Iraqi people that you met with, that they were tired of the killing and the dying?

Mr. WALKER. We really were focusing on meeting with officials necessary to do this assessment rather than individual Iraqi citizens on the street.

Senator GRAHAM. Okay, now when it comes to sectarian violence, whether it's going up or down—I remember very graphically, when it was being reported out of Iraq that sectarian violence is spiraling out of control, about a year ago. Do you remember that?

Mr. WALKER. I remember when it was a major concern, in fact, as you remember, Senator Graham, undoubtedly that one of the primary reasons that the President proposed the surge is to try to be able to try to get sectarian violence under control, in order to give breathing space for political progress.

Senator GRAHAM. Right. How did we measure sectarian violence then?

Mr. WALKER. My understanding is, it was MNF–I, as it is now. But, it's in the classified briefing.

Senator GRAHAM. Yes, no one seemed to argue with the fact that the numbers had gone up. I'm just curious as to why somebody would question the same methodology if they show a drop?

Mr. WALKER. Yes, I don't know.

Senator GRAHAM. Okay.

Mr. WALKER. We're not saying they're wrong—we're just not saying they're right. It's very difficult to be able to determine.

Senator GRAHAM. You could say that about whether or not they'd spiked, I guess.

Mr. WALKER. Well, that's true.

Senator GRAHAM. Yes, right.

Mr. WALKER. If they're using the same methodology now that they were then, which I can't say right now then I would have had the same concerns.

Senator GRAHAM. Right, right. Yes, but the bottom line is, if it's the same methodology, one could argue that they were wrong when the numbers went up, you could argue they're wrong when they're coming down, but if it's the same methodology, at least you're comparing apples to apples.

Mr. WALKER. Correct.

Senator GRAHAM. Okay. Now, the idea of using the information is, obviously, it's for every Senator to determine how to put this puzzle together, and you're part of the puzzle. General Jones' testimony, and then we'll have Ambassador Crocker, and General Petraeus and your report, and we'll have to put this puzzle together.

One of the questions that drives me the most is—if we decided now to withdraw a large number of troops at a date certain, and we declared it, that we would reduce our forces by half, say, in 6

months—do you have any idea how that would affect future progress?

Mr. WALKER. Senator, it would be speculation for me to say that.

Senator GRAHAM. Okay.

Mr. WALKER. That's beyond the scope of what we were asked to do.

Senator GRAHAM. Right, right. Well, thank you very much for your service, and for giving us the information that you've provided to the committee about a snapshot of where we stand, based on some areas. Did you look at the police at all?

Mr. WALKER. We did look at the police as it relates to the security forces, for example, even-handed enforcement of the law—any place where it talked about security forces. Our work, not just with regard to this particular report, but past reports, have shown significant differences between challenges associated with the police and the Army.

Senator GRAHAM. I certainly agree with that. I don't know why the police are more sectarian, why they're so far behind, but they certainly are.

Mr. WALKER. In many cases, Senator Graham, it's because the police are hired at the provincial or local level rather than at the national level.

Senator GRAHAM. That doesn't bother me, if you have local policeman policing the local area, that's okay. But the National Ministry of Interior seems to have a bias that is unhealthy. Did you look at the judiciary at all?

Mr. WALKER. No, we did not look at the judiciary.

Senator GRAHAM. Can I ask, Senator Levin, the next time we do a benchmark, that we consider looking at the rule of law from the judicial side? The detention policy side? Because, I have seen some progress, but I'll be honest with you, Senator Levin, there are many concerns there, and this is an area where I think Congress can reinforce some gains we've made, and I'll just put that on the table, that maybe we'll add that to our list next time.

Chairman LEVIN [presiding]. Senator Graham, you've made that very compelling point for a long time, and I think most of us have, hopefully, soaked in what you and a few others on this committee have talked about in terms of the lacking infrastructure in the justice area.

Senator GRAHAM. Right.

Chairman LEVIN. Of course, Senator Warner is also the author of the benchmark legislation, but I'm sure the next round it could, and should, be added.

The focus of these benchmarks, though, just to kind of remind everyone—is that these are the self-adopted benchmarks by the Iraqi government.

Senator GRAHAM. Right, I understand, I understand.

Chairman LEVIN. So, we were trying to judge them by their own standards.

Senator GRAHAM. Absolutely, absolutely, absolutely.

Chairman LEVIN. I agree with you that there are other indications, such as yours, which need to be added.

Senator GRAHAM. Thank you for sharing this information with us, and to your staff who made it possible, and went over there to Iraq, we appreciate their service, too. Thank you.

Mr. WALKER. Thank you, Senator.

Chairman LEVIN. Thank you, Senator Graham.

Senator Webb.

Senator WEBB. Thank you, Mr. Chairman.

Mr. Walker, I first would like to echo my agreement with something that Senator McCaskill said. There are so many different components here that are being brought forward to us in order to attempt to make an evaluation of the situation that we face. The scope of what you were asked to do, really, is pretty much a result of what the administration laid forward as to what they said they were going to do.

I go back, first of all, to the speech that the President made in January when he announced the surge. These are things that the Iraqis said they were going to do. One of the major components of that was—and I'm going to directly quote his speech, that they would "establish its authority, the Iraqi government plans to take responsibility for security in all of Iraq's provinces by November." Did you see any indication that that actually is going to occur?

Mr. WALKER. It's unrealistic to expect that Iraqi Security Forces will take total control of every province by November of this year.

Senator WEBB. Did you get any feeling from the reports that you got as to how many of those provinces would be fully controlled by the Iraqi?

Mr. WALKER. No, Senator Webb, that was beyond the scope of what we were asked to do.

Senator WEBB. Okay.

Mr. WALKER. So, we did not.

Senator WEBB. One of the other points that I think is important here, at any time that we have these sorts of emotional, and politically-driven debates, it's very important to understand the facts. I think we can argue about conclusions all we want, but I think facts themselves need to be fully understood before we can proceed to the argument beyond them.

I'm saying that because yesterday, one of the set of facts that sort of jumped out at me, when General Jones and his Commission were reporting, was they said at least three times in their testimony that the Iraqi casualty rate was higher, significantly higher, than the American casualty rate, and they had a chart that showed the same kind of chart that you have on the Average Daily Enemy-Initiated Attack Incidents. But, when I sat down and added up the numbers of Iraqis that they were including, operationally—the Iraqi military, the Iraqi police, the territorial forces, et cetera, the people under their Ministry of Interior—when you added those up, there were 3.6 times as many Iraqis, notionally, at risk as there were Americans in Iraq, and if you played that back into the data, it showed that the Iraqis were not taking casualties at a rate higher than we were, the American forces, and in fact, I would venture—they didn't have the data available yesterday—but I would venture that if you took the police casualties out of that formula, that you would see markedly higher American casualties actually out in the operating environment.

I say that as an example of how we need to really look at facts before we reach conclusions. Now I have a question with respect to the chart, and I know, I watched your opening statement from my office before I came down here, and I saw the caveats that you were putting in to this chart, but I'm just wondering here—on the one hand, what we're measuring in your chart, Figure 3, as it's in front of me, the Average Number of Daily Enemy-Initiated Attacks, showing that they went up, and now that, there's a drop at the very end of this chart, that it could be argued that the average number of attacks are down, but how does that play out in terms of casualties? I'm not seeing casualties? The reason that I ask this is—there are two reasons that I ask this, and I think it's very important, at least from my understanding of where we're going on this. The first is that we're seeing more sophisticated methods of attack. In fact, I think you even mentioned that, the sophistication of the IEDs and that sort of thing. I think it was you that had mentioned that——

Mr. WALKER. It wasn't me, it was a Senator.

Senator WEBB. —but, with a more highly sophisticated device, you're going to have fewer attacks, but they're going to be more effective. So, that doesn't mean that fewer attacks mean fewer casualties.

The second reason I'm asking this, is because there was an article in the Associated Press (AP) about 10 days ago, that said that the average number of civilian deaths in Iraq actually was double this year than last year—went from 30 to 62, according to this AP article. Would you comment on that with respect to your chart?

Mr. WALKER. Well, Senator, I would respectfully suggest that you should consider several things. First, our chart, which is on page 10, which talks about the average number of daily enemy-initiated attacks against the coalition or Iraqi security forces and civilians. As you can see, there's a significant difference in the incidents of attacks on the coalition forces, which includes our forces—primarily our forces—versus the Iraqi security forces. There are a lot more attacks on coalition forces than there are Iraqi security forces.

Second, I think you also need to consider lethality. In other words, this is the amount of attacks, but there are different natures of attacks. Some are more effective than others, so I think you ought to consider that as well, and you ought to break that down based on coalition, Iraqi security forces, and civilians.

Senator WEBB. Exactly. That's exactly my point. Now, you have a chart that indicates—this goes a little bit to the point that Senator Reed was trying to make earlier about how we need to be able to articulate actually what's going on in this debate that we're going to have. We have this chart that shows the number, average number of daily attacks, but I don't see a chart that shows the casualty implications.

Mr. WALKER. We have some additional data in our classified report, but what I would respectfully suggest, Senator Webb, for you and any other member of this committee, if there are things that you don't have in there that you want, let me know, and we'll see what we can do.

Senator WEBB. So, you don't have any information that would illuminate the AP article about the doubling in the number of average casualties?

Mr. WALKER. We have some more information in our classified report, and candidly, I'm a little bit uncomfortable in recalling which of this is classified and nonclassified—that's why I'd rather deal with it offline, if we can.

Senator WEBB. All right. Thank you very much.

Chairman LEVIN. Thank you, Senator Webb, Senator Warner.

Senator WARNER. Thank you, Mr. Chairman.

Mr. Chairman, I'd like to draw the witness's attention to a matter that you and I observed on our trip. I'm not sure that in the course of your work, Comptroller General, that you examined this. But, it's a question of the foreign military sales problem, which Senator Levin and I received a briefing on by the senior ranking officers in Iraq. That this system has failed to deliver in a timely fashion a great deal of essential military equipment, required both by the Iraqi Army, and the Iraqi police. I think I speak for my chairman—both of us were astounded. Because we keep trying to push both of these organizations to train and prepare, and to take up a greater burden—did you have an opportunity to look into that issue?

Mr. WALKER. Not as part of this engagement, Senator Warner. But I will, as soon as I get back to the office, find out if we're doing anything else on it, outside of this engagement and get back to both of you and let you know.

Senator WARNER. Fine.

You join me in that request?

Chairman LEVIN. I do. As a matter of fact, our staffs have drafted for us the letter which we will——

Senator WARNER. Letter that we're sending today.

Mr. WALKER. It sounds like we will be soon doing work there. It's very worthwhile.

Chairman LEVIN. We will send you a copy of that letter, so that you can tell us whether or not you could add to this inquiry, because it is a very serious business.

Mr. WALKER. Be happy to do that, Senator. We look forward to taking a look at it.

[The information referred to follows:]

Foreign Military Sales. CG commits to provide additional information to the committee regarding any ongoing GAO work.

The Iraqi Government is making an effort to address longstanding procurement and contracting problems by procuring items for its security forces through the U.S. foreign military sales program (FMS). To date, the Government of Iraq has committed about $3.3 billion for U.S. military sales. According to the Multi-National Security Transition Command-Iraq (MNSTC–I), these funds are being used lo procure a variety of items such as small arms, ammunition, uniforms, body armor, vehicles, aircraft, and other items.

According to U.S. Government officials, the Iraqi Government has expressed concern about the length of time it takes to procure items through the FMS process. However. MNSTC–I and Defense Security Cooperation Agency (DSCA) officials stated that Iraqi Government officials had unrealistic expectations regarding FMS processing time frames leading to an "expectations gap." Officials also noted that efforts to expedite the current FMS process are hindered by a number of factors, including Iraq's difficulty in defining military requirements, insufficient U.S. and Iraqi staffing, the absence of an Iraqi Government multiyear acquisition strategy to guide future procurement efforts, and competing demands for similar equipment for U.S.

and Iraqi security forces, such as M–16 rifless. To address these issues, the military departments, DSCA, MNSTC–I, and others have initiated efforts lo help the Iraqi Government better define requirements, increased security assistance office staffing and training, and implemented a new tracking system to provide increased visibility over FMS procurements for U.S. and Iraqi Governments officials, among other efforts.

Senator WARNER. Also, in the report yesterday by that very distinguished group, headed up by General Jones, they talked about the need to have a more rapid transfer of authority, security responsibilities and the like, to the various provincial governments. I think 6 of them, now, have been given the authority, 6 out of the 18. It seems as though the distressing chapters of fact that we have received here in the past week or 10 days, indicate less and less hope respecting the ability to have reconciliation at the top, again to work down, and more the administration and others are putting emphasis on the importance of the small, but nevertheless, significant, reconciliation that's growing up, particularly in the al Anbar province and elsewhere, amongst the Sheiks and so forth, now working with the coalition forces, and trying to cut down the sectarian violence, and reinforcing our efforts against al Qaeda.

But, it seems to me, the more we bring upon the Federal system, such as it exists, the Maliki Government, to begin to accelerate the transfer of authority—they call it the Provincial Iraqi Control (PIC) Program—down to these regional authorities, the faster this, somewhat, interesting growth of bottom-up reconciliation. I tell you the public has to be confused about all of these terms. Because we all started off on reconciliation at the top on January 10, and if we do the surge, and secure the military operations, Maliki will have in place a whole framework of achievements on reconciliation down—well, it's not happening.

So, back to the question. Did you address the advisability of the PIC Program, and accelerating it to move authority down?

Mr. WALKER. That was beyond our scope, Senator Warner. I will note that, as I said before, there has been progress in al Anbar province, in particular with regard to combating al Qaeda. Al Anbar province is about 5 percent of the population of Iraq and is not a mixed population, it's overwhelmingly a Sunni population.

Senator WARNER. Also, did you make reference as sort of a benchmark to the important contributions provided by the NIE, which is the consensus of 16 of our intelligence organizations, with regard to certain, they sort of laid them out as benchmarks?

Mr. WALKER. We did consider input from the intelligence agencies. We did read, were aware, and did consider that, and we also commend to you the classified version of that, which I'm sure you've probably already read.

Senator WARNER. Yes.

Mr. WALKER. I would encourage other members to read it.

Senator WARNER. Oh, yes. Well then, just for this record, I wondered if we could ask these questions. If your research and findings support the Intelligence Community findings contained in the unclassified key judgments of the NIE on Iraq issued last month. The first one, was the Intelligence Community assesses that "to the extent that coalition forces continue to conduct robust counter-insurgency operations and mentor and support the Iraqi security

forces, that Iraq security will continue to improve modestly during the next 6 to 12 months."

Mr. WALKER. We did not, Senator Warner, project where we think things were going from here. Because our task was to assess where things stood as of a particular point in time.

Senator WARNER. Right.

Mr. WALKER. So that's beyond what we were asked to do.

Senator WARNER. All right. The next one, "the Intelligence Community assesses that the Iraqi Government will become more precarious over the next 6 to 12 months."

Mr. WALKER. Again, we did not attempt to project where we think things were going.

Senator WARNER. All right.

Mr. WALKER. We felt that was beyond our scope. I will note for the record, Senator Warner, that there are a number of aspects of the unclassified version of the National Intelligent Estimate on Iraq that we do concur with and I'm happy to——

Senator WARNER. Well, I tell you what. If you could provide for the record those findings of the NIE with which you have concurrence and, more specifically, if there are findings with which you have a professional differences of view.

Mr. WALKER. Within the scope of what we were asked to do?

Senator WARNER. Within the scope.

Mr. WALKER. We will do that.

Senator WARNER. There's one very important one. The NIE also assessed changing the mission of Coalition forces from a primarily counterinsurgency and stabilization role to more of a support role, "Would erode security gains achieved thus far." Now, that might fall within the parameters of your metrics.

Mr. WALKER. We'll take a look at it, Senator, and we will be happy to do what we can.

Senator WARNER. I thank you very much.

Chairman LEVIN. Just to clarify that request, however, if it doesn't fall within in your scope, make it clear.

Mr. WALKER. Thank you, Mr. Chairman. That's a good point. We'll do that.

[The information referred to follows:]

The Government Accountability Office can provide some additional classified information on this issue. However, this briefing will require codeword clearance.

Chairman LEVIN. Thank you.

Senator Bayh.

Senator BAYH. Thank you, Mr. Chairman. I'd like to begin by thanking you and, particularly, Senator Warner, for his kind remarks about Senator Snowe and myself.

Senator WARNER. I remember you came up to me on the floor and you felt that this was an important element. Since we're in a posture here in Congress of trying to facilitate the maximum amount of information that can be utilized by Congress in making its decisions—as well as the general public—and hopefully some of these constructive findings by this organization, General Jones, and others can contribute to the President's and synthesis of all this information, and his final remarks with regard to such strategy changes as he deems appropriate.

Senator BAYH. Well, that was exactly our intent, and I think that is going to be the result of the GAO's report. But it wouldn't have happened without you, Senator, so I want to thank you and the chairman for your support.

Since the outset of this undertaking with the weapons of mass destruction situation, we've struggled to get accurate information upon which we can base our decisions. Issues of credibility have been raised because some of the reports previously have been inaccurate about things. Your report is very helpful, serving as an objective marker against which to measure other assessments and to compare other assessments, just as Senator Warner was doing with the declassified versions of the NIE. We're going to hear from General Petraeus, as well, and we heard yesterday from General Jones, and so forth. So thank you for helping the American people and those of us as policymakers get access to the facts so we can make the best decisions possible.

Mr. Walker, I really enjoyed your interaction with Senator McCaskill, one accountant to another—I'm going to ask you to, perhaps, help us, not only ascertain the facts, but perhaps draw some lessons from them. It may, at times, go close to going beyond the scope of your report, but you're an intelligent man and I'd appreciate your opinion, whether personal or official.

The first is the progress—as you noted—has so far just not been made on the political front. Everyone agrees that, ultimately, we've made some security gains, our troops are behaving heroically. If success in Iraq was solely up to them, we'd be doing very well. But it's not solely up to them. Ultimately, we can not create a country for the Iraqis. They have to do their part and that involves political reconciliation, and it just hasn't been happening.

I'm wondering if you've developed an opinion in the course of compiling this report and assessing that the political progress has not been adequate, why that has been. I mean, their country is at risk of falling apart. They're dying, we're dying. Why not the progress? Where's the sense of urgency? What's holding this up?

Mr. WALKER. Well, first Senator Bayh, I would not express a personal opinion because I don't think it's appropriate to separate my position as Comptroller General of the United States from my personal opinion. Therefore, to the extent that I comment, it will be based upon our work and my personal interaction.

Senator BAYH. I'm just asking for your assessment to the extent you have one.

Mr. WALKER. Yes. I think what I would suggest is, the level of complexity in Iraq is much greater than the level of complexity in the United States with regard to getting things done, because of the sectarian differences, because of the newness of their Republic, and a variety issues.

Senator BAYH. Historic enmities, and the cycle of violence, and the neighbors intruding, and the list goes on and on and on.

Mr. WALKER. We don't have the type of activity in our streets, thank God.

Senator BAYH. Here's the direction I'm going with this question. Is it possible, in your opinion, that in spite of our best efforts, and the heroic sacrifices of our military and others, that since this is ultimately up to them and the process of political reconciliation,

given the challenges that they face, it just may ultimately not be doable for them.

Mr. WALKER. I think only time will tell. I think one of the things that one has to keep in mind is that with the Sunnis having 20 percent of population, but accustomed to being in charge, with the Kurds having 20 percent, and with the Shia having 60—of which that's not a single block—they may be, and I don't know this for a fact, doing scenario analysis. Each group may be doing scenario analysis as to how do we come out based on this course of action versus an alternative course of action. I can't put myself in their minds.

Senator BAYH. It would frankly be reassuring to know that they were going through such a rational process.

Mr. WALKER. I can't say whether they are or they aren't, but that's human.

Senator BAYH. As I mentioned, this is our third hearing. We're going to have one next week. We sit in rooms like this and talk about decisions that we make and if we do this what will happen, if we do that what will happen. Based upon the information you gleaned in the process of putting together this very good report, shouldn't we have a fair amount of modesty when it comes to our own assessment of our ability to influence events there? I mean, based upon your answer to my previous question. They're making their calculus and their decision based upon a whole lot of factors, in addition to what we do. Now, we can affect things, but shouldn't we be a little bit modest in our assessment of our ability to drive events in Iraq?

Mr. WALKER. I'll say it a little bit differently. We have made a difference on the security front, and our military has done everything they've been asked to do. We've made a difference there. But part of the reason that we've used our military in that regard, is to provide the space for political progress. Only they can decide that they want national reconciliation and do what it takes to make that happen.

Senator BAYH. Well, let me ask you about that.

Mr. WALKER. So far they haven't. Hopefully they will.

Senator BAYH. That's what I'm driving at here. Let me ask you if you've developed an opinion about what, if anything, we can do to expedite the process of reconciliation, to the extent we can, which in my own opinion is, we can operate at the margins, but ultimately it's up to them. Let me ask you about the conundrum that we've wrestled with here. If we stand by them in an attempt to build up their security and their confidence in the hope that they'll make tough compromises in the process of reconciliation, a sense of urgency seems to dissipate and they back-off, they have kind of a comfort zone there. If on the other hand, we set timelines and insist upon consequences for their failure to act, well then they retreat into their sectarian corners and begin to prepare for the aftermath when we leave. Either way, it seems that our action, either staying or threatening to go, doesn't expedite the process of political reconciliation. How would you address that conundrum?

Mr. WALKER. Let me just say, without getting into details, I found that in order to achieve positive results in a sustainable fashion, you have to have a framework that deals with three

things. A plan that provides appropriate goals, objectives, metrics and milestones, and incentives for people to do the right thing. Second, adequate transparency to provide reasonable assurance that people will do the right thing because somebody's looking. Third, appropriate accountability and consequences if people don't deliver on their commitments. I think there's more that can be done with regard to those elements here without getting into a lot of detail.

Senator BAYH. I think that's a very important statement. General Jones sitting in the chair that you're occupying today, yesterday, said in his opinion he thought that deadlines would be counterproductive. I asked him, "What about consequences, what about accountability?" He's a good man, but there wasn't much of a direct answer to that.

Mr. WALKER. I think there's a difference between a milestone and a deadline. I mean, there is a fundamental difference. When you have goals, objectives, metrics, and milestones, if you don't hit the milestones then there should be some explanation and accountability for why you didn't, and then you'll have to make a judgment as to whether or not things are likely to change. That's different.

Senator BAYH. Let me ask you then. We have these benchmarks you've reported on here. Most of them haven't been met, correct?

Mr. WALKER. That's correct.

Senator BAYH. What are the consequences going to be for them not having been met?

Mr. WALKER. Yet to be determined.

Senator BAYH. I think the honest answer is none. None that I'm aware of. So we can talk about deadlines or milestones or however we want to split that hair, but ultimately there will have to be some kind of consequences, as you say, otherwise behavior doesn't change. So, we're struggling with what those consequences, if any, should be. Some of us have concluded that we're long past the time where there at least need to be some, otherwise they're not going to take us seriously.

Mr. WALKER. Well, and I think one of the things that this committee needs to consider, as well as Congress, is what should our goals be, what should our objectives be, what should the metrics and milestones be, what type of reporting and mechanisms will be there to try to make sure we're making progress. But I think one of the subsets is, what should the role of our military be? I mean, it's going to be there for a while. What should their role be? Consistent with the goals and the objectives and all these other factors.

Senator BAYH. Just a final couple things, Mr. Walker. I think your last statement there was very important about the three things that you mentioned about how to go about influencing behavior there. I hope that we'll adopt as the policy of this government, but to date we've been requesting and suggesting and pleading and they've given lip service to that but nothing has happened. There has to begin to be some consequence for that. I think your statement was very important.

Two final quick things. General Jones, yesterday, in his testimony indicated the belief that the Iraqi security forces over the next—I can't remember the period—6 to 12 months or 12 to 18 months, over a period of either 6 months to a year and a half, would have improved their capability sufficiently that we could

begin the process of adjusting, redeploying, however you want to characterize our presence in Iraq. I asked him about his confidence level that they would achieve that sometime next year, that would enable us to begin the process of redeploying. His expressed in his words "a high degree of confidence" in that judgment. Do you share that high degree of confidence?

Mr. WALKER. Senator, we did not attempt to project forward as to what we think is going to happen. That was beyond our scope, and I really don't think it's appropriate for me to do that.

Chairman LEVIN. Senator, if I could interrupt on that point.

At the end of the conversation yesterday with General Jones, he made it clear because I asked him to clarify this question. In answering the questions that this could happen, with a high degree of confidence, in 6 to 12 months, that was his task, what could occur in 6 to 12 months. I point blank asked him, "Well couldn't that transition occur sooner than that?" He said, "Yes. I'm not trying to imply it can't occur sooner, but my task was to say what could be achieved in 6 to 12 months." It's a very significant difference. It's like, if I asked you, "Could you be back in Indiana in 6 to 12 months?" Your answer would be, "Sure." That's what his answer was yesterday. But if the question was, "Does that mean you can't be in Indiana this weekend?" The answer is, "No, I can be there this weekend, too."

Senator BAYH. Perhaps he didn't understand my question. I read from the section of his report, quoting the language expressing his beliefs that they would achieve that, and asked him, "Well, what's your confidence level in that assessment?" He said he had a high confidence.

Chairman LEVIN. That's correct, but that does not suggest that it can not occur before 6 to 12 months.

Senator BAYH. Of course.

Chairman LEVIN. Because of what he was tasked to do, that was the way it was phrased. I just commend you on the question, but also that you get that Q&A with him, so there's not a suggestion, which the press kind of picked up, I think, erroneously. Well, that means that it could not happen before 6 to 12 months. That's not what he was saying.

Senator BAYH. I understand and I agree. Thank you.

Thank you, Mr. Chairman.

One last question. Is it possible for you to render an opinion about whether the security gains, which our military, our forces have secured over the last several months, can persist in the absence of political reconciliation? In other words, some of us are trying to determine whether the progress on the security front that apparently has been achieved is transitory or whether it is more permanent. Some of us believe that it has set the stage, but without political reconciliation—which according to your report, just doesn't seem to be happening—it will either be transitory, or it could only be maintained with an indefinite commitment of our security forces.

Mr. WALKER. Well, the unclassified NIE makes it pretty clear the political process is essential in order to ultimately achieve the current objectives that are outlined by the administration in Iraq. Second, it also shares our concerns with regard to the lack of political

progress. Furthermore, it notes that while the military can make a difference, it can't get the job done. One of the issues that, by itself, no matter how great of effort they do and no matter what the results are there, and they are performing courageously in getting results. I think one of the questions you have to ask yourself, and potentially General Petraeus next week is, what has happened so far on the military front. There has been progress, how much of that experience is sustainable and how much of it is transferable is not yet known. I think both are relevant and I think, obviously, he's on the ground, he's in the best position to give you an opinion.

I come back to what I said before. We need to rethink about what the goals ought to be, the objectives, what the metrics and milestones should be. We need to have the three elements that I talked about. Then when people tell you things, periodically you'll come back and find out what actually happened, and ask them, "Why didn't it happen?" or "Congratulations that it did happen," or, "What's the reason for the variance?" and "What's going to change in the next 3 months?" We need to get on a track here so that you can make some more informed, timely, and considered judgments.

Senator BAYH. Thank you, Mr. Walker. That exhausts my questions.

I just want to, again, thank the Chairman and, Senator Warner.

I want to thank you for having performed a real public service. Your analytical framework here, the objectivity you've brought to this can really help clarify the decisions that we need to make. So thank you very much. I'm sure it was a real labor for you.

Mr. WALKER. Thank you, Senator Bayh.

Chairman LEVIN. Thank you, Senator Bayh.

Senator Sessions.

Senator WARNER. If I could say something.

You really framed in your last closing remarks, what is so important. You point out the expectations that we had with regard to benchmarks, to political reconciliation from the top down. That information is now coming up, corroborated, in many instances, by the various panels and sources coming before Congress. It then goes to the President. With no disrespect whatsoever to the President—he's faced with one of the most difficult decisions any President has ever faced—namely, one of them is that the military witnesses have repeatedly said this problem can not be solved by military force, that political reconciliation from the top down is an essential element. I think there's consensus that top-down political reconciliation is no longer a foundation for what strategy we begin to pursue in the next months, days, whatever it may be. I just hope the President will address this because you used the word accountability. The President has to address that very question. It is at the heart of what we're trying to determine as how America and the other coalition forces, what strategy do they follow in the next 6 to 12 months.

Chairman LEVIN. Thank you. Senator Sessions?

Let me interrupt if you're beginning, Senator Sessions. I'm going to have to leave. I want to leave with my thanks to you, Mr. Walker. Senator Bayh has to leave, so Senator Warner can take over while, from here on in and if he leaves, Senator Sessions, would you close it off or turn it over to anyone else. Thank you so much.

Senator WARNER [presiding]. Thank you, Mr. Chairman, we'll do that.

Chairman LEVIN. Thank you so much.

Senator SESSIONS. Thank you, Mr. Chairman.

Thank you, Mr. Walker, for your and GAO's contribution to this national discussion that we're having now. We had General Jones and his crew yesterday. You now are giving your report. We'll have General Petraeus giving his report next week. It's appropriate and fitting that this Nation undertake a national discussion of Iraq, honestly, with the best information we can get and make the tough decisions we have to make that serve our national interest, serve the world's interest, our allies, and our security and safety of the American people.

I don't doubt the value of what we're doing. I totally support it. I think all of us need to rise above politics and we need to try to do the right thing for our country at this difficult time. Thank you for participating in this discussion.

I would tend to agree with Senator Bayh, who says we should be somewhat modest about creating a government in an area of the world that's never had one before, that's never functioned in a decent way before. It's very hard, it's just very hard.

Let me ask one thing, for the record. You've complimented the military on a number of occasions and it's something of which I'm proud. They go out every day to execute the policies we ask them to execute. They put their lives at risk for us. But would you tell us, in the hierarchy of command in Iraq, what agencies of our Government are responsible for negotiating and encouraging and facilitating political reconciliation in Iraq, electricity, water, and that kind of thing.

Mr. WALKER. It depends upon the issue, Senator Sessions. Responsibility in Iraq is generally divided primarily between DOD and DOS, depending upon what the particular issues are, if you will. That's why it's appropriate that you're going to be hearing, next week, from both General Petraeus, who's our Commander on the ground, but also from Ambassador Crocker.

Senator SESSIONS. But the real truth is that it's not our military, our DOD that is charged with the primary responsibility for working with the Iraqi leaders to assist them in creating a more progressive and effective government. That's DOS's responsibility.

Mr. WALKER. You raise a good point. One of the concerns that we've expressed, based upon our past work, is an adequate number of advisors, both from the U.S., as well hopefully from the international community, to be able to help Iraq help itself be able to stand up a fully-functioning government that can deliver reliable electricity, enough safe and potable water, safer streets, education, health care. This is really important. In many cases what's happened is the military has been asked to do things that, quite frankly, they're willing to step up to the plate and do what they can, but they don't necessarily have the expertise. The fact that you have somebody in the uniform doing it, even though it's a non-military matter, doesn't necessarily send the right kind of signal, as well. So I think you've touched on an important issue that we've highlighted in some of our prior work, prior to this 18 benchmark report.

Senator SESSIONS. Well, if you're looking at it from a management responsibility, I think you would say that the military is making progress—at least I would and General Jones did—but the areas that are lagging behind are the governmental, which are not the military's primary responsibility. I just kind of want to make that point.

Mr. WALKER. I think our report supports that.

Senator SESSIONS. Looking at the numbers about violence, we've had an upward trend, according to your chart on page 11—for some time I guess—from January 2006, now to September 2007, a general upward trend in violence. But it does appear that, according to your chart, that maybe about June, in both attacks on the coalition and overall attacks, there has been a decline. Your report ends in July. Maybe July it begins to drop—June, July area—and it does show a rather sharp reduction. How far that will continue, I don't know. You did not evaluate the month of August, as far as violent trends, did you? At least this chart does not.

Mr. WALKER. We asked for data and were briefed on data through August 15. We then asked for the data for the month, but it is yet to be provided to us. Hopefully it will be provided to you, next week, when General Petraeus speaks. As you can see, there was a significant decline between June and July, but two important notes there. Number one, it was primarily attributable to attacks on Coalition forces. In other words, that's where most of it was. In the other areas it's roughly about the same, civilian and attacks on Iraqi security forces. Second, the overall level of violence in July 2007 was roughly the same as February 2007.

I think it's going to be important for you to be able to get what the numbers are for August. We also have to keep in mind that Ramadan starts this month. Hopefully the past is not prologue with regard to Ramadan. In the past, the tendency has been for somewhat less violence right before Ramadan and escalating violence during Ramadan. Hopefully that won't occur this year, but I just note that, because it is an important fact that you need to keep in mind.

Senator SESSIONS. Well, I certainly don't think these are balanced numbers that we should be celebrating, or assuming are going to continue indefinitely, this trend downward. But I do believe that the numbers will probably show that August continued a decline, which is certainly better than showing an increase. We ought not to disregard that.

The administration evaluated benchmarks and you evaluated, I guess, their evaluation. Was that required by the mandate?

Mr. WALKER. Well, not really. What they did is, they looked at the benchmarks in July, and they evaluated them based upon whether or not they felt satisfactory progress was being made. We looked at the benchmarks as of August 30, 2007 and consistent with the statutory mandate, noted whether or not they had met or not met, but used our independent professional judgment to be able to also use some partially met ratings. Furthermore, consistent with some of the language in our mandate, we provided a lot of commentary so you got a sense as to what kind of progress was made. Of the ones that were not met, was any progress there or not? In many cases there was some, but just not a lot.

Senator SESSIONS. I think that's fine and I think people here are concerned about it and we want the best information and multiple sources of information, multiple perspectives, and thank you for sharing that. I guess it would be fair to say you did not find, in their report, their evaluation, things that were plainly false or dishonest in that report?

Mr. WALKER. We didn't evaluate theirs. But what we did do is, as I have in one of the exhibits—the last exhibit, I believe, that has been provided as part of my testimony—we did do a comparative analysis of what we found as of August 30, and what the administration asserted as of July.

Now, presumably they're going to give you a new one next week. I would hope that they'll give you a new one next week, and we'll see what's changed on theirs between July and September.

Senator SESSIONS. Well, we have a challenge. I think it's, the administration report was not particularly rosy, either. This is a difficult challenge for America, that's what I understand. I have no doubt of it. It's not going to be easy. We need to be able to draw our troop levels down as soon as we possibly can, but after we've committed so much, we've worked so hard, our soldiers have risked so much, we ought not to do it in a way that is unwise, that's precipitous, that acts based on politics rather than what's in the long-term national interest of America. So, that's where I am. I thank you for your contribution to that effort, and my time is up.

Senator BILL NELSON [presiding]. Thank you.

Senator WARNER. Well, I would say to my distinguished colleague, I have a high degree of confidence that we will not do anything unwise, respecting any withdrawal policy. We owe it to the men and women and their families who've made enormous sacrifices. I have confidence that the President would not let that happen, and Congress would not let it happen. So, I want to conclude on the note that we might have situation which would be characterized as an unwise decision.

Senator SESSIONS. I would just say that I think the report yesterday and the report today reflects a good, honest, constructive, bipartisan discussion of a difficult challenge this country faces.

Senator WARNER. I observe the presence of our distinguished colleague from Florida. The floor is yours if you so like. Senator Levin has had to depart.

Senator BILL NELSON. Well, it looks like I'm the cleanup hitter.

Senator WARNER. Well, you've been known to do that before, and very admirably. So, take over.

I thank you very much, and your staff.

Mr. WALKER. Thank you, Senator Warner. Thank you.

Senator BILL NELSON. Mr. Walker, thank you for your long and dedicated public service. Is this a fair statement that political reconciliation in Iraq is a key to reducing the sectarian violence?

Mr. WALKER. There are a number of authorities that have come to that conclusion, to say that that is essential. The work that we've done doesn't go forward as to whether or not that's likely to happen, but we've noted the importance of that, and we've noted the lack of progress, to date, in that area.

Senator BILL NELSON. Certainly that's what General Jones' Commission said yesterday. I have certainly thought that it's the key

to reducing sectarian violence, but I will just give an editorial comment here, that having observed what's been going on, having been there, having talked to the parties, having read a bit of history, in that this sectarian violence has been going on for 1,327 years, since the Battle of Karbala in 680 A.D., that, I just think it's going to be very, very hard for political reconciliation. If that is the key to stabilizing Iraq, then it seems to me that we have a very difficult time ahead of us.

Now, earlier today, you stated that you think that General Petraeus, next week, is going to testify to us that sectarian violence is down.

Mr. WALKER. That's correct.

Senator BILL NELSON. Then the question, as you earlier discussed this morning is, what is the definition of sectarian violence?

Mr. WALKER. Correct.

Senator BILL NELSON. As we receive his testimony, how would you recommend that we try to determine that?

Mr. WALKER. Well, I think you need to ask him, how does he define sectarian violence and what methodology does he use in order to try to ascertain the rate of sectarian violence and, those are very relevant questions. We could not get comfortable with the methodology that is used in determining sectarian violence versus non-sectarian violence. We're comfortable with overall violence, we're not comfortable with that split.

As has been mentioned previously in this hearing, that data went up, it's now gone down. We haven't been confident with how you differentiate during any of the time. So, you should ask him.

Senator WARNER. But could I interrupt to clarify?

Senator BILL NELSON. Certainly.

Senator WARNER. Because at some point, you're talking about the methodology that presumably DOD and therefore, General Petraeus is going to use.

Mr. WALKER. It's my understanding, Senator Warner, that the MNF–I, of which General Petraeus is the commander, is the one that maintains this data.

Senator WARNER. Correct.

Mr. WALKER. It's my understanding that's the basis of whatever he might testify to.

Senator WARNER. But did you have full access to the methodology that they're using?

Mr. WALKER. We did, we were briefed on the methodology. We're not comfortable with the methodology and we fully expect that it will show a decline.

Senator BILL NELSON. Let me ask you a couple more questions about the readiness of the Iraqi brigades, specifically with regard to the Baghdad operations. You looked at that, and you came to a conclusion different from the administration. What were the different standards of readiness that were used?

Mr. WALKER. Well first, there's additional information, Senator Nelson, that's in our classified report that I would commend to you on that. Second, with regard to number nine, which I presume you're talking about, which is providing three standing-ready brigades to support Baghdad. Is that the one you're talking about?

Senator BILL NELSON. Yes, sir.

Mr. WALKER. Okay good. There are three issues there. Number one, did they supply the requisite number of troops? The answer is yes. The second question is, what was the level of readiness of those troops? That is in our classified report. Third, what about the reliability of those troops, which in our classified report. Reliability meaning things like even though they may have the capability, are they willing to execute that capability and are they willing to execute that capability in a non-sectarian way, in other words, sectarian-neutral manner.

Senator BILL NELSON. Your conclusion there was?

Mr. WALKER. We had concerns with regard to the last element the most, and the second element the next most. So, the troops were provided, many of them, in fact, have a high level of readiness and that is noted in there. So our concern was really more about the reliability issue than it was the readiness issue.

Senator WARNER. That's expressed in your classified annex to the reports we received?

Mr. WALKER. Correct, Senator Warner.

Senator WARNER. Available to all Senators of the committee to examine.

Senator BILL NELSON. So, in putting that in other words, your conclusion would be that those brigades of the Iraqi Army in and around Baghdad would not be capable of operating independent of the U.S. support?

Mr. WALKER. That's not what we're saying. In fact, when you look at the classified material, you'll see the level of readiness there. Senator Nelson, there are four levels of readiness from level 1 to 4 and I think it'll speak loudly. We're not saying that, no.

Senator BILL NELSON. Well for the public record here, can you give an opinion about their ability to operate independently of the U.S.?

Mr. WALKER. Yes. The numbers are classified. There are a significant number of those units that are in the top category—can't say that? Okay. I would commend to you our classified report.

Senator BILL NELSON. Okay. Well, then I would just concur with the Chairman and Senator Warner that we need to make that classified report public. I understand that the leadership of this committee has so requested that of DOD.

Senator WARNER. That's my understanding, that the chairman intends to do so—I have read through this, and I think it would be beneficial.

Senator BILL NELSON. Now, are you reading from the classified?

Senator WARNER. I'm not going to read from it.

Senator BILL NELSON. No, no. But I mean that's what you're referring to.

Senator WARNER. That's correct.

Mr. WALKER. It has information that is directly relevant to your question, Senator Nelson.

Senator BILL NELSON. It's very important for us to know and it's important for the American people to know, because the question is, can Iraq do it on their own?

Mr. WALKER. Senator Nelson, earlier when Senator Levin was here he said—and I'm sure the very capable staff of this committee has probably already taken it down —that by 3 o'clock today he

wanted to know if there was any additional information that members, such as yourself, wanted to try to seek to have declassified, that is in our classified report. Obviously you're noting at least one piece of information you'd like to be in that category.

Senator BILL NELSON. Okay.

Senator Warner, are you going to adjourn the meeting or am I?

Senator WARNER. If I might just ask a question.

Senator BILL NELSON. Certainly.

Senator WARNER. Then obviously you can, you have the authority.

I've read so much in the last 48 hours in preparation for Jones' report and this one, that I can't put my hands on this statement in public, that there's a difference in criteria as to casualties. When the authorities in Iraq—be it our military authorities or local or whatever, find a deceased person in the street, which is the unfortunate incident that happens daily, unfortunately hundreds of bodies are discovered from time to time—some of the metrics being used by certain parts of, I presume whether it's the Iraqi Government our Government, but I'm going to find out. If the cadaver indicates that loss of life was attributed to a bullet that came into the forehead, it is put in the category of, should we say murder, wanton murder. If the skull is penetrated from the rear by a bullet, then that should be put into the category of sectarian violence because there's been certain patterns of how sectarian violence has been carried out, in terms of rendering death to an individual. Have you seen that?

Mr. WALKER. I have not personally seen it, but some of my staff has seen it. You're talking about some of the issues that are in our classified report. We couldn't get comfortable with the methodology.

Senator WARNER. This is in open literature. This is open literature.

Mr. WALKER. I understand. I know what you're talking about now is open, but there are more details in our classified report. You're noting some of the concerns that we have as to how can you reliably say that this type of casualty is sectarian and this type of casualty isn't?

Senator WARNER. I don't know. I've had some experience in the past. I used to be a prosecutor and had to go the morgue a number of times to accompany those making analysis. I find that a rather curious thing that I'm going to try to get to the bottom of. That is what you were pointing out.

Senator BILL NELSON. I hope you will, Senator Warner.

Senator WARNER. Well, thank you again, very much. As you may know, Chuck Bowser occupied your position at one time. He and I were in the Navy Secretariat during the war in Vietnam. I may have been the Secretary and he the assistant, but I tell you, he was a power force and one that was highly respected in this profession. You've had a very proud lineage of individuals who have taken on these important responsibilities of the GAO. I commend you and your staff.

Mr. WALKER. Thank you, Senator Warner. He's a friend and obviously my predecessor and I'm pleased to say that as of today, Elmer Staats who was his predecessor, is still with us and hopefully will be for a while, but, at 93.

Senator WARNER. I remember Elmer Staats, worked with him many times during those periods in Vietnam. Thank you very much.

Mr. WALKER. Thank you.

Senator BILL NELSON. The hearing is adjourned.

Mr. WALKER. Thank you, Senator, and I want to just thank our staff for the record. Thank you.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR DANIEL K. AKAKA

VARIANCE BETWEEN DOD AND GAO METHODOLOGY

1. Senator AKAKA. Mr. Walker, the media has reported about the dispute between the Department of Defense (DOD) and the Government Accountability Office (GAO) regarding the accuracy of DOD's claim that the "surge" has successfully resulted in a reduction in violence. Can you elaborate on the differences in the methodologies used by DOD and GAO to estimate the levels of violence in Iraq?

Mr. WALKER. According to the administration's September 2007 report to Congress, MNF–I data showed a decrease in sectarian violence, particularly in Baghdad, since the start of the Baghdad security plan. The report concluded that the Iraqi government, with substantial coalition assistance, had made satisfactory progress toward reducing sectarian violence. However, GAO could not reliably determine whether sectarian violence in Iraq had been reduced because measuring such violence requires understanding the perpetrator's intent, which may not be known. Instead, it would be useful to consider broader measures of population security when assessing levels of violence in Iraq. For example, the number of attacks targeting civilians and population displacement resulting from sectarian violence may serve as additional indicators. As we reported in our September 2007 benchmark report, the average number of daily enemy-initiated attacks against civilians remained high relative to attacks on coalition forces. In addition, as we reported in October 2007,[1] the decrease in total average daily attacks through September is largely due to a decrease in attacks on coalition forces rather than civilians.

Our benchmark report also noted that the violence in Iraq has resulted in a large number of Iraqis displaced from their homes. A report by the Iraqi Red Crescent Organization found that internally displaced persons increased from about 499,000 in February 2007 to about 1,128,000 in July 2007. The United Nations High Commissioner for Refugees (UNHCR) estimated that an additional 1.8 million Iraqi citizens were displaced to nearby countries, primarily to Jordan, Syria, Lebanon, Iran, and Egypt. The UNHCR predicted that 40,000 to 50,000 people will continue to be displaced each month even if the security plan succeeds in solving the displacement problem. Currently, the number of displaced persons is increasing at an average of 80,000 to 100,000 each month, according to the Red Crescent. The August 2007 National Intelligence Estimate for Iraq also stated that population displacement resulting from sectarian violence continues, imposing burdens on provincial governments and some neighboring states. Where population displacements have led to significant sectarian separation, according to the August 2007 National Intelligence Estimate, conflict levels have diminished to some extent because warring communities find it more difficult to penetrate communal enclaves.

2. Senator AKAKA. Mr. Walker, in your opinion, is the DOD methodology for evaluating the levels of violence in Iraq inadequate for the purpose of identifying trends in the level of violence? If not, why not?

Mr. WALKER. As previously stated, it is inherently difficult to judge trends in sectarian violence because this requires an understanding of the perpetrator's intent, which may not be known. Instead, as discussed in question 1, broader measures of population security should be considered when assessing trends in violence in Iraq. For example, as we reported in September 28, 2007, MNF–I data on enemy initiated attacks provide a reasonably sound depiction of general security trends. However, according to the DIA, the incidents captured in military reporting do not account for all violence throughout Iraq, such as incidents of Shi'a militias fighting each other or attacks against Iraqi security forces in southern Iraq.

[1] GAO, Securing, Stabilizing, and Rebuilding Iraq: GAO Audits and Key Oversight Issues, GAO–08–231T (Washington, DC: Oct. 30, 2007).

3. Senator AKAKA. Mr. Walker, General Petraeus indicated in his testimony on September 11, 2007, that the current methodology has been used for over a year, which implies that the methodology was changed just prior to the surge. Did GAO's auditors find evidence that DOD had revised either its methodology for estimating violence or its definitions of the different types of violence? If so, what was DOD's explanation for the revising the methodology?

Mr. WALKER. The methodology we assessed took effect in August 2006. We did not assess the methodology used prior to this time.

4. Senator AKAKA. Mr. Walker, does the change in DOD methodology prevent comparisons of the recent data against data from previous years?

Mr. WALKER. We have no basis for responding to this question as we did not assess the previous methodologies used to assess trends in sectarian violence.

EFFECTIVENESS OF THE SURGE

5. Senator AKAKA. Mr. Walker, as noted in GAO's report, the purpose of the surge was to reduce sectarian violence and provide the Iraqi government with breathing room to allow them to address political reconciliation. The benchmarks evaluated in this report were identified by the Iraqi government in June 2006. In theory, we should have seen the Iraqi government become more effective once the surge started. Instead, it seems that several groups have recently, or are currently, boycotting the government. It seems to me that its unclear as to whether they can really accomplish anything right now. Can you tell us how many of the benchmarks that have been completed or partially completed were accomplished by the Iraqi government since the arrival of additional troops for the surge in February of this year? In other words, did we see any improvement in the government's performance once the surge started?

Mr. WALKER. As we recently reported,[2] the Iraqi government has made limited progress in meeting eight legislative benchmarks intended to promote national reconciliation. As of October 25, 2007, the Iraqi Government had met one legislative benchmark and partially met another. Specifically, the rights of minority political parties in the Iraqi legislature were protected through existing provisions in the Iraqi Constitution and Council of Representatives' by-laws. In addition, the Iraqi Government partially met the benchmark to enact and implement legislation on the formation of regions; this law was enacted in October 2006 but will not be implemented until April 2008.

The benchmark requiring a review of the Iraqi Constitution has not yet been met. Fundamental issues remain unresolved as part of the constitutional review process, such as expanded powers for the presidency, the resolution of disputed areas (such as Kirkuk), and power sharing between Federal and regional governments over issues such as the distribution of oil revenue. In addition, five other legistlative benchmarks requiring parliamentary action have not yet been met.

6. Senator AKAKA. Mr. Walker, would you provide a copy of Figures 1 and 2 from the report revised to show the completion dates for each item shown as complete?

Mr. WALKER. Figure 1 - The electoral commission legislation was passed in January 2007.

Figure 2 - Committees were established in support of the Baghdad Security Plan in February 2007.

Figure 2 - Joint security stations were established by August 2007.

CHANGE OF DEFINITION OF SUCCESS

7. Senator AKAKA. Mr. Walker, footnote 4 for Benchmark 15, "Iraqi Security Forces Operating Independently" states, "In 2006, Multinational Forces-Iraq (MNF–I) changed the definition of a Level 1 unit. Previously, in guidance provided to coalition transition teams for use in evaluating Iraqi security forces, a Level 1 unit was said to be fully capable of planning, executing, and sustaining independent operations. In 2006, MNF–I removed the words 'fully' and 'independent' from the definition. DOD officials could not provide a rationale for the change." Although DOD could not provide an explanation for the change, did GAO determine the net effect on the performance metric? In other words, did the number of Level 1 units go up or down as a result of the change?

[2] GAO–08–231T.

Mr. WALKER. GAO did not determine how the change in definition affected the performance metric. As of September 2007, MNF–I reported that only about 10 of 140 units of the Iraqi security forces are capable of operating independently.

8. Senator AKAKA. Mr. Walker, when was the change implemented?

Mr. WALKER. The new definition of a level-1 unit was implemented in April 2006.

IRAQ BUDGET SPENDING

9. Senator AKAKA. Mr. Walker, during the hearing, I pointed out that GAO's report states that the Iraqi government has provided $10 billion in its current budget for reconstruction projects, including delivery of essential services on an equitable basis, but that it is unlikely to be spent by the end of the year. In addition, as of July 31, the Iraqi government had only spent about $1.5 billion of the allocated funds. One of the questions I asked you during the hearing was if you could you describe some of the key projects that will likely not be accomplished if the Iraqi government's spending continues at the current pace. Consistent with your response to my question, could you please provide more specific information on the types of projects not being accomplished due to the Iraqi government's inability to spend their budgeted resources?

Mr. WALKER. As we reported in our May 2007 report, Rebuilding Iraq: Integrated Strategic Plan Needed to Help Restore Iraq's Oil and Electricity Sectors (GAO–07–677), the energy sector is critical for Iraq's economy and for rebuilding the country and the Ministries of Oil and Electricity have budgeted substantial sums for future reconstruction. Experts estimate that over the next few years $27 billion will be needed for the electricity sector to keep up with needed demand and S20 to $30 billion will be needed for the oil sector to reach production goals. Although significant funds have been allocated to the Ministries of Oil and Electricity for critical infrastructure repair, the ministries have had persistent difficulties spending these funds on critical oil and electricity sector projects due to poor procurement and budgeting practices, and the "brain drain" resulting from high levels of violence in Iraq.

[Annex: The report from Government Accountability Office, "Securing, Stabilizing, and Rebuilding Iraq," follows:]

United States Government Accountability Office

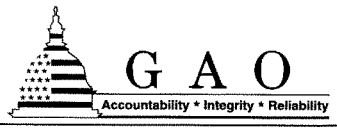
GAO

Report to Congressional Committees

September 2007

SECURING, STABILIZING, AND REBUILDING IRAQ

Iraqi Government Has Not Met Most Legislative, Security, and Economic Benchmarks



GAO-07-1195

GAO

Highlights

September 2007

SECURING, STABILIZING, AND REBUILDING IRAQ

Iraqi Government Has Not Met Most Legislative, Security, and Economic Benchmarks

What GAO Found

The January 2007 U.S. strategy seeks to provide the Iraqi government with the time and space needed to help Iraqi society reconcile. Our analysis of the 18 legislative, security and economic benchmarks shows that as of August 30, 2007, the Iraqi government met 3, partially met 4, and did not meet 11 of its 18 benchmarks. (See next page). Overall, key legislation has not been passed, violence remains high, and it is unclear whether the Iraqi government will spend $10 billion in reconstruction funds. These results do not diminish the courageous efforts of coalition forces.

The Iraqi government has met one of eight legislative benchmarks: the rights of minority political parties in Iraq's legislature are protected. The government also partially met one other benchmark to enact and implement legislation on the formation of regions; this law was enacted in October 2006 but will not be implemented until April 2008. Six other legislative benchmarks have not been met. Specifically, a review committee has not completed work on important revisions to Iraq's constitution. Further, the government has not enacted legislation on de-Ba'athification, oil revenue sharing, provincial elections, amnesty, or militia disarmament. The Administration's July 2007 report cited progress in achieving some of these benchmarks but provided little information on what step in the legislative process each benchmark had reached.

Two of nine security benchmarks have been met. Specifically, Iraq's government has established various committees in support of the Baghdad security plan and established almost all of the planned Joint Security Stations in Baghdad. The government has partially met the benchmarks of providing three trained and ready brigades for Baghdad operations and eliminating safe havens for outlawed groups. Five other benchmarks have not been met. The government has not eliminated militia control of local security, eliminated political intervention in military operations, ensured even-handed enforcement of the law, increased army units capable of independent operations, or ensured that political authorities made no false accusations against security forces. It is unclear whether sectarian violence in Iraq has decreased—a key security benchmark–since it is difficult to measure the perpetrator's intent and other measures of population security show differing trends.

Finally, the Iraqi government has partially met the economic benchmark of allocating and spending $10 billion on reconstruction. Preliminary data indicates that about $1.5 billion of central ministry funds had been spent, as of July 15, 2007. As the Congress considers the way forward in Iraq, it must balance the achievement of the 18 Iraqi benchmarks with the military progress, homeland security, foreign policy, and other goals of the United States. Future administration reporting to assist the Congress would be enhanced with adoption of the recommendations we make in this report.

Benchmark	GAO assessment	Status
1. Forming a Constitutional Review Committee and completing the constitutional review.	○	Committee formed but amendments not approved by the Iraqi legislature and no referendum scheduled.
2. Enacting and implementing legislation on de-Ba'athification.	○	Laws drafted.
3. Enacting and implementing legislation to ensure the equitable distribution of hydrocarbon resources of the people of Iraq without regard to the sect or ethnicity of recipients, and enacting and implementing legislation to ensure that the energy resources of Iraq benefit Sunni Arabs, Shia Arabs, Kurds, and other Iraqi citizens in an equitable manner.	○	3 of 4 components drafted; none being considered by parliament.
4. Enacting and implementing legislation on procedures to form semi-autonomous regions.	◐	Law enacted; implementation scheduled for 2008.
5. Enacting and implementing legislation establishing an Independent High Electoral Commission, provincial elections law, provincial council authorities, and a date for provincial elections.	○	Commission law enacted and implemented; however, supporting laws not enacted.
6. Enacting and implementing legislation addressing amnesty.	○	No law drafted.
7. Enacting and implementing legislation establishing a strong militia disarmament program to ensure that such security forces are accountable only to the central government and loyal to the Constitution of Iraq.	○	No law drafted.
8. Establishing supporting political, media, economic, and services committees in support of the Baghdad security plan.	●	Committees established.
9. Providing three trained and ready brigades to support Baghdad operations.	◐	Forces provided; some of limited effectiveness.
10. Providing Iraqi commanders with all authorities to execute this plan and to make tactical and operational decisions, in consultation with U.S. commanders, without political intervention, to include the authority to pursue all extremists, including Sunni insurgents and Shiite militias.	○	Political intervention continues.
11. Ensuring that Iraqi security forces are providing even-handed enforcement of the law.	○	Iraqi security forces engaged in sectarian-based abuses.
12. Ensuring that, according to President Bush, Prime Minister Maliki said "the Baghdad security plan will not provide a safe haven for any outlaws, regardless of [their] sectarian or political affiliation."	◐	Militia infiltration of some security forces enables some safe havens.
13. Reducing the level of sectarian violence in Iraq and eliminating militia control of local security.	○	Militias control some local security; unclear whether sectarian violence has decreased.
14. Establishing all of the planned joint security stations in neighborhoods across Baghdad.	●	32 of 34 stations established.
15. Increasing the number of Iraqi security forces units capable of operating independently.	○	Number of independent units declined between March and July 2007.
16. Ensuring that the rights of minority political parties in the Iraqi legislature are protected.	●	Legislators' rights protected; minority citizens' rights unprotected.
17. Allocating and spending $10 billion in Iraqi revenues for reconstruction projects, including delivery of essential services, on an equitable basis.	◐	Funds allocated but unlikely to be fully spent.
18. Ensuring that Iraq's political authorities are not undermining or making false accusations against members of the Iraqi security forces.	○	Unsubstantiated accusations continue to be made.

● Met ◐ Partially met ○ Not met

Source: GAO analysis of UN, U.S., and Iraqi data.

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United States Government Accountability Office
Washington, DC 20548

September 4, 2007

Congressional Committees:

Over the last 4 years, the United States has provided thousands of troops and obligated nearly $370 billion to help achieve the strategic goal of creating a democratic Iraq that can govern and defend itself and be an ally in the War on Terror. These troops have performed courageously under dangerous and difficult circumstances. The U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act of 2007[1] (the Act) requires GAO to submit to Congress by September 1, 2007,[2] an independent assessment of whether or not the government of Iraq has met 18 benchmarks contained in the Act, and the status of the achievement of the benchmarks. The benchmarks cover Iraqi government actions needed to advance reconciliation within Iraqi society, improve the security of the Iraqi population, provide essential services to the population, and promote economic well-being. The benchmarks contained in the Act were derived from benchmarks and commitments articulated by the Iraqi government beginning in June 2006. (See appendix XIX for information on the origin of these benchmarks.)

The January 2007 U.S. strategy, *The New Way Forward* in Iraq, is designed to support the Iraqi efforts to quell sectarian violence and foster conditions for national reconciliation. The U.S. strategy recognizes that the levels of violence seen in 2006 undermined efforts to achieve political reconciliation by fueling sectarian tensions, emboldening extremists, and discrediting the Coalition and Iraqi government. Amid such violence, it became increasingly difficult for Iraqi leaders to make the compromises necessary to foster reconciliation through the passage of legislation aimed at reintegrating former Ba'athists and sharing hydrocarbon revenues more equitably, among other steps. Thus, the new strategy was aimed at providing the Iraqi government with the time and space needed to help address reconciliation among the various segments of Iraqi society.

[1]Section 1314 of Public Law 110-28.

[2]GAO is providing this report to Congress on September 4th, 2007, the first business day following September 1st.

As required by the Act, this report provides 1) an assessment of whether or not the Iraqi government has met 18 key legislative, security, and economic benchmarks, and, 2) provides information on the status of the achievement of each benchmark. Among these 18 benchmarks, eight address legislative actions, nine address security actions, and one is economic-related. In comparison, the Act requires the administration to report in July and September 2007 on the status of each benchmark, and to provide an assessment on whether satisfactory progress is being made toward meeting the benchmarks, not whether the benchmarks have been met. In order to meet our statutory responsibilities in a manner consistent with GAO's core values, we decided to use "partially met" criteria for selected benchmarks. See appendices I-XVIII for information on our assessment and the status of the achievement of each benchmark, and appendix XX for a comparison of GAO's assessment with the administration's July 2007 initial benchmark assessment report. We are also issuing a separate, classified report on selected benchmarks.

To complete this work, we reviewed U.S. agency documents and interviewed officials from the Departments of Defense, State, and the Treasury; the Multi-national Force-Iraq (MNF-I) and its subordinate commands; the Defense Intelligence Agency; the Central Intelligence Agency; the National Intelligence Council; and the United Nations. These officials included Ryan Crocker, the U.S. Ambassador to Iraq, and General David H. Petraeus, Commander of Multi-National Force-Iraq (MNF-I). We also reviewed translated copies of Iraqi documents and met with officials from the government of Iraq and its legislature. As part of this work, we made multiple visits to Iraq during 2006 and 2007, most recently from July 22 to August 1, 2007. Our analyses were enhanced by approximately 100 Iraq-related reports and testimonies that we have completed since May 2003.[3] We provided drafts of the report to the relevant U.S. agencies for review and comment. We received formal written comments from State and Defense and technical comments from the Central Intelligence Agency and National Intelligence Council which we incorporated as appropriate. This letter and each appendix describe the detailed criteria we used in making our assessments of the 18 benchmarks. As required by the mandate, we made a determination of whether all 18 benchmarks had been met. For 14 of the 18 benchmarks, we developed criteria for

[3]For example, see GAO, *Securing, Stabilizing, and Rebuilding Iraq: Key Issues for Congressional Oversight*, GAO-07-308SP (Washington, D.C.: January 9, 2007). See GAO's website at http://www.gao.gov for a complete list of GAO's Iraq-related reports.

assessing whether the benchmark was "partially met." For the remaining 4 benchmarks, we determined that they should be judged as "met" or "not met" because the nature of the individual benchmarks did not lend themselves to a "partially met" assessment.

Although we analyzed classified data, including the August 2007 National Intelligence Estimate for Iraq, this report only contains unclassified information, as of August 30, 2007. We conducted our review in accordance with generally accepted government auditing standards. Appendix XXI contains a detailed description of our scope and methodology.

Results in Brief

As of August 30, 2007, the Iraqi government met 3, partially met 4, and did not meet 11 of its 18 benchmarks. Overall we found that:

- The constitutional review process is not complete, and laws on de-Ba'athification, oil revenue sharing, provincial elections, and amnesty have not passed;
- Violence remains high, the number of Iraqi security forces capable of conducting independent operations has declined, and militias are not disarmed; and
- Funding for reconstruction has been allocated but is unlikely to be spent.

As the Congress considers the way forward in Iraq, it should balance the achievement of the 18 Iraqi government benchmarks with the military progress, homeland security, foreign policy, and other goals of the United States. In addition, future administration reports on the benchmarks would be more useful to Congress if they depicted the status of each legislative benchmark, provided data on broader measures of violence from all relevant U.S. agencies, and assessed the performance and loyalties of Iraqi security forces.

Legislative Benchmarks

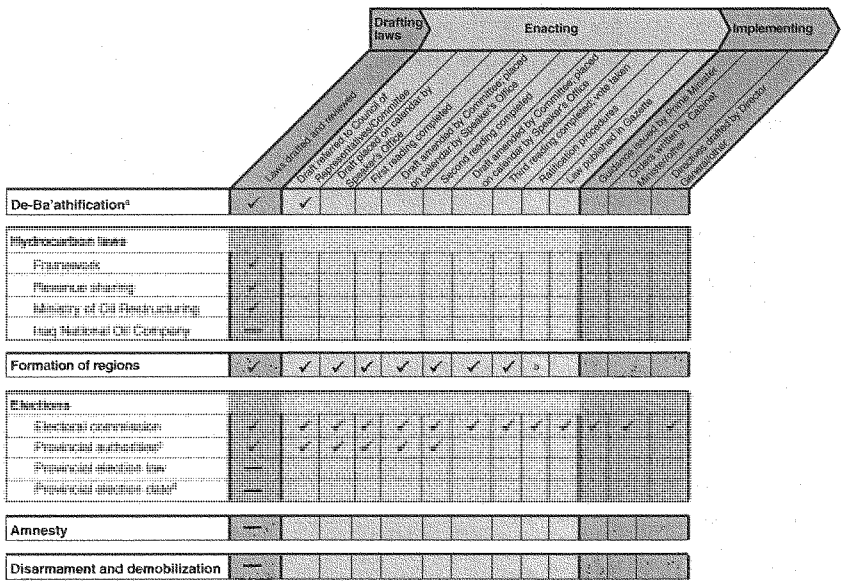
Our analysis shows that the Iraqi government has met one of the eight legislative benchmarks and partially met another.[4] Specifically, the rights of minority political parties in the Iraqi legislature are protected through existing provisions in the Iraqi Constitution and Council of Representatives' by-laws; however, minorities among the Iraqi population are vulnerable and their rights are often violated. In addition, the Iraqi government partially met the benchmark to enact and implement legislation on the formation of regions; this law was enacted in October 2006 but will not be implemented until April 2008.[5]

Six other legislative benchmarks have not been met. The benchmark requiring a review of the Iraqi Constitution has not been met. Fundamental issues remain unresolved as part of the constitutional review process, such as expanded powers for the presidency, the resolution of disputed areas (such as Kirkuk), and power sharing between federal and regional governments over issues such as distribution of oil revenue. In addition, five other legislative benchmarks have not been met. Figure 1 highlights the status of the legislative benchmarks requiring legislative enactment and implementation.

[4]For those legislative benchmarks requiring the enacting and implementing of legislation, we defined a benchmark as "met" if all components of the relevant law have been enacted and implemented; defined the benchmark as "partially met" if the law has been enacted but not implemented or, in instances involving multiple pieces of legislation, at least half have been enacted and implemented; and defined "not met" as having not met the requirements of "met" or "partially met." For the constitutional review, we would have considered the benchmark as met if, in accordance with Article 142 of the Iraqi Constitution, (1) the Constitutional Review Committee had been formed; (2) the Council of Representatives had voted on the recommendations of the review committee; and, if approved by the Council, (3) a national referendum had been held on the proposed amendments to the constitution. We would have considered the benchmark partially met if the first two steps of the constitutional review process were completed.

[5]Because this law will not be implemented until April 2008, publication in the Official Gazette has been deferred, according to State officials, who assert that a delay in implementation is in the best interest of Iraq.

Figure 1: Enactment and Implementation Status of Six Legislative Benchmarks



Source: GAO analysis of Department of State, Department of Defense, UN and Iraqi government data.

[a]The Iraqi legislature is considering several competing drafts.

[b]The Iraqi Constitution exempts the law on formation of regions from following the Presidency Council's ratification process that is set out in Article 138 of the Constitution.

[c]The draft deals with broader federal versus provincial powers, according to UN.

[d]According to State, the Iraqi government may not need a law to set the election date, though to date this is unclear.

As figure 1 shows, legislation on de-Ba'athification reform has been drafted but has yet to be enacted.[6] Hydrocarbon legislation is in the early stages of legislative action; although three key components have been drafted, none are under active consideration by the Council of Representatives.[7] Although the government of Iraq has established an independent electoral commission and appointed commissioners, the government has not implemented legislation to establish provincial council authorities, provincial elections law, or a date for provincial elections. No legislation on amnesty or militia disarmament is being considered because the conditions for a successful program, particularly the need for a secure environment, are not present, according to U.S. and Iraqi officials.

Prospects for additional progress in enacting legislative benchmarks have been complicated by the withdrawal of 15 of 37 members of the Iraqi cabinet. According to an August 2007 U.S. interagency report, this boycott ends any claim by the Shi'ite-dominated coalition to be a government of national unity and further undermines Iraq's already faltering program of national reconciliation. In late August, Iraq's senior Shi'a, and Sunni Arab and Kurdish political leaders signed a Unity Accord signaling efforts to foster greater national reconciliation. The Accord covered draft legislation on de-Ba'athification reform and provincial powers laws, as well as setting up a mechanism to release some Sunni detainees being held without

[6]According to U.S. and other officials and documents, enacting legislation generally includes the following steps, though the process is evolving: The Presidency Council and the Council of Ministers have authority to draft laws, and the Iraqi legislature—either a committee or 10 members —has the authority to propose laws. Laws drafted by the Presidency Council or Council of Ministers are reviewed on legal soundness and subject matter by the Shura Council, an institution in the Ministry of Justice. Laws drafted by the legislature must first pass through its Legal Committee. The legislation then proceeds through three readings. The legislation is presented at the first reading. The relevant committee may amend the law and the Speaker's Office places it on the calendar. After the first reading, the legislature discusses the proposed law at a second reading. At the third reading, a final vote is taken article by article. Laws that receive an affirmative vote are sent to the Presidency Council, which can disapprove the law. The legislature can override the disapproval with a three-fifths majority. This ratification process only applies during the transition period when the Presidency Council is in existence. Final laws are published in the Official Gazette and become effective on the date of publication in the gazette unless stipulated otherwise. The Prime Minister issues an order to implement the law. Laws are implemented by the appropriate ministry, commission, or government office and implementing guidance is written.

[7]For additional information on Iraq's hydrocarbon sector, see GAO, *Rebuilding Iraq: Serious Challenges Impair Efforts to Restore Iraq's Oil Sector and Enact Hydrocarbon Legislation*, GAO-07-1107T (Washington, D.C.: July 18, 2007).

charges. However, these laws need to be passed by the Council of Representatives. (See appendices I-VII, and XVI for further information on these legislative benchmarks).

The Administration's July 2007 report cited progress in achieving some of these legislative benchmarks but provided little information on what step in the legislative process each benchmark had reached. Future reporting should provide this important detail, as we display in figure 1.

Security Benchmarks

Our analysis shows that the Iraqi government has met two of the nine security benchmarks. Specifically, it has established political, communications, economic, and services committees[8] in support of the Baghdad security plan and, with substantial coalition assistance, 32 of the planned 34 Joint Security Stations[9] across Baghdad. Of the remaining 7 benchmarks, the Iraqi government partially met 2 and did not meet five. (see fig. 2)

[8]In February 2007, the Iraqi government created the Executive Steering Committee and six subcommittees to coordinate political, economic, and military activities and make decisions in support of the Baghdad Security Plan. According to a State department official, the executive committee's major objective was to increase the coordination and capacity of the Iraqi government to improve the quality of life of Baghdad's population as part of the Baghdad security plan. We defined this benchmark as "met" if the committees were established in support of the Baghdad Security Plan; defined this benchmark as "partially met" if at least half of the committees were established in support of the Baghdad Security Plan; and defined this benchmark as "not met" if less than half of the committees were established in support of the Baghdad Security Plan. For additional information, see appendix VIII.

[9]Joint Security Stations are staffed by Iraqi local police, national police, and army personnel, as well as coalition forces. According to the administration's July 2007 report, the security stations are designed to improve population protection by providing a 24-hour security presence in Baghdad neighborhoods. We defined this benchmark as "met" if nearly all of the planned Joint Security Stations were established. We defined this benchmark as "partially met" if half of the planned Joint Security Stations were established. We defined this benchmark as "not met" if less than half of the planned Joint Security Stations were established. For additional information, see appendix XIV.

Figure 2: GAO's Assessment of Whether the Iraqi Government Has Achieved Security Benchmarks

Benchmark	Assessment
Establishing supporting political, media, economic, and services committees in support of the Baghdad Security Plan.	●
Establishing all of the planned joint security stations in neighborhoods across Baghdad.	●
Reducing the level of sectarian violence in Iraq and eliminating militia control of local security.	○
Providing three trained and ready brigades to support Baghdad operations.	◐
Ensuring that, according to President Bush, Prime Minister Maliki said "the Baghdad security plan will not provide a safe haven for any outlaws, regardless of [their] sectarian or political affiliation."	◐
Providing Iraqi commanders with all authorities to execute this plan and to make tactical and operational decisions, in consultation with U.S. commanders, without political intervention, to include the authority to pursue all extremists, including Sunni insurgents and Shiite militias.	○
Ensuring that Iraqi security forces are providing even-handed enforcement of the law.	○
Increasing the number of Iraqi security forces' units capable of operating independently.	○
Ensuring that Iraq's political authorities are not undermining or making false accusations against members of the Iraqi security forces.	○

● Met ◐ Partially met ○ Not met

Source: GAO analysis of UN, U.S., and Iraqi data.

The Iraqi government partially met the benchmark of providing three trained and ready brigades to support Baghdad operations.[10] Since February 2007, the Iraqi government deployed nine Iraqi army battalions equaling three brigades for 90-day rotations to support the Baghdad

[10]We defined this benchmark as "met" if the Government of Iraq had provided three trained and ready brigades, or an equivalent number of battalions, to support Baghdad operations; as "partially met" if some of the units were trained and ready to support Baghdad security operations; and as "not met" if none of the units provided were trained and ready to support Baghdad security operations. The assessment was based on each unit's transition readiness assessments and intelligence reporting on their reliability.

Security Plan. The administration's July 2007 report to Congress noted problems in manning the Iraqi brigades, but stated that the three brigades were operating in support of Baghdad operations. Our classified report provides additional information on the readiness levels and performance of these units, which supports our assessment of this benchmark.

The Iraqi government also partially met the benchmark of ensuring that the Baghdad security plan will not provide a safe haven for any outlaws regardless of their sectarian or political affiliation.[11] Even though the Baghad Security Plan is aimed at eliminating safe havens, and U.S. commanders report satisfaction with the coalition's ability to target extremist groups, opportunities for creating temporary safe havens exist due to the political intervention of Iraqi government officials (see discussion in appendix X) and the strong sectarian loyalties and militia infiltration of security forces.

The Iraqi government has not met the benchmark to reduce sectarian violence and eliminate militia control of local security.[12]As discussed in appendix XIII, militia control of local security forces remains a problem. Several U.S. and UN reports have found that militias still retain significant control or influence over local security in parts of Baghdad and other areas of Iraq.

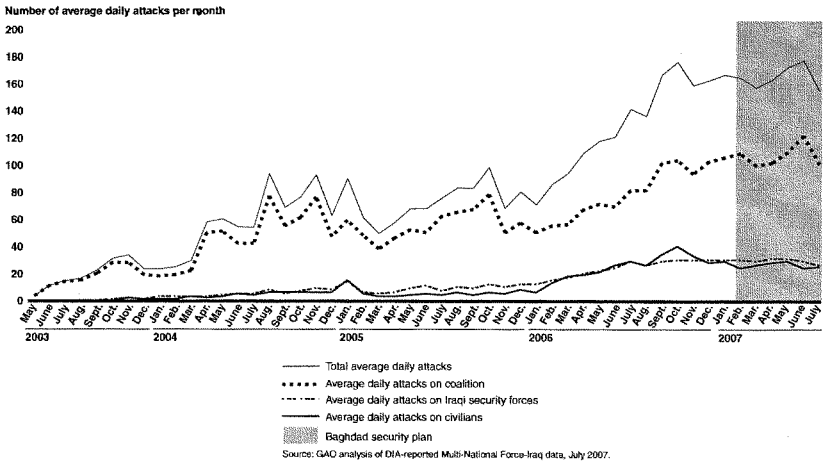
On trends in sectarian violence, we could not determine if sectarian violence had declined since the start of the Baghdad Security Plan. The administration's July 2007 report stated that MNF-I trend data demonstrated a decrease in sectarian violence since the start of the Baghdad Security Plan in mid-February 2007. The report acknowledged that precise measurements vary, and that it was too early to determine if the decrease would be sustainable. Measuring sectarian violence is difficult since the perpetrator's intent is not always clearly known. Given

[11]We defined this benchmark as "met" if Iraqi government policy did not allow safe havens and none existed; defined this benchmark as "partially met" if Iraqi government policy prohibited safe havens yet some existed; and defined this benchmark as "not met" if the Iraqi government had no stated policy on safe havens.

[12]We defined this benchmark as "met" if there was clear and reliable evidence that the level of sectarian violence was reduced and militia control of local security was eliminated; defined this benchmark as "partially met" if there was clear and reliable evidence that the level of sectarian violence was reduced or if militia control of local security was eliminated, but not both; and defined this benchmark as "not met" if there was no clear and reliable evidence that the level of sectarian violence was reduced and that militia control of local security was eliminated.

this difficulty, broader measures of population security should be used in judging these trends. The number of attacks targeting civilians and population displacement resulting from sectarian violence may serve as additional indicators. For example, as displayed in figure 3, the average number of daily attacks against civilians remained about the same over the last six months. The decrease in total average daily attacks in July is largely due to a decrease in attacks on coalition forces rather than civilians.

Figure 3: Average Number of Daily, Enemy-Initiated Attacks Against the Coalition, Iraqi Security Forces, and Civilians (May 2003-July 2007)



Source: GAO analysis of DIA-reported Multi-National Force-Iraq data, July 2007.

While overall attacks declined in July compared to June, levels of violence remain high. Enemy initiated attacks have increased around major religious and political events, including Ramadan and elections.[13] For 2007, Ramadan is scheduled to begin in mid-September. Our classified report provides further information on measurement issues and trends in violence in Iraq obtained from other U.S. agencies. The unclassified August 2007 National Intelligence Estimate (NIE) on Iraq reported that Coalition forces, working with Iraqi forces, tribal elements, and some Sunni insurgents, have reduced al Qaeda in Iraq's (AQI) capabilities and restricted its freedom of movement. However, the NIE further noted that the level of overall violence, including attacks on and casualties among

[13]Ramadan is the ninth month of the Islamic calendar. Over the past 4 years, Ramadan began about October 27, 2003; October 16, 2004; October 5, 2005; and September 24, 2006.

civilians remains high and AQI retains the ability to conduct high-profile attacks.

For the remaining four unmet security benchmarks, we found that:

- The Iraqi government has not always allowed Iraqi commanders to make tactical and operational decisions without political intervention, resulting in some operational decisions being based on sectarian interests.[14]
- The government had not always ensured that Iraqi security forces were providing even-handed enforcement of the law, since U.S. reports have cited continuing sectarian-based abuses on the part of Iraqi security forces.[15]
- Instead of increasing, the number of Iraqi army units capable of independent operations had decreased from March 2007 to July 2007.[16]
- Iraqi political authorities continue to undermine and make false accusations against Iraqi security force personnel. According to U.S. government officials, little has changed since the administration's July 2007 report.[17]

(See appendices VIII-XV, and XVIII for further information on these security benchmarks).

[14]We defined this benchmark as "met" if Iraqi commanders did not face political intervention in executing the plan and making tactical and operational decisions. We defined this benchmark as "not met" if Iraqi commanders faced political intervention in executing the plan and making tactical and operational decisions.

[15]We defined this benchmark as "met" if Iraqi security forces provided even-handed enforcement of the law. We defined this benchmark as "not met" if Iraqi security forces did not provide even-handed enforcement of the law.

[16]We defined this benchmark as "met" if the government of Iraq increased the number of Iraqi security forces' units capable of operating independently. We defined this benchmark as "not met" if the government of Iraq did not increase the number of Iraqi security forces' units capable of operating independently.

[17]We defined this benchmark as "met" if there was no evidence of undermining or false accusations against Iraqi security force personnel. We defined this benchmark as "not met" if there was evidence of undermining or false accusations against Iraqi security force personnel.

Economic Benchmark

The Iraqi government partially met the benchmark to allocate and spend $10 billion because it allocated $10 billion in reconstruction funds when it passed its 2007 budget in February, 2007. *The New Way Forward in Iraq* cited Iraq's inability to spend its own resources to rebuild critical infrastructure and deliver essential services as an economic challenge to Iraq's self-reliance. Iraqi government funds represent an important source of financing for rebuilding Iraq since the United States has obligated most of the $40 billion provided to Iraq for reconstruction and stabilization activities since 2003.

However, it is unclear whether the $10 billion allocated by the Iraqi government will be spent by the end of Iraq's fiscal year, December 31, 2007.[18] Preliminary Ministry of Finance data reports that Iraq's central ministries spent about $1.5 billion, or 24 percent, of the approximately $6.5 billion in capital project funds allocated to them through July 15, 2007. The remaining funds from the $10 billion were allocated to the provinces and the Kurdish region. (See appendix XVII for further information on the economic benchmark)

Conclusions

As of August 30, 2007, the Iraqi government met 3, partially met 4, and did not meet 11 of its 18 benchmarks. The Iraqi government has not fulfilled commitments it first made in June 2006 to advance legislative, security, and economic measures that would promote national reconciliation among Iraq's warring factions. Of particular concern is the lack of progress on the constitutional review that could promote greater Sunni participation in the national government and comprehensive hydrocarbon legislation that would distribute Iraq's vast oil wealth. Despite Iraqi leaders recently signing a unity accord, the polarization of Iraq's major sects and ethnic groups and fighting among Shi'a factions diminishes the stability of Iraq's governing coalition and its potential to enact legislation needed for sectarian reconciliation.

Reconciliation was also premised on a reduction in violence. While the Baghdad security plan was intended to reduce sectarian violence, measuring such violence may be difficult since the perpetrator's intent is

[18]We defined this benchmark as "met" if the funds had been allocated and either they had been spent or there was a high likelihood that they would be spent by the end of the fiscal year. We defined this benchmark as "partially met" if funds were allocated but it appeared questionable or unlikely that the funds would be spent by the end of the fiscal year. We defined the benchmark as "not met" if the funds had not been allocated.

not clearly known. Other measures of violence, such as the number of enemy-initiated attacks, show that violence has remained high through July 2007.

As the Congress considers the way forward in Iraq, it must balance the achievement of the 18 Iraqi benchmarks with the military progress, homeland security, foreign policy and other goals of the United States. Future administration reports on the benchmarks would be more useful to the Congress if they clearly depicted the status of each legislative benchmark, provided additional quantitative and qualitative information on violence from all relevant U.S. agencies, and specified the performance and loyalties of Iraqi security forces supporting coalition operations.

Recommendations

In preparing future reports to Congress and to help increase transparency on progress made toward achieving the benchmarks, we recommend that:

1. The Secretary of State provide information to the President that clearly specifies the status in drafting, enacting, and implementing Iraqi legislation;

2. The Secretary of Defense, and the heads of other appropriate agencies, provide information to the President on trends in sectarian violence with appropriate caveats, as well as broader quantitative and qualitative measures of population security, and

3. The Secretary of Defense, and the heads of other appropriate agencies, provides additional information on the operational readiness of Iraqi security forces supporting the Baghdad security plan, particularly information on their loyalty and willingness to help secure Baghdad.

As discussed below, State and DOD concurred with these recommendations.

Agency Comments

We provided a draft of this report to the Departments of State and Defense, the National Intelligence Council, and the Central Intelligence Agency. The National Intelligence Council and the Central Intelligence Agency provided technical comments, which we incorporated as appropriate.

The Department of State provided written comments, which are reprinted in appendix XXII. State also provided us with technical comments and

suggested wording changes that we incorporated as appropriate. State agreed with our recommendation to provide the President with additional information on the specific status of key Iraqi legislation in preparing future reports to Congress. State suggested that we note the standards we used in assessing the 18 benchmarks differ from the administration's standards. The highlights page and introduction of our report discuss these differing standards. State also suggested that we take into consideration recent political developments in Iraq, such as the communiqué released by Iraqi political leaders on August 26, 2007. We added additional information to the report about this communiqué and related developments.

The Department of Defense also provided written comments, which are reprinted in appendix XXIII. DOD also provided us with technical comments and suggested wording changes that we incorporated as appropriate. Defense agreed with our recommendations to provide, in concert with other relevant agencies, information to the President on trends in sectarian violence with appropriate caveats, as well as broader quantitative and qualitative measures of security. Defense also agreed to provide the President with additional information on the operational readiness of Iraqi security forces supporting the Baghdad security plan.

DOD also provided additional oral comments. DOD disagreed with our conclusion in the draft report that trends in sectarian violence are unclear. Further information on DOD's views, and our response, are contained in our classified report. However, the additional information that DOD provided did not warrant a change in our assessment of "not met." We note that the unclassified August 2007 NIE stated that the overall violence in Iraq, including attacks on and casualties among civilians, remains high, Iraq's major sectarian groups remain unreconciled, and levels of insurgent and sectarian violence will remain high over the next six to twelve months.

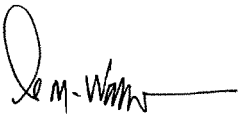
DOD disagreed with our initial assessment of "not met" for the training and readiness of the Iraqi brigades supporting operations in Baghdad and provided additional information on this issue. While acknowledging that some of these Iraqi units lacked personnel, fighting equipment, and vehicles, the U.S. commander embedded with the units attested to their fighting capabilities. Based on this additional information, and our classified and unclassified information, we changed our rating from "not met" to "partially met."

DOD did not agree with our initial assessment that the benchmark related to safe havens was not met. DOD provided additional information

describing MNF-I efforts to conduct targeted operations in Sadr City. For example, from January to August 2007, Coalition forces and Iraqi security forces conducted over eighty operations that span each sector of Sadr City. However, due to sectarian influence and infiltration of Iraqi security forces, and support from the local population, anti-coalition forces retain the freedom to organize and conduct operations against coalition forces. Based on this additional information, we changed this assessment to "partially met."

We are sending copies of this report to appropriate Members of Congress. This report will also be available at no charge on GAO's Web site at http://www.gao.gov.

If you or your staffs have any questions about this report, please contact me on (202) 512- 5500 or Mr. Joseph A. Christoff, Director, International Affairs and Trade, at (202) 512-8979. Contact points for our Offices of Congressional Relations and Public Affairs can be found on the last page of this report. Key contributors to this report are included in appendix XXIV.



David M. Walker
United States Comptroller General

Enclosures

List of Congressional Committees

The Honorable Carl Levin
Chairman
The Honorable John McCain
Ranking Member
Committee on Armed Services
United States Senate

The Honorable Joseph R. Biden Jr.
Chairman
The Honorable Richard G. Lugar
Ranking Member
Committee on Foreign Relations
United States Senate

The Honorable Daniel Inouye
Chairman
The Honorable Ted Stevens
Ranking Member
Subcommittee on Defense
Committee on Appropriations
United States Senate

The Honorable Patrick J. Leahy
Chairman
The Honorable Judd Gregg
Ranking Member
Subcommittee on State, Foreign Operations,
and Related Programs
Committee on Appropriations
United States Senate

The Honorable Ike Skelton
Chairman
The Honorable Duncan Hunter
Ranking Member
Committee on Armed Services
House of Representatives

The Honorable Tom Lantos
Chairman
The Honorable Ileana Ros-Lehtinen
Ranking Member
Committee on Foreign Affairs
House of Representatives

The Honorable John P. Murtha
Chairman
The Honorable C.W. Bill Young
Ranking Member
Subcommittee on Defense
Committee on Appropriations
House of Representatives

The Honorable Nita M. Lowey
Chairwoman
The Honorable Frank R. Wolf
Ranking Member
Subcommittee on State, Foreign Operations,
and Related Programs
Committee on Appropriations
House of Representatives

The Honorable Henry A. Waxman
Chairman
The Honorable Tom Davis
Ranking Member
Committee on Oversight and Government Reform
House of Representatives

The Honorable John F. Tierney
Chairman
The Honorable Christopher Shays
Ranking Member
Subcommittee on National Security and Foreign Affairs
Committee on Oversight and Government Reform
House of Representatives

Appendix I: Benchmark 1 – Constitutional Review

Forming a constitutional review committee and completing the constitutional review.

GAO Assessment as of August 30, 2007: Not met[1]

Issue

Iraq's Constitution was approved in a national referendum in October 2005, but did not resolve several contentious issues, such as claims over disputed areas including oil-rich Kirkuk. Amending the Constitution is critical to reaching national agreement on power sharing among Iraq's political blocs and furthering national reconciliation, according to Iraqi leaders, U.S. officials, and the Iraq Study Group report.

Status

Although the Iraqi legislature formed a Constitutional Review Committee (CRC) in November 2006, the review process is not yet complete.[2] First, the review committee's work is not finished. In a May 23, 2007 report, the CRC recommended a package of constitutional amendments to the Iraq Council of Representatives. However, the package did not resolve the powers of the presidency; disputed territories, including Kirkuk; and the relative powers of the regions versus the federal government. The CRC received an extension until the end of August 2007 to help resolve the outstanding issues, but, according to the chairman of the CRC, Iraq's major political groups need to reach agreement on these issues. Second, once resolved, the Iraqi legislature must approve the package of amendments by an absolute majority vote. Finally, if a package of amendments is

[1]For the constitutional review, we would have considered the benchmark as met if, in accordance with Article 142 of the Iraqi Constitution, the Constitutional Review Committee had been formed; the Council of Representatives had voted on the recommendations of the review committee; and, if approved by the Council, a national referendum had been held on the proposed amendments to the constitution. We would have considered the benchmark partially met if the first two steps of the constitutional review process were completed. See benchmark 2 for a description of the criteria for meeting legislative benchmarks.

[2]The constitutional review process consists of the following: (1) the Council of Representatives forms a review committee, which presents to the Council a report on recommendations of necessary amendments that could be made to the Constitution; (2) the proposed amendments shall be presented to the Council all at once for a vote upon them and are approved with the agreement of an absolute majority of the members of the Council; and (3) the articles amended by the Council shall be presented to the people in a referendum within two months from the date of approval by the Council and the referendum will be successful if approved by the majority of voters and if not rejected by two-thirds of the voters in three or more governorates.

approved, the Iraqi people will need to vote on the amendments in a referendum within 2 months after the legislature approves them.

Completion of the Constitutional Review First Requires Political Accommodation

To complete a package of necessary amendments to the Constitution, Iraq's major political groups need to reach agreement on the following three contentious issues.

- *Power of the presidency.* The Deputy Chairman of the CRC, a member of the Sunni bloc, believes that the presidency should have greater power. The Constitution gives the presidency such powers as accrediting ambassadors. It also gives the presidency council the power to approve or disapprove legislation in the current electoral term.[3] However, the legislature can adopt any disapproved legislation by a three-fifths majority vote. In contrast, the prime minister, selected from the legislature's largest political bloc, is commander-in-chief of the armed forces, names the ministers for each ministry, and directs the Council of Ministers. The Council directs the work of all government ministries and departments, develops their plans, and prepares the government budget. The high-ranking Sunni official said that giving the presidency more power could allow for better power sharing among Iraq's political groups.

- *Disputed areas, particularly Kirkuk.* Article 140 of the Constitution addresses the issue of disputed areas. It requires a census and a referendum in Kirkuk and other disputed areas by December 31, 2007 to determine the will of its citizens. According to the Kurdistan Regional Government's (KRG) prime minister, Kirkuk represents the Kurdish region and must be returned to Kurdistan. Under the former regime's policy of Arabization—removing Kurdish families from Kirkuk and replacing them with Arab families—areas of Kirkuk were given to other governorates, according to a Kurdish committee. KRG officials want the referendum held by the date specified in the Constitution. Other Iraqi legislators believe that the Kirkuk referendum should be deferred because of the disputes over the borders of Kirkuk and continuing displacement of people in the area.

[3]According to the Iraqi Constitution, in the current electoral term, which is 4 years, a presidency council consisting of a president and 2 vice-presidents is in place and exercises the powers of the presidency. If these constitutional provisions are not amended, at the start of the next electoral term, power will revert to a single president and the power to approve and disapprove legislation that is explicitly granted to the presidency council will lapse. The president will then have the power to ratify and issue laws passed by the legislature, although such laws are considered ratified 15 days after the president receives them.

- *Power of the federal government versus regions.* The CRC proposed several amendments to the Constitution to clarify the powers of the federal government and the shared powers with the regions, but has not achieved compromise among major political factions on these amendments. In particular, the CRC proposed amending Article 111 of the Constitution to clearly state that the federal government shall collect oil revenues and distribute them equally to all Iraqis in accordance with the national budget law. According to the United Nations, this amendment would provide the federal government exclusive authority for oil revenues. In contrast, the existing constitutional framework is widely interpreted as allowing regions to define how and whether they share locally generated oil revenues.[4] For this reason, the Kurdish bloc opposes the CRC-proposed amendment.

Procedural and Logistical Challenges Confront Completion of the Review

If agreement is reached on a package of constitutional amendments, the Iraqi legislature must vote on the package. The amendments will be considered approved if an absolute majority of the legislature votes for the package. One challenge is simply holding a vote.

Despite Iraqi leaders signing a unity accord, as of August 29, 2007, several Iraqi parties were boycotting the government, including Iraq's largest Sunni bloc. Although the other parties in the legislature could form an absolute majority to pass a package of amendments, it would defeat the purpose of trying to reach a broad political accommodation.

If the legislature approves the constitutional amendments, the government must hold a national referendum within 2 months of approval. According to the United Nations, before a referendum can occur, the Iraq Electoral Commission must develop a valid voting roster, educate the public about

[4]Under the existing Constitution, if there is a contradiction between regional and national law with respect to a matter outside the exclusive authority of the federal government, regional law takes priority and regional powers have the right to amend the application of the national legislation within that region.

the proposed amendments, print referendum ballots, and locate and staff polling places. In a July 2007 report, the Iraq High Electoral Commission stated that it faced challenges to developing a valid voting roster because of the large movement of displaced persons—an estimated 800,000 since February 2006.[5]

[5]United Nations Assistance Mission for Iraq, *Humanitarian Briefing on the Crisis in Iraq*, May 2007.

Appendix II: Benchmark 2 – De-Ba'athification Reform

Enacting and implementing legislation on de-Ba'athification reform.

GAO Assessment as of August 30, 2007: Not met[1]

Issue

Coalition Provisional Authority (CPA) Order 1 dissolved the Ba'athist party, removed Ba'athist leaders and senior party members from government, and banned them from future employment in the public sector. The CPA further provided for investigation and removal of even junior members of the party from upper-level management in government ministries, universities, and hospitals. Most of Iraqi's technocratic class was pushed out of government due to de-Ba'athification and many Sunni Arabs remain angry about policies to de-Ba'athify Iraqi society, according to the Iraq Study Group report.

Status

Although Iraqi leaders have drafted several pieces of legislation to reform de-Ba'athification, none has sufficient support among Iraq's political factions to have a first reading in the Iraqi legislature, according to U.S. officials. No consensus exists on reforming the current de-Ba'athification policy and many Iraqis are concerned by the prospects of former Ba'athist tormenters returning to power. However, according to an August 2007 U.S. interagency report, Iraq's senior Shi'a and Sunni Arab and Kurdish political leaders signed a Unity Accord, including consensus on draft legislation on de-Ba'thification reform. Such a law would need to be drafted, passed by the Council of Representatives, and implemented.

According to U.S. officials, reforms to the law would more likely promote reconciliation if the reforms target Ba'athists who had command responsibility within the party or committed human rights violations or

[1]For those legislative benchmarks requiring the enacting and implementing of legislation, we defined a benchmark as "met" if all components of the relevant law have been enacted and implemented; defined the benchmark as "partially met" if the law has been enacted but not implemented or, in instances involving multiple pieces of legislation, at least half have been enacted and implemented; and defined "not met" as having not met the requirements of "met" or "partially met."

other crimes.[2] Removing individuals based purely on party membership increases the chances that segments of the Iraqi public will see the system as unfair, according to these officials. Draft legislation on de-Ba'athification reform, dated July 2007 before the Unity Accord, provides for a special commission, a panel of judges to make decisions, and the right to appeal the panel's decisions. The draft legislation also specifies that the commission will be dissolved 6 months after the law is passed.

[2]The doctrine of command responsibility holds that individuals can be liable for actions they did not actually commit if: (1) they issued orders to those who committed the human rights violations or crimes; (2) they should have known or should have been in a position to know that their subordinates were committing human rights violations or crimes; or (3) they did not take reasonable measures to prevent the human rights violations or other crimes or did not punish the perpetrators.

Appendix III: Benchmark 3 – Hydrocarbon Legislation

Enacting and implementing legislation to ensure the equitable distribution of hydrocarbon resources of the people of Iraq without regard to the sect or ethnicity of recipients, and enacting and implementing legislation to ensure that the energy resources of Iraq benefit Sunni Arabs, Shi'a Arabs, Kurds, and other Iraqi citizens in an equitable manner.

GAO Assessment as of August 30, 2007: Not met[1]

Issue

The importance of oil revenues for the Iraqi economy is widely recognized, as is the need to create a new legal framework for the development and management of the country's oil sector. The oil sector accounts for over half of Iraq's gross domestic product and over 90 percent of its revenues. The timely and equitable distribution of these revenues is essential to Iraq's ability to provide for its needs, including the reconstruction of a unified Iraq.

Status

The government of Iraq has not enacted and implemented any of the four separate yet interrelated pieces of legislation needed to ensure the equitable distribution of hydrocarbon resources. As of August 2007, the Iraqi government had drafted three pieces of legislation: (1) hydrocarbon framework legislation that establishes the structure, management, and oversight for the oil sector; (2) revenue-sharing legislation; and (3) legislation restructuring the Ministry of Oil. However, none of the legislation is currently under consideration by Iraq's parliament (Council of Representatives). A fourth piece of legislation establishing the Iraq National Oil Company (INOC) has not been drafted, according to State officials.

Hydrocarbon framework legislation was approved by the Iraqi cabinet (Council of Ministers) in February 2007, and sent to the Oil and Gas Committee of Iraq's parliament for review in July 2007. However, before the legislation was submitted to the parliament, the Iraqi government

[1]For those legislative benchmarks requiring the enacting and implementing of legislation, we defined a benchmark as "met" if all components of the relevant law have been enacted and implemented; defined the benchmark as "partially met" if the law has been enacted but not implemented or, in instances involving multiple pieces of legislation, at least half have been enacted and implemented; and defined "not met" as having not met the requirements of "met" or "partially met."

amended the draft to address substantive changes made by the Shura council. According to State, the Shura council reviews draft legislation to ensure constitutionality and to avoid contradictions with Iraq's legal system, including Islamic law. The Kurdistan Regional Government (KRG) did not agree to the council's revisions. Accordingly, the Oil and Gas Committee chairman is taking no legislative action until the Iraqi cabinet and the KRG agree on a new draft, according to State. It is not clear if this legislation will include annexes intended to allocate the control of particular oil fields and exploration areas to either the central or regional governments. According to the Iraqi government, the annexes remain under consideration.

Revenue-sharing legislation is intended to ensure the equitable distribution of Iraq's financial resources, including oil and gas revenues. The central government and the KRG agreed on draft revenue-sharing legislation[2] in June 2007. However, the Iraqi cabinet has not yet approved the legislation and submitted it to Iraq's parliament for consideration.

This draft legislation is linked to proposed amendments to the Iraqi Constitution regarding the role of the federal government and regions and the management of oil revenues. Under the existing Constitution, if there is a contradiction between regional and national law with respect to a matter outside the exclusive authority of the federal government, regional law takes priority and regional powers have the right to amend the application of the national legislation within that region. As oil revenue sharing is not a power exclusively reserved for the federal government in the existing Constitution, according to officials, regions may determine how and whether they share locally generated oil revenues with the remainder of Iraq, regardless of what is stated in the federal law.[3] In response, the Iraqi Constitutional Review Committee has proposed

[2]This legislation is also referred to as the "Law of Financial Resources" and the "Revenue Management Law."

[3]The Kurdistan National Assembly (Kurdish Regional parliament) has passed a "Kurdistan Oil and Gas Law" (also referred to as the "Petroleum Law of the Kurdistan Region - Iraq"), in August, 2007, which conditions cooperation with the federal authorities in the oil sector on a set of comprehensive conditions. According to the UN, it would likely take time for full agreement on these arrangements to be reached and for implementation of national revenue sharing to begin. It is unclear how this will affect the national debate on revenue sharing or the hydrocarbon framework legislation at this time. According to the State Department, the United States continues to believe that Iraq's interests are better served by the adoption of a single set of national oil and gas laws, which will help foster national unity and promote reconciliation.

amendments to the Constitution that would provide for the national collection and distribution of oil revenues.

Legislation restructuring the Ministry of Oil has been drafted but has not yet been submitted to the Council of Ministers, according to State.

Legislation establishing the Iraq National Oil Company (INOC) is being drafted, according to State.

Appendix IV: Benchmark 4 – Semi-Autonomous Regions

Enacting and implementing legislation on procedures to form semi-autonomous regions.

GAO Assessment as of August 30, 2007: Partially met[1]

Issue

Iraq's Constitution requires the Council of Representatives to enact a law that defines the executive procedures needed to form regions within 6 months of the date of its first session. Some Iraqi legislators believe that the right to form regions, with authority similar to the Kurdistan region, would help protect their rights.

Status

In October 2006, the Iraqi legislature passed a law establishing procedures to form regions, but the law delays implementation for 18 months.[2] According to U.S. officials, this means that no steps to form regions, such as holding provincial referendums, can be taken before April 2008. According to State, this is in the best interests of Iraq as it will allow the government to deal with some outstanding issues. The United Nations has identified two issues that may impact implementation of this law—the ongoing review of Iraq's Constitution and the capacity of new regional governments.

According to members of Iraq's Constitutional Review Committee (CRC), the law on procedures to form regions was delayed for 18 months to allow the constitutional review process to be completed. Some of the proposed amendments to the constitution would clarify the powers of the federal government versus regions and governorates For example, according to the United Nations, the CRC proposed amendments that would give federal law priority over regional law with respect to water, customs, ports, and oil and revenue sharing. Other proposed amendments would

[1]For those legislative benchmarks requiring the enacting and implementing of legislation, we defined a benchmark as "met" if all components of the relevant law have been enacted and implemented; defined the benchmark as "partially met" if the law has been enacted but not implemented or, in instances involving multiple pieces of legislation, at least half have been enacted and implemented; and defined "not met" as having not met the requirements of "met" or "partially met."

[2]Iraq has 18 governorates and the Iraqi Constitution states that one or more governorates have the right to organize into a region. Article 117 of the Constitution further recognizes the region of Kurdistan, which consists of three provinces in northern Iraq. The final version of the law on executive procedures regarding the formation of regions states that a region consists of one province or more.

give the federal government exclusive power over electricity generation, railways, and pension funds.[3] Moreover, the constitutional review could also help resolve the status of disputed areas, which could impact regional boundaries. Until the constitutional review is completed and the constitutional referendum is held, residents in areas considering regional formation may not have all the information they need to make decisions.

The capability of the regions to govern themselves will also impact implementation of the law. Article 121 of the Constitution accords significant executive, judicial, and management authorities to the regions. The regions have responsibility for maintaining their internal security forces, administering allocations from national revenues, and maintaining representational offices in embassies and consuls. Moreover, the law on formation of regions provides that once formed, the regions must undertake to create elected provisional legislative councils. According to the United Nations, this will require a substantial investment of resources and significant management responsibility. GAO has reported on significant shortages of competent personnel in national ministries charged with delivering services to the Iraqi people; moreover, these shortages are greater at the provincial level of government, according to State and USAID officials. We have also reported that the poor security situation and high levels of violence have contributed to the continued and

[3]The lack of clarity about power sharing between federal and regional governments is highlighted by problems over power generation. As of the summer of 2007, a number of provinces have been ignoring the federal government's shared authority over power generation and distribution by failing to provide their required allocations of power to Baghdad, contributing to national blackouts. In August 2007, these provincial authorities were threatening to disconnect their local power generating sources from the national electricity grid.

accelerating "brain drain" of professional Iraqis that would be needed to manage the new regional administrations.[4]

[4]GAO, *Securing, Stabilizing, and Rebuilding Iraq: Key Issues for Congressional Oversight*, GAO-07-308SP (Washington, D.C.: Jan. 9. 2007); GAO, forthcoming *Stabilizing and Rebuilding Iraq: U.S. Ministry Capacity Development Efforts Need an Overall Integrated Strategy to Guide Efforts and Manage Risk*, GAO-07-903 (Washington, D.C.: Sept. 18, 2007).

Appendix V: Benchmark 5 – Electoral Legislation

Enacting and implementing legislation establishing an Independent High Electoral Commission, provincial elections law, provincial council authorities, and a date for provincial elections.

GAO Assessment as of August 30, 2007: Not met[1]

Issue

When provincial elections were first held on January 2005, many Sunnis boycotted the election, resulting in largely Shi'a and Kurd provincial councils in provinces with majority Sunni populations. To redress the under-representation of Sunnis in provincial councils, Iraq needs to hold new provincial elections, but must first establish an electoral commission, write provincial election laws, define provincial powers so voters know the stakes, and set a date for elections.

Status

Although the government of Iraq has enacted and implemented legislation establishing an Independent High Electoral Commission (IHEC), it has not enacted and implemented legislation establishing a provincial elections law, provincial council authorities, or a date for provincial elections.

- Although the government of Iraq has enacted and implemented legislation to establish an IHEC, certain steps still remain in establishing the commission. According to the U.S. government, the Council of Representatives (COR) passed the IHEC Law on January 23, 2007, and subsequently appointed the nine IHEC Commissioners, as required under the law, in a process the UN deemed in compliance with international standards. However, a provision in the IHEC law requires the COR to nominate and the Board of Commissioners to appoint the directors of the Governorate Electoral Offices in each province. Twelve of these positions are vacant, but, according to State, the process of appointing the directors is progressing. The law also requires the IHEC to establish and update a voter registry in collaboration with the Governorate and Regional Electoral Offices. However, before they can complete an update of the voter registry (which was last updated in mid-2005), an election law must

[1]For those legislative benchmarks requiring the enacting and implementing of legislation, we defined a benchmark as "met" if all components of the relevant law have been enacted and implemented; defined the benchmark as "partially met" if the law has been enacted but not implemented or, in instances involving multiple pieces of legislation, at least half have been enacted and implemented; and defined "not met" as having not met the requirements of "met" or "partially met."

be enacted that defines the residency and voter eligibility requirements. Finally, the IHEC still needs a budget to fund its activities.

- Iraq has not enacted and implemented legislation for provincial elections. According to the U.S. Embassy in Baghdad, the Prime Minster's office is drafting legislation governing provincial elections, including setting a date for elections to occur. However, according to the Embassy, some key political parties are hesitant to hold provincial elections due to concerns that they will lose representation, potentially to more extreme parties. Additionally, several parties are demanding that any election law ensure that eligible refugees and internally displaced persons be allowed to vote.

- Provincial powers legislation, which will define the authorities and structures of local governments, has not been enacted and implemented. According to the U.S. government, the draft legislation has been approved and submitted to the Council of Representatives, where it has had two of the three required readings. However, the U.S. government reported in July 2007 that changes were being considered, particularly related to the powers of the governor and the authority of the federal government at the local level. The U.S. Embassy cited key issues with the draft, including that it cedes most power to the provinces. The United Nations pointed out that the draft fails to clarify the role of the governorate and that the draft law does not deal adequately with the effective delivery of public goods and services in the governorates. According to the U.S. Embassy, on July 8, 2007, the relevant COR committee presented a report outlining suggested changes to the law, some of which the Embassy supported.

- The government of Iraq has not set a date for provincial elections. The Iraq Study Group emphasized the need for provincial elections at the earliest possible date. The Embassy is urging the Iraqi government to take the legislative and administrative action necessary to ensure timely and fair elections. According to the U.S. Embassy, it is intensively engaged with the Iraqi government and the COR at all levels to expedite legislation or amendments to existing legislation that will allow provincial elections to take place and secure funding for elections.

In comments on this appendix, State said that this benchmark should be partially met since the Iraq High Electoral Commission has been established and the benchmark calls only for its establishment. However, the benchmark requires more than the establishment of the IHEC, and Iraq has not enacted and implemented a provincial elections law, provincial council authorities, or a date for provincial elections, as required by the benchmark.

Appendix VI: Benchmark 6 – Amnesty Legislation

Enacting and implementing legislation addressing amnesty.

GAO Assessment as of August 30, 2007: Not met[1]

Issue

Iraqi government officials believe that amnesty for insurgents and others who have not committed terrorist acts is an important tool to promote reconciliation and could help pacify insurgents. In addition, the Iraqi government and coalition forces hold thousands of detainees, some of whom could be eligible for an amnesty program when conditions are right.

Status

The Iraqi government has not drafted legislation on amnesty, according to U.S. officials, and the conditions for a successful program are not present. As figure 2 in the cover letter shows, many steps remain in the legislative process, including drafting the legislation and obtaining approval in the Iraqi cabinet and Council of Representatives. However, the government of Iraq is not pressing for the development of amnesty legislation.

Little Progress Made in Considering Amnesty Legislation

Although amnesty was proposed as part of the Prime Minister's national reconciliation plan in June 2006, little progress has been made. The plan called for issuing amnesty to prisoners not involved in crimes against humanity or terrorist acts. At that time, the Iraqi government announced that it would release 2,500 detainees; 2,500 prisoners were subsequently released. According to U.S. officials in Baghdad, no large-scale releases have been made since 2006, and there has been little discussion of amnesty since then. However, the Prime Minister's office and Iraq's Disarmament, Demobilization, and Reintegration Committee sponsored a workshop on amnesty in May 2007. The workshop recommended that amnesty should not proceed, but rather should result from national reconciliation and that the government's military has to be superior to armed groups as a condition for offering amnesty.

[1]For those legislative benchmarks requiring the enacting and implementing of legislation, we defined a benchmark as "met" if all components of the relevant law have been enacted and implemented; defined the benchmark as "partially met" if the law has been enacted but not implemented or, in instances involving multiple pieces of legislation, at least half have been enacted and implemented; and defined "not met" as having not met the requirements of "met" or "partially met."

The scope of an amnesty program is also an issue. The United Nations takes the position that in considering the categories of perpetrators to be included or excluded in amnesty, international law does not allow amnesty to be granted to those who committed genocide, crimes against humanity, or other serious violations of international humanitarian law. In addition, Iraqi government officials have recommended that an amnesty program consider all detained individuals held by Iraq and by coalition forces. There are currently thousands of detainees, including over 24,000 held by coalition forces. According to multinational force officials, there could be considerably more detainees in the future as the Baghdad security plan progresses. The Coalition's Task Force 134 is building and expanding prison facilities to accommodate additional detainees.

Appendix VII: Benchmark 7 – Militia Disarmament

Enacting and implementing legislation establishing a strong militia disarmament program to ensure that such security forces are accountable only to the central government and loyal to the Constitution of Iraq.

GAO Assessment as of August 30, 2007: Not met[1]

Issue

Militias contribute to the high levels of violence in Iraq, are responsible for sectarian killings, fuel ongoing corruption, and have heavily infiltrated the Iraqi army and national police. Efforts to dissolve or bring militias under control have been ongoing since 2004. In March 2007, 77 percent of Iraqis in a nationwide poll agreed that militias should be dissolved.

Status

The Iraqi government has not drafted legislation on disarming militias. CPA Order 91, issued in 2004, prohibited armed forces and militias within Iraq, except for those allowed under the Order.[2] Multiple steps are needed to enact and implement further legislation to disarm militias. More importantly, according to U.S. officials, conditions are not right for a traditional disarmament, demobilization, and reintegration program (DDR); accordingly, there is currently no momentum in the government of Iraq for such a program. Thus, militias pose a severe challenge to stability and reconciliation in Iraq.

Militias Pose a Challenge, but Little Progress Has Been Made in Demobilizing Them

Militias have contributed to the high levels of violence in Iraq. According to the Defense Intelligence Agency Director, the Jayash al-Mahdi (the militia associated with Muqtada al Sadr), often operates under the protection or approval of Iraqi police to detain and kill suspected Sunni insurgents and civilians. A June 2007 Defense Department report further notes that many Jayash al-Mahdi fighters have left Baghdad as a result of expanded coalition and Iraqi presence. They now engage in ethnic and

[1]For those legislative benchmarks requiring the enacting and implementing of legislation, we defined a benchmark as "met" if all components of the relevant law have been enacted and implemented; defined the benchmark as "partially met" if the law has been enacted but not implemented or, in instances involving multiple pieces of legislation, at least half have been enacted and implemented; and defined "not met" as having not met the requirements of "met" or "partially met."

[2]*Rebuilding Iraq: Resource, Security, Governance, Essential Services, and Oversight Issues* (GAO-04-902R, Washington, D.C.: June 28, 2004).

sectarian violence in northern and central Iraq and have increased conflict with the Badr Organization in southern Iraq leading to a significant increase in attacks against the coalition in Basrah. The June 2007 report also states that Shi'a militia infiltration of the Ministry of Interior is a problem. Militia influence impacts every component of the Ministry, particularly in Baghdad and other key cities.

Despite the challenge the militias pose, little progress has been made to disarm and demobilize them. Nine parties, with militias numbering an estimated 100,000 fighters, agreed to a transition and reintegration process in 2004. The Coalition Provisional Authority estimated that 90 percent of these fighters would complete the transition and reintegration process by January 2005. However, according to the administration's July 15, 2007 report, no armed group has committed to disarm. Moreover, according to U.S. officials in Baghdad, the Iraqi DDR commission has not developed a plan for DDR and has not received funding for its work.

Conditions for Traditional DDR Do Not Exist

A May 2007 UN assessment on DDR for Iraq states that minimum requirements for a successful DDR program in Iraq include a secure environment, the inclusion of all belligerent parties, an overarching political agreement, sustainable funding, and appropriate reintegration opportunities. GAO's reports and analysis show that these conditions do not exist in Iraq. For example:

- As figure 2 in the cover letter shows, the overall level of attacks against Iraqi civilians, coalition personnel, and Iraqi security forces has risen since 2003, creating a poor security environment. Classified and unclassified GAO reports provide further information on security in Iraq.[3]
- In June 2006, the prime minister sought to include insurgent groups as part of his reconciliation plan. However, according to administration and DOD reports, efforts at reconciliation have stalled. In addition, Iraqi officials reject terrorist groups, such as al Qaeda in Iraq, and a report done for the U.S. Embassy comments that some groups cannot be reconciled. Also, the support of external actors is an important element of disarmament and

[3]GAO, Stabilizing Iraq: Factors Impeding the Development of Capable Iraqi Security Forces, GAO-07-612T) Washington, D.C.: March 13, 2007); GAO, *Securing, Stabilizing, and Rebuilding Iraq: Key Issues for Congressional Oversight*, (GAO-07-308SP) Washington, D.C.: January 9, 2007; GAO, *Rebuilding Iraq: DOD Reports Should Link Economic, Governance, and Security Indicators to Conditions for Stabilizing Iraq*, (GAO-06-217C) Washington, D.C.: October 31, 2005.

demobilization, but according to U.S. reports, some external groups are not helpful. For example, Iran's Islamic Revolutionary Guard provides deadly arms and funding to Iraq's militias and contributes to the ongoing instability.

The Iraqi government provided $150 million for DDR in its 2007 budget and the Congress has made available up to $156 million from the Iraq Security Forces fund, to be used to assist the government of Iraq for this purpose. However, Iraq has prepared no plan for DDR and has not made progress in enacting legislation. Thus, it is uncertain whether such funding is needed at this time.

Appendix VIII: Benchmark 8 – Baghdad Security Plan Committees

Establish supporting political, media, economic, and services committees in support of the Baghdad Security Plan.

GAO Assessment as of August 30, 2007: Met[1]

Issue

The U.S. and Iraqi governments began the current Baghdad security plan[2] in mid-February 2007 to stem the violence in Baghdad and surrounding areas. During the summer of 2006, MNF-I and the Iraqi security forces implemented two other plans to secure Baghdad, but these operations failed to reduce violence for a variety of reasons. Unlike the earlier operations, the current Baghdad Security Plan encompasses political, economic, and security activities that the Iraqi government needed to coordinate at the national level.

Status

In February 2007, the Iraqi government created the Executive Steering Committee (the executive committee) and six subcommittees to coordinate political, economic and military activities and make decisions in support of the Baghdad Security Plan. According to a Department of State official, the executive committee's major objective was to increase the coordination and capacity of the Iraqi government to improve the quality of life of Baghdad's population as part of the Baghdad Security Plan. Each of the subcommittees addresses one of six issues related to the plan's implementation: economics, services, political, communication, popular mobilization, and security. The executive committee and subcommittees meet on a weekly basis.

The committees consist of Iraqi and U.S. participants. The Iraqi Prime Minister chairs the executive committee, while senior-level Iraqi ministry officials chair the various subcommittees. For example, a deputy prime minister chairs the economic subcommittee and the services subcommittee. Representatives from the relevant Iraqi ministries serve on each subcommittee. Two senior U.S. officials are observers to the

[1]We defined this benchmark as "met" if the committees were established in support of the Baghdad Security Plan; defined this benchmark as "partially met" if at least half of the committees were established in support of the Baghdad Security Plan; and defined this benchmark as "not met" if less than half of the committees were established in support of the Baghdad Security Plan.

[2]The current Baghdad security plan is also known as Operation Fardh al-Qanoon.

executive committee and attend its weekly meetings. A senior MNF-I or U.S. embassy official is also assigned to each subcommittee. This official provides advice on the subcommittees' agendas and other support when called upon.

According to a Department of State official, the executive committee and subcommittees have worked to ensure that the Iraqi government provided sufficient Iraqi forces to assist MNF-I in implementing the Baghdad Security Plan. For example, when the Iraqi Army provided brigades that were not at full strength, the executive committee and security subcommittee identified forces from other parts of the country to move to Baghdad. The committees also found ways to house and feed the Iraqi troops supporting the security plan. In addition, the communication subcommittee has helped publicize the security plan's goals and the other subcommittees' efforts to get resources to Baghdad districts that have been cleared of insurgents.

We did not assess the effectiveness of the executive committee or subcommittees in providing overall coordination and supporting the implementation of the Baghdad Security Plan. However, the administration's July 2007 report to Congress stated that the effectiveness of each committee varied.

Appendix IX: Benchmark 9 – Iraqi Brigades

Provide three trained and ready Iraqi brigades to support Baghdad operations.

GAO Assessment as of August 30, 2007: Partially met[1]

Issue

During the summer of 2006, a large number of Iraqi security forces refused to deploy to Baghdad to conduct operations in support of the previous Baghdad Security Plans. In January 2007, the President said that the Iraqi government had agreed to resolve this problem under the current plan and had committed three additional Iraqi brigades to support the new plan.

Status

Since February 2007, the Iraqi government deployed nine Iraqi army battalions equaling three brigades for 90-day rotations to support the Baghdad Security Plan. In the July 2007 report, the administration stated that the Iraqi government had difficulty deploying three additional army brigades to Baghdad at sufficient strength. In commenting on our draft report, DOD stated that current present for duty rates for deployed units is 75 percent of authorized strength. However, the July 2007 administration report stated that the government has deployed battalions from multiple Iraqi Army divisions to provide the required three brigade-equivalent forces to support the Baghdad security plan. After the initial deployment of the required brigades, the Iraqi government began the rotation plan. 19 units have currently deployed in support of the Baghdad security plan. Several of these units voluntarily extended, and others were rotated every 90 days in accordance with the plan. In addition, all of the Iraqi units had pre-deployment training to support operations in Baghdad. The administration's July 2007 report states that progress toward this benchmark has been satisfactory, and the overall effect has been satisfactory in that three brigades are operating in Baghdad.

However, in commenting on this report, DOD stated that performance of the units currently supporting Baghdad operations has been varied. Some

[1]We defined this benchmark as "met" if the government of Iraq had provided three trained and ready brigades, or an equivalent number of battalions, to support Baghdad operations; as "partially met" if some of the units were trained and ready to support Baghdad security operations; and as "not met" if none of the units provided were trained and ready to support Baghdad security operations. The assessment was based on each unit's transition readiness assessments and intelligence reporting on their reliability. Consequently, our determination of "partially met" was based largely on classified information. (see classified appendix).

units had performed exceptionally well, proven themselves and raised their readiness ratings. Others had marked time and slowly regressed over their 90-day deployment. Of the 19 Iraqi units that had supported operations in Baghdad, 5 units had performed well while the remaining had proven to be problematic for several reasons: lack of personnel, lack of individual fighting equipment and lack of vehicles to conduct their assigned missions. We obtained classified information that indicates other problems with these Iraqi army units. Our classified briefing report provides more information on this benchmark.

Appendix X: Benchmark 10 – Commander's Authority

Providing Iraqi commanders with all authorities to execute this plan and to make tactical and operational decisions, in consultation with U.S commanders, without political intervention, to include the authority to pursue all extremists, including Sunni insurgents and Shi'ite militias.

GAO Assessment as of August 30, 2007: Not met[1]

Issue

As stated in the President's January 10, 2007, speech on the Baghdad security plan, previous Baghdad security plans failed, in part, because Iraqi political and sectarian interference prevented forces from taking action against militias. According to the administration's initial assessment, Iraq's Prime Minister stated that political or sectarian interference in the affairs of the Iraqi security forces will not be tolerated, and actions have been taken to address political intervention.

Status

In July 2007, the administration reported that the government of Iraq has not made satisfactory progress toward providing Iraqi commanders with all authorities to execute the Baghdad security plan and to make tactical and operational decisions in consultation with U.S. commanders without political intervention. The report noted that political intervention in the conduct of some security operations continues even though new rules of engagement for the Baghdad Operational Command have come into effect and commanders have been given the authority to attack insurgents and militias.

According to U.S. officials and other experts, sectarian and political interference in the conduct of military operations continues. Tribal and ethno-sectarian loyalties remain strong within many Iraqi military units, hindering efforts to take actions against militias. These loyalties are often the basis for relationships between key officers in units and higher-level authorities who are not always in the direct chain of command. For example, sectarian militias control many local police. Additionally, some army units sent to Baghdad have mixed loyalties, and some have had ties to Shi'a militias making it difficult to target Shi'a extremist networks.

[1]We defined this benchmark as "met" if Iraqi commanders did not face political intervention in executing the plan and making tactical and operational decisions. We defined this benchmark as "not met" if Iraqi commanders faced political intervention in executing the plan and making tactical and operational decisions.

Further, according to DOD, evidence exists of target lists emanating from the Office of the Commander in Chief that bypassed operational commanders and directed lower-level intelligence officers and commanders to make arrests, primarily of Sunnis. In addition, sectarian bias in the appointment of senior military and police commanders continues, giving rise to suspicions that political considerations may drive Iraqi commanders' decisions about which operations to undertake or support.

In commenting on this benchmark, DOD noted that all 9 of the brigade commanders and 17 of the 27 national police battalion commanders have been replaced for failure to command or enforce non-sectarian operations.

Appendix XI: Benchmark 11 – Iraqi Security Forces Enforcement of the Law

Ensuring that Iraqi Security Forces are providing even-handed enforcement of the law.

GAO Assessment as of August 30, 2007: Not met[1]

Issue

During 2006, according to a Department of State human rights report, the Iraqi security forces committed serious human rights violations in Baghdad and other areas of Iraq. These actions added to the increasing violence against the civilian population during 2006. In support of the Baghdad security plan, the Iraqi Prime Minister pledged to provide even-handed enforcement of the law.

Status

According to U.S. reports, the government of Iraq has not ensured that the Iraqi security forces are providing even-handed enforcement of the law. In May 2007, the U.S. Commission on International Religious Freedom[2] reported that Iraq's Shi'a-dominated government bears responsibility for engaging in sectarian-based human rights violations, as well as tolerating abuses committed by Shi'a militias with ties to political factions in the governing coalition. According to the commission, the Iraqi government through its security forces has committed arbitrary arrest, prolonged detention without due process, targeted executions, and torture against non-Shi'a Iraqis. In committing these abuses, the security forces target Sunnis on the basis of their religious identity, as well as terrorists and insurgents.

Furthermore, the commission reported that the Iraqi government tolerates and fails to control religiously motivated attacks and other abuses carried out by Shi'a militias, specifically Jayash al-Mahdi and Badr Organization. These militias have targeted Sunnis on the basis of their religious identity

[1]We defined this benchmark as "met" if Iraqi security forces provided even-handed enforcement of the law. We defined this benchmark as "not met" if Iraqi security forces did not provide even-handed enforcement of the law.

[2]U.S. Commission on International Religious Freedom, *Annual Report of the U.S. Commission on International Religious Freedom* (Washington D.C.: May 2007). The U.S. Commission on International Religious Freedom was created by the International Religious Freedom Act of 1998 (IRFA) to monitor violations of the right to freedom of thought, conscience, and religion or belief abroad, as defined in IRFA and set forth in the Universal Declaration of Human Rights and related international instruments, and to give independent policy recommendations to the President, Secretary of State, and Congress.

and have committed such abuses as abductions, beatings, targeted killings, intimidation, forced resettlement, murder, rape, and torture. According to the commission's report, relationships between these militias and leading Shi'a factions within Iraq's ministries and governing coalition indicate that the Jayash al-Mahdi and Badr Organization are parastate actors operating with impunity or even with governmental complicity.

In mid-August 2007, Department of State officials stated that the Iraqi government and security forces continue to engage in sectarian-based abuses. State's March 2007 human rights report[3] cited widely reported incidents of unauthorized government agent involvement in extrajudicial killings throughout the country. These incidents included Shi'a militia members wearing police uniforms and driving police cars in carrying out killings and kidnapping in the southern city of Basra. In addition, death squads affiliated with the Ministry of Interior targeted Sunnis and conducted kidnapping raids in Baghdad and its environs, largely with impunity.

The administration's July 2007 report stated that the Iraqi government and many Iraqi security force units are still applying the law on a sectarian basis when left on their own. The report attributed any progress made by the security forces in enforcing the law more even-handedly to the presence of coalition units and embedded training teams, rather than to the Iraqi government.

[3]U.S. Department of State, *Country Reports on Human Rights* (Washington, D.C.: Mar. 6, 2007).

Appendix XII: Benchmark 12 – Safe Havens

Ensuring that, according to President Bush, Prime Minister Maliki said "the Baghdad security plan will not provide a safe haven for any outlaws, regardless of [their] sectarian or political affiliation."

GAO Assessment as of August 30, 2007: Partially met[1]

Issue

As stated in the President's January 10, 2007, speech on the Baghdad security plan, previous plans to secure Baghdad have failed, in part, because political and sectarian interference and rules of engagement in place for those plans prevented Iraqi and coalition forces from entering neighborhoods that are safe havens to those fueling the sectarian violence. On January 6, 2007, the Iraqi Prime Minister stated, "The Baghdad security plan will not offer a safe shelter for outlaws regardless of their ethnic and political affiliations, and we will punish anyone who hesitates to implement orders because of his ethnic and political background."

Status

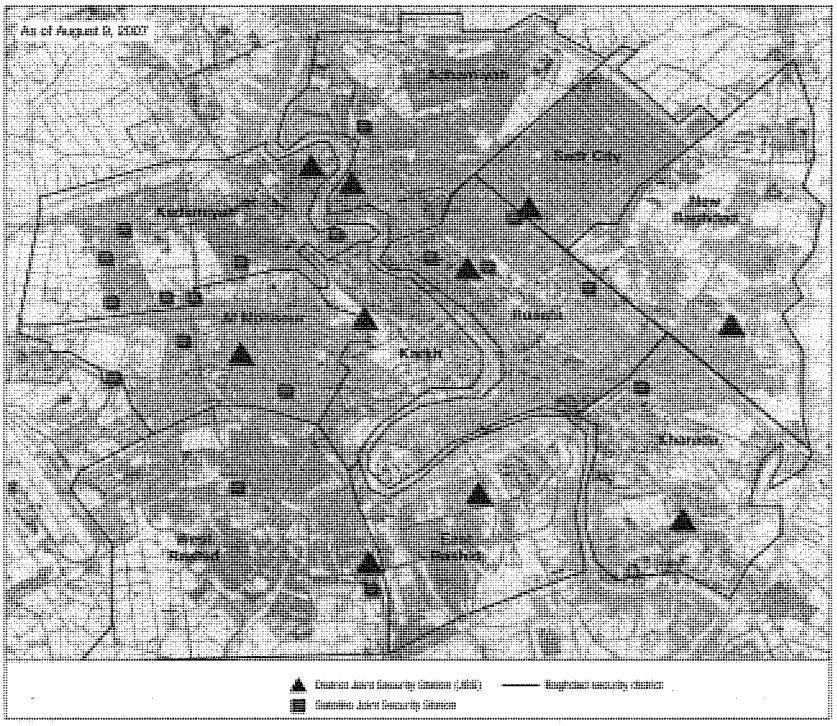
Although the Iraqi government has allowed MNF-I to conduct operations in all areas of Baghdad, temporary safe havens still exist due to strong sectarian loyalties and militia infiltration of security forces. According to State, terrorist safe havens are defined as ungoverned, under-governed, or ill-governed areas of a country and non-physical areas where terrorists that constitute a threat to U.S. national security interests are able to organize, plan, raise funds, communicate, recruit, train, and operate in relative security because of inadequate governance capacity, political will, or both.

U.S. commanders report overall satisfaction with their ability to target any and all extremist groups. In commenting on our draft report, DOD stated that coalition forces and Iraqi security forces conducted over eighty operations that span each sector of Sadr City from January to August 2007. According to DOD, the surge has resulted in significant reductions in safe havens for al Qaeda in Iraq inside Baghdad and in al Anbar and Diyala provinces. In previous Baghdad operations, the Iraqi government prevented Iraqi and coalition forces from going into Sadr City. Although MNF-I conducts operations in Sadr City, MNF-I and Iraqi security forces

[1]We defined this benchmark as "met" if Iraqi government policy did not allow safe havens and none existed; defined this benchmark as "partially met" if Iraqi government policy prohibited safe havens yet some existed; and defined this benchmark as "not met" if the Iraqi government had no stated policy on safe havens.

maintain only one Joint Security Station on the border of Sadr City, with none within the city itself (see fig. 4). In addition to Joint Security Stations, MNF-I established about 30 coalition outposts throughout Baghdad, including one on the border of Sadr City.

Figure 4: Location of Joint Security Stations and Coalition Outposts in Baghdad



Source: Multinational Division-Baghdad.

However, due to sectarian influence and infiltration of Iraqi security forces and support from the local population, anti-coalition forces retain the freedom to organize and conduct operations against coalition forces. Thus

temporary safe havens still exist in Baghdad, which supports a rating of partially met. A June 2007 DOD report describes some of the conditions that allow safe havens to exist. For example, the Shi'a militia continues to function as the de facto government in Sadr City. Further, militia influence impacts every component of the Iraqi Ministry of the Interior, particularly in Baghdad and several other key cities, according to the DOD report.

Our classified briefing report provides more information on the existence of safe havens.

Appendix XIII: Benchmark 13 – Sectarian Violence and Militia Control

Reducing the level of sectarian violence in Iraq and eliminating militia control of local security.

GAO Assessment as of August 30, 2007: Not met[1]

Issue

During 2006, according to State and UN reports,[2] insurgents, death squads, militias, and terrorists increased their attacks against civilians, largely on a sectarian basis. In addition, the number of internally displaced persons in Iraq sharply increased following the February 2006 bombing of the Samarra mosque, primarily as a result of sectarian intimidation and violence that forced many people from their homes. By the end of 2006, according to the UN, many Baghdad neighborhoods had become divided along Sunni and Shi'a lines and were increasingly controlled by armed groups claiming to act as protectors and defenders of these areas.[3] In January 2007, the President announced that the United States would increase force levels in Iraq to help the Iraqis carry out their campaign to reduce sectarian violence and bring security to Baghdad.

Status

While it is not clear if sectarian violence has been reduced, militia control over security forces has not been eliminated and remains a serious problem in Baghdad and other areas of Iraq.

According to the administration's July 2007 report to Congress, MNF-I data showed a decrease in sectarian violence, particularly in Baghdad, since the start of the Baghdad security plan. MNF-I counts sectarian incidents and

[1]We defined this benchmark as "met" if there was clear and reliable evidence that the level of sectarian violence was reduced and militia control of local security was eliminated; defined this benchmark as "partially met" if there was clear and reliable evidence that the level of sectarian violence was reduced or if militia control of local security was eliminated, but not both; and defined this benchmark as "not met" if there was no clear and reliable evidence that the level of sectarian violence was reduced and that militia control of local security was eliminated.

[2]U.S. Department of State, *Country Reports on Human Rights* (Washington, D.C.: Mar. 6, 2007); UN Assistance Mission for Iraq (UNAMI), *Human Rights Report* (Sept. 1-Oct. 31, 2006); UNAMI, *Human Rights Report* (Nov. 1-Dec. 31, 2006).

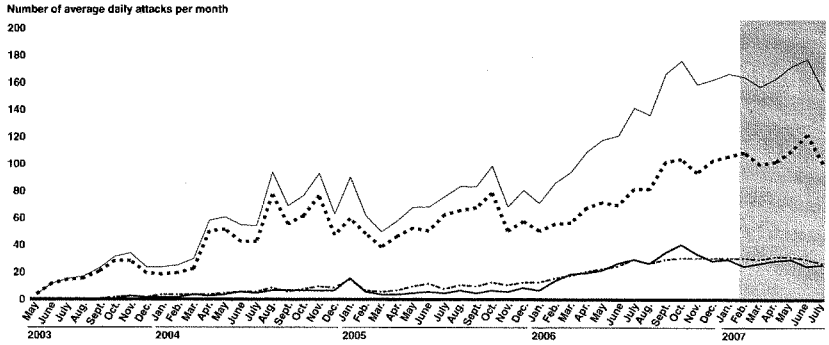
[3]According to State's human rights report, an overall campaign aimed at forcibly displacing citizens was the main reason for the increasing polarization of areas within and outside Baghdad during 2006. State noted numerous reports that indicated a Shi'a militia, the Jayash al-Mahdi, was responsible for a growing number of raids and killings of Sunni citizens in Baghdad and other parts of the country during the year.

murders in determining trends in sectarian violence.[4] The administration's July 2007 report concluded that the Iraqi government, with substantial coalition assistance, had made satisfactory progress toward reducing sectarian violence. The report acknowledged that precise measurements vary, and it was too early to determine if the decrease would be sustainable.

GAO cannot determine whether sectarian violence in Iraq has been reduced because measuring such violence requires understanding the perpetrator's intent, which may not be known. The number of attacks targeting civilians and population displacement resulting from sectarian violence may serve as additional indicators. For example, as displayed in figure 5, the average number of daily attacks against civilians remained about the same over the last six months. The decrease in total average daily attacks in July is largely due to a decrease in attacks on coalition forces rather than civilians.

[4]DOD, *Measuring Stability and Security in Iraq* (Washington, D.C.: June 2007).

Figure 5: Average Number of Daily, Enemy-Initiated Attacks Against the Coalition, Iraqi Security Forces, and Civilians (May 2003–July 2007)



Source: GAO analysis of DIA-reported Multi-National Force-Iraq data, July 2007.

While overall attacks declined in July compared with June, levels of violence remain high. Enemy initiated attacks have increased around major religious and political events, including Ramadan and elections.[5] For 2007, Ramadan is scheduled to begin in mid-September.

The August 2007 National Intelligence Estimate on Iraq[6] (NIE) also reports that the level of overall violence in Iraq, including attacks on and casualties among civilians, remains high. Further, the NIE states that Iraq's

[5]Ramadan is the ninth month of the Islamic calendar. Over the past 4 years, Ramadan began about October 27, 2003; October 16, 2004; October 5, 2005; and September 24, 2006.

[6]National Intelligence Council, *Prospects for Iraq's Stability: Some Security Progress but Political Reconciliation Elusive, Update to NIE, Prospects for Iraq's Stability: A Challenging Road Ahead* (Washington, D.C.: August 2007).

security will continue to improve modestly, but that levels of insurgent and sectarian violence will remain high over the next 6 to 12 months. Similarly, recent March and June 2007 United Nations reports state that attacks against civilians persist and the continuing systematic, widespread attacks against the civilian population in Iraq are tantamount to crimes against humanity and violate the laws of war.

The violence in Iraq has resulted in a large number of Iraqis displaced from their homes. A report by the Iraqi Red Crescent Organization found that internally displaced persons increased from about 499,000 in February 2007 to about 1,128,000 in July 2007. The United Nations High Commissioner for Refugees (UNHCR) estimated that an additional 1.8 million Iraqi citizens were displaced to nearby countries, primarily to Jordan, Syria, Lebanon, Iran, and Egypt. The UNHCR predicted that 40,000 to 50,000 people will continue to be displaced each month even if the security plan succeeds in solving the displacement problem. Currently, the number of displaced persons is increasing at an average of 80,000 to 100,000 each month, according to the Red Crescent.

The August 2007 National Intelligence Estimate for Iraq stated that population displacement resulting from sectarian violence continues, imposing burdens on provincial governments and some neighboring states. As the International Organization for Migration and the UN recently reported, most of Iraq's internally displaced persons are moving from mixed areas[7] to seek refuge in homogeneous areas, largely because of direct threats or forcible displacement from their homes due to their religious and sectarian identities. Where population displacements have led to significant sectarian separation, according to the August 2007 National Intelligence Estimate, conflict levels have diminished to some extent because warring communities find it more difficult to penetrate communal enclaves.

Our classified report provides further information on trends associated with violence in Iraq.

[7]According to a UN report, sectarian violence was most pronounced in areas with diverse ethnic and religious groups or where such groups were located in close proximity to each other, such as in Baghdad, Diyala, Kirkuk, and Mosul. Anbar province, where attack levels have decreased significantly over the past several months, is a predominantly Sunni Arab province.

Militia control over local security forces – the second part of the benchmark—has not been eliminated. Numerous U.S. and UN reports have stated that militias still retain significant control or influence over local security in parts of Baghdad and other areas of Iraq. For example, in July 2007, the administration reported that militia presence is still strong and will likely remain so until the security situation begins to stabilize. The report stated that the Iraqi government has made unsatisfactory progress towards eliminating militia control of local security, which continues to negatively affect the public perception of the authority and fairness of the Iraqi government. In addition, DOD's June 2007 report to Congress called militia influence of local police a significant problem and added that some security forces remain prone to intimidation by, or collusion with, criminal gangs. Further, the Department of State's human rights report characterized Iraqi police effectiveness as seriously compromised by militias and sectarianism, with rampant corruption and a culture of impunity. Finally, in March 2007, the United Nations reported cases of possible collusion between armed militia and Iraqi security forces in raids and security operations, as well as the failure of these security forces to intervene and prevent kidnapping and murder and other crimes.

Appendix XIV: Benchmark 14 – Joint Security Stations

Establishing all of the planned joint security stations in neighborhoods across Baghdad.

GAO Assessment as of August 30, 2007: Met[1]

Issue

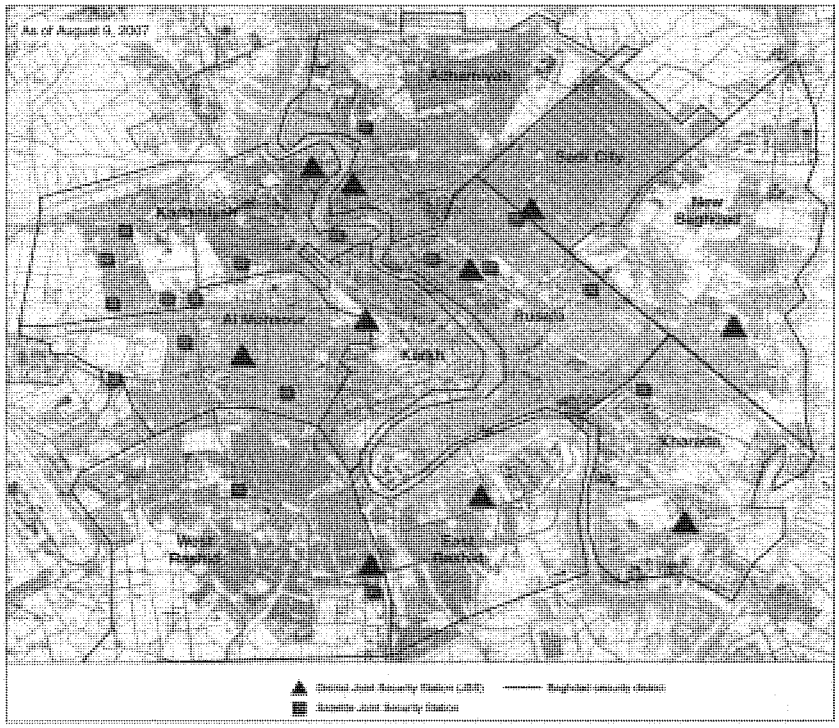
Past Baghdad security plans failed, in part, because the coalition and Iraqi forces did not hold neighborhoods after clearing them of insurgents. The current Baghdad security plan and the related increase of U.S. and Iraqi forces into Baghdad is intended to clear insurgents, militias, and organized criminal gangs from neighborhoods; maintain a security presence in those areas; and provide for follow-on assistance efforts. As part of this effort, MNF-I and Iraqi security forces are establishing Joint Security Stations across Baghdad to improve population protection by providing a continuous presence in Baghdad's neighborhoods.

Status

As of August 9, 2007, the Iraqi government, with substantial coalition assistance, had established 32 of the 34 planned Joint Security Stations in Baghdad (see fig. 6). This figure includes Joint Security Stations that had achieved initial or full operational capability.

[1]We defined this benchmark as "met" if nearly all of the planned Joint Security Stations were established. We defined this benchmark as "partially met" if half of the planned Joint Security Stations were established. We defined this benchmark as "not met" if less than half of the planned Joint Security Stations were established.

Figure 6: Map of Joint Security Stations in Baghdad, as of August 9, 2007



Source: Multinational Division-Baghdad.

Note: Figure 6 shows the 28 joint security stations that were located in Baghdad's security districts as of August 9, 2007. Three additional joint security stations are located in Baghdad but are outside of the security districts, and another joint security station has been transferred to Iraqi control.

Joint Security Stations are staffed by Iraqi local police, national police, and army personnel, as well as coalition forces. According to the administration's July 2007 report, the security stations are designed to improve population protection by providing a 24-hour security presence in Baghdad neighborhoods. They also allow greater oversight of Iraqi security forces by U.S. military personnel.

Appendix XV: Benchmark 15 – Iraqi Security Forces Operating Independently

Increasing the number of Iraqi security forces' units capable of operating independently.

GAO Assessment: Not met[1]

Issue

In August 2003, the Coalition Provisional Authority dissolved the Iraqi military and began the process of rebuilding the Iraqi military and police. Since 2003, the United States has provided about $19.2 billion to train and equip about 350,000 Iraqi soldiers and police officers, in an effort to develop Iraqi security forces, transfer security responsibilities to them and the Iraqi government, and ultimately withdraw U.S. troops from Iraq. The coalition began embedding transition teams with Iraqi security forces in 2005 to help develop their ability to conduct counterinsurgency operations. These teams use the Operational Readiness Assessment process to evaluate the readiness of Iraqi security force units to conduct operations with or without coalition support.[2]

Status

While the Iraqi security forces have grown in size and are increasingly leading counterinsurgency operations, the number of Iraqi army units operating independently decreased between March 2007 and July 2007.[3] According to the administration's July 2007 report, an Iraqi unit can be considered independent if it has achieved an Operational Readiness Assessment rating of level 1, which means it is capable of planning, executing, and sustaining counterinsurgency operations.[4]

Manning shortages as well as logistics and sustainment shortfalls have contributed to the decrease in the number of Iraqi battalions capable of

[1]We defined this benchmark as "met" if the government of Iraq increased the number of Iraqi security forces' units capable of operating independently. We defined this benchmark as "not met" if the government of Iraq did not increase the number of Iraqi security forces' units capable of operating independently.

[2]The Operational Readiness Assessment was previously known as the Transitional Readiness Assessment process.

[3]As of May 2007, the Iraqi army had established over 100 battalions.

[4]In 2006, MNF-I changed the definition of a level 1 unit. Previously, in guidance provided to coalition transition teams for use in evaluating Iraqi security forces, a level 1 unit was said to be fully capable of planning, executing, and sustaining independent operations. In 2006, MNF-I removed the words "fully" and "independent" from the definition. DOD officials could not provide a rationale for the change.

operating independently, according to DOD reports. Sectarian and militia influences further complicate the development of Iraqi forces. In June 2007, DOD reported that while coalition forces are the target of most enemy attacks, Iraqi security forces and civilians account for the majority of casualties, contributing to the decline in the readiness of some Iraqi units. Attrition also has affected the Iraqi security forces. Annual attrition is estimated to be between 15 and 18 percent for the Iraqi army and between 20 and 22 percent for the police. In addition, according to a June 2007 report from DOD to Congress, only about 65 percent of authorized Iraqi personnel are in the field at any given time due to a liberal leave policy and absences without leave. To increase the number of soldiers on hand for operations, the Iraqi government and MNF-I decided that they will increase manning to 120 percent of authorization levels.[5]

Due to Iraq's immature logistics systems, many Iraqi military and police units will continue to depend on MNF-I for key sustainment and logistics support until December 2008. DOD reports that the Iraqi forces' limited capacity in these areas hinders their ability to assume missions from MNF-I and requires continued development in some key areas through the end of 2008. For instance, DOD has set a December 2008 goal for the Iraqi government to provide day-to-day items such as food, water, and electricity to the Ministry of Defense's National Depot. In addition, the Ministry of Interior aims to become self sufficient in procuring and managing repair parts by the end of 2008.

MNF-I and the Iraqi government continue to struggle with sectarian and militia influences while trying to develop the Iraqi security forces. Because of the sectarian leaning of some national police units, MNF-I is providing continuing oversight of Iraqi security forces. In addition, militia influence affects every component of the Ministry of the Interior, especially in Baghdad and other key cities, according to DOD. This influence, along

[5]The administration's July 2007 interim assessment stated that the number of units assessed at level 1 had decreased, in part, due to a 20-percent increase in unit authorization levels.

with corruption and illegal activity, constrains progress in the development of Ministry of Interior forces.

Appendix XVI: Benchmark 16 – Minority Party Rights

Ensuring that the rights of minority political parties in the Iraqi legislature are protected.

GAO Assessment as of August 30, 2007: Met[1]

Issue

Minority parties or groups had no rights under the former Ba'athist regime. Ensuring the rights of minority parties was a key Iraqi goal to ensure broad representation and fairness in the new Iraq.

Status

The rights of minority political parties in the Iraqi legislature are protected through provisions in the Iraqi Constitution and the Council of Representatives' by-laws. However, in practice, the rights of minorities throughout Iraq remain unprotected.

Rights of Minority Political Parties in the Legislature Are Protected

The Iraqi Constitution and the Council of Representatives' by-laws include provisions to ensure the full participation of minority political parties within the Iraqi Council of Representatives. These provisions include:

- Article 39 of Iraq's Constitution, which guarantees the freedom to form and join associations and political parties and also prohibits forcing any person to join in any party, society, or political entity or to continue membership in it.
- Article 3 of the Council of Representatives by-laws, which guarantees the freedom of expressions, opinions, and thoughts of all members of the Council of Representatives. This guarantee is made regardless of a representative's party or political affiliation in a way that does not contradict the provisions of the Constitution, including the freedom of objective opposition, constructive criticism, and achieving cooperation between the Council of Representatives and other constitutional institutions.

[1]We considered this benchmark as "met" if the Iraqi government had laws or regulations ensuring the rights of minority parties in the legislature and minority parties received these rights; considered this benchmark as "partially met" if the Iraqi government had such laws but did not protect these rights; and considered this benchmark as "not met" if the Iraqi government had no law or regulation protecting minority party rights.

According to Iraqi legislators from minority parties, their rights in the legislature are protected and they are not physically intimidated. The legislators also said that they have the right to speak before Parliament, and to offer legislation even though they are often not consulted on legislative issues. According to the U.S. government, the electoral system—provincial proportional representation—that was used to elect the current Council was chosen in 2005 to balance a number of factors, including the ability of women and small minority parties to gain representation. The Council of Representatives elected in December 2005 includes members from the Shi'a, Sunni, Kurdish, Turkmen, Chaldo-Assyrian Christian, and Yazidi communities.

Human Rights of Iraqi Minorities Across Iraq Remain Unprotected

Although the rights of minority parties are protected in the legislature, widespread violence across Iraq has seriously compromised the government's ability to protect human rights. According to the United Nations, attacks against religious and ethnic minorities continued unabated in most areas of Iraq, prompting these communities to seek ways to leave the country.[2] The conflicts reportedly bear the mark of sectarian polarization and "cleansing" in neighborhoods formerly comprised of different religions.[3] According to a non-governmental organization, all of Iraq's minority communities have suffered violations that include destruction and defacement of religious buildings; mass murder of congregations gathered in and around them; abduction, ransoming, and murder of religious and civic leaders and individuals including children; and forced conversion to Islam using tactics such as death threats, rape, and forced marriage.[4]

In comments on this benchmark, State wrote that GAO should not refer to the general human rights problems of Iraqi minorities because to do so goes beyond the scope of the benchmark and State addresses these problems in other reports. We disagree. We assessed this benchmark as met based on our interpretation of the benchmark and our criteria. However, we believe it is important to provide some context of minority rights in Iraq. Iraqi legislators we interviewed insisted that the situation in

[2]UN Assistance Mission for Iraq, *Human Rights Report*, Jan. 1– Mar. 31, 2007.

[3]Congressional Research Service, *Iraqi Refugees and Internally Displaced Persons: A Deepening Humanitarian Crisis?* (Washington D.C.: Mar. 23, 2007).

[4]Preti Taneja, Minority Rights Group International, *Assimilation, Exodus, Eradication: Iraq's Minority Communities Since 2003* (United Kingdom: February 2007).

their communities has a direct bearing on their work in the legislature, their freedom of movement to and from the legislature, and their ability to engage fully in Iraq political life.

Appendix XVII: Benchmark 17 – Allocating and Spending Iraqi Revenues

Allocating and spending $10 billion in Iraqi revenues for reconstruction projects, including delivery of essential services on an equitable basis.

GAO Assessment: Partially met[1]

Issue

The President's New Way Forward in Iraq identified Iraq's inability to fully spend its own resources to rebuild its infrastructure and deliver essential services as a critical economic challenge to Iraq's self-reliance. Iraqi government funds are a necessary source of financing for Iraq's rebuilding effort, particularly since the United States has obligated most of the $40 billion it provided to Iraq for reconstruction since 2003. However, the government of Iraq has had difficulty spending its resources on capital projects. In 2006, the government spent only 22 percent of its non-provincial capital projects and reconstruction budget. Furthermore, in the critical oil sector, which provides over 90 percent of Iraq's revenues, the government spent less than 3 percent of the $3.5 billion allocated for oil reconstruction projects in 2006. In its 2007 budget, Iraq committed to spending $10 billion on capital projects and reconstruction.

Status

The government of Iraq allocated $10 billion of its revenues for capital projects and reconstruction when it passed its 2007 budget in February 2007, including capital funds for the provinces based on their populations. However, available data from the government of Iraq and analysis from U.S. and coalition officials show that, while spending has increased compared with spending in 2006, a large portion of Iraq's $10 billion capital projects and reconstruction budget in fiscal year 2007 will likely go unspent.[2] Iraq's Financial Management Law generally requires budgeted funds to be spent by the end of the fiscal year. The Ministry of Oil and the provinces (excluding the Kurdistan region) were allocated almost half of the government's 2007 capital projects and reconstruction budget; however, they are unlikely to spend a large share of their budgets in 2007,

[1]We would have considered this benchmark as "met" if the funds had been allocated and either the funds had been spent or there was a high likelihood that they would be spent by the end of the fiscal year. We would have considered this benchmark as "partially met" if funds were allocated but it was not clear that the funds would be spent by the end of the fiscal year. We would have considered the benchmark as "not met" if the funds had not yet been allocated or if funds were allocated but clearly not spent.

[2]Iraq's fiscal year begins on January 1st.

according to U.S. and coalition officials. We are conducting a review of U.S. efforts to help Iraq spend its budget and will issue a separate report at a later date.

Iraq's Ministries Have Increased Spending in 2007, but Are Unlikely to Spend a Large Share of their 2007 Capital Projects and Reconstruction Budgets

The U.S. Embassy in Baghdad reported that Iraqi government ministries spent about $1.5 billion, or 24 percent, of the $6.25 billion allocated to their capital projects and reconstruction budgets through July 15th, just over half-way through the fiscal year.[3] This level of spending already exceeds the $1.4 billion spent in 2006. However, Iraqi ministries have less than 6 months left in the year to spend the remaining 76 percent of their budgets. In its July 2007 report, the administration cited satisfactory progress with this benchmark because the Ministry of Finance was releasing funds to ministries and provinces. The U.S. Embassy reported that the Ministry of Finance released 25 percent and 10 percent of 2007 capital project and reconstruction budget funds to ministries and provinces, respectively, in the first 5 months of the year. However, funding releases are not expenditures and may not be a reliable indicator of future spending by ministries and provinces. The administration's report noted that capacity constraints and security problems may affect Iraq's ability to accelerate its spending and procurement activities.

Ministry of Oil and Provinces Are Unlikely to Spend a Large Share of Their 2007 Capital Projects and Reconstruction Budgets

The Ministry of Oil's capital project and reconstruction budget for 2007 is $2.4 billion, almost a quarter of the government's total. The ministry has already surpassed last year's spending total; however, U.S. officials stated that the ministry is not likely to spend a large share of its capital projects and reconstruction budget due to a variety of challenges, including a difficult security environment and burdensome and complex procurement rules. According to U.S. officials, the ministry has undertaken reform efforts to eliminate bottlenecks in the budget execution process. The U.S. Embassy reported that the Ministry of Oil had spent $500 million through July 15, 2007, or 21 percent of its budget for the year. However, the Special Inspector General for Iraq Reconstruction reported statements by U.S. officials that the ministry may not have spent all of these funds, but

[3]The expenditure data presented by the U.S. Embassy are preliminary data provided by the Ministry of Finance and do not include figures for the Kurdistan region or the other provinces. In its official May 2007 monthly report, the Ministry of Finance did not report any expenditures for capital projects and reconstruction. In the absence of official data, the information presented by the U.S. Embassy provides an indication of Iraq's ability to spend its capital projects and reconstruction budget in the first half of the year.

instead shifted them to its subsidiaries, such as the State Oil Marketing Organization, which have responsibility for spending much of the Oil Ministry's capital projects and reconstruction budget.[4]

In addition, the government provided over $2 billion, or over 20 percent of the 2007 capital projects and reconstruction budget, to the provinces (not including the semi-autonomous Kurdistan region) based on their populations.[5] These funds are in addition to $2 billion 2006 provincial funds for capital projects, most of which had not been transferred to the provinces until November and December of 2006.[6] U.S. and foreign officials stated that the provinces have little experience planning and executing infrastructure projects and are likely to spend little of their 2007 capital projects and reconstruction budgets. According to information

[4]Special Inspector General for Iraq Reconstruction, *Quarterly Report and Semiannual Report to the United States Congress* (Arlington, VA, July 30, 2007).

[5]The Kurdistan region received a separate allocation of $1.56 billion, or 16 percent of the total 2007 capital projects and reconstruction budget. U.S. officials believe the Kurdistan region is able to execute its budget successfully because of its years of experience as a semi-autonomous region.

[6]The $2 billion in 2006 capital project and reconstruction funds for the provinces did not include the Kurdistan region, which received a separate allocation. The government of Iraq permitted the provinces to carry over $1.3 billion in unspent 2006 funds. Unspent 2007 capital funds for the provinces may not be carried over, according to U.S. officials.

collected and reported by Provincial Reconstruction Teams, the provinces had committed 44 percent of their 2007 allocation to contracts for capital projects, as of July 15, 2007.[7] However, it is not clear whether the value of committed contracts is a reliable indicator of actual spending. Given the capacity and security challenges currently facing Iraq, many committed contracts may not be executed and, therefore, would not result in actual expenditures.[8] The Government of Iraq is undertaking a number of initiatives, including budget execution training sessions, to help provincial officials spend their capital budgets, according to U.S. officials.

[7]This percentage differs from preliminary Ministry of Finance data provided by the U.S. Department of the Treasury indicating that the provinces "spent and committed" 18 percent of their 2007 allocations for capital projects and reconstruction, as of July 15, 2007.

[8]The term "commitment" in Iraq is similar to an obligation under the U.S. budget process, although the government of Iraq's official expenditure data, as reported by the Ministry of Finance, does not include commitments or obligations.

Appendix XVIII: Benchmark 18 – False Accusations

Ensuring that Iraq's political authorities are not undermining or making false accusations against members of the Iraqi Security Forces.

GAO Assessment as of August 30, 2007: Not met[1]

Issue

According to U.S. government reporting, qualified Iraqi officers may be discouraged from operating in a professional, non-sectarian manner if Iraq's political authorities undermine or make false accusations against members of the Iraqi Security Forces (ISF).

Status

Iraq's political authorities continue to undermine and make false accusations against members of the ISF. According to U.S. government officials, little has changed since the U.S. Administration's July 2007 Initial Benchmark Assessment. Each month the U.S. government receives reports alleging wrongdoing by ISF members considered by MNF-I to be non-sectarian in their approach to security. The U.S. assessment further stated that in most cases the U.S. government was unable to determine the validity of these allegations but believed them to be untrue. The assessment concluded that these accusations undermine the independence and non-sectarianism of the ISF and that the Iraqi government does not adequately address the accusations. According to MNF-I officials in Baghdad, some cases resulted in detention of military officers, but the cases did not provide justification or specific charges against the officers. Further information is classified.

The U.S. government further reported that anecdotal evidence suggests that Iraqi political authorities may not be pursuing allegations even-handedly. According to U.S. government reporting, the de-Ba'athification Commission fabricated charges to cleanse Sunni officers from military units, and the Office of Commander in Chief has issued questionable judicial warrants as a more recent technique to target Sunni commanders. In addition, the ISF's formal command structure is compromised by

[1]We defined this benchmark as "met" if there was no evidence of undermining or false accusations against Iraqi security force personnel. We defined this benchmark as "not met" if there was evidence of undermining or false accusations against Iraqi security force personnel.

influential sectarian leaders linked to the security ministries. These actions have reportedly led to the arrest and detention of several military officials. According to U.S. officials, this tactic is primarily used against Sunni Ministry of Defense officials and does not occur at the predominantly Shi'a Ministry of Interior. The U.S. government also reported that some Sunni politicians have made unsubstantiated claims against ISF officials. Moreover, Iraqi government support for the ISF has been uneven. Some members of the Council of Ministers and Council of Representatives have publicly supported ISF leaders while behind the scenes they continue to ignore sectarian activities, according to the U.S. government.

Appendix XIX: Origin of Iraqi Benchmarks

Figure 7: Origin of Iraqi Benchmarks

May 25, 2007 BENCHMARKS Public Law 110-28	2006 June 24 Point Iraqi National Reconciliation Plan	2006 Sept. Prime Minister Maliki's Benchmarks[a]	2007 Jan. Additional commitments by Prime Minister Maliki	2007 Jan. President Bush's New Way Forward speech	2007 Jan. Highlights of the Iraq Strategy Review	2007 Jan. & Feb. Prime Minister Maliki's speeches	2007 May Compact commitments by GOI
1. Forming a Constitutional Review Committee and then completing the constitutional review.		■		■			■
2. Enacting and implementing legislation on de-Ba'athification.	■	■		■		■	■
3. Enacting and implementing legislation to ensure the equitable distribution of hydrocarbon resources of the people of Iraq without regard to the sect or ethnicity of recipients, and enacting and implamenting legislation to ensure that the energy resources of Iraq benefit Sunni Arabs, Shia Arabs, Kurds, and other Iraqi citizens in an equitable manner.		■		■		■	■
4. Enacting and implementing legislation on procedures to form semi-autonomous regions.		■					■
5. Enacting and implementing legislation establishing an Independent High Electoral Commission, provincial elections law, provincial council authorities, and a date for provincial elections.		■		■			■
6. Enacting and implementing legislation addressing amnesty.	■	■					■
7. Enacting and implementing legislation establishing a strong militia disarmament program to ensure that such security forces are accountable only to the central government and loyal to the Constitution of Iraq.	■	■				■	■
8. Establishing supporting political, media, economic, and services committees in support of the Baghdad security plan.						■	■
9. Providing three trained and ready Iraqi brigades to support Baghdad operations.			■	■	■		
10. Providing Iraqi commanders with all authorities to execute this plan and to make tactical and operational decisions, in consultation with U.S. commanders, without political intervention, to include the authority to pursue all extremists, including Sunni insurgents and Shiite militias.	■		■	■	■	■	■
11. Ensuring that the Iraqi security forces are providing even-handed enforcement of the law.			■	■	■	■	■
12. Ensuring that, according to President Bush, Prime Minister Maliki said "the Baghdad security plan will not provide a safe haven for any outlaws, regardless of [their] sectarian or political affiliation."				■		■	
13. Reducing the level of sectarian violence in Iraq and eliminating militia control of local security.						■	■
14. Establishing all of the planned joint security stations in neighborhoods across Baghdad.[b]							
15. Increasing the number of Iraqi security forces' units capable of operating independently.	■				■		■
16. Ensuring that the rights of minority political parties in the Iraqi legislature are protected.							■
17. Allocating and spending $10 billion in Iraqi revenues for reconstruction projects, including delivery of essential services, on an equitable basis.			■	■	■		■
18. Ensuring that Iraq's political authorities are not undermining or making false accusations against members of the Iraqi security forces.						■	■

Source: GAO analysis of Department of State, Department of Defense, and Iraqi government data.

[a]Iraq's Policy Committee on National Security agreed upon a set of political, security, and economic benchmarks and an associated timeline in September 2006. These were reaffirmed by the Presidency Council on October 16, 2006.

[b]In December 2006, MNF-I and the government of Iraq agreed to establish joint security stations.

Appendix XX: Comparison of GAO Assessment with Administration's July 2007 Initial Benchmark Assessment Report

Benchmark	GAO assessment	Administration's assessment report
1. Forming a Constitutional Review Committee and then completing the constitutional review.	○	■
2. Enacting and implementing legislation on de-Ba'athification.	○	□
3. Enacting and implementing legislation to ensure the equitable distribution of hydrocarbon resources of the people of Iraq without regard to the sect or ethnicity of recipients, and enacting and implementing legislation to ensure that the energy resources of Iraq benefit Sunni Arabs, Shia Arabs, Kurds, and other Iraqi citizens in an equitable manner.	○	□
4. Enacting and implementing legislation on procedures to form semi-autonomous regions.	◐	■
5. Enacting and implementing legislation establishing an independent High Electoral Commission, provincial elections law, provincial council authorities, and a date for provincial elections.	○	■/□
6. Enacting and implementing legislation addressing amnesty.	○	a
7. Enacting and implementing legislation establishing a strong militia disarmament program to ensure that such security forces are accountable only to the central government and loyal to the Constitution of Iraq.	○	a
8. Establishing supporting political, media, economic, and services committees in support of the Baghdad security plan.	●	■
9. Providing three trained and ready Iraqi brigades to support Baghdad operations.	◐	■
10. Providing Iraqi commanders with all authorities to execute this plan and to make tactical and operational decisions, in consultation with U.S. commanders, without political intervention, to include the authority to pursue all extremists, including Sunni insurgents and Shiite militias.	○	□
11. Ensuring that the Iraqi Security Forces are providing even-handed enforcement of the law.	○	□
12. Ensuring that, according to President Bush, Prime Minister Maliki said "the Baghdad security plan will not provide a safe haven for any outlaws, regardless of [their] sectarian or political affiliation."	◐	■
13. Reducing the level of sectarian violence in Iraq and eliminating militia control of local security.	○	■/□
14. Establishing all of the planned joint security stations in neighborhoods across Baghdad.	●	■
15. Increasing the number of Iraqi security forces' units capable of operating independently.	○	□
16. Ensuring that the rights of minority political parties in the Iraqi legislature are protected.	●	■
17. Allocating and spending $10 billion in Iraqi revenues for reconstruction projects, including delivery of essential services, on an equitable basis.	◐	■
18. Ensuring that Iraq's political authorities are not undermining or making false accusations against members of the Iraqi security forces.	○	□
Summary	3 met, 4 partial, and 11 not met	8 satisfactory, 2 mixed, and 6 unsatisfactory

● Met ◐ Partially met ○ Not met ■ Satisfactory ■/□ Mixed □ Unsatisfactory

Source: GAO analysis of UN, U.S., and Iraqi data.

[a]According to the U.S. State Department, conditions are not present for these benchmarks.

Appendix XXI: Objectives, Scope, and Methodology

The U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act of 2007[1] (the Act) requires GAO to submit to Congress by September 1, 2007, an independent assessment of whether or not the government of Iraq has met 18 benchmarks contained in the Act and the status of the achievement of the benchmarks. This report (1) provides an assessment of whether or not the Iraqi government has met 18 legislative, security, and economic benchmarks, and (2) provides information on the status of the achievement of each benchmark. These benchmarks address 8 legislative, 9 security and 1 economic-related action.

To complete this work, we reviewed U.S. agency documents and interviewed officials from the Departments of Defense, State, and the Treasury; the Multi-national Force-Iraq (MNF-I) and its subordinate commands; the Defense Intelligence Agency; the Central Intelligence Agency; the National Intelligence Council; and the United Nations. These officials included Ryan Crocker, the U.S. Ambassador to Iraq, and General David H. Petraeus, Commander of Multi-National Force-Iraq (MNF-I). We also reviewed translated copies of Iraqi documents and met with officials from the government of Iraq and its legislature. As part of this work, we made multiple visits to Iraq during 2006 and 2007, including a visit from July 22 to August 1, 2007. Our analyses were enhanced by approximately 100 Iraq-related audits we have completed since May 2003.[2] We provided drafts of the report to the relevant U.S. agencies for review and comment, which we incorporated as appropriate. Although we analyzed classified data, this report only contains unclassified information, as of August 30, 2007. We conducted our review in accordance with generally accepted government auditing standards.

Legislative Benchmarks

To determine if the Iraqi government is completing actions related to review of the Iraqi Constitution; enacting and implementing legislation on de-Ba'athification, the equitable distribution of hydrocarbon resources, procedures to form semi-autonomous regions, the independent high electoral commission, provincial elections, provincial council authorities, amnesty, and militia disarmament; and ensuring that the rights of minority

[1]Section 1314 of Public Law 110-28.

[2]For example, see GAO, *Securing, Stabilizing, and Rebuilding Iraq: Key Issues for Congressional Oversight*, GAO-07-308SP (Washington, D.C.: January 9, 2007). See GAO's website at http://www.gao.gov for a complete list of GAO's Iraq-related reports.

political parties in the Iraqi legislature are protected, we took a number of actions. Specifically, we interviewed and reviewed documentation from the Iraqi government, Iraqi legislators in Baghdad, UN, U.S. Institute for Peace, IFES[3], the Independent High Electoral Commission, non-governmental organizations, and the Departments of Defense and State in Washington, D.C. and Baghdad, Iraq. The documents reviewed included the administration's July 2007 initial benchmark assessment, the Iraqi Constitution, draft laws related to each of the benchmarks, the *International Compact with Iraq 2007 Mid-Year Progress Report*, and UN analyses of the laws addressed by the benchmarks.

For our assessment of the status of the hydrocarbon legislation, we relied on prior GAO reporting[4] and updated information where appropriate. We interviewed and reviewed documentation from the Iraqi government, UN, U.S. Institute for Peace, and State Department in Washington, D.C. and Baghdad, Iraq. We compared central government draft oil laws with the Iraqi Constitution and the Kurdistan Regional Government Oil and Gas law.

Additionally, to determine if the Iraqi government is ensuring that the rights of minority political parties in the Iraqi legislature are protected, we obtained and reviewed the Administration's report on progress in Iraq, the Iraqi constitution, and the *Council of Representatives Bylaws*. We interviewed Iraqi legislators in Baghdad, Iraq, including the leader of the Iraqi Minority Council. We also reviewed human rights reports from nongovernmental organizations, the United Nations, and the U.S. government to determine whether the rights of minorities throughout Iraq are protected.

Security Benchmarks

To determine if the Iraqi government is (1) establishing supporting political, media, economic, and services committees in support of the Baghdad Security Plan; (2) providing three trained and ready Iraqi brigades to support Baghdad operations; (3) providing Iraqi commanders with all authorities to execute the Baghdad Security Plan without political

[3]IFES was formally known as the International Foundation for Election Systems.

[4]GAO, *Rebuilding Iraq: Serious Challenges Impair Efforts to Restore Iraq's Oil Sector and Enact Hydrocarbon Legislation*, GAO-07-1107T (Washington, D.C.: July 18, 2007) and *Rebuilding Iraq: Integrated Strategic Plan Needed to Help Restore Iraq's Oil and Electricity Sectors*, GAO-07-677 (Washington, D.C.: May 15, 2007).

intervention; (4) ensuring that the Iraqi security forces are providing even-handed law enforcement; (5) eliminating safe havens; (6) reducing the level of sectarian violence and eliminating militia control of local security; (7) establishing all planned joint security stations; (8) increasing the number of security units capable of operating independently; and (9) ensuring that Iraq's political authorities are not undermining or making false accusations against members of the Iraqi Security Forces, we took a number of actions.

Specifically, we examined U.S. Department of State cables and other documents that discussed the establishment of the supporting committees. We reviewed classified and unclassified documents and reports showing the Iraqi Army units that had deployed to Baghdad and analyzed the U.S. Department of Defense Operational Readiness Assessments (ORA) formerly known as Transitional Readiness Assessments, for these units. In addition, we reviewed classified and unclassified assessments of the authorities granted to unit commanders, the level of sectarian influence and levels of militia infiltration of army and police units, and reports of incidents where Iraqi officials interfered with the chain of command.

To understand the range of methodological issues associated with measuring levels of sectarian violence, and to collect information related to broader trends in population security, we interviewed officials from the U.S. Department of State and Department of Defense in Washington, D.C., and Baghdad, Iraq; the Central Intelligence Agency; the Defense Intelligence Agency; the National Intelligence Council; the United Nations; and the International Organization for Migration in Washington, D.C., Baghdad, Iraq, and Amman, Jordan. We also met with these officials to discuss the other benchmarks.

Economic Benchmark

To assess the extent to which the government of Iraq is allocating and spending $10 billion in Iraqi revenues for reconstruction projects, including delivery of essential services on an equitable basis, we interviewed U.S. government officials and contractors, and obtained and analyzed supporting documents. We interviewed officials in Washington D.C. and Baghdad with the Departments of Defense, State, and the Treasury; the U.S. Agency for International Development; the Embassy Iraq Transition Assistance Office; and consultants to the Ministry of Finance. To assess progress in allocating and spending Iraqi revenues we reviewed official Iraqi Ministry of Finance capital budget and expenditure data for fiscal years 2006 and 2007 provided by the U.S. Department of the Treasury, and unofficial Ministry of Planning and Development

Cooperation data on capital expenditures reported by Multinational Force-Iraq.

We also reviewed unofficial unreconciled data on capital budget execution by the provinces in 2006 and 2007 collected by U.S. Provincial Reconstruction Teams. We compared 2007 capital allocations to the provinces with their populations to assess the equity of capital funding allocations. We discussed the reliability of allocation and expenditure data with U.S. Treasury officials and contractors advising the Ministry of Finance. We also reviewed relevant reports by DOD and State, the Special Inspector General for Iraq Reconstruction, World Bank, IMF, public accountants and Iraqi government budget implementation documents. We found that these data were sufficiently reliable for the purpose of showing trends in budget expenditures.

Appendix XXII: Comments from the Department of State

Note: GAO comments supplementing those in the report text appear at the end of this appendix.

United States Department of State

Assistant Secretary for Resource Management and Chief Financial Officer

Washington, D.C. 20520

AUG 29 2007

Ms. Jacquelyn Williams-Bridgers
Managing Director
International Affairs and Trade
Government Accountability Office
441 G Street, N.W.
Washington, D.C. 20548-0001

Dear Ms. Williams-Bridgers:

We appreciate the opportunity to review your draft report, "SECURING, STABILIZING AND REBUILDING IRAQ: Iraqi Government Has Not Met Most Legislative, Security, and Economic Benchmarks," GAO Job Code 320511.

The enclosed Department of State comments are provided for incorporation with this letter as an appendix to the final report.

If you have any questions concerning this response, please contact William Cavness, Iraq Desk Officer, Bureau of Near Eastern Affairs at (202) 647-5211.

Sincerely,

Bradford R. Higgins

cc: GAO – Judy McCloskey
NEA – C. David Welch
State/OIG – Mark Duda

Department of State Comments on GAO Draft Report

SECURING, STABILIZING AND REBUILDING IRAQ: Iraqi Government Has Not Met Most Legislative, Security, and Economic Benchmarks (GAO-07-1195, GAO Code 320511)

Thank you for allowing the Department of State the opportunity to comment on the draft report *"Securing, Stabilizing and Rebuilding Iraq: Iraqi Government Has Not Met Most Legislative, Security, and Economic Benchmarks."*

General Comments:

Different standards of evaluation

As noted in the draft report (p.3, para 1), the legislation requiring the GAO and administration reports sets different standards for the two reports: the GAO is required to assess whether the Iraqi government has met 18 key benchmarks, while the administration is required to assess whether the Iraqi government is making "satisfactory progress" toward meeting the benchmarks. The GAO refines this further with its definitions of legislative benchmarks as "met," "partially met," or "not met" (footnote 4, pp. 4-5).

See comment 1.

As a result, the GAO assessment in some cases differs from the administration's assessment focusing on "satisfactory progress." For example, on benchmark (v) regarding the Independent High Electoral Commission (IHEC) and provincial elections, Embassy Baghdad and State assess the first component (establishment of the IHEC) as "satisfactory." The law creating the IHEC has been passed, members have been appointed and approved, and the process of recruiting and training provincial staff is underway. Because the process is not complete, however, GAO assesses this component "not met."

See comment 2.

We believe that it is important for the GAO to highlight the differing standards and the effect of this on its conclusions.

2

Timing of the report

See comment 3.

The GAO report states that its information will be current as of August 30, 2007. It should therefore take into consideration recent political developments, such as the communiqué released by Iraqi political leaders on August 26, 2007. The communiqué included compromises on a number of key issues, e.g., de-Ba'athification, provincial powers, and power sharing.

Treatment of hydrocarbons and revenue management legislation

See comment 4.

The omission of any mention by the GAO of the Kurdistan Regional Government's (KRG) new oil law could be misconstrued as a tacit U.S. government approval of that KRG initiative. In fact, U.S. government policy seeks to achieve unified national hydrocarbons and revenue management legislation. We are suggesting amended language to that effect in the attached matrix.

Budget execution

See comment 5.

In our view, GAO's focus on unspent funds in Iraq's reconstruction budget ignores the progress that Iraq has made in this important area. This is another area in which the GAO's different standard of assessment leads to an outcome than State's view of "satisfactory progress." We will provide GAO with detailed comments on its assessment of benchmark (xvii).

Treatment of human rights

See comment 6.

Benchmark (xvi) deals only with protection of minority political parties in the Council of Representatives. There is no basis for including other human rights issues in this report, and that language should be removed.

Response to Recommendation(s)

Recommendation:

In preparing future reports to Congress and to help increase transparency on progress made toward achieving the benchmarks, we recommend that the Secretaries of State and Defense provide information to the President that:

(1) Clearly specify the status in drafting, enacting and implementing Iraqi legislation.

3

Response:

The Department of State provides information on the status of key legislation in various reports to the Congress, and can provide additional details on the drafting, enacting, and implementing of that legislation in future reports.

DEPARTMENT OF STATE
UNCLASSIFIED GAO Draft Report
Securing, Stabilizing and Rebuilding Iraq:
Iraqi Government Has Not Met Most Legislative, Security and Economic Benchmarks

COMMENT RESOLUTION MATRIX

	Page #	Para#	Type * (A,S,C) Formal/Informal	Recommendations	Comment / Rationale
See comment 7.	1		(S) Formal	Status chart benchmark xvi refers to citizens' rights	The benchmark legislation refers only to rights of minority parties in the Council of Representatives. The reference to citizens' rights should be eliminated, along with all other language in the report related to minority rights not specifically referring to minority parties in the Council of Representatives.
See comment 8.	4	(3)	(C) Formal	GAO makes general reference to minority rights in Iraq	See comment above for p. 1. GAO should eliminate reference to minority rights.
See comment 9.	11	(1)	(C) Formal	First and second bullets make categorical statements about government interference and bias.	The judgments as written are too sweeping and are therefore inaccurate. We recommend for the first bullet "has not always allowed" and for the second bullet "has not always assured."
See comment 10.	15		(S) Formal	(i) GAO evaluated status as "not met."	The July report gives the status as "Satisfactory progress," based on the formal establishment of the CRC and the operational definition of "satisfactory progress" we are using, i.e., "present trend data demonstrates positive trajectory." We stand by our July assessment.
See comment 11.	21		(S) Formal	(iii) GAO evaluated status as "not met."	The GAO report does not mention that the Kurdish National Assembly passed an oil law in August that is at variance with important

Page 1 of 5

				provisions of the framework law and oil revenue management law under consideration by the Council of Representatives. The United States continues to believe that Iraq's interests are better served by the adoption of a single set of national oil and gas laws, which will help foster national unity and promote reconciliation.
24	(1)	(S) Formal	(iv) GAO comments on attitude of Iraq's political leaders toward regions law.	The wording of the last sentence in para (1) implies that all Iraqi political leaders support the right to form regions. This is not the case, and was a factor in delaying the implementation of the legislation for 18 months. This sentence should be deleted
26		(S) Formal	(v) GAO evaluated status as "not met," and, of particular note, progress on establishing IHEC as "not met."	The July report rates part one of benchmark (establishment of IHEC) as "satisfactory" and "not satisfactory" on the other three parts. The IHEC has been established, and, while it may not have completed all tasks assigned to it, e.g., appointment of directors of directors of provincial Governorate Election Officers, this does not merit the GAO's "not met: assessment. The benchmark calls only for establishment of the IHEC. Selection/training of the new election officers has been underway for some time. In our view, the GAO assessment on this element of the benchmark could therefore be "partially met." GAO assessments on remaining three elements

Page 2 of 5

See comment 12.

See comment 13.

				of this benchmark track with our assessments.
28	(1)	(C) Formal	(v) No legislation setting date for elections	Change to "The government has not set a date for provincial elections." Rationale: Setting a date for elections does not require legislation
31	(2)	(C) Formal	(vii) GAO evaluated DDR status as "not met" with "no momentum in the government of Iraq" toward DDR	Change sentence in first para to read "Conditions are not right for a traditional disarmament, demobilization and reintegration program, according to U.S. and U.N. officials, and, accordingly, there is no momentum for such a program at present." Rationale: There is no program because the conditions are not present, not because there is no government momentum. We object to the GAO's characterization of State's evaluation as "N/A." See additional note for p. 64.
35	(2)	(C) Formal	(viii) GAO commented that the committees worked to provide forces for Baghdad Security Plan, found ways to house and feed troops in Baghdad, etc.	The executive committee and subcommittees may have engaged in these activities early in the course of the Baghdad Security Plan, but no longer do so. The entire paragraph should be omitted.
55	(2)	(C) Formal	(xvi) GAO evaluated status as "met," but with caveats related to the general human rights situation for minorities in Iraq.	The benchmark refers only to rights of minorities represented in the COR, and so the GAO assessment should not refer to the general human rights problems of Iraqi minorities. The State Department addresses these problems in detail in other reports. Request deletion of sentence beginning, "However, this benchmark…."
56		(C) Formal	Section on human rights of Iraqi minorities	Again, this section goes beyond the scope of

Page 3 of 5

See comment 14

See comment 15.

See comment 16.

See comment 17.

See comment 18.

See comment 19.

				the benchmarks report and should be deleted.
58		(C) Formal	(xvii) GAO assesses status as "partially met"	The July report indicates "satisfactory progress." From the U.S. government perspective, the most important point is that the Iraqis are making steady progress, and will significantly improve over last year's performance on budget execution, though the exact amount remains unclear. Indeed, the GOI ministries have already spent more of their 2007 capital budget than their total spending in all of 2006. Provincial performance on budget execution is particularly noteworthy, considering that provincial officials have little prior experience with planning and executing their own budgets. To date, provinces have committed 100 per cent of the 2006 funds and 47 per cent of their 2007 funds, with most of this work being done during 2007. It is difficult to make a definitive judgment in September regarding how much of the capital budget will be spent, given that: 1. The budget was passed at the end of February, and there was little money allocated until March. 2. Performance usually accelerates during

Page 4 of 5

See comment 20.

See comment 21.

				the last half of the year. 3. There are significant lags in the official GOI data – Ministry of Finance data currently go only through May. State will provide a detailed response on the GAO text directly to GAO.
64		(S) Formal	Summary chart, benchmarks (vi) and (vii), describes State assessment as "N/A." This is not correct.	GAO should use State's formula of "prerequisites not present" or equivalent language, but not "N/A."
66	(3)	(C) Formal	More on human rights in Iraq	Request GAO delete last sentence since the statement goes beyond the required scope of the report.

* A= Administrative; S = Substantive; C = Critical
* Formal – recommends comments should be published as part of official State response to GAO.
* Informal – recommends comments should be provided to GAO but not be published in report.

Page 5 of 5

The following are GAO's comments on the State Department's letter dated August 30, 2007.

GAO Comments

1. We agree with State that legislation on the Iraq High Electoral Commission has been enacted and implemented. However, our assessment of "not met" on the electoral benchmark is based on the Iraqi government not enacting and implementing three of four components of this benchmark—legislation on provincial authorities, provincial elections, and an election date.

2. We have highlighted the different standards of assessment between our report and the administration's reports. We also specify our assessment criteria in the cover letter and each appendix to make our judgments fully transparent.

3. We have included information about the recent communiqué in the cover letter and appendices as appropriate.

4. We have included information about the Kurdish Regional Government's new law and the U.S. position on it in the appendix on hydrocarbon legislation.

5. Our report acknowledges the progress that the Iraqi government has made in allocating and spending $10 billion of fiscal year 2007 funds on capital projects and reconstruction. While these funds have been allocated, our report also notes that a large portion of these funds will likely go unspent. Consequently, we rated this benchmark as "partially met."

6. We disagree with State's comment. We assessed this benchmark as "met." However, Iraqi legislators we interviewed insisted that the situation in their communities has a direct bearing on their work in the legislature, their freedom of movement to and from the legislature, and their ability to engage fully in Iraq political life. Thus we included additional relevant information about minority human rights in Iraq.

7. See comment 6.

8. See comment 6.

9. We revised our text.

10. Under our criteria, we considered the benchmark as "not met" because the Constitutional Review Committee was still continuing work on

devising a package of necessary amendments, the Iraqi legislature had not voted on the package, and a referendum had not been held.

11. We added information to our already existing reference to the Kurdish National Assembly legislation.

12. We revised this sentence.

13. Under our criteria, this benchmark was not met.

14. We revised the text to reflect State's comments.

15. We revised the text to reflect State's comments.

16. Our paragraph provides context for the committees' work and the text makes it clear that these actions were in the past so we retained our original language.

17. See comment 6.

18. See comment 6.

19. See comment 5.

20. We revised the text.

21. See comment 6.

Appendix XXIII: Comments from the Department of Defense

Note: GAO comments supplementing those in the report text appear at the end of this appendix.

See States response in appendix XXII.

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
2400 DEFENSE PENTAGON
WASHINGTON, DC 20301-2400

INTERNATIONAL SECURITY AFFAIRS

AUG 3 0 2007

Mr. Joseph Christoff
Director, International Affairs and Trade
U.S. Government Accountability Office
441 G Street N.W.
Washington, DC 20548

Dear Mr. Christoff:

The Department of Defense appreciates the opportunity to respond to the GAO draft report, GAO-07-1195, "SECURING, STABILIZING AND REBUILDING IRAQ: Iraqi Government Has Not Met Most Legislative, Security, and Economic Benchmarks," dated August 27, 2007 (GAO Code 320511). DoD's response covers the last two of the draft report's three recommendations. The Department of State has agreed to respond to the first recommendation.

The GAO recommends that in preparing future reports to Congress and to help increase transparency on progress made toward achieving the benchmarks:

Recommendation 2: The Secretary of Defense, and the heads of other appropriate departments and agencies, provides information to the President on trends in sectarian violence with appropriate caveats, as well as broader quantitative and qualitative measures of security.

DoD concurs.

Recommendation 3: The Secretary of Defense, and the heads of other appropriate agencies, provides additional information on the operational readiness of Iraqi security forces supporting the Baghdad security plan.

DoD concurs.

Attached is a matrix with comments on the unclassified report. A comment matrix for the classified briefing will be provided under separate cover.

DoD appreciates the opportunity to comment. If you have any questions concerning these comments, my point of contact is Mr. James Stahlman at 703-571-2526.

Sincerely,

Mark T. Kimmitt
Deputy Assistant Secretary of Defense
for the Middle East

Attachments:
As stated

August 30, 2007

Department of Defense Comments on:
UNCLASSIFIED GAO Draft Report
Securing, Stabilizing and Rebuilding Iraq:
Iraqi Government Has Not Met Most Legislative, Security and Economic Benchmarks

COMMENT RESOLUTION MATRIX:
FORMAL COMMENTS

See comment 1.

See comment 2.

See comment 3

See comment 4.

See comment 5

See comment 6

See comment 7.

#	Page #	Para#	Recommendation	Comment / Rationale
1	2	2	Change "help the Iraqi government achieve these benchmarks" to "support Iraqi efforts to quell sectarian violence and foster conditions for Iraqi national reconciliation."	Accuracy. Strategy was not designed to solely achieve benchmarks. Benchmarks are Iraqi government inputs necessary to achieve strategic goals, they are not the goals.
2	10	3	Change "eliminating safe havens" to "ensuring that the Baghdad security plan will not provide a safe haven for any outlaws, regardless of [their] sectarian or political affiliation."	Accuracy. There is no benchmark for "achieving safe havens." Recommended change is the correct benchmark.
3	11	bullet 1	Add "always" to make sentence read: "The Iraqi government had not always allowed…"	Accuracy. As written, all tactical and operational decisions were influenced by political intervention. This is not accurate.
4	47	Chart	Change labels to read "monthly attacks" instead of "average daily attacks."	Accuracy.
5	48	4	Add "parts of" after "influence over local security in"	Accuracy.
6	53	1	Delete "sectarian and militia influences" as a factor contributing to the decrease in the number of Iraqi battalions capable of operating independently.	Accuracy. No unit is assessed to have regressed on the basis of "sectarian and militia influences."
7	53	1	Paragraph says, "only about 65% of authorized Iraqi personnel are in the field at any given time." Should say, "only about 71% of authorized Iraqi personnel are in the field at any given time."	Accuracy. Authorized Iraqi personnel in the field at any given time is 71%, not 65%.

The following are GAO's comments on DOD's letter dated August 30, 2007.

GAO Comments

1. We have revised the text.
2. We have revised the text.
3. We have modified the sentence by adding not "always."
4. We have replaced this chart.
5. We have qualified the sentence by adding "parts of ."
6. We disagree with DOD's comment. The Iraq benchmark calls for increasing the number of Iraqi security units capable of operating independently. A key impediment to Iraqi training and readiness, particularly of the police, is sectarian and militia influence. DOD's June 2007 report to Congress states that sectarian bias has constrained the development of MOI forces.
7. DOD commented that 71 percent of Iraqi authorized personnel are in the field at any one time, compared to 65 percent, which we report. We are retaining the 65 percent in our report because it is from a published DOD source and we do not have further documentation on the new figure.

Appendix XXIV: GAO Contacts and Staff Acknowledgements

GAO Contacts

Joseph Christoff (202) 512-8979 or christoffj@gao.gov

Staff Acknowledgements

Steve Lord, David Bruno, Howard Cott, Tim Fairbanks, Mattias Fenton, Whitney Havens, Dorian Herring, Bruce Kutnick, Judy McCloskey, Tet Miyabara, and Kathleen Monahan.

In addition, Robert Alarapon Ashley Alley, Monica Brym, Lessie M Burke-Johnson, Joe Carney, Miriam Carroll, Thomas Costa, Lynn Cothern, Debra Chung, Joyee Dasgupta, Martin de Alteriis, Etana Finkler, Muriel Forster, Patrick Hickey, Michael Jenkins, Sona Kalapura, Jeremy Latimer, Mary Moutsos, Mimi Nguyen, Sidney Schwartz, Jena Sinkfield, Audrey Solis, Cynthia Taylor, and Christina Werth provided technical assistance.

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Public Affairs	Susan Becker, Acting Manager, Beckers@GAO.gov (202) 512-4800 U.S. Government Accountability Office, 441 G Street NW, Room 7149 Washington, D.C. 20548

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[Whereupon, at 11:44 a.m., the committee adjourned.]

THE SITUATION IN IRAQ AND PROGRESS MADE BY THE GOVERNMENT OF IRAQ IN MEETING BENCHMARKS

TUESDAY, SEPTEMBER 11, 2007

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

The committee met, pursuant to notice, at 2:14 p.m. in room SH–216, Hart Senate Office Building, Senator Carl Levin (chairman) presiding.

Committee members present: Senators Levin, Kennedy, Byrd, Lieberman, Reed, Akaka, Bill Nelson, E. Benjamin Nelson, Bayh, Clinton, Pryor, Webb, McCaskill, McCain, Warner, Inhofe, Sessions, Collins, Chambliss, Graham, Dole, Cornyn, Thune, Martinez, and Corker.

Committee staff members present: Richard D. DeBobes, staff director; Leah C. Brewer, nominations and hearings clerk; and Brian F. Sebold, receptionist.

Majority staff members present: Daniel J. Cox, Jr., professional staff member; Evelyn N. Farkas, professional staff member; Creighton Greene, professional staff member; Mark R. Jacobson, professional staff member; Michael J. McCord, professional staff member; William G.P. Monahan, counsel; Michael J. Noblet, research assistant; and William K. Sutey, professional staff member.

Minority staff members present: Michael V. Kostiw, Republican staff director; William M. Caniano, professional staff member; Gregory T. Kiley, professional staff member; Derek J. Maurer, minority counsel; David M. Morriss, minority counsel; Lucian L. Niemeyer, professional staff member; Christopher J. Paul, professional staff member; Lynn F. Rusten, professional staff member; and Dana W. White, professional staff member.

Staff assistants present: Fletcher L. Cork, Kevin A. Cronin, and Jessica L. Kingston.

Committee members' assistants present: Sharon L. Waxman and Jay Maroney, assistants to Senator Kennedy; David E. Bonine and James Tuite, assistants to Senator Byrd; Frederick M. Downey and Vance Serchuk, assistants to Senator Lieberman; Richard Kessler, assistant to Senator Akaka; Christopher Caple, assistant to Senator Bill Nelson; Jon Davey, assistant to Senator Bayh; Andrew Shapiro, assistant to Senator Clinton; Terri Glaze, assistant to Senator Pryor; Gordon I. Peterson and Michael Sozan, assistants to Senator Webb; Stephen C. Hedger, assistant to Senator McCaskill; Richard H. Fontaine, Jr., assistant to Senator McCain; Sandra

Luff, assistant to Senator Warner; Anthony J. Lazarski, assistant to Senator Inhofe; Lenwood Landrum and Todd Stiefler, assistants to Senator Sessions; Jan Alonso and Mark J. Winter, assistants to Senator Collins; Clyde A. Taylor IV, assistant to Senator Chambliss; Lindsey Neas, assistant to Senator Dole; David Hanke and Russell J. Thomasson, assistants to Senator Cornyn; Stuart C. Mallory, assistant to Senator Thune; Brian W. Walsh, assistant to Senator Martinez; and Paul B. Palagyi and Bradford T. Sellers, assistants to Senator Corker.

OPENING STATEMENT OF SENATOR CARL LEVIN, CHAIRMAN

Chairman LEVIN. Good afternoon, everybody. Today we welcome General Petraeus and Ambassador Crocker for their update on the situation in Iraq. We thank both of you for your service to this country, the men and women that you both command and lead. You're doing so under very, very difficult circumstances. We ask both of you to pass along to the men and women who you do lead in this endeavor, our heartfelt thanks, particularly those who risk their lives on a daily basis.

While people here have different views on the war and will continue to vigorously debate the strategy, tactics, and policies relating to the war—we are united in our admiration and appreciation for those who serve there, for their families who love them, and who support them.

There's much disagreement relative to the facts on the ground in Iraq, on the issue of whether or not the surge has produced significant progress in terms of security. Recent public opinion polls in Iraq indicate that Iraqi citizens feel even less secure than before the surge.

According to an ABC News analysis, "The surge broadly is seen to have done more harm than good, with 65 to 70 percent of Iraqis saying it's worsened rather than improved security in surge areas, security in other areas, conditions for political dialogue, the ability of the Iraqi Government to do its work, the pace of reconstruction, and the pace of economic development." Is Baghdad, itself, actually safer for citizens to go about their normal business? Or are large sectors of Baghdad, in electricity and fuel distribution, controlled by the Mahdi Army and neighborhood militias as detailed in last Sunday's New York Times?

While the facts relating to security are debated and are debatable, there seems to be little dispute on three key points that go to the heart of the matter.

First, the stated purpose of the surge, to give Iraqi politicians breathing space to work out a political settlement, has not been achieved.

Second, there will be no end to violence until Iraqi's national leaders work out their political differences. As the Commission headed by General Jones reported last week, political reconciliation is the key to ending sectarian violence in Iraq.

Third, the Iraqi politicians haven't done that. They haven't kept the commitments that they made a year ago, to set the date for provincial elections, to approve a hydrocarbon law, to approve a de-Baathification law, and to submit constitutional amendments to a referendum.

General Petraeus said 3 years ago that Iraqi political leaders were, "Stepping forward, leading their country courageously and making progress," in his words. Well, if they were, progress sure has stalled politically.

Ambassador Crocker told Congress yesterday and today that Iraqi leaders have the "will" to tackle the nation's pressing problems and "approach the task with the deep sense of commitment and patriotism," even though those leaders ignore their own benchmarks. The Ambassador inappropriately compares Iraq's sectarian strife and slaughter to this Nation's Civil Rights movement.

So the administration's message to Iraqi leaders continues to be that they're doing just fine. That's exactly the wrong message to send the leaders who dawdle while their nation is torn apart by sectarian strife and while their people are killed and forcibly ejected by sectarian militias or killed if they refuse to be ethnically cleansed. The Iraqi politicians dawdle while our casualties and our expenditures keep climbing.

The Government Accountability Office (GAO) told us last week that most of the key promises of Iraq's political leaders, the benchmarks that they set for themselves, with relevant timetables, have been ignored by those leaders.

On January 14 of this year, President Bush said, "America will hold the Iraqi Government to the benchmarks that it has announced." Those words ring hollow. There have been no consequences for the Iraqi political leaders' failures to do what President Bush said they must do. Year after year, the President and the administration have touted progress in Iraq and called for patience.

It has been a litany of delusion. Just listen to President Bush's repeated claims of progress. October 2003, he said, "We're making progress about improving the lives of people there in Iraq." September 2004, the President said, "We're making steady progress in implementing our five-step plan." In October 2005, the President said, "Iraq has made incredible political progress." In May 2006, the President said, "We're making progress on all fronts." In March of this year, the President said, "There's been good progress." On July 4, the President said that, "Victory in this struggle will require more patience."

Well, there's been little progress on the political front and the American people's patience with Iraq's political leaders has run out. Success in Iraq depends on Iraqi leaders finally seeing the end of the open-ended American commitment. Success depends on doing what James Baker, Lee Hamilton, and the rest of the Iraq Study Group said we should have done a year a ago, that the United States "should not make an open-ended commitment to keep large numbers of American troops deployed in Iraq. If the Iraqi Government does not make substantial progress toward the achievement of milestones on national reconciliation, security, and governance, the United States should reduce its political, military, or economic support for the Iraqi Government." That was before the surge level was increased.

Success also depends on a transition of missions. According to the Iraq Study Group, "By the first quarter of 2008, subject to unexpected developments in the security situation on the ground, all

combat brigades not necessary for force protection could be out of Iraq." At that time, the Iraq Study Group said, "U.S. combat forces in Iraq could be deployed only in units embedded with Iraqi forces, in rapid reaction and special operations teams, and in training, equipping, advising, force protection, and search and rescue."

Finally, presenting Iraq's political leaders with a timetable for transition of our forces, from mainly combat to mainly support roles, as opposed to a timetable for ending the surge—which is a fact of life, which is going to happen by necessity anyway—presenting those political leaders with a timetable for transition is the only hope that Iraqi leaders will realize that their future is in their hands, not in the hands of our brave men and women who proudly wear America's uniform.

Establishing a timetable for the transition of missions will also recognize another fact of life, that the stress on our forces, especially the wear and tear on the Army and Marine Corps, must be reduced. Telling the Iraqis that the surge will end by the middle of next year, and then we will make a decision as to whether to reduce our troop level from the basic pre-surge level of 130,000, does not change our course in Iraq. It presents an illusion of change to prevent a real change of course from occurring. It is aimed at taking the steam out of the engine of change.

I hope we are not deterred from continuing to press for true change and that the momentum for true change of course is not diffused. It must continue until, by our deeds, we get the Iraqi political leaders to understand, that for our security and theirs, the American presence in Iraq needs to be significantly reduced after 4½ years of U.S. sacrifice, and that the future of their country is in their own hands.

Senator McCain.

STATEMENT OF SENATOR JOHN McCAIN

Senator MCCAIN. Thank you very much, Mr. Chairman.

I want to thank the witnesses. All of us are aware that you've been literally nonstop testifying for the last day and a half, and we thank you for your willingness, not only to discuss with Congress, but with the American people, this very critical issue.

With your testimony, a debate of historic proportions begins in the United States Congress. The choices that we make now, whether to build on the success of the surge and fight for additional gains, or whether to set a date for American surrender in Iraq, will affect the security of all our countrymen for decades to come.

As we all know, the American people are saddened, frustrated, and angry over our past failures in Iraq. I, too, have been made sick at heart by the terrible price we've paid for nearly 4 years of mismanaged war. Some of us, from the beginning, warned against the Rumsfeld strategy of too few troops, insufficient resources, and a plan predicated on hope, rather than on the difficult business of stabilization and counterinsurgency.

We lost years to that strategy and we lost that which is most precious to us—the lives of the brave men and women who fight on our behalf.

But the question today is not whether we can recover those 4 years—we cannot—but whether we end this effort in frustration

and accept thereby the terrible consequences that will ensue. I believe we cannot choose to lose in Iraq and I will do everything in my power to see that our commanders in Iraq have the time and support they request to win this war.

The distinguished strategist Ralph Peters summed up the state of affairs well in a column today, noting that Congress's failure to support General Petraeus, "would be a shame, since after nearly 4 years of getting it miserably wrong in Iraq, we're finally getting it right."

We're getting it right, because we finally have in place a strategy that can succeed. A counterinsurgency strategy which some of us have argued we should have been following from the beginning, which makes the most effective use of our strength, and does not strengthen the tactics of our enemy.

We must, as General Petraeus intends, keep this strategy in place. It is the only approach that has resulted in real security improvements in Iraq.

Anyone who has traveled recently to Anbar, or Diyala, or to Baghdad can see the improvements that have taken place over the past months. As our witnesses will testify, violence is down, commerce is on the rise, and the bottom-up efforts to forge counter-terrorism alliances are bearing tangible fruit.

There are many challenges remaining, and the road ahead is long and tough. The Maliki Government has not seized the opportunity presented by our efforts to move ahead with reconciliation, and is not functioning as it must. Violence, having declined significantly, remains high.

As Ambassador Crocker has noted, no one can be certain of success. We can be sure, however, that should the United States Congress succeed in legislating a date for withdrawal, and thus surrender, then we will fail for certain.

Make no mistake, the consequences of American defeat in Iraq will be terrible and long-lasting. There is, in some corners, a belief that we can simply turn the page in Iraq, come home, and move onto other things. This is dangerously wrong.

If we surrender in Iraq, we will be back in Iraq, and elsewhere, in many more desperate fights to protect our security, and at even greater cost in American lives and treasure.

Last week, General Jim Jones testified before this committee and outlined what he believes to be the consequences of such a course. A precipitous departure which results in a failed state in Iraq, he said, will have a significant boost in the number of extremist jihadists in the world, who will believe that they will have toppled a major power on earth, and that all else is possible. I think it will only make us less safe, it will make our friends and allies less safe, and the struggle will continue. It will simply be done in different, and other, areas.

Some Senators would like to withdraw our troops from Iraq so we can get back to fighting what they believe to be the "real" war on terror, which is taking place somewhere else. This too is inaccurate. Iraq has become the central front in the global war on terror, and failure there would turn Iraq into a terrorist sanctuary in the heart of the Middle East, and a host for jihadists planning attacks on America. The region could easily descend into chaos, wider

war and genocide, and we should have no doubt about who will take advantage.

The Iranian President has stated his intentions bluntly, saying, "Soon we will see a huge power vacuum in the region. Of course, we are prepared to fill the gap." We cannot allow an Iranian-dominated Middle East to take shape in the context of a wider war and terrorist safe havens. All of us want our troops to come home, but we should want them to return to us with honor—the honor of victory that is due all of those who have paid the ultimate sacrifice.

General Petraeus and his troops ask just two things of us: the time to continue this strategy, and the support they need to carry out their mission. They must have both, and we should fight to ensure that they do.

Soon this debate will move from hearing rooms to the Senate floor, where we'll see again attempts to legislate a withdrawal from Iraq. Given the enormous human and strategic costs such a defeat would impose on Iraq, the region, and Americans for years to come, Congress must not choose to lose in Iraq. I will do everything in my power to ensure that we do not.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator McCain.

Our welcome to both of you, our thanks to both of you, and to your families that provide essential support for you in extraordinarily difficult circumstances in which you both work.

We're indebted to you for your appearance here today, and for the fact that this is the third of three long hearings for you.

General Petraeus?

STATEMENT OF GEN DAVID H. PETRAEUS, USA, COMMANDER, MULTINATIONAL FORCE-IRAQ

General PETRAEUS. Thank you, Mr. Chairman, Senator McCain, members of the committee, thank you for the opportunity to provide my assessment of the security situation in Iraq.

Chairman LEVIN. May I interrupt you for one moment?

General PETRAEUS. Yes, sir.

Chairman LEVIN. If you choose, both of you, or each of you, may reduce and summarize, if you so choose, because of the fact that your statements have been given in full before the other committees. I'm not asking you to do that, we'll leave that up to you.

General PETRAEUS. Mr. Chairman, I've actually cut it down a bit.

Chairman LEVIN. All right. [Laughter.]

It didn't take much suggesting, then, to do that.

General PETRAEUS. But it's still——

Chairman LEVIN. That's fine—do it as you wish.

General PETRAEUS. Thank you for the opportunity to provide my assessment of the security situation in Iraq, and to discuss the recommendations I have provided to my chain of command for the way forward.

As I stated in testimony to the two House committees yesterday, and to the Senate Foreign Relations Committee this morning, this is my testimony. Although I have briefed my assessment and the recommendations in it to my chain of command, I wrote this statement myself, and did not clear it with anyone in the Pentagon, the White House, or Congress.

Today, I will provide a summary of the full written testimony to each of you, and for the record. As a bottom line, upfront, the military objectives of the surge are, in large measure, being met. In recent months, in the face of tough enemies, and the brutal summer heat of Iraq, coalition and Iraqi security forces have achieved progress in the security arena.

Though improvements have been uneven across Iraq, the overall number of security incidents has declined in 8 of the past 12 weeks. During this time, ethno-sectarian violence has also been reduced, and the number of overall civilian deaths has declined, although both are clearly still at troubling levels.

The progress is a result of many factors—coalition and Iraqi forces have dealt significant blows to al Qaeda-Iraq, and have disrupted Shiite militia extremists.

Additionally, in a very significant development, we and our Iraqi partners are being assisted by tribes and local citizens who are rejecting extremism, and choosing to help secure Iraq.

Iraqi security forces have also continued to grow, and to shoulder more of the load—albeit slowly—and amid continuing concerns about the sectarian tendencies of some elements in their ranks.

Based on all of this, and on the further progress we believe we can achieve over the next few months, I believe that we will be able to reduce our forces to the pre-surge level of brigade combat teams by next summer, withdrawing one-quarter of our combat brigades by that time, without jeopardizing the security gains that we have fought so hard to achieve.

Beyond that, while noting that the situation in Iraq remains complex, difficult, and sometimes downright frustrating, I also believe that it is possible for us to achieve our objectives in Iraq over time, though doing so will be neither quick, nor easy.

Having provided that summary, I would like to review the nature of the conflict in Iraq, recall the situation before the surge, describe the current situation, and explain the recommendations I have provided to my chain of command.

The fundamental source of the conflict in Iraq is competition among ethnic and sectarian communities for power and resources. This competition will take place. The question is whether it is resolved more, or less, violently.

This chart shows the security challenges in Iraq—foreign and home-grown terrorists, insurgents, militia extremists and criminals all push the ethno-sectarian competition toward violence.

Malign actions by Syria, and especially by Iran, fuel that violence, and lack of adequate governmental capacity, lingering sectarian mistrust, and various forms of corruption add to the challenges.

In January 2007, in response to the horrific ethno-sectarian violence that spiraled out of control in 2006, and to an assessment in December 2006 that we were failing to achieve our objectives, a surge of forces began flowing into Iraq, focusing on protecting the population, and reducing sectarian violence, especially in Baghdad.

In so doing, these forces have employed counterinsurgency practices, such as living among the people they are securing. In mid-June, with all of the surge brigades in place, we launched a series of offensive operations in partnership with Iraqi security forces.

These operations focused on expanding the gains achieved in the preceding months in Anbar Province, pursuing al Qaeda in the Diyala River Valley and several other areas, clearing Baqubah, several key Baghdad neighborhoods, the remaining sanctuaries in Anbar Province, and important areas around Baghdad. With coalition and Iraqi forces located among the populations they are securing, we have sought to keep areas clear, and to help Iraqis in rebuilding them.

All the while, we have engaged in dialogue with insurgent troops and tribes, leading to additional elements standing up to oppose al Qaeda and other extremists.

The progress our forces have achieved with our Iraqi counterparts has—as I noted at the outset—been substantial. While there have been setbacks, as well as successes, and tough losses along the way, overall our tactical commanders see improvements in the security environment.

We do not, however, just rely on gut feeling or personal observations. To gauge progress and determine trends, we also conduct rigorous and consistent data collection and analysis. In fact, two U.S. intelligence agencies recently reviewed our methodology, and concluded that the data we produce is the most accurate and authoritative in Iraq.

As I mentioned up front, and as the chart before you reflects, the level of security incidents has decreased significantly, since the start of the surge of offensive operations in mid-June, declining in 8 of the past 12 weeks with the level of incidents in the past 2 weeks the lowest since June 2006.

Civilian deaths of all categories, less natural causes, have also declined considerably, by over 45 percent Iraq-wide, since the height of the sectarian violence in December. This is shown by the top line on this next chart, and the decline by some 70 percent in Baghdad is shown in the bottom line.

Periodic mass casualty attacks—car bombs by al Qaeda—have tragically added to the numbers, outside Baghdad, in particular. Even without the sensational attacks, however, the level of civilian deaths is of serious concern.

As the next chart shows, the number of ethno-sectarian deaths, an important subset of the overall civilian casualty figures, has also declined significantly since the height of the sectarian violence in December. Iraq-wide, as shown by the top line on this chart, ethno-sectarian deaths have come down by over 55 percent.

In Baghdad, as the bottom line shows, ethno-sectarian deaths have declined by some 80 percent since December. This chart also displays the density of sectarian incidents in various Baghdad neighborhoods, and it both reflects the progress made in reducing ethno-sectarian violence, and identifies the area where more work must be done.

As we have gone on the offensive in former al Qaeda and insurgent sanctuaries, and as locals have increasingly supported our efforts, we have found a substantially increased number of arms, ammunition, and explosive caches.

As this next chart shows, we have so far this year already found and cleared over 4,400 caches, nearly 1,700 more than we discovered in all of last year. This may, in fact, be a factor in the reduc-

tion in the overall improvised explosive device (IED) attacks in recent months, which as this next chart shows, has declined sharply, by about one-third since June.

The change in the security situation in Anbar Province has, of course, been particularly dramatic. As this next chart shows, the monthly attack levels in Anbar have declined, from some 1,350 in October 2006, to a bit over 200 in August of this year. This dramatic decrease reflects the significance of the local rejection of al Qaeda, and the newfound willingness of local Anbaris to volunteer to serve in the Iraqi Army and the Iraqi police service.

To be sure, trends have not been uniformly positive across Iraq, as is shown by this next chart, depicting violence trends in several key Iraqi provinces.

The trend in Ninevah Province in Northern Iraq, for example, has been much more up and down until a recent decline, and the same is true in Salah ad Din Province, also north of Baghdad, and the site of Saddam's former hometown, though recent trends there and in Baghdad have been in the right direction.

In any event, the overall trajectory in Iraq, a steady decline of incidents in the past 3 months, is still quite significant.

The number of car bombings and suicide attacks has also declined in each of the past 5 months. The total from a high of some 175 in March, as this next chart shows, to about 90 this past month. While this trend has been heartening, the number of high-profile attacks is still too high, and we continue to work hard to destroy the networks that carry out these barbaric attacks.

Our operations have, in fact, produced substantial progress against al Qaeda-Iraq. As this next chart shows, in the past 8 months we have considerably reduced the areas in which al Qaeda enjoyed sanctuary. We have also neutralized 5 media cells, detained the senior Iraqi leader of al Qaeda-Iraq, and killed or captured nearly 100 other key leaders, and some 2,500 rank-and-file fighters. Al Qaeda is certainly not defeated. However, it is off-balance, and we are pursuing its leaders and operators aggressively.

Of note, these gains against al Qaeda are a result of the synergy of actions by conventional forces, intelligence, surveillance, reconnaissance assets, and special operations elements. A combination of these assets is necessary to conduct effective operations against terrorist elements.

In the past 6 months, we have also targeted Shiite militia extremists, killing or capturing over 1,400 senior leaders and fighters. It is increasingly apparent to both coalition and Iraqi leaders that Iran—through the use of the Iranian Republican Guard Corps Quds Force—seeks to turn these Shiite militia extremists into a Hezbollah-like force to serve its interests, and fight a proxy war against the Iraqi state and coalition forces in Iraq.

The most significant development in the past 6 months likely has been the increasing emergence of tribes and local citizens rejecting al Qaeda and other extremists. The success in Anbar is an example of what can happen when local Iraqis decide to oppose al Qaeda and reject its Taliban-like ideology.

While Anbar's model cannot be replicated everywhere in Iraq, it does demonstrate the dramatic change in security that is possible with the support and participation of local citizens.

As this next chart shows, other tribes have been inspired by the actions of those in Anbar, and have volunteered to fight extremists, as well. Over 20,000 such individuals are already being hired for the Iraqi police, thousands of others are being assimilated into the Iraqi Army, and thousands more are vying for a spot in Iraq's security forces.

As I noted earlier, Iraqi security forces have continued to grow, to develop their capabilities, and to shoulder more of the burden of providing security for their country.

Despite concerns about sectarian influence, inadequate logistics and supporting institutions, and an insufficient number of qualified commissioned and noncommissioned officers (NCOs), Iraqi units are engaged around the country.

As this next chart shows, there are now nearly 140 Iraqi Army, national police, and Special Operations Forces (SOF) battalions in the fight, with about 95 of those capable of taking the lead in operations, albeit with some coalition support.

Although their qualitative development have not always kept pace with their quantitative growth, all of Iraq's battalions have been heavily involved in combat operations that often result in the loss of leaders, soldiers, and equipment. Despite the losses, a number of Iraqi units across Iraq now operate with minimal coalition assistance.

In order to take over the security of their country, the Iraqis are rapidly expanding their security forces. In fact, they have some 445,000 assigned to the Ministries of Interior and Defense now, and we believe that they will be close to 480,000 by year's end.

Significantly, in 2007, Iraq will—as in 2006—spend more on its security forces than it will receive in security assistance from the United States. In fact, Iraq is becoming one of the United States' larger foreign military sales (FMS) customers, committing some $1.6 billion to FMS already, with the possibility of up to $1.8 billion more being committed before the end of the year.

Here, I'd like to say that I appreciate the attention that the chairman and other members of this committee have recently given to speeding up the FMS process for Iraq.

To summarize, the security situation in Iraq is improving, and Iraqi elements are slowly taking on more of the responsibility for protecting their citizens. Innumerable challenges lie ahead, however, coalition and Iraqi security forces have made progress toward achieving sustainable security. As a result, the United States will be in a position to reduce its forces in Iraq in the months ahead.

Two weeks ago I provided recommendations for the way ahead in Iraq to the members of my chain of command, the Joint Chiefs of Staff (JCS). The essence of the approach I recommended is captured in its title, "Security While Transitioning: From Leading, to Partnering, to Overwatch." This approach seeks to build on the security improvements our troops and our Iraqi counterparts have achieved in recent months. It reflects recognition of the importance of securing the population and the imperative of transitioning responsibilities to Iraqi institutions and Iraqi forces, as quickly as possible, but without rushing to failure.

It includes substantial support for the continuing development of Iraqi security forces. It also stresses the need to continue the

counterinsurgency strategy that we have been employing, but with Iraqis gradually shouldering more of the load. It highlights the importance of regional and global diplomatic approaches.

Finally, in recognition of the fact that this war is not only being fought on the ground in Iraq, but also in cyberspace, it also notes the need to contest the enemy's growing use of that important medium to spread extremism.

The recommendations I've provided were informed by operational and strategic considerations. The operational considerations include recognition that military aspect of the surge have achieved progress, and generated momentum. Iraqi security forces have been slowly shouldering more of the security burden in Iraq. A mission focused on either population security, or transition alone, will not be adequate to achieve our objectives. Success against al Qaeda-Iraq and Iranian-supported militia extremists requires conventional forces, as well as SOFs, and the security in local political situations will enable us to draw down the surge forces.

My recommendations also took into account a number of strategic considerations. That political progress will only take place if sufficient security exists. Long-term U.S. ground force viability will benefit from force reductions as the surge runs its course.

Regional, global, and cyberspace initiatives are critical to success, and Iraqi leaders, understandably, want to assume greater sovereignty in their country, although, as they recently announced, they do desire continued presence of coalition forces in Iraq in 2008, under a new U.S. Security Council resolution, and following that, they want to negotiate a long-term security agreement with the United States and others.

Based on these considerations, and having worked the battlefield geometry with Lieutenant General Ray Odierno, to ensure that we retain and build on the gains for which our troopers have fought, I have recommended a drawdown of the surge forces from Iraq. In fact, later this month, the Marine expedition, our first unit deployed as part of the surge, will depart Iraq. Beyond that, if my recommendations are approved, this will be followed by the withdrawal of a brigade combat team without replacement in mid-December, and the further redeployment without replacement of four other brigade combat teams, and the two surge Marine battalions in the first 7 months of 2008, until we reach the pre-surge level of 15 brigade combat teams by mid-July 2008.

Force reductions will continue, beyond the pre-surge levels of brigade combat teams that we will reach by mid-July 2008. In my professional judgment, however, it would be premature to make recommendations on the pace of such reductions at this time. In fact, our experience in Iraq has repeatedly shown that projecting too far into the future is not just difficult, it can be misleading, and even hazardous.

In view of this, I do not believe it is reasonable to have an adequate appreciation for the pace of further reductions and mission adjustments beyond the summer of 2008, until about mid-March of next year. We will—no later than that time—consider factors similar to those on which I based the current recommendations, having by then, of course, a better feel for the security situation, the im-

provements in the capabilities of our Iraqi counterparts, and the enemy situation.

This final chart captures the recommendations I have described, showing the recommended reduction of brigade combat teams as the surge runs its course, and illustrating the concept of our units adjusting their missions, and transitioning responsibilities to Iraqis as the situation and Iraqi capabilities permit.

It also reflects the "no later than" date for recommendations on force adjustments beyond next summer, and it provides a possible approach we have considered for the future force structure and mission set in Iraq over time.

In describing the recommendations I have made, I should note, again, that like Ambassador Crocker, I believe Iraq's problems will require a long-term effort. There are no easy answers or quick solutions. Although we both believe this effort can succeed, it will take time. Our assessments underscore, in fact, the importance of recognizing that a premature drawdown of our forces would likely have devastating consequences. That assessment is supported by the findings of a August 16 Defense Intelligence Agency (DIA) report on the implications of a rapid withdrawal of U.S. forces from Iraq.

Summarizing it in an unclassified fashion, it concludes that a rapid withdrawal would result in the further release of the strong centrifugal forces in Iraq, and produce a number of dangerous results, including a high risk of disintegration of the Iraqi security forces, rapid deterioration of local security initiatives, al Qaeda-Iraq regaining lost ground and freedom of maneuver, a marked increase in violence, and further ethno-sectarian displacement and refugee flows, alliances of convenience by Iraqi groups with internal and external forces to gain advantages over their rivals, and exacerbation of already-challenging regional dynamics, especially with respect to Iran.

Lieutenant General Odierno and I share this assessment, and believe that the best way to secure our national interests and avoid an unfavorable outcome in Iraq is to continue to focus our operations on securing the Iraqi people, while targeting terrorist groups and militia extremists and, as quickly as conditions are met, transitioning security tasks to Iraqi elements.

Before closing, I want to thank you and your colleagues for our support of our men and women in uniform in Iraq. The soldiers, sailors, airmen, marines, and coastguardsman with whom I'm honored to serve are the best-equipped, and very likely the most professional force in our Nation's history. All of us appreciate what you have done to ensure that these great troopers have had what they have needed to accomplish their mission, just as we appreciate what you have done to take care of their families, as they, too, have made significant sacrifices in recent years.

The advances you have underwritten in weapons systems and individual equipment, in munitions, in command, control, and communications (C3) systems, and intelligence, surveillance, and reconnaissance (ISR) capabilities, in vehicles and counter-IED systems and programs, and in manned, and unmanned aircraft, have proven invaluable in Iraq.

Additionally, your funding of the Commander's Emergency Response Program has given our leaders a critical tool with which to prosecute the counterinsurgency campaign.

Finally, we appreciate as well your funding of our new detention programs and rule of law initiatives in Iraq.

In closing, it remains an enormous privilege to soldier, again, in Iraq, with America's new greatest generation. Our country's men and women in uniform have done a magnificent job in the most complex and challenging environment imaginable. All Americans should be very proud of their sons and daughters serving in Iraq today.

Thank you very much.

[The prepared statement of General Petraeus follows:]

PREPARED STATEMENT BY GEN DAVID H. PETRAEUS, USA

Mr. Chairman, ranking members, members of the committees, thank you for the opportunity to provide my assessment of the security situation in Iraq and to discuss the recommendations I recently provided to my chain of command for the way forward.

At the outset, I would like to note that this is my testimony. Although I have briefed my assessment and recommendations to my chain of command, I wrote this testimony myself. It has not been cleared by, nor shared with, anyone in the Pentagon, the White House, or Congress.

As a bottom line upfront, the military objectives of the surge are, in large measure, being met. In recent months, in the face of tough enemies and the brutal summer heat of Iraq, coalition, and Iraqi security forces have achieved progress in the security arena. Though the improvements have been uneven across Iraq, the overall number of security incidents in Iraq has declined in 8 of the past 12 weeks, with the numbers of incidents in the last 2 weeks at the lowest levels seen since June 2006.

One reason for the decline in incidents is that coalition and Iraqi forces have dealt significant blows to al Qaeda-Iraq. Though al Qaeda and its affiliates in Iraq remain dangerous, we have taken away a number of their sanctuaries and gained the initiative in many areas.

We have also disrupted Shiite militia extremists, capturing the head and numerous other leaders of the Iranian-supported Iraqi Special Groups, along with a senior Lebanese Hezbollah operative supporting Iran's activities in Iraq.

Coalition and Iraqi operations have helped reduce ethno-sectarian violence, as well, bringing down the number of ethno-sectarian deaths substantially in Baghdad and across Iraq since the height of the sectarian violence last December. The number of overall civilian deaths has also declined during this period, although the numbers in each area are still at troubling levels.

Iraqi security forces have also continued to grow and to shoulder more of the load, albeit slowly and amid continuing concerns about the sectarian tendencies of some elements in their ranks. In general, however, Iraqi elements have been standing and fighting and sustaining tough losses, and they have taken the lead in operations in many areas.

Additionally, in what may be the most significant development of the past 8 months, the tribal rejection of al Qaeda that started in Anbar province and helped produce such significant change there has now spread lo a number of other locations as well.

Based on all this and on the further progress we believe we can achieve over the next few months, I believe that we will be able to reduce our forces to the pre-surge level of brigade combat teams by next summer without jeopardizing the security gains that we have fought so hard to achieve.

Beyond that, while noting that the situation in Iraq remains complex, difficult, and sometimes downright frustrating, I also believe that it is possible to achieve our objectives in Iraq over time, though doing so will be neither quick nor easy.

Having provided that summary, I would like to review the nature of the conflict in Iraq, recall the situation before the surge, describe the current situation, and explain the recommendations I have provided to my chain of command for the way ahead in Iraq.

THE NATURE OF THE CONFLICT

The fundamental source of the conflict in Iraq is competition among ethnic and sectarian communities for power and resources. This competition will take place, and its resolution is key to producing long-term stability in the new Iraq. The question is whether the competition takes place more—or less—violently. This chart shows the security challenges in Iraq, Foreign and home-grown terrorists, insurgents, militia extremists, and criminals all push the ethno-sectarian competition toward violence. Malign actions by Syria and, especially, by Iran fuel that violence. Lack of adequate governmental capacity, lingering sectarian mistrust, and various forms of corruption add to Iraq's challenges.

THE SITUATION IN DECEMBER 2006 AND THE SURGE

In our recent efforts to look to the future, we found it useful to revisit the past. In December 2006, during the height of the ethno-sectarian violence that escalated in the wake of the bombing of the Golden Dome Mosque in Samarra, the leaders in Iraq at that time—General George Casey and Ambassador Zalmay Khalilzad—concluded that the coalition was failing to achieve its objectives. Their review underscored the need to protect the population and reduce sectarian violence, especially in Baghdad. As a result, General Casey requested additional forces to enable the coalition to accomplish these tasks, and those forces began to flow in January.

In the ensuing months, our forces and our Iraqi counterparts have focused on improving security, especially in Baghdad and the areas around it, wresting sanctuaries from al Qaeda control, and disrupting the efforts of the Iranian-supported militia extremists. We have employed counterinsurgency practices that underscore the importance of units living among the people they are securing, and accordingly, our forces have established dozens of joint security stations and patrol bases manned by coalition and Iraqi forces in Baghdad and in other areas across Iraq.

In mid-June, with all the surge brigades in place, we launched a series of offensive operations focused on: expanding the gains achieved in the preceding months in Anbar province; dealing Baqubah, several key Baghdad neighborhoods, the remaining sanctuaries in Anbar province, and important areas in the so-called "belts" around Baghdad; and pursuing al Qaeda in the Diyala River Valley and several other areas.

Throughout this period, as well, we engaged in dialogue with insurgent groups and tribes, and this led to additional elements standing up to oppose al Qaeda and other extremists. We also continued to emphasize the development of the Iraqi security forces and we employed nonkinetic means to exploit the opportunities provided by the conduct of our kinetic operations—aided in this effort by the arrival of additional Provincial Reconstruction Teams.

CURRENT SITUATION AND TRENDS

The progress our forces have achieved with our Iraqi counterparts has, as I noted at the outset, been substantial. While there have been setbacks as well as successes and tough losses along the way, overall, our tactical commanders and I see improvements in the security environment. We do not, however, just rely on gut feel or personal observations; we also conduct considerable data collection and analysis to gauge progress and determine trends. We do this by gathering and refining data from coalition and Iraqi operations centers, using a methodology that has been in place for well over a year and that has benefited over the past 7 months from the increased presence of our forces living among the Iraqi people. We endeavor to ensure our analysis of that data is conducted with rigor and consistency, as our ability to achieve a nuanced understanding of the security environment is dependent on collecting and analyzing data in a consistent way over time. Two U.S. intelligence agencies recently reviewed our methodology, and they concluded that the data we produce is the most accurate and authoritative in Iraq.

As I mentioned upfront, and as the chain before you reflects, the level of security incidents has decreased significantly since the start of the surge of offensive operations in mid-June, declining in 8 of the past 12 weeks, with the level of incidents in the past 2 weeks the lowest since June 2006 and with the number of attacks this past week the lowest since April 2006.

Civilian deaths of all categories, less natural causes, have also declined considerably, by over 45 percent Iraq-wide since the height of the sectarian violence in December. This is shown by the top line on this chart, and the decline by some 70 percent in Baghdad is shown by the bottom line. Periodic mass casualty attacks by al Qaeda have tragically added to the numbers outside Baghdad, in particular. Even

without the sensational attacks, however, the level of civilian deaths is clearly still too high and continues to be of serious concern.

As the next chart shows, the number of ethno-sectarian deaths, an important subset of the overall civilian casualty figures, has also declined significantly since the height of the sectarian violence in December. Iraq-wide, as shown by the top line on this chart, the number of ethno-sectarian deaths has come down by over 55 percent, and it would have come down much further were it not for the casualties inflicted by barbaric al Qaeda bombings attempting to reignite sectarian violence. In Baghdad, as the bottom line shows, the number of ethno-sectarian deaths has come down by some 80 percent since December. This chart also displays the density of sectarian incidents in various Baghdad neighborhoods and it both reflects the progress made in reducing ethno-sectarian violence in the Iraqi capital and identifies the areas that remain the most challenging.

As we have gone on the offensive in former al Qaeda and insurgent sanctuaries, and as locals have increasingly supported our efforts, we have found a substantially increased number of arms, ammunition, and explosives caches. As this chart shows, we have, so far this year, already found and cleared over 4,400 caches, nearly 1,700 more than we discovered in all of last year. This may be a factor in the reduction in the number of overall improvised explosive device (IED) attacks in recent months, which as this chart shows, has declined sharply, by about one-third, since June.

The change in the security situation in Anbar Province has, of course, been particularly dramatic. As this chart shows, monthly attack levels in Anbar have declined from some 1,350 in October 2006 to a bit over 200 in August of this year. This dramatic decrease reflects the significance of the local rejection of al Qaeda and the newfound willingness of local Anbaris to volunteer lo serve in the Iraqi Army and Iraqi Police Service. As I noted earlier, we are seeing similar actions in other locations, as well.

To be sure, trends have not been uniformly positive across Iraq, as is shown by this chart depicting violence levels in several key Iraqi provinces. The trend in Ninevah province, for example, has been much more up and down, until a recent decline, and the same is (rue in Sala ad Din province, though recent trends there and in Baghdad have been in the right direction. In any event, the overall trajectory in Iraq—a steady decline of incidents in the past 3 months—is still quite significant.

The number of car bombings and suicide attacks has also declined in each of the past 5 months, from a high of some 175 in March, as this chart shows, to about 90 this past month. While this trend in recent months has been heartening, the number of high profile attacks is still too high, and we continue to work hard to destroy the networks that carry out these barbaric attacks.

Our operations have, in fact, produced substantial progress against al Qaeda and its affiliates in Iraq. As this chart shows, in the past 8 months, we have considerably reduced the areas in which al Qaeda enjoyed sanctuary. We have also neutralized 5 media cells, detained the senior Iraqi leader of al Qaeda-Iraq, and killed or captured nearly 100 other key leaders and some 2,500 rank-and-file fighters. Al Qaeda is certainly not defeated; however, it is off balance and we are pursuing its leaders and operators aggressively. Of note, as the recent National Intelligence Estimate (NIE) on Iraq explained, these gains against al Qaeda are a result of the synergy of actions by: conventional forces to deny the terrorists sanctuary; intelligence, surveillance, and reconnaissance assets to find the enemy; and special operations elements to conduct targeted raids. A combination of these assets is necessary to prevent the creation of a terrorist safe haven in Iraq.

In the past 6 months we have also targeted Shiite militia extremists, capturing a number of senior leaders and fighters, as well as the deputy commander of Lebanese Hezbollah Department 2800, the organization created to support the training, arming, funding, and, in some cases, direction of the militia extremists by the Iranian Republican Guard Corps' Qods Force. These elements have assassinated and kidnapped Iraqi Governmental leaders, killed and wounded our soldiers with advanced explosive devices provided by Iran, and indiscriminately rocketed civilians in the International Zone and elsewhere. It is increasingly apparent to both coalition and Iraqi leaders that Iran, through the use of the Qods Force, seeks to turn the Iraqi Special Groups into a Hezbollah-like force to serve its interests and fight a proxy war against the Iraqi state and coalition forces in Iraq.

The most significant development in the past 6 months likely has been the increasing emergence of tribes and local citizens rejecting al Qaeda and other extremists. This has, of course, been most visible in Anbar Province. A year ago the province was assessed as "lost" politically. Today, it is a model of what happens when local leaders and citizens decide to oppose al Qaeda and reject its Taliban-like ideology. While Anbar is unique and the model it provides cannot be replicated everywhere in Iraq, it does demonstrate the dramatic change in security that is possible

with the support and participation of local citizens. As this chart shows, other tribes have been inspired by the actions of those in Anbar and have volunteered to fight extremists as well. We have, in coordination with the Iraqi Government's National Reconciliation Committee, been engaging these tribes and groups of local citizens who want to oppose extremists and to contribute to local security. Some 20,000 such individuals are already being hired for the Iraqi Police, thousands of others are being assimilated into the Iraqi Army, and thousands more arc vying for a spot in Iraq's security forces.

IRAQI SECURITY FORCES

As I noted earlier, Iraqi security forces have continued to grow, to develop their capabilities, and to shoulder more of the burden of providing security for their country. Despite concerns about sectarian influence, inadequate logistics and supporting institutions, and an insufficient number of qualified commissioned and noncommissioned officers, Iraqi units are engaged around the country.

As this chart shows, there are now nearly 140 Iraqi Army, National Police, and Special Operations Forces Battalions in the fight, with about 95 of those capable of taking the lead in operations, albeit with some coalition support. Beyond that, all of Iraq's battalions have been heavily involved in combat operations that often result in the loss of leaders, soldiers, and equipment. These losses are among the shortcomings identified by operational readiness assessments, but we should not take from these assessments the impression that Iraqi forces are not in the fight and contributing. Indeed, despite their shortages, many Iraqi units across Iraq now operate with minimal coalition assistance.

As counterinsurgency operations require substantial numbers of boots on the ground, we are helping the Iraqis expand the size of their security forces. Currently, there are some 445,000 individuals on the payrolls of Iraq's Interior and Defense Ministries. Based on recent decisions by Prime Minister Maliki, the number of Iraq's security forces will grow further by the end of this year, possibly by as much as 40,000. Given the security challenges Iraq faces, we support this decision, and we will work with the two security ministries as they continue their efforts to expand their basic training capacity, leader development programs, logistical structures and elements, and various other institutional capabilities to support the substantial growth in Iraqi forces.

Significantly, in 2007, Iraq will, as in 2006, spend more on its security forces than it will receive in security assistance from the United States. In fad, Iraq is becoming one of the United States' larger foreign military sales (FMS) customers, committing some $1.6 billion to FMS already, with the possibility of up to $1.8 billion more being committed before the end of this year. I appreciate the attention that some Members of Congress have recently given to speeding up the FMS process for Iraq.

To summarize, the security situation in Iraq is improving, and Iraqis elements are slowly taking on more of the responsibility for protecting their citizens. Innumerable challenges lie ahead; however, coalition and Iraqi security forces have made progress toward achieving sustainable security. As a result, the United States will be in a position to reduce its forces in Iraq in the months ahead.

RECOMMENDATIONS

Two weeks ago, I provided recommendations for the way ahead in Iraq to the members of my chain of command and the Joint Chiefs of Staff. The essence of the approach I recommended is captured in its title: "Security While Transitioning: From Leading to Partnering to Overwatch." This approach seeks to build on the security improvements our troopers and our Iraqi counterparts have fought so hard to achieve in recent months. It reflects recognition of the importance of securing the population and the imperative of transitioning responsibilities to Iraqi institutions and Iraqi forces as quickly as possible, but without rushing to failure. It includes substantial support for the continuing development of Iraqi security forces. It also stresses the need to continue the counterinsurgency strategy that we have been employing, but with Iraqis gradually shouldering more of the load. It highlights the importance of regional and global diplomatic approaches. Finally, in recognition of the fact that this war is not only being fought on the ground in Iraq but also in cyberspace, it also notes the need to contest the enemy's growing use of that important medium to spread extremism.

The recommendations I provided were informed by operational and strategic considerations. The operational considerations include recognition that:

- military aspects of the surge have achieved progress and generated momentum;

- Iraqi security forces have continued to grow and have slowly been shouldering more of the security burden in Iraq;
- a mission focus on either population security or transition alone will not be adequate to achieve our objectives;
- success against al Qaeda-Iraq and Iranian-supported militia extremists requires conventional forces as well as Special Operations Forces; and
- the security and local political situations will enable us to draw down the surge forces.

My recommendations also took into account a number of strategic considerations:

- political progress will take place only if sufficient security exists;
- long-term U.S. ground force viability will benefit from force reductions as the surge runs its course;
- regional, global, and cyberspace initiatives are critical to success; and
- Iraqi leaders understandably want to assume greater sovereignty in their country, although, as they recently announced, they do desire continued presence of coalition forces in Iraq in 2008 under a new U.N. Security Council Resolution and, following that, they want to negotiate a long-term security agreement with the United States and other nations.

Based on these considerations, and having worked the battlefield geometry with Lieutenant General Ray Odierno to ensure that we retain and build on the gains for which our troopers have fought, I have recommended a drawdown of the surge forces from Iraq. In fact, later this month, the Marine Expeditionary Unit deployed as part of the surge will depart Iraq. Beyond that, if my recommendations are approved, that unit's departure will be followed by the withdrawal of a brigade combat team without replacement in mid-December and the further redeployment without replacement of four other brigade combat teams and the two surge Marine battalions in the first 7 months of 2008, until we reach the pre-surge level of 15 brigade combat teams by mid-July 2008.

I would also like to discuss the period beyond next summer. Force reductions will continue beyond the pre-surge levels of brigade combat teams that we will reach by mid-July 2008; however, in my professional judgment, it would he premature to make recommendations on the pace of such reductions at this time. In fact, our experience in Iraq has repeatedly shown that projecting too far into the future is not just difficult, it can be misleading and even hazardous. The events of the past 6 months underscore that point. When I testified in January, for example, no one would have dared to forecast that Anbar Province would have been transformed the way it has in the past 6 months. Nor would anyone have predicted that volunteers in onetime al Qaeda strongholds like Ghazaliyah in western Baghdad or in Adamiya in eastern Baghdad would seek to join the fight against al Qaeda. Nor would we have anticipated that a Shia-led government would accept significant numbers of Sunni volunteers into the ranks of the local police force in Abu Ghraib. Beyond that, on a less encouraging note, none of us earlier this year appreciated the extent of Iranian involvement in Iraq, something about which we and Iraq's leaders all now have greater concern.

In view of this, I do not believe it is reasonable to have an adequate appreciation for the pace of further reductions and mission adjustments beyond the summer of 2008 until about mid-March of next year. We will, no later than that time, consider factors similar to those on which I based the current recommendations, having by then, of course, a better feel for the security situation, the improvements in the capabilities of our Iraqi counterparts, and the enemy situation. I will then, as I did in developing the recommendations I have explained here today, also take into consideration the demands on our Nation's ground forces, although I believe that that consideration should once again inform, not drive, the recommendations I make.

This chart captures the recommendations I have described, showing the recommended reduction of brigade combat teams as the surge runs its course and illustrating the concept of our units adjusting their missions and transitioning responsibilities to Iraqis, as the situation and Iraqi capabilities permit. It also reflects the no-later-than date for recommendations on force adjustments beyond next summer and provides a possible approach we have considered for the future force structure and mission set in Iraq.

One may argue that the best way to speed the process in Iraq is to change the Multinational Forces-Iraq mission from one that emphasizes population security, counterterrorism, and transition, to one that is strictly focused on transition and counterterrorism. Making that change now would, in our view, be premature. We have learned before that there is a real danger in handing over tasks to the Iraqi security forces before their capacity and local conditions warrant. In fact, the drafters of the recently released NIE on Iraq recognized this danger when they wrote,

and I quote, "We assess that changing the mission of coalition forces from a primarily counterinsurgency and stabilization role to a primary combat support role for Iraqi forces and counterterrorist operations to prevent al Qaeda-Iraq from establishing a safe haven would erode security gains achieved thus far."

In describing the recommendations I have made, I should note again that, like Ambassador Crocker, I believe Iraq's problems will require a long-term effort. There are no easy answers or quick solutions. Though we both believe this effort can succeed, it will take time. Our assessments underscore, in fact, the importance of recognizing that a premature drawdown of our forces would likely have devastating consequences.

That assessment is supported by the findings of a 16 August Defense Intelligence Agency report on the implications of a rapid withdrawal of U.S. forces from Iraq. Summarizing it in an unclassified fashion, it concludes that a rapid withdrawal would result in the further release of the strong centrifugal forces in Iraq and produce a number of dangerous results, including a high risk of disintegration of the Iraqi security forces; rapid deterioration of local security initiatives; al Qaeda-Iraq regaining lost ground and freedom of maneuver; a marked increase in violence and further ethno-sectarian displacement and refugee flows; alliances of convenience by Iraqi groups with internal and external forces to gain advantages over their rivals; and exacerbation of already challenging regional dynamics, especially with respect to Iran.

Lieutenant General Odierno and I share this assessment and believe that the best way to secure our national interests and avoid an unfavorable outcome in Iraq is to continue to focus our operations on securing the Iraqi people while targeting terrorist groups and militia extremists and, as quickly as conditions are met, transitioning security tasks to Iraqi elements.

CLOSING COMMENTS

Before closing, I want to thank you and your colleagues for your support of our men and women in uniform in Iraq. The soldiers, sailors, airmen, marines, and coastguardsmen with whom I'm honored to serve are the best equipped and, very likely, the most professional force in our Nation's history. Impressively, despite all that has been asked of them in recent years, they continue to raise their right hands and volunteer to stay in uniform. With 3 weeks to go in this fiscal year, in fact, the Army elements in Iraq, for example, have achieved well over 130 percent of the reenlistment goals in the initial term and careerist categories and nearly 115 percent in the mid-career category. All of us appreciate what you have done to ensure that these great troopers have had what they've needed lo accomplish their mission, just as we appreciate what you have done to take care of their families, as they, too, have made significant sacrifices in recent years.

The advances you have underwritten in weapons systems and individual equipment; in munitions;.in command, control, and communications systems; in intelligence, surveillance, and reconnaissance capabilities; in vehicles and counter-IED systems and programs; and in manned and unmanned aircraft have proven invaluable in Iraq. The capabilities that you have funded most recently—especially the vehicles that will provide greater protection against IEDs—are also of enormous importance. Additionally, your funding of the Commander's Emergency Response Program has given our leaders a critical tool with which to prosecute the counterinsurgency campaign. Finally, we appreciate as well your funding of our new detention programs and rule of law initiatives in Iraq.

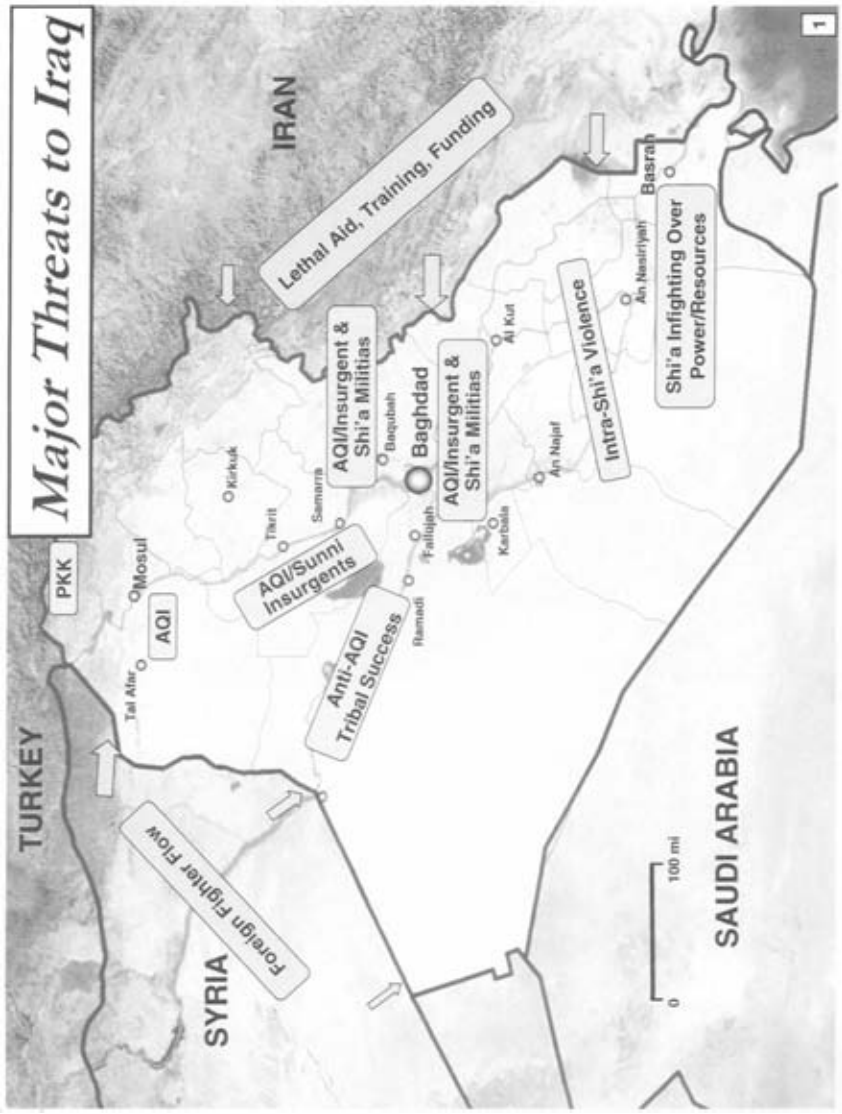
In closing, it remains an enormous privilege to soldier again in Iraq with America's new "Greatest Generation." Our country's men and women in uniform have done a magnificent job in the most complex and challenging environment imaginable. All Americans should be very proud of their sons and daughters serving in Iraq today.

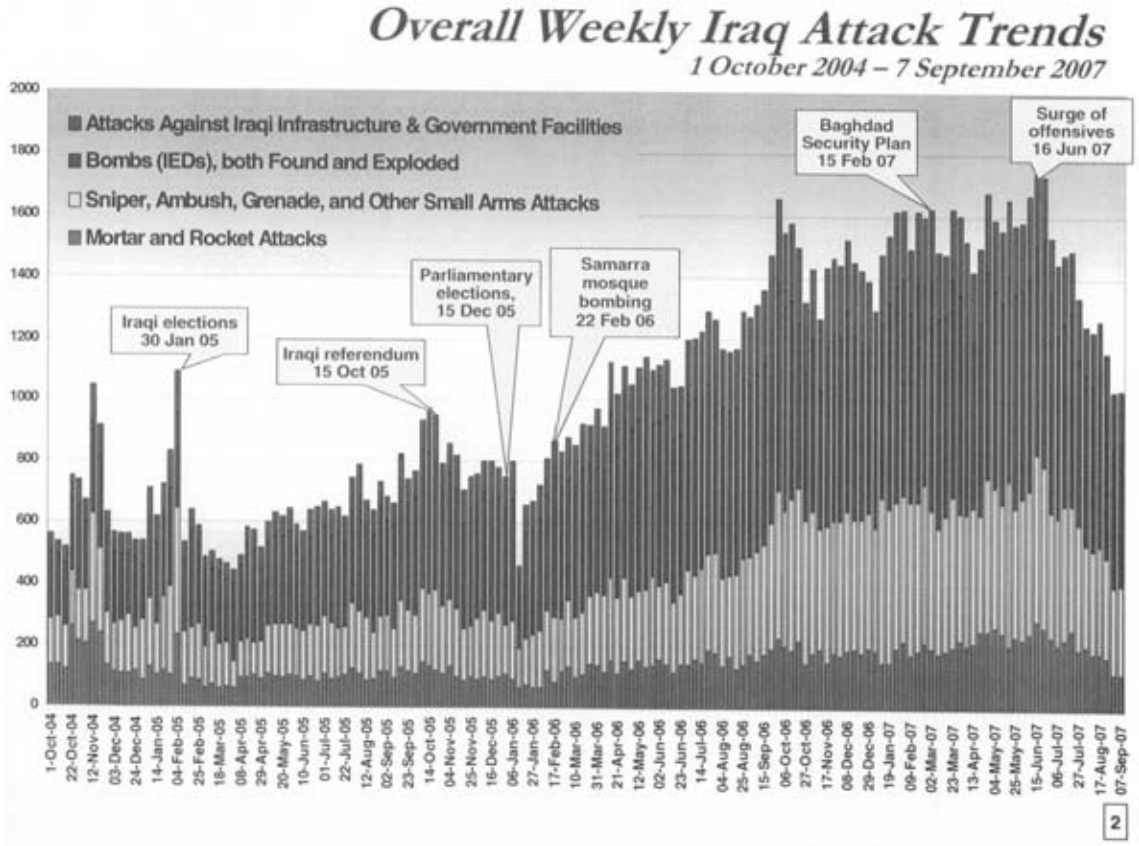
Thank you very much.

Multi-National Force-Iraq

Charts to accompany the testimony of GEN David H. Petraeus

10-11 September 2007


Major Threats to Iraq
TURKEY
PKK
Mosul
AQI
Tal Afar
SYRIA
Foreign Fighter Flow
Kirkuk
Tikrit
Samarra
AQI/Sunni Insurgents
Anti-AQI Tribal Success
Ramadi
Fallujah
Baqubah
AQI/Insurgent & Shi'a Militias
Baghdad
AQI/Insurgent & Shi'a Militias
Karbala
Al Kut
An Najaf
Intra-Shi'a Violence
IRAN
Lethal Aid, Training, Funding
An Nasiriyah
Basrah
Shi'a Infighting Over Power/Resources
0
100 mi
SAUDI ARABIA
1


Overall Weekly Iraq Attack Trends
1 October 2004 – 7 September 2007
Attacks Against Iraqi Infrastructure & Government Facilities
Bombs (IEDs), both Found and Exploded
Sniper, Ambush, Grenade, and Other Small Arms Attacks
Mortar and Rocket Attacks
Iraqi elections 30 Jan 05
Iraqi referendum 15 Oct 05
Parliamentary elections, 15 Dec 05
Samarra mosque bombing 22 Feb 06
Baghdad Security Plan 15 Feb 07
Surge of offensives 16 Jun 07
2000
1800
1600
1400
1200
1000
800
600
400
200
0
1-Oct-04
22-Oct-04
12-Nov-04
03-Dec-04
24-Dec-04
14-Jan-05
04-Feb-05
25-Feb-05
18-Mar-05
08-Apr-05
29-Apr-05
20-May-05
10-Jun-05
01-Jul-05
22-Jul-05
12-Aug-05
02-Sep-05
23-Sep-05
14-Oct-05
04-Nov-05
25-Nov-05
16-Dec-05
06-Jan-06
27-Jan-06
17-Feb-06
10-Mar-06
31-Mar-06
21-Apr-06
12-May-06
02-Jun-06
23-Jun-06
14-Jul-06
04-Aug-06
25-Aug-06
15-Sep-06
06-Oct-06
27-Oct-06
17-Nov-06
08-Dec-06
29-Dec-06
19-Jan-07
09-Feb-07
02-Mar-07
23-Mar-07
13-Apr-07
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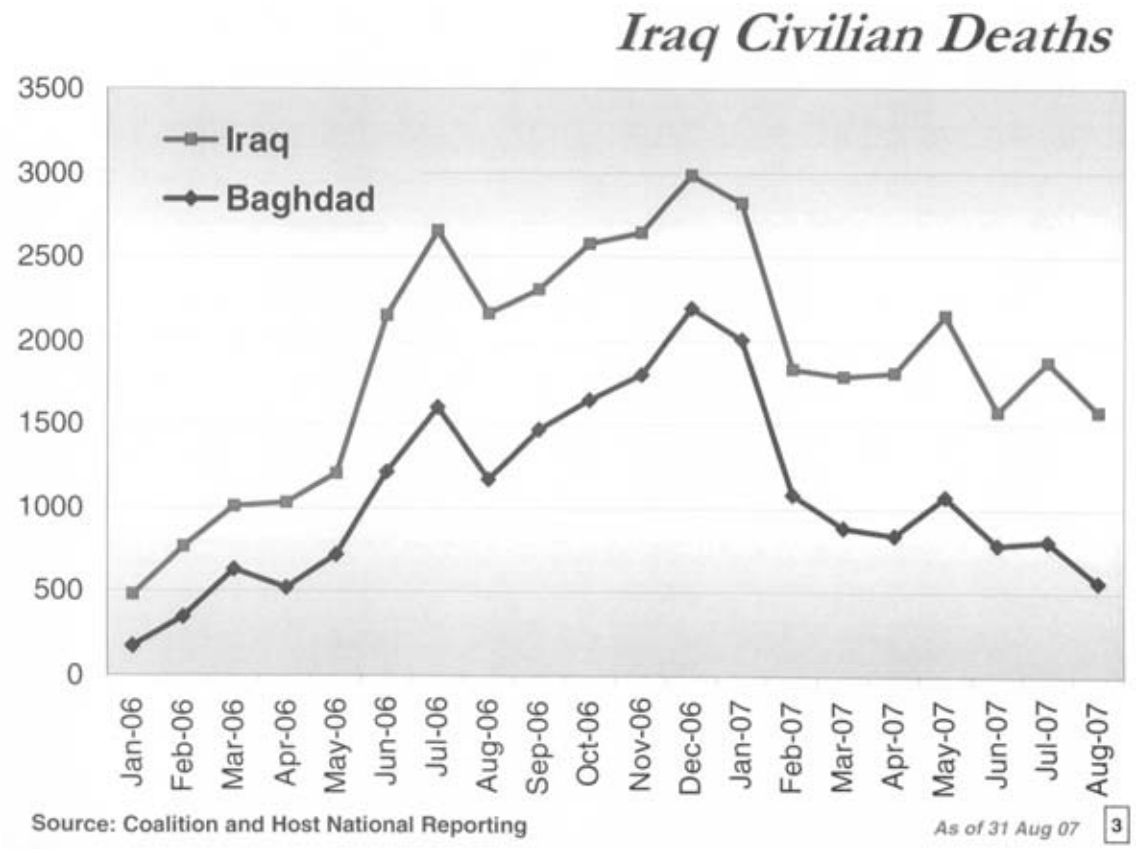
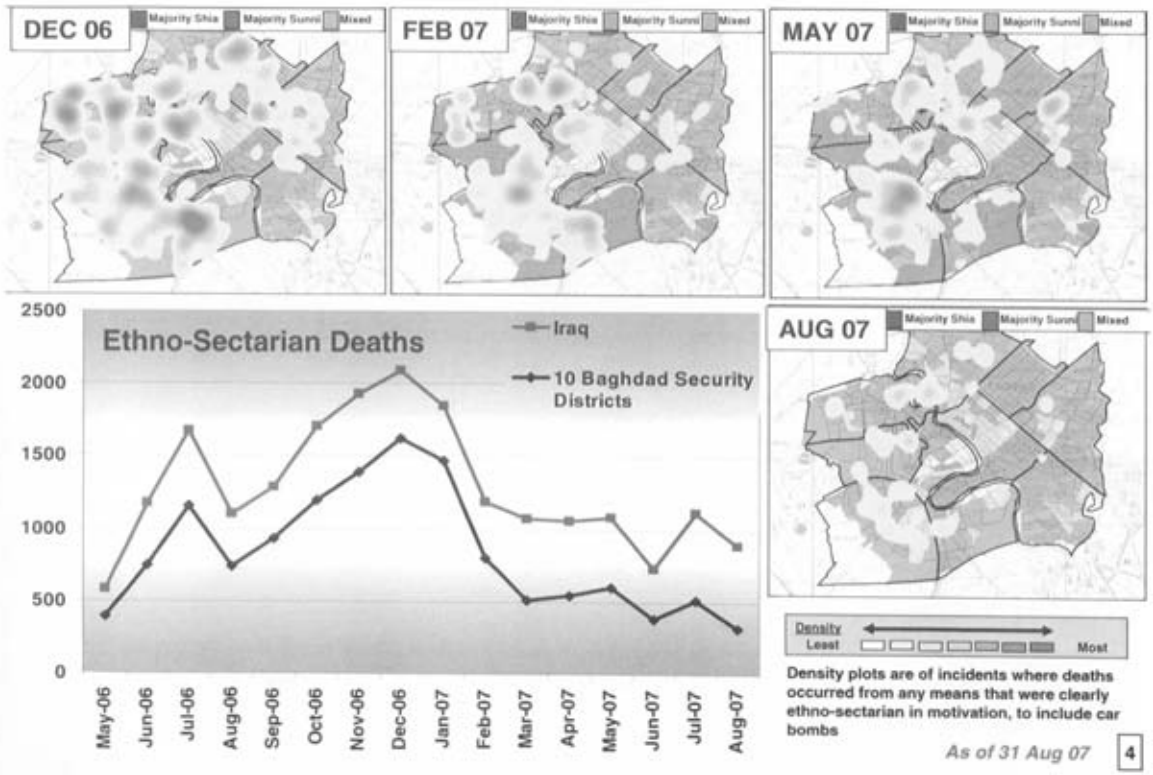
25-May-07
15-Jun-07
06-Jul-07
27-Jul-07
17-Aug-07
07-Sep-07
2


Iraq Civilian Deaths
Iraq
Baghdad
3500
3000
2500
2000
1500
1000
500
0
Jan-06
Feb-06
Mar-06
Apr-06
May-06
Jun-06
Jul-06
Aug-06
Sep-06
Oct-06
Nov-06
Dec-06
Jan-07
Feb-07
Mar-07
Apr-07
May-07
Jun-07
Jul-07
Aug-07
Source: Coalition and Host National Reporting
As of 31 Aug 07
3

Ethno-Sectarian Violence

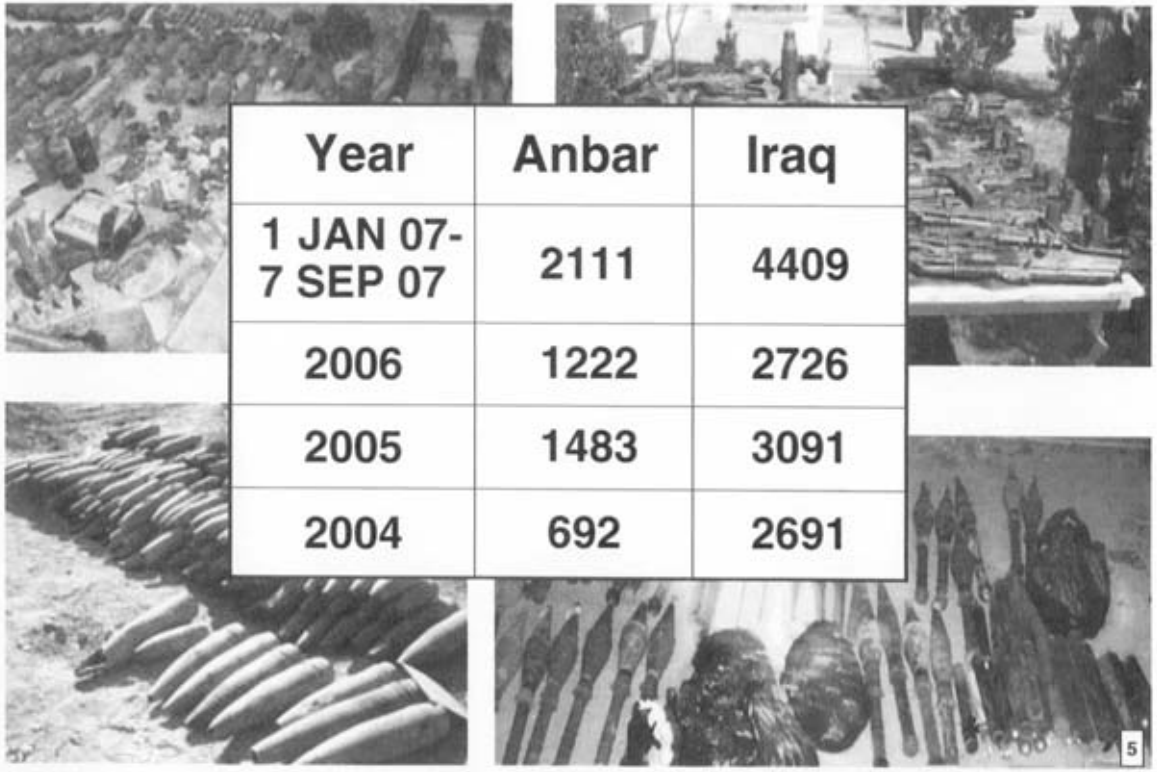


Density plots are of incidents where deaths occurred from any means that were clearly ethno-sectarian in motivation, to include car bombs

As of 31 Aug 07

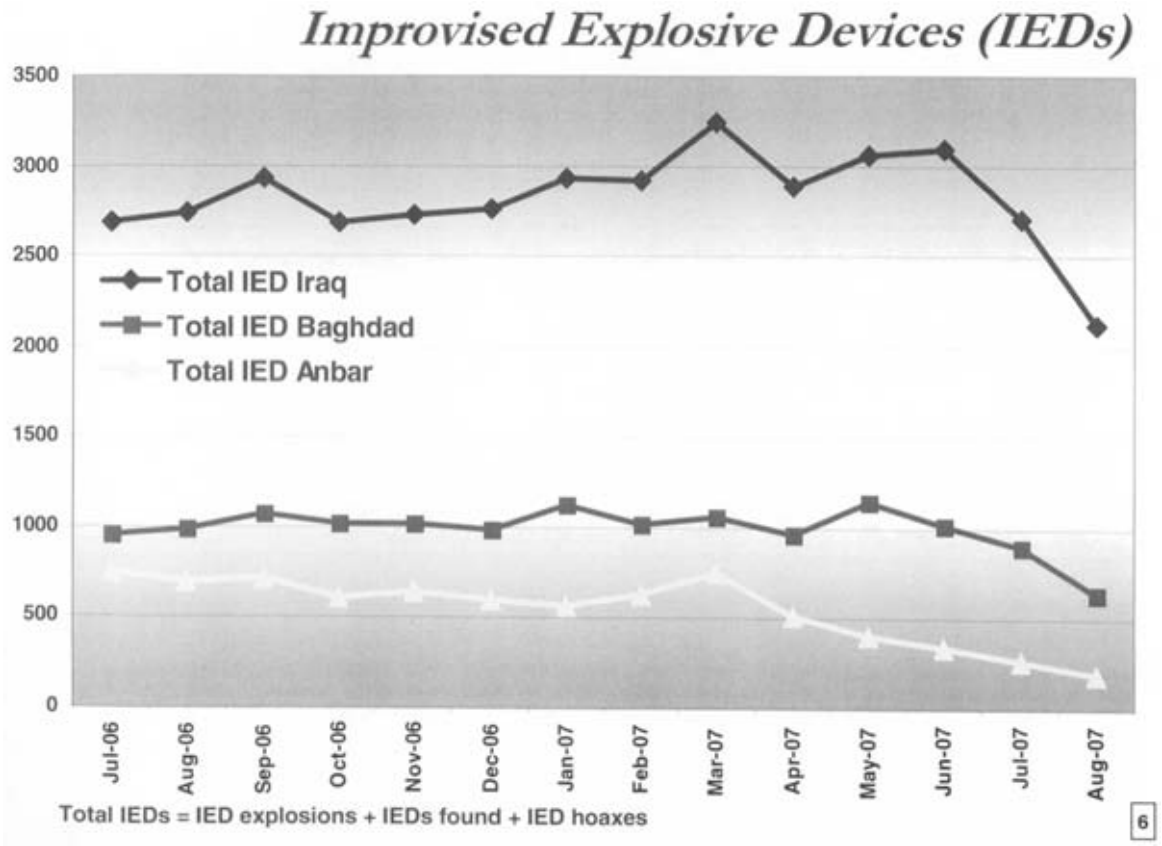
4

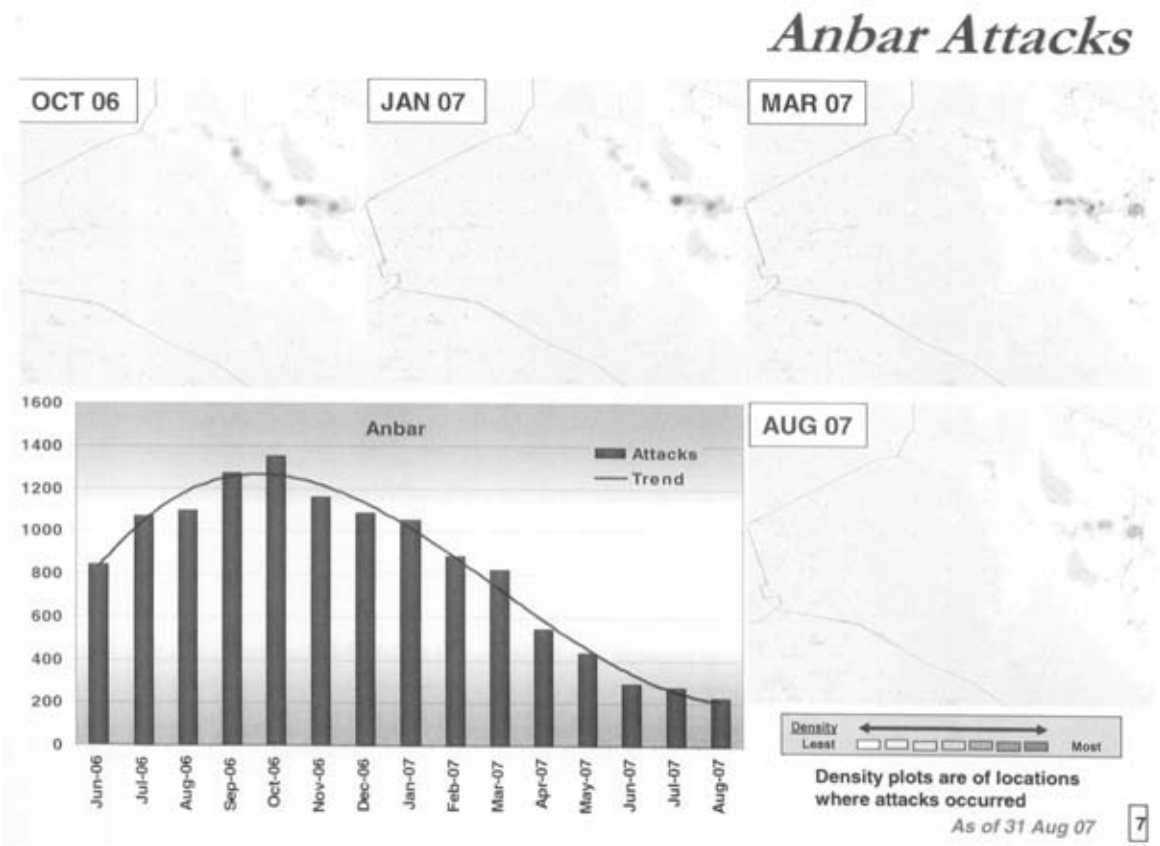
Caches Found & Cleared

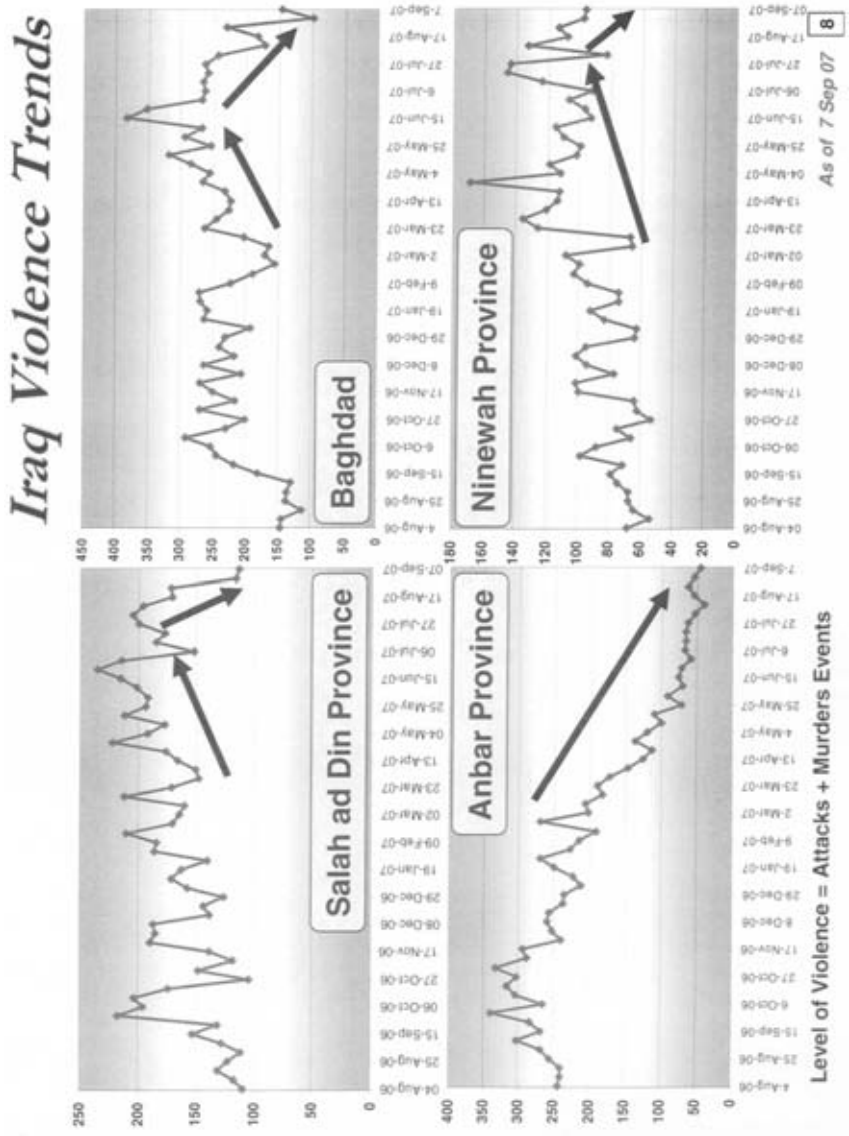


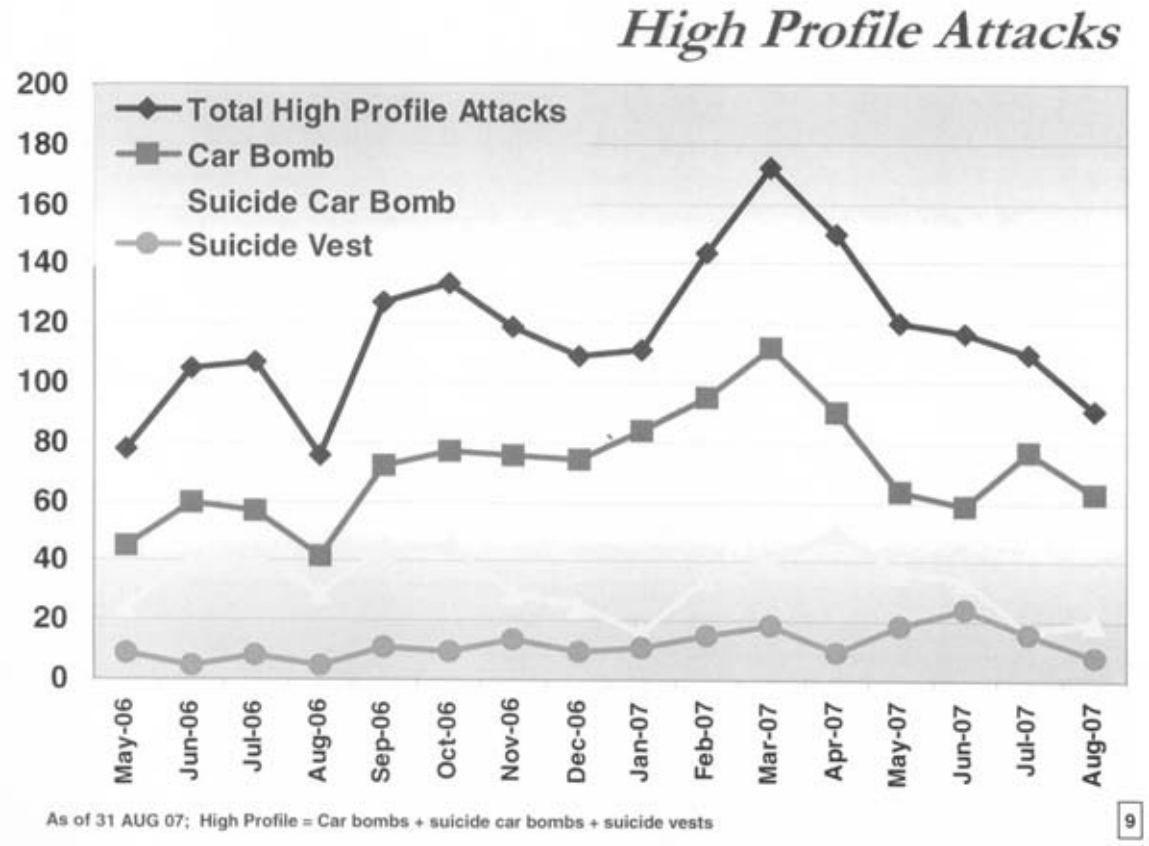
Year	Anbar	Iraq
1 JAN 07- 7 SEP 07	2111	4409
2006	1222	2726
2005	1483	3091
2004	692	2691

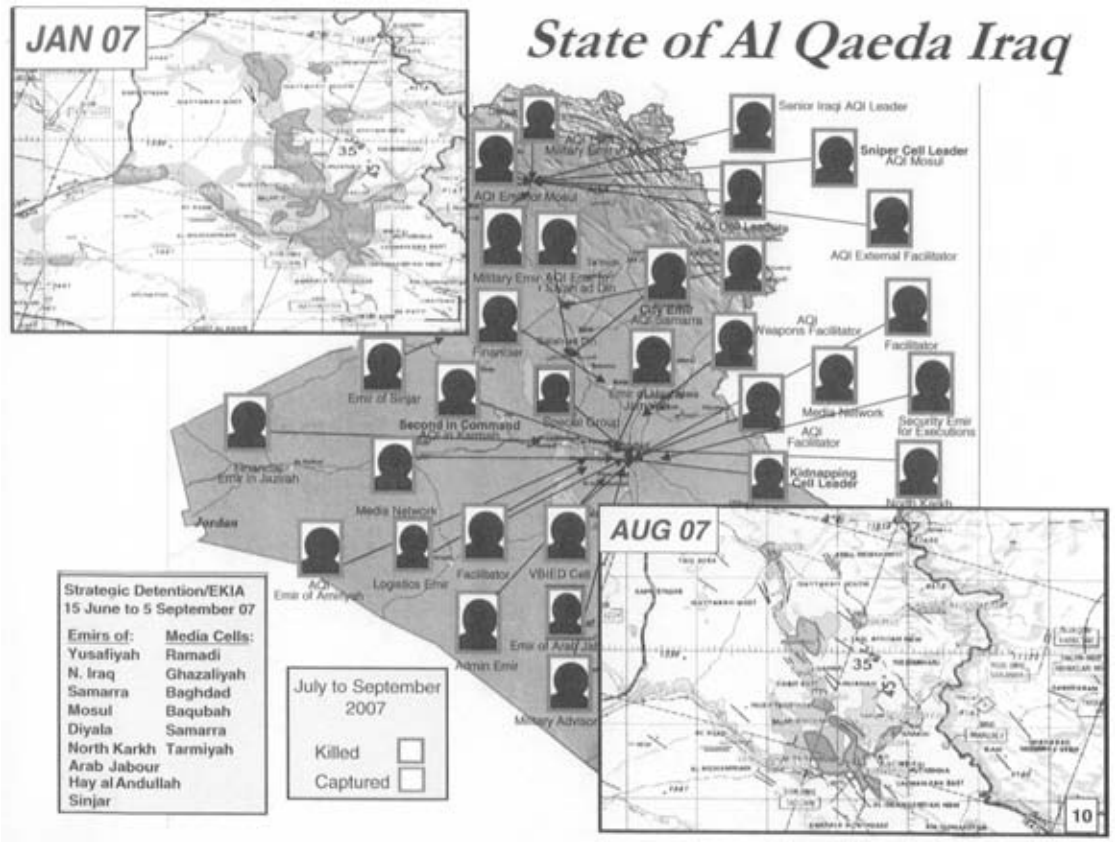
5

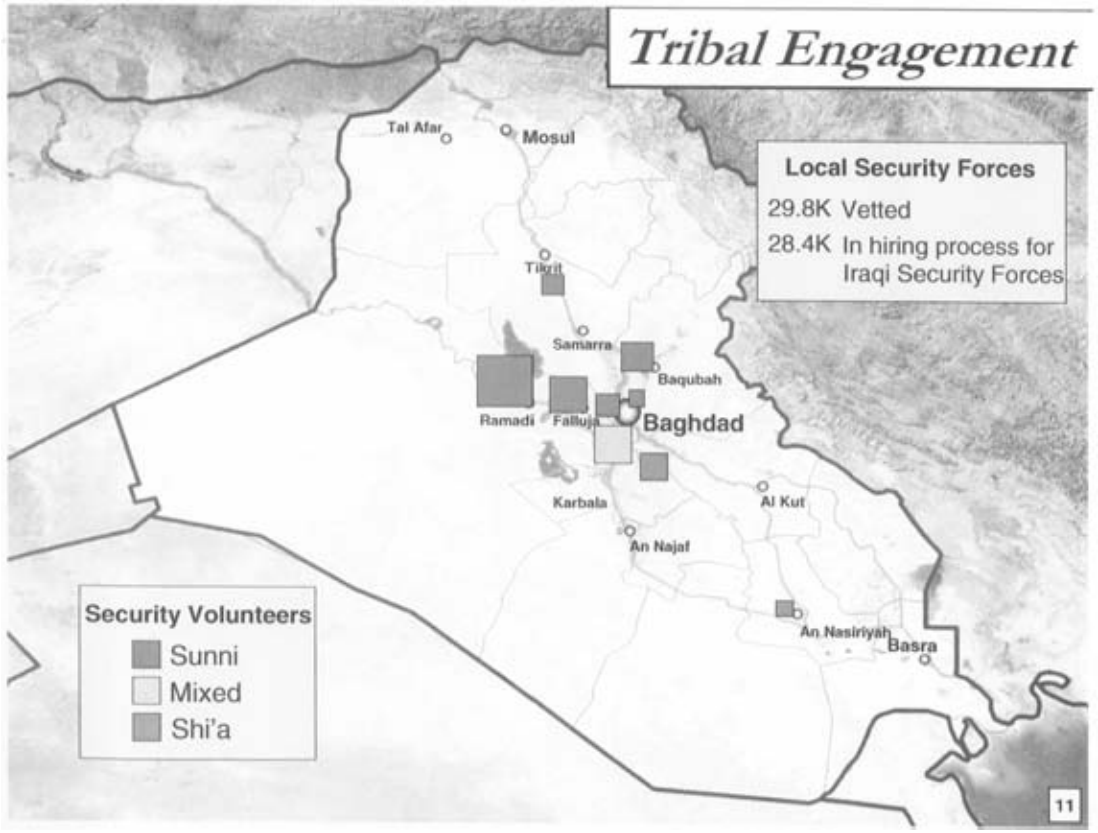

Improvised Explosive Devices (IEDs)
3500
3000
2500
2000
1500
1000
500
0
Total IED Iraq
Total IED Baghdad
Total IED Anbar
Jul-06
Aug-06
Sep-06
Oct-06
Nov-06
Dec-06
Jan-07
Feb-07
Mar-07
Apr-07
May-07
Jun-07
Jul-07
Aug-07
Total IEDs = IED explosions + IEDs found + IED hoaxes
6

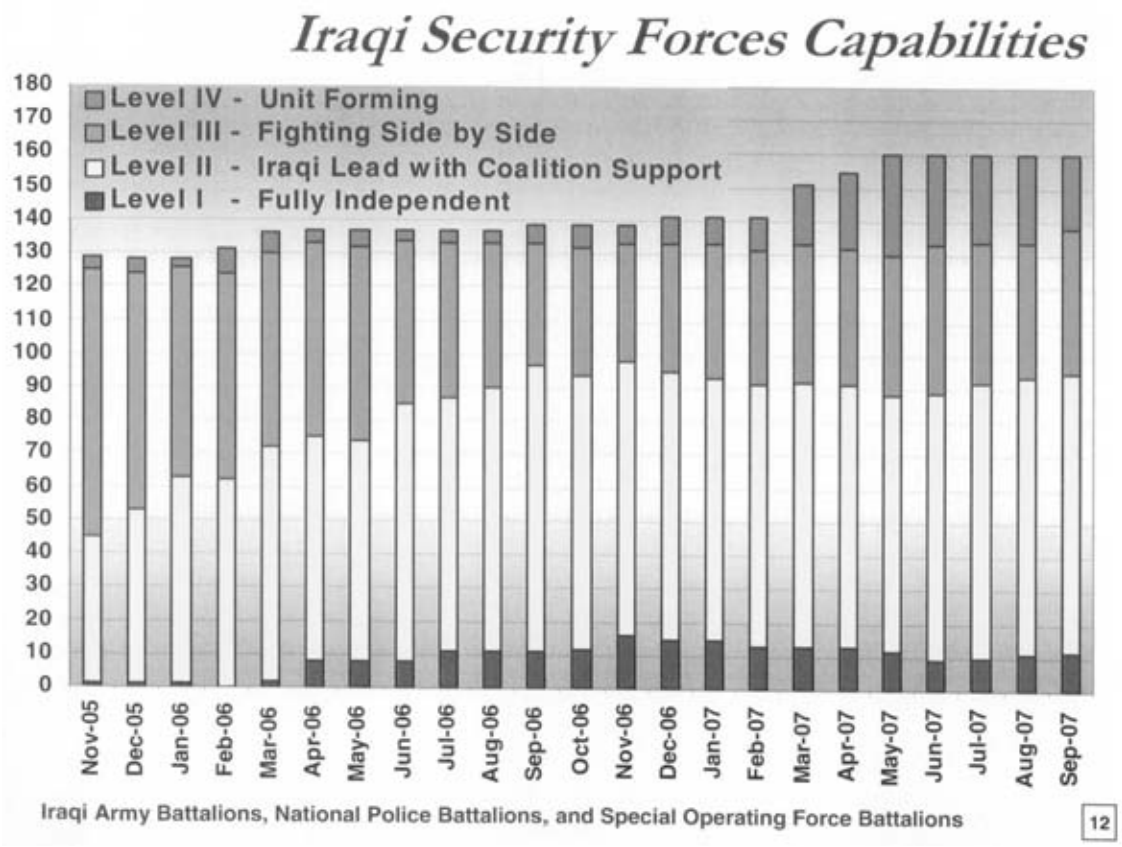

Anbar Attacks
OCT 06
JAN 07
MAR 07
AUG 07
Anbar
Attacks
Trend
1600
1400
1200
1000
800
600
400
200
0
Jun-06
Jul-06
Aug-06
Sep-06
Oct-06
Nov-06
Dec-06
Jan-07
Feb-07
Mar-07
Apr-07
May-07
Jun-07
Jul-07
Aug-07
Density
Least
Most
Density plots are of locations where attacks occurred
As of 31 Aug 07
7

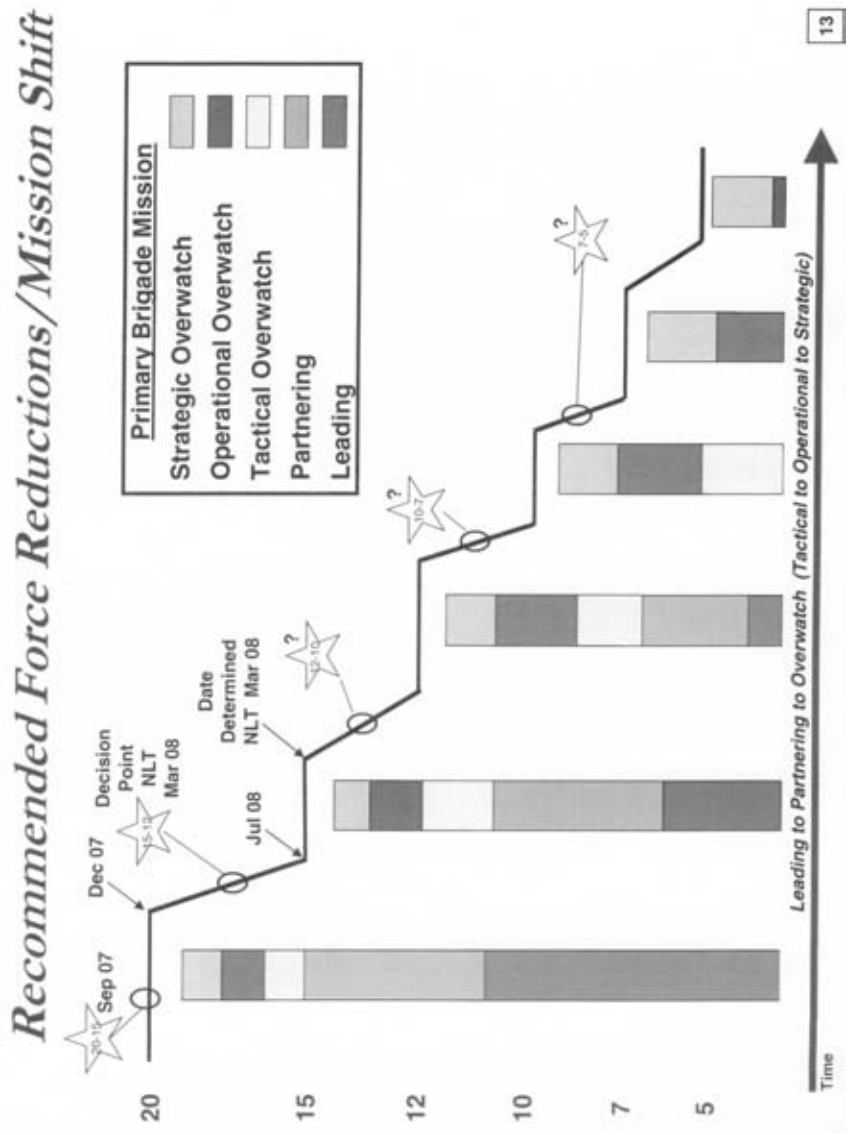

Iraq Violence Trends
Baghdad
Ninewah Province
Salah ad Din Province
Anbar Province
Level of Violence = Attacks + Murders Events
As of 7 Sep 07
8


High Profile Attacks
Total High Profile Attacks
Car Bomb
Suicide Car Bomb
Suicide Vest
200
180
160
140
120
100
80
60
40
20
0
May-06
Jun-06
Jul-06
Aug-06
Sep-06
Oct-06
Nov-06
Dec-06
Jan-07
Feb-07
Mar-07
Apr-07
May-07
Jun-07
Jul-07
Aug-07
As of 31 AUG 07; High Profile = Car bombs + suicide car bombs + suicide vests
9


State of Al Qaeda Iraq
JAN 07
AUG 07
Senior Iraqi AQI Leader
Sniper Cell Leader
AQI Mosul
AQI External Facilitator
AQI Emir for Mosul
Military Emir
AQI Emir for Anbar ad Din
City Emir
AQI Samarra
AQI Weapons Facilitator
Facilitator
Financier
Emir of Sinjar
Second in Command
Special Ops
Media Network
Security Emir for Executions
AQI Facilitator
Kidnapping Cell Leader
North Karkh
Financier
Emir in Jazirah
Jordan
Media Network
AQI Emir of Anbar
Logistics Emir
Facilitator
VBIED Cell
Emir of Arab Jabour
Admin Emir
Military Advisor
Strategic Detention/EKIA
15 June to 5 September 07
Emirs of:
Yusafiyah
N. Iraq
Samarra
Mosul
Diyala
North Karkh
Arab Jabour
Hay al Andullah
Sinjar
Media Cells:
Ramadi
Ghazaliyah
Baghdad
Baqubah
Samarra
Tarmiyah
July to September 2007
Killed
Captured
10


Tribal Engagement
Local Security Forces
29.8K Vetted
28.4K In hiring process for Iraqi Security Forces
Tal Afar
Mosul
Tikrit
Samarra
Baqubah
Ramadi
Falluja
Baghdad
Karbala
An Najaf
Al Kut
An Nasiriyah
Basra
Security Volunteers
Sunni
Mixed
Shi'a
11


Iraqi Security Forces Capabilities
Level IV - Unit Forming
Level III - Fighting Side by Side
Level II - Iraqi Lead with Coalition Support
Level I - Fully Independent
180
170
160
150
140
130
120
110
100
90
80
70
60
50
40
30
20
10
0
Nov-05
Dec-05
Jan-06
Feb-06
Mar-06
Apr-06
May-06
Jun-06
Jul-06
Aug-06
Sep-06
Oct-06
Nov-06
Dec-06
Jan-07
Feb-07
Mar-07
Apr-07
May-07
Jun-07
Jul-07
Aug-07
Sep-07
Iraqi Army Battalions, National Police Battalions, and Special Operating Force Battalions
12



Chairman LEVIN. Thank you very much, General.

Ambassador Crocker?

STATEMENT OF AMBASSADOR RYAN C. CROCKER, UNITED STATES AMBASSADOR TO IRAQ

Ambassador CROCKER. Mr. Chairman, since I have circulated my statement and delivered it in previous hearings, in the interest of the committee's time, if it's agreeable to you, I'd be prepared to go straight to questions.

[The prepared statement of Ambassador Crocker follows:]

PREPARED STATEMENT BY AMBASSADOR RYAN C. CROCKER

INTRODUCTION

Mr. Chairman, Senator McCain, and members of the committee: Thank you for the opportunity to address the Senate this week. I have considered it a privilege and an honor to serve in Iraq at a time when so much is at stake for our country and the people of the region—and when so many Americans of the highest caliber in our military and civilian services are doing the same. I know that a heavy responsibility weighs on my shoulders to provide the country with my best, most honest assessment of the political, economic, and diplomatic situation in Iraq and the implications for the United States.

Americans, in this chamber and beyond, are looking for more than an update on the latest events. They want to know the answers to some key questions. Are our objectives realistic? Is it possible that Iraq will become a united, stable country with a democratic government operating under the rule of law? What is the trajectory—is Iraq, on the whole, moving in the right direction? Can we expect more and under what time frame? Are there alternative courses of action for our country which are superior?

These are sensible questions to be asked by a nation investing in and sacrificing for another country and people. In asking these questions, however, we must not lose sight of the vital interests the United States has in a successful outcome in Iraq.

My intention today is to give you an assessment of political, economic, and diplomatic developments in Iraq. In doing so, I will not minimize the enormity of the challenges faced by Iraqis, nor the complexity of the situation. Yet at the same time, I intend to demonstrate that it is possible for the United States to see its goals realized in Iraq and that Iraqis are capable of tackling and addressing the problems confronting them today. A secure, stable democratic Iraq at peace with its neighbors is attainable. In my judgment, the cumulative trajectory of political, economic, and diplomatic developments in Iraq is upwards, although the slope of that line is not steep. The process will not be quick, it will be uneven, punctuated by setbacks as well as achievements, and it will require substantial U.S. resolve and commitment. There will be no single moment at which we can claim victory; any turning point will likely only be recognized in retrospect.

This is a sober assessment, but it should not be a disheartening one. I have found it helpful, during my time in Iraq to reflect on our own history. At many points in the early years, our survival as a nation was questionable. Our efforts to build the institutions of government were not always successful in the first instance. Tough issues—such as slavery, universal suffrage, civil rights, and state rights—were resolved only after acrimonious debate and sometimes violence.

Iraq is experiencing a revolution—not just regime change. It is only by understanding this that we can appreciate what is happening in Iraq and what Iraqis have achieved, as well as maintain a sense of realism about the challenges that remain.

CONTEXT

Evaluating where Iraqis are today only makes sense in the context of where they have been. Any Iraqi under 40 years old—and that is the overwhelming majority of the population—would have known nothing but the rule of the Ba'ath party before liberation 4½ years ago. Those 35 years were filled with crimes against humanity on every scale. Saddam Hussein ruled without mercy, not hesitating to use lethal force and torture against even those in his inner circle. His genocidal campaign against the Kurds and savagery toward southern Shi'a are well known. But he also used violence and intimidation as tools in the complete deconstruction of Iraqi society. No organization or institution survived that was not linked in some way to regime protection. He created a pervasive climate of fear in which even family members were afraid to talk to one another.

This is the legacy that Iraqis had as their history when Saddam's statue came down on April 9, 2003. No Nelson Mandela existed to emerge on the national political scene; anyone with his leadership talents would have not survived. A new Iraq had to be built almost literally from scratch, and the builders in most cases were themselves reduced to their most basic identity, ethnic, or sectarian.

Much progress has been made, particularly in building an institutional framework where there was none before. But rather than being a period in which old animosities and suspicions were overcome, the past 18 months in particular have further strained Iraqi society. The sectarian violence of 2006 and early 2007 had its seeds in Saddam's social deconstruction and it had dire consequences for the people of

Iraq as well as its politics. Extensive displacement and widespread sectarian killings by al Qaeda and other extremist groups have gnawed away at the already frayed fabric of Iraqi society and politics. It is no exaggeration to say that Iraq is—and will remain for some time to come—a traumatized society.

NATIONAL POLITICS

It is against this backdrop that developments in Iraq must be seen. Iraqis are facing some of the most profound political, economic, and security challenges imaginable. They are not simply grappling with the issue of who rules Iraq—but they are asking what kind of country Iraq will be, how it will be governed, and how Iraqis will share power and resources among each other. The constitution approved in a referendum in 2005 answered some of these questions in theory, but much remains uncertain in both law and practice.

Some of the more promising political developments at the national level are neither measured in benchmarks nor visible to those far from Baghdad. For instance, there is a budding debate about federalism among Iraq's leaders and, importantly, within the Sunni community. Those living in place like al-Anbar and Salahaddin are beginning to realize how localities having more of a say in daily decision making will empower their communities. No longer is an all-powerful Baghdad seen as the panacea to Iraq's problems. This thinking is nascent, but it is ultimately critical to the evolution of a common vision among all Iraqi leaders.

Similarly, there is a palpable frustration in Baghdad over the sectarian system that was used to divide the spoils of the state in the last few years. Leaders from all communities openly acknowledge that a focus on sectarian gains has led to poor governance and served Iraqis badly. Many claim to be ready to make the sacrifices that will be needed to put government performance ahead of sectarian and ethnic concerns. Such ideas are no longer controversial, although their application will be.

Finally, we are seeing Iraqis come to terms with complex issues not by first providing a national framework, but instead by tackling immediate problems. One such example is how the central government has accepted over 1,700 young men from the Abu Ghurayb area west of Baghdad, including former members of insurgent groups, to be part of the Iraqi security forces. Another is how the government, without much public fanfare, has contacted thousands of members of the former Iraqi army, offering them retirement, return to the military, or public sector employment. So without the proclamation of a general amnesty, we see amnesty being granted, and deba'athification reform in advance of national legislation. In both instances, the seeds of reconciliation are being planted.

We have come to associate progress on national reconciliation as meaning the passage of key pieces of legislation. There is logic to this, as the legislation we are urging the Iraqis to produce does—in one way or another—have to do with the question of how to share power and resources among Iraq's many communities. This legislation also has to do with the vision of the future Iraqi state. The oil and revenues sharing laws, for instance, deal with deeper issues than simply whether Iraqis in oil producing areas are willing to share their wealth with other Iraqis. What is difficult about the oil laws is that they take Iraq another step down the road toward a Federal system that all Iraqis have not yet embraced. But once again, we see that even in the absence of legislation there is practical action as the central government shares oil revenues through budget allocations on an equitable basis with Iraq's provinces.

In many respects, the debates currently occurring in Iraq—de-Baathification and provincial powers—are akin to those surrounding our civil rights movement or struggle over states rights. On de-Baathification, Iraqis are struggling to come to terms with a vicious past. They are trying to balance fear that the Baath party would one day return to power with the recognition that many former members of the party are guilty of no crime and joined the organization not to repress others but for personal survival. With provincial powers, they are grappling with very serious questions about what the right balance between the center and the periphery is for Iraq. Some see the devolution of power to regions and provinces as being the best insurance against the rise of a future tyrannical figure in Baghdad. Others see Iraq, with its complex demographics, as in need of a strong central authority.

In short, we should not be surprised or dismayed that Iraqis have not fully resolved such issues. Rather, we should ask whether the way in which they are approaching such issues gives us a sense of their seriousness and ultimate capability to resolve Iraq's fundamental problems. Is the collective national leadership of Iraq ready to prioritize Iraq over sectarian and community interests? Can and will they come to agreement about what sort of Iraq they want?

I do believe that Iraq's leaders have the will to tackle the country's pressing problems, although it will take longer than we originally anticipated because of the environment and the gravity of the issues before them. Prime Minister Nuri al-Maliki and the other Iraqi leaders face enormous obstacles in their efforts to govern effectively. I believe they approach the task with a deep sense of commitment and patriotism. An important part of my assessment was the effort made by the leaders this past summer. After weeks of preparatory work and many days of intensive meetings, Iraq's five most prominent national leaders from the three major communities issued a communiqué on August 26 that noted agreement on draft legislation dealing with deba'athification and provincial powers. This agreement by no means solves all of Iraq's problems. But the commitment of its leaders to work together on hard issues is encouraging.

Perhaps most significantly, these five Iraqi leaders together decided to publicly express their joint desire to develop a long term relationship with the United States. Despite their many differences in perspectives and experiences, they all agreed on language acknowledging the need for a continued presence by the multinational forces in Iraq and expressing gratitude for the sacrifices these forces have made for Iraqis.

PROVINCIAL AND LOCAL POLITICS

At the provincial level, political gains have been more pronounced, particularly in the north and west of Iraq where the security improvements have been in some places dramatic. In these areas, there is abundant evidence that the security gains have opened the door for meaningful politics.

In al-Anbar, the progress on the security side has been extraordinary. Six months ago, violence was rampant, our forces were under daily attack, and Iraqis were cowering from the intimidation of al Qaeda. But al Qaeda overplayed its hand in al-Anbar and Anbaris began to reject its excesses—be they beheading school children or cutting off peoples' fingers as punishment for smoking. Recognizing the coalition would help eject al Qaeda, the tribes began to fight with us, not against us, and the landscape in al-Anbar is dramatically different as a result. Tribal representatives are on the provincial council, which is now meeting regularly to find ways of restoring services, developing the economy, and executing a provincial budget. These leaders are looking for help to rebuild their cities and talking of attracting investment. Such scenes are also unfolding in parts of Diyala' and Ninewa, where Iraqis have mobilized with the help of the coalition and Iraqi security forces to evict al Qaeda from their communities. The world should note that when al Qaeda began implementing its twisted vision of the Caliphate in Iraq, Iraqis, from al-Anbar to Baghdad to Diyala', have overwhelmingly rejected it.

Shiite extremists are also facing rejection. Recent attacks by elements of the Iranian backed Jaysh al-Mahdi on worshipers in the holy city of Karbala' have provoked a backlash and triggered a call by Muqtada as-Sadr for Jaysh al-Mahdi to cease attacks against Iraqis and coalition forces.

A key challenge for Iraqis now is to link these positive developments in the provinces to the central government in Baghdad. Unlike our states, Iraqi provinces have little ability to generate funds through taxation, making them dependent on the central government for resources. The growing ability of the provinces to design and execute budgets and the readiness of the central government to resource them are success stories. On September 6, Iraq's senior Federal leadership traveled to al-Anbar where they announced a 70 percent increase in the 2007 provincial capital budget as well as $50 million to compensate losses in the fight against al Qaeda. The support of the central government is also needed to maintain hard-won security in areas like al-Anbar through the rapid expansion of locally-generated police. The Government of Iraq has placed some 21,000 Anbaris on police roles.

ECONOMICS AND CAPACITY BUILDING

Iraq is starting to make some gains in the economy. Improving security is stimulating revival of markets, with the active participation of local communities. In some places, war damage is being cleared and buildings repaired, roads and sewers built and commerce energized.

The IMF estimates that economic growth will exceed 6 percent for 2007. Iraqi ministries and provincial councils have made substantial progress this year in utilizing Iraq's oil revenue for investment. The 2007 governmental budget allocated $10 billion (nearly one-third Iraq's expected oil export revenue) to capital investment. Over $3 billion was allocated to the provinces and the Kurdish Region for spending. The latest data show that spending units (national ministries and provincial councils) have proceeded to commit these funds at more than twice the rate of

last year. Doing the best are the provincial authorities, in the process gaining experience with making plans and decisions, and running fair tenders. In so doing, they are stimulating local business development and providing employment. Over time we expect the experience with more responsive local authorities will change Iraqi attitudes towards their elected leaders, and of the provinces towards Baghdad.

At two conferences in Dubai in the last 2 weeks, hundreds of Iraqi businessmen met an equal number of foreign investors newly interested in acquiring shares of businesses in Iraq. An auction of cell phone spectrum conducted by Pricewaterhouse Coopers netted the Government a better-than-expected sum of $3.75 billion. The Minister of Finance plans to use the funds, along with all the country's oil revenue, to apply to its pressing investment and current expenditure needs.

Overall, however, the Iraqi economy is performing significantly under potential. A lack of security in many parts of the countryside raises transport costs and especially affects manufacturing and agriculture. Electricity supply has improved in many parts of the country, but is woefully inadequate in Baghdad. Many neighborhoods in the city receive 2 hours a day or less from the national grid, although power supplies for essential services such as water pumping stations or hospitals are much better. The Minister of Electricity said last week that it would take $25 billion through 2016 to meet demand requirements, but that by investing the $2 billion a year the Ministry is now receiving from the government's budget, as well as private investment in power generation, that goal could be met.

We are deploying our assistance funds to make a difference to ordinary Iraqis and to support our political objectives. Military units are using Commanders Emergency Response (CERP) funds to ensure that residents see a difference when neighborhood violence declines. U.S. Assistance for International Development Community Stabilization Funds provide tens of thousands of jobs. With the recent apportionment of 2007 supplemental funds, we are putting "Quick Response Funds" in the hands of our Provincial Reconstruction Team leaders to build communities and institutions in post-kinetic environments. Vocational training and microfinance programs are supporting nascent private businesses. In Baghdad, we are increasing our engagement and capacity building efforts with ministries.

REGIONAL AND INTERNATIONAL DYNAMICS

On the diplomatic front, there is expanding international and regional engagement with Iraq. In August, the UN Security Council, at Iraq's invitation, provided the United Nations Assistance Mission in Iraq (UNAMI) with an expanded mandate through U.N. Security Council Resolution (UNSCR) 1770. The work of the International Compact with Iraq moves forward, jointly chaired by Iraq and the U.N. Seventy-four countries pledged support for Iraq's economic reform efforts at a Ministerial Conference in May. The U.N. has reported progress in 75 percent of the 400 areas Iraq has identified for action. Later this month, the Iraqi Prime Minister and the U.N. Secretary General will chair a ministerial-level meeting in New York to discuss further progress under the Compact and how UNSCR 1770 can be most effectively implemented.

Many of Iraq's neighbors recognize that they have a stake in the outcome of the current conflict in Iraq, and are engaging with Iraq in a constructive way. A neighbors' ministerial in May, also attended by the P–5 and the G–8, has been followed by meetings of working groups on security, border issues, and energy. An ambassadorial level meeting just took place in Baghdad, and another neighbors' ministerial will be held in Istanbul in October.

Against the backdrop of these new mechanisms, the business of being neighbors is quietly unfolding. For the first time in years, Iraq is exporting oil through its neighbor, Turkey, as well as through the Gulf. Iraq and Kuwait are nearing conclusion on a commercial deal for Kuwait to supply its northern neighbor with critically needed diesel. Jordan recently issued a statement welcoming the recent leaders' communiqué and supporting Iraqi efforts at reconciliation. Saudi Arabia is planning on opening an Embassy in Baghdad—its first since the fall of Saddam.

Syria's role has been more problematic. On one hand, Syria has hosted a meeting of the border security working group and interdicted some foreign terrorists in transit to Iraq. On the other hand, suicide-bombers continue to cross the border from Syria to murder Iraqi civilians.

Iran plays a harmful role in Iraq. While claiming to support Iraq in its transition, Iran has actively undermined it by providing lethal capabilities to the enemies of the Iraqi state. In doing so, the Iranian government seems to ignore the risks that an unstable Iraq carries for its own interests.

LOOKING AHEAD

2006 was a bad year in Iraq. The country came close to unraveling politically, economically, and in security terms. 2007 has brought some improvements. Enormous challenges remain. Iraqis still struggle with fundamental questions about how to share power, accept their differences and overcome their past. The changes to our strategy last January—the Surge—have helped change the dynamics in Iraq for the better. Our increased presence made besieged communities feel that they could defeat al Qaeda by working with us. Our population security measures have made it much harder for terrorists to conduct attacks. We have given Iraqis the time and space to reflect on what sort of country they want. Most Iraqis genuinely accept Iraq as a multi-ethnic, multi-sectarian society—it is the balance of power that has yet to be sorted out.

Whether Iraq reaches its potential is of course ultimately the product of Iraqi decisions. But the involvement and support of the United States will be hugely important in shaping a positive outcome. Our country has given a great deal in blood and treasure to stabilize the situation in Iraq and help Iraqis build institutions for a united, democratic country governed under the rule of law. Realizing this vision will take more time and patience on the part of the United States.

I cannot guarantee success in Iraq. I do believe, as I have described, that it is attainable. I am certain that abandoning or drastically curtailing our efforts will bring failure, and the consequences of such a failure must be clearly understood. An Iraq that falls into chaos or civil war will mean massive human suffering—well beyond what has already occurred within Iraq's borders. It could well invite the intervention of regional states, all of which see their future connected to Iraq's in some fundamental way. Undoubtedly, Iran would be a winner in this scenario, consolidating its influence over Iraqi resources and possibly territory. The Iranian President has already announced that Iran will fill any vacuum in Iraq. In such an environment, the gains made against al Qaeda and other extremists groups could easily evaporate and they could establish strongholds to be used as safehavens for regional and international operations. Our current course is hard. The alternatives are far worse.

Every strategy requires recalibration as time goes on. This is particularly true in an environment like Iraq where change is a daily or hourly occurrence. As chief of mission in Iraq, I am constantly assessing our efforts and seeking to ensure that they are coordinated with and complementary to the efforts of our military. I believe that, thanks to the support of Congress, we have an appropriate civilian posture in Iraq. Over the coming year, we will continue to increase our civilian efforts outside of Baghdad and the international zone. This presence has allowed us to focus on capacity building, especially in the provinces. The number of Provincial Reconstruction Teams has grown from 10 to 25 this year. In support of these goals, we will be asking Congress for additional economic assistance including additional quick response funds for capacity building. We will also seek support for two significant proposals that hold the prospect of creating permanent jobs for thousands of Iraqis. One would be the establishment of an "Iraqi-American Enterprise Fund," modeled on our successful funds in Poland and elsewhere in Central Europe. Such a fund could make equity investments in new and revamped firms based in Iraq. The second would be a large-scale operations and maintenance facility based on our Highway Trust Fund. On a cost-sharing basis, such a fund would train Iraqis to budget for and maintain important public sector infrastructure (power plants, dams, roads). Over time, the cost-sharing would phase down and out, leaving behind well-trained professionals and instilling the habits of preventative maintenance.

We will continue our efforts to assist Iraqis in the pursuit of national reconciliation, while recognizing that progress on this front may come in many forms and must ultimately be done by Iraqis themselves. We will seek additional ways to neutralize regional interference and enhance regional and international support. We will help Iraqis consolidate the positive developments at local levels and connect them with the national government. Finally, I expect we will invest much effort in developing the strategic partnership between the United States and Iraq, which is an investment in the future of both countries.

Thank you, Mr. Chairman.

Chairman LEVIN. That's your call, Ambassador.

Thank you.

General Petraeus, General Jones and his very distinguished Commission, and very experienced and independent Commission

said that political reconciliation is the key to ending sectarian violence in Iraq. Do you agree?

General PETRAEUS. I do, yes, sir.

Chairman LEVIN. The Commission also said that Iraqi armed forces, excuse me for interrupting myself here—but I will say that we'll have an 8-minute first round of questions—this is for our colleagues, I've talked to Senator McCain about it, we have a huge night, I think everyone is probably here today, so we'd all like more time, but we'll limit the first found to 8 minutes.

General, let me ask you another question, then, about the Independent Commission which was headed by General Jones. They also wrote that the Iraqi armed forces are capable of assuming greater responsibility for the internal security of Iraq. Do you agree with that?

General PETRAEUS. I do. I would want to talk about which units, but that is correct.

Chairman LEVIN. Now, in your testimony and your charts indicate that there are approximately 95 of the Iraqi battalions—Army, police, and SOFs battalions that are capable of taking the lead in operations, albeit with some coalition support, is that correct?

General PETRAEUS. That is correct, yes, sir.

Chairman LEVIN. I believe from our own statistics given to us by the Department of Defense (DOD) under section 9010, that 89 of those battalions are in the Iraqi army, does that sound about right?

General PETRAEUS. That sounds about right, I don't know if they have the Special Operations elements in that——

Chairman LEVIN. I think they are.

General PETRAEUS.—but I think that's about right. Yes.

Chairman LEVIN. I think they are, that includes Special Operations.

General PETRAEUS. Yes, sir.

Chairman LEVIN. Now, after talking with soldiers during a recent visit to Iraq, it was my impression that many of the Iraqi units that have the capabilities to be in the lead, are not yet in the lead. From their testimony last week, I believe that General Jones, and Jawr, speaking for that Independent Commission, agree that there are many Iraqi units that have that capability of being in the lead again, with support from the coalition, that are not yet in the lead. Would you agree with that?

General PETRAEUS. Yes, sir, I think I would, right.

Chairman LEVIN. Can you tell us, about how many of the 89 Iraqi units that are capable of taking the lead with the support of the coalition are not yet in the lead?

General PETRAEUS. Sir, I can not. If I could take that for the record.

[The information referred to follows:]

As of September 2007, there were two Iraqi Army battalions that had recently reached Operational Readiness Assessment Level 2 that had not yet assumed Iraqi Army Lead. The status of these two battalions had recently been upgraded and once the conditions on the ground and opportunities permit, these battalions will be placed in the lead.

It remains our policy to ensure that units are rated as capable of operating in the lead or of conducting their own independent operations before being given responsibility for their own battlespace. Once they are rated as such, we transfer responsibility as soon as conditions allow.

Chairman LEVIN. It's a very important point.

General PETRAEUS. Yes, sir.

Chairman LEVIN. Obviously, for those of us who believe that we have to begin to reduce our forces, and to turn over responsibility to the Iraqis, both politically and militarily, where they have that capability that is still not being used. I would appreciate that, if you would promptly get us that number for the record.

General, British troops withdrew from Basra to a position outside of the city. Now, of the 40,000 British troops that were deployed to Iraq after the invasion, only 5,500 remain, and they are, again, posted outside of the city of Basra. Prime Minister Gordon Brown called the move part of a British strategy to shift from combat to an overwatch role. The role of securing the four provinces in the region, then, is left to the Iraqi security forces. Did you agree with the British decision to redeploy their troops out of Basra?

General PETRAEUS. Sir, I did, and they had already withdrawn from Maysan Province, that was transitioned to provincial Iraqi control some months ago. The Australian forces are in one of the other four provinces, Dhi Qar and Al-Muthanna Province transitioned to provincial Iraqi control, actually, last year. So, they really are, what it really is, transitioning the security of the palace in Basra City to Iraqi elements that were trained and equipped and certified for that.

Chairman LEVIN. Did you agree with the reduction in British troops?

General PETRAEUS. I did, yes, sir.

Chairman LEVIN. General, there was a lengthy article in last Sunday's New York Times that assessed the surge, I don't know if you've had a chance to read that article?

General PETRAEUS. I have not, sir.

Chairman LEVIN. The article was a result of work of 20 reporters who repeatedly visited 20 neighborhoods in Baghdad. They found that of the residents had been killed or driven away from their homes in Baghdad, more than 35,000 Iraqis had left their homes since the surge began, that of nearly all of the Shiite-dominated areas of Baghdad, the Mahdi Army has expanded and deepened its control of daily life in Sadr City. The residents say the Mahdi militants control neighborhood security, gas stations, water supplies, and real estate, and now Baghdad residents say the market is now controlled by the Mahdi Army in Sedia—once middle-class and mixed, and relatively peaceful—crackdowns in nearby Sunni areas led to an influx of hardline Sunni insurgents. Shiites turned to their own militias, principally the Mahdi Army. Most residents have left, fleeing death squads from both sides. One of the most alarming findings of the article is that Sunnis and Shiites fear each other at the top levels of the government, and in the sweltering neighborhood of Baghdad, hatreds are festering, not healing.

Do you have any reaction to that summary? It's a long article, but you didn't mention any specifics about the provinces. I'm just wondering if anything I read strikes you as being erroneous?

General PETRAEUS. No, there are certainly all of those situations to be found in Baghdad, Mr. Chairman.

Chairman LEVIN. All right. Now Ambassador Crocker, in your opening statement for the record, you provided a positive judgment

on the Iraqi political leaders, including Prime Minister Maliki. Yet, according to Joe Klein, in an article in the September 3rd edition of Time Magazine, you told him that the fall of the Maliki Government, when it happens, might be a good thing. Were you accurately quoted?

Ambassador CROCKER. What I have said, when I have been asked that question—and it's come up several times—is that in Iraq now, with its democratically-elected parliament, questions about any government—the Maliki Government or any other, are going to be determined by the Iraqi people. There is a mechanism for voting "no confidence" in their parliamentary system, there are several ways they can do that, and it's up to them.

Chairman LEVIN. I think we all agree with that. But that's not my question. My question is, were you accurately quoted when you were quoted as saying that it might be a good thing if the Maliki Government falls? Is that an accurate quote?

Ambassador CROCKER. My answer is that when I have been asked that question, I respond in the manner that I just laid out for you.

Chairman LEVIN. Are you saying, then, that you did not say that when it happens, it might be a good thing?

Ambassador CROCKER. I do not recall saying that, no, sir.

Chairman LEVIN. Now, Mr. Ambassador, the New York Times reported that Prime Minister Maliki flew to Najaf to meet with Grand Ayatollah Sistani on September 5, 2 days after Mr. Maliki met with the President in Western Iraq. Mr. Maliki is quoted as having stated that, "I raised before Ayatollah Sistani my viewpoints to form a government of technocrats." Now, did you discuss that with Mr. Maliki, that conversation that he had with Ayatollah Sistani?

Ambassador CROCKER. I did not discuss that conversation, because I was on my way back here that night. I have had discussions with the Prime Minister on questions of how the government functions, the problems in governmental functioning—there is a lot of frustration over that, on our side, of course, and on the part of Iraqis, and including the Prime Minister himself. He has previously spoken of one alternative, being the formation of a technocratic government.

Chairman LEVIN. Thank you, my time is up.

Senator McCain.

Senator MCCAIN. Thank you very much, Mr. Chairman.

General Petraeus and Ambassador Crocker, again, thank you.

General Petraeus, you have stated that Iraq is now the central front in the war on terror, is that a correct quote?

General PETRAEUS. That is correct, sir.

Senator MCCAIN. Why is that?

General PETRAEUS. It is based on my conversations with the Director of the Central Intelligence Agency (CIA), and Lieutenant General McCrystal, the Joint Special Operations Command Commander who has assessed that it is a central front for al Qaeda, and they have based that on communications and other things.

It is possible that the loss of momentum—to some degree—in Iraq by al Qaeda may be shifting that, we've actually been looking at that to see if there are indicators of a reduction in support for

al Qaeda-Iraq or not, and there is not something conclusive yet, but it is certainly something that we are looking at very hard.

Senator MCCAIN. Ambassador Crocker, in my statement I mentioned, and I'm sure you heard the Iranian President stated, "Soon we will see a huge power vacuum in the region. Of course we are prepared to fill the gap." Did you hear that comment?

Ambassador CROCKER. I did, I did hear that comment, yes, sir.

Senator MCCAIN. Your conclusion from that?

Ambassador CROCKER. At least the President of Iran has one virtue of being honest. Because that is already very apparent to those of us in Iraq, as Iran's intention.

Senator MCCAIN. General Petraeus, it's astonishing the number of things that people come up with, one of the latest statements is that the surge had nothing to do with Anbar Province, and the rather stunning success we've had there. How do you respond to that?

General PETRAEUS. The success in Anbar Province, correctly, is a political success. But, it is a political success that has been enabled, very much, by our forces, who have been enabled by having additional forces in Anbar Province. The tribes, indeed, stood up, started outside Ramadi last October or so, Colonel McFarland of the Army with some great Marine forces and some Army forces in Ramadi made the decision to back him, that began to build some momentum, got some Iraqis trained, and all of a sudden by mid-March, they felt that they could go ahead and launch a——

Senator MCCAIN. Could it have happened without the surge?

General PETRAEUS. It would not have happened as quickly without the surge, and I don't know whether we could have capitalized on it in the way that we have without the surge.

Senator MCCAIN. Ambassador Crocker, there's now a lot of conversation about a "soft partition" of Iraq, and that Baghdad is already partitioned, and Kurds are doing things locally—and others. What is your response to a proposal to a "soft partition" of Iraq?

Ambassador CROCKER. Iraqis have to figure out what their state will look like in the future. One of the promising indicators we're seeing right now is, in fact, a discussion among all Iraqis—including Sunnis—about a decentralized federal system. These will be their choices to make. That kind of outcome—which is provided for in the constitution, is not soft partition, it's not partition of any form. Partition, in my view, is not a viable outcome for the situation in Iraq. Baghdad—in spite of all of the violence it has seen, and all of the population displacements—remains a very mixed city. Sunnis and Shiite together. Any notion that that city of over 5 million can be neatly divided up, or painlessly cleansed of a huge number of people, is just incorrect.

Senator MCCAIN. Some argue that that ethnic cleansing is already taking place?

Ambassador CROCKER. There clearly has been a substantial displacement of—mainly of Sunnis—but also of Shiite. You know to be candid, there is still some of that going on, as the New York Times article suggests. That is going to be one of the challenges ahead for the Iraqis, and for us in support of them.

Senator MCCAIN. Why not let it just continue?

Ambassador CROCKER. Because this is occurring in its current form, pushed by militias and death squads, at a tremendous human cost. We've brought that down. The surge has brought that down, but it hasn't ended it. To simply say, "This is a good thing," would be, I think, in both practical and moral terms, roughly equivalent to some of the ethnic cleansing we saw in the Balkans.

Senator MCCAIN. General Petraeus, we agree that the national police have been a colossal failure. What are we going to do about it? How many people are we talking about in the context of the overall national police force, as it is?

General PETRAEUS. Senator, there's no question that certain national police elements were hijacked by sectarian interests—particularly during 2006—and became part of the problem instead of part of the solution. The Ministry of Interior has recognized that, this Minister has taken steps, and we have supported those steps, needless to say. But it includes replacement of the overall national police commander, both division commanders, all 9 of the brigade commanders, and 17 of 27 battalion commanders.

In addition, there has been a retraining process for them of a month-long course, where they're pulled out of the line, literally, and sent to a location Southeast of Baghdad for retraining. With some of the units, this has appeared to work, there are some others about which we still have continuing concerns. I believe that Prime Minister Maliki himself has gotten much greater concern about militia activity in general, and has publicly said now that the militias must be dissolved over time.

I am going to bring in some individuals to take a look at this, together with the Ministry of Interior, in fact, shortly after I get back.

Senator MCCAIN. There's an argument that the success in Anbar Province, because it's strictly Sunni, cannot be replicated throughout Iraq.

General PETRAEUS. Sir, it can't be replicated exactly, except of course in locations that are exactly Sunni-Arab. Now, actually, there are neighborhoods in Baghdad where this has been replicated, in other areas, including Abu Ghraib where some, well over 1,500 men have been put on hiring orders by the Ministry of Interior, almost all Sunni-Arab, I assume, and some are former insurgents, Jaish al-Islami—the Iraqi Government knows this, they did it with their eyes wide open, because they saw that it would be better to have these individuals fighting al Qaeda, instead of part of al Qaeda.

Senator MCCAIN. So, this can be and is being replicated throughout Iraq?

General PETRAEUS. It can be replicated in a number of different locations where it's needed to be replicated. The truth is, in some areas you have sufficient security forces now to combat—and it's not just al Qaeda, it's also, of course, militia extremists. But, if you look at the province of Dhi Qar, for example, one of the four provinces for which the British are responsible, in that province, there's a pretty strong Iraqi element, and each time the militia has gotten out of hand, that element has been able to deal with it—on some occasions with some help with a special forces team, that is in that area, and that can provide some close air support, as required.

Senator MCCAIN. Ambassador Crocker, what is your degree of confidence that the Maliki Government can do the things that we've been asking them to do for a long time?

Ambassador CROCKER. My level of confidence is under control. We saw in the course of the summer a serious effort on the part of Prime Minister Maliki and other leaders to try to work out some of the national level issues among them, and that led to a communiqué on August 26 in which they announced agreement in principle on two pieces of legislation—de-Baathification reform and provincial powers—committed themselves to convening regularly to deal with issues of strategic significance to the nation, and also announced agreement on issues relating to detainees and armed groups.

These are modest achievements, but I nonetheless find them somewhat encouraging as an indication of, certainly, the intention of the leaders of the three main communities to work together, and their ability to produce some results.

Senator MCCAIN. Thank you, Mr. Chairman.

I thank the witnesses for their service.

Chairman LEVIN. Thank you, Senator McCain.

Senator Kennedy.

Senator KENNEDY. Thank you very much, Mr. Chairman, and I thank General Petraeus and Ambassador Crocker, as others do, for your service.

Ambassador Crocker, you've given us a rather ominous prediction, when you say that your level of confidence in terms of the political resolution decision, reconciliation is—you used the words "under control." We've heard from General Petraeus, we've heard from General Jones, we've heard from the President of the United States, that military action and political reconciliation have to go hand-in-hand—you'd agree with that, would you not?

Ambassador CROCKER. Senator, I would agree that political reconciliation has to be the end state, but I would not, myself, suggest that they go hand-in-hand.

Senator KENNEDY. All right.

Ambassador CROCKER. I think the military surge can create the conditions under which political reconciliation is possible.

Senator KENNEDY. All right, well they can create the conditions. The real issue and question is, with the surge, are those conditions being created? General Petraeus pointed out in his counter-insurgency statement and book published last December, "the tactical actions that must be linked, not only to strategic and operational military objectives, but also to the host nation's essential political goals. Without those connections, lives and resources may be wasted for no real gain." Without those connections—military and political—lives and resources may be wasted for no real gain. So, General Petraeus, in looking at the surge, and being mindful of the GAO report, the National Intelligence Estimate (NIE) report, that point out that the most important benchmarks that are essential to achieve national reconciliation, end the violence, have not been met, and are not likely to be met any time soon—how do we have any real confidence that these political judgments are going to be made by the Iraqi political leadership? The Iraqi political leadership—they're the ones that are going to have to make the

judgments on political reconciliation. We've had the surge now. We've read the GAO report, we know what President Bush has said, that if the benchmarks have not been achieved, he's going to hold the Iraqis accountable—we've seen no evidence of that. I'd suggest that the Iraqi political leadership is holding hostage American service men and women in Iraq. If they are not going to move, if they're not going to make judgments, if they're not going to make a decision, what I hear from you is that the American commitment is going to be open-ended. It's going to be open-ended into the future. I'm not sure the American people are willing to buy into that.

General PETRAEUS. Senator, what gives me some confidence is actions beyond those of the inability to gain agreement on the benchmark legislation. An example is the fact that, although there has not been agreement on the oil revenue-sharing law, although they have actually sent it forward, I believe is the latest status—they have been, in fact, sharing oil revenue. In fact, giving provinces budgets that are commensurate with what they likely will be given if this law were passed.

Similarly, in terms of—there is no general amnesty law, but there is, essentially conditional immunity that Prime Minister Maliki—through the National Reconciliation Committee—has fostered in reaching out to these groups that have raised their hand to support al Qaeda, and supporting them by putting them through training, and on the payroll of the Ministries of Interior and Defense.

Senator KENNEDY. Just to remind ourselves, the NIE, which I think most of us have had the opportunity to read, said the political reconciliation—I think they used the word "elusive"—the GAO, the establishment of benchmarks which are basically benchmarks by the Bush administration have not been effectively achieved and accomplished. We hear now that Ambassador Crocker says that he has called the idea of political reconciliation, he is keeping "under control" his degree of enthusiasm, or interest, or belief that that's going to happen. We have to know why we should believe that the Maliki Government or the politicians in Baghdad are going to make the tough judgments or decisions that are going to provide the national reconciliation and the political stability of that country, which—as you pointed out in your book—says is absolutely essential if we're going to end violence, and have a country that's going to have some degree of independence.

Ambassador CROCKER. Senator, I described a few minutes ago the efforts that Prime Minister Maliki and other members of the leadership made in the course of the summer that does give me some encouragement, both of their resolve and, to a certain degree, their ability to get things done.

There are other indications——

Senator KENNEDY. They're not in the GAO report.

My time is just going out—General, if I could ask you, on your last chart that you have over here, this is the last chart?

General PETRAEUS. Yes, sir.

Senator KENNEDY. It shows the gradual reduction of American personnel over the period—these are the numbers, the brigades that are going down, this has it eventually flattening out to virtually nothing, it's the chart over here. What is the timeline be-

tween these various bars that we have in this chart that's on this—on the chart that you have over here, and that you've distributed here?

General PETRAEUS. Senator, as I mentioned in my testimony, the next decision—per my recommendations, at least, it would be in mid-March, which would be to recommend the subsequent drawdown—the pace of the subsequent drawdown beyond that we would reach when we had hit the 15 brigade combat teams. We would continue to do that as we go along.

Senator KENNEDY. So, we shouldn't conclude, we shouldn't draw any conclusions from that chart over there on the phasing down, in terms of the American troops, what those bars mean, and when the years will come out—do you have any estimate?

General PETRAEUS. I cannot offer you that. What that does represent is our thinking on conceptually, how we would adjust our mission set, and also the numbers of brigade combat teams over time. Again, the over time—my best professional military advice is that, again, I have to do that as we get closer to each of those times.

Senator KENNEDY. My time is up. Thank you very much.

Chairman LEVIN. Thank you.

Thank you, Senator Kennedy.

Senator Warner.

Senator WARNER. Thank you, Mr. Chairman.

I'd like to join all of us in saying that I have felt your appearances—which I've followed very carefully, I was in attendance at the House yesterday—have been very productive. They've been forceful statements, they've been objective statements, and I think, very credible statements, and I commend you for this public service that each of you are performing.

This is a critical time in our contemporary history of this country, and we're on the threshold of a very important message that our President will deliver regarding the forward strategy. He'll deliver that, presumably, in the coming few days.

General Petraeus, I've followed with great interest your career and I've gotten to know you quite well. I value our professional association. You wrote a letter to your troops, it says as follows, "Many of us had hoped this summer would be a time of tangible, political process at the national level, as well. One of the justifications for the surge, after all, was that it would help create the space for Iraqi leaders to tackle the tough questions, and agree on key pieces of national reconciliation legislation." You concluded with this simple sentence: "It has not worked out as we had hoped."

On what facts did you predicate the hope that you had?

General PETRAEUS. Sir, I guess on the projections that were made by—in many cases—those who came before us. There were plans laid out of when certain pieces of legislation would be dealt with and the plain and simple fact is they were not, and I needed to level with our troops, and tell them that was the case.

Senator WARNER. Good. Let me go on, quickly. You value intelligence, as a military man.

General PETRAEUS. Yes, sir.

Senator WARNER. We have, I think, a very fine system of intelligence now. Listen to what they said in January 2007 with the NIE, and I quote them, "Even if violence is diminished, given the current winner-take-all attitude and sectarian animosities infecting the political scene, Iraqi leaders will be hard-pressed to achieve sustained political reconciliation." Now, in January, there was a very positive message to all, including you.

Now you come to August of this year. The NIE assesses that, "Broadly-accepted political compromises required for sustained security, long-term political process and economic development are unlikely to emerge unless there is a fundamental shift in the factors driving Iraqi political and security." The NIE went on to say, "That the Iraqi Government will become more precarious over the next 6 to 12 months."

How has this intelligence report—which I'm sure you respect——

General PETRAEUS. I do.

Senator WARNER. How has this shaped your message to Congress, and your advice you're now giving the President of the United States?

General PETRAEUS. For one, it has made it realistic, and as I have mentioned to the other committees, I am not a pessimist or an optimist at this point, I am a realist about Iraq, and Iraq is hard. What gives, again, some hope, is the willingness of Prime Minister Maliki—although it's difficult for him to cobble together all of the different elements that are required to agree on legislation—but he has given direction, the formation of the National Reconciliation Committee, that works with the engagement cell that the Ambassador and I have created—a British two-star and a senior diplomat—to try to embrace and facilitate these local initiatives, being connected to the national government. That has been the positive——

Senator WARNER. General, I have to tell you my own personal view is that I think the local activities, of what they call "bottom up" reconciliation, are just coming into being, it's just come into the lexicon, the debates that we've had, in these 5 years, we've never seen it before. It's a little too early, I think, to put much credit on it. But let them, let's think for the future positively.

We have to have bottom up—I mean, top down, not bottom up, reconciliation to meet the maxims that we've operated on, and witnesses at that table have said for years, there is no military solution to this, it has to be a political reconciliation to have a unity government.

That brings you up, Mr. Ambassador. Again, you're giving advice to the President. The President's message is going to take this debate—as it should—from the halls of Congress into every city, village, town, and crossroads in this country, into most of the capitols of the worlds, and most particularly, in the Middle East. Credibility of the United States is on the line, and we have to help the President—all of us, in my judgment—to get it right.

I don't feel that this current status of the Iraqi Government, and I'm not going to use all of the adjectives; is dysfunctional. It's all been laid out, very carefully, by each of you over these days. But in January, the President, in that January 10 message—and I've read it, and re-read it many times—it is clear that that reconcili-

ation was a concept, it was a building block to justify going forward with the surge.

I do not think that the forward strategy that will be announced by the President in a matter of days can once again use the concept of top-down reconciliation as a building block for that strategy he will announce to our Nation. Do you agree or disagree with that?

Ambassador CROCKER. Sir, as you and others of your colleagues have remarked, and as we have said, and national reconciliation, political reconciliation is ultimately what success will be all about in Iraq, if it's achieved. So, I think whether it is top-down or bottom up, or—which is actually the case, both, that remains critically important.

I'd make just a couple of quick points—first, as General Petraeus said, Iraq is hard, and reconciliation is hard, particularly when you're looking at it against the backdrop of the levels of violence the country has experienced over the last year and a half.

Senator WARNER. Simply, do you think it's going to be a part of the fundamental factual basis of support for the new strategy? We're betting on it happening at some point in time.

Ambassador CROCKER. I think that the essence of success in Iraq, for Iraqis, as well as for our own goals, centers around a successful national reconciliation process that is going to have both bottom-up and top-down elements.

Senator WARNER. That's what's been said at this table for a long time, sir. I respect you, but it hasn't happened.

I want to ask one last question to the General. Again, with my respect for you, and how I've come to know you, you feel very deeply about every single soldier, airman, marine, and sailor that you have under your command. I think back about George Marshall in World War II, when he was faced with decisions in every respect, you face the same tough decisions that he and Eisenhower and others faced in that period.

He said in his diary, "I was very careful to send to President Roosevelt every few days a statement of our casualties. I tried to keep before him, all the time, the casualty results. Because you get hardened to these things, and yet you have to be very careful, to keep them always in the forefront of your mind." Interesting, fascinating. I'm confident that you do that. You're advising our President now on a strategy, and we don't know what it will be. But I hope that if—in any way you disagree—that you will so advise him.

Second, I hope in the recesses of your heart, that you know that strategy will continue the casualties, the stress on our forces, the stress on military families, the stress on all Americans. Are you able to say at this time, if we continue what you have laid before Congress here as a strategy, do you feel that that is making America safer?

General PETRAEUS. Sir, I believe that this is, indeed, the best course of action to achieve our objectives in Iraq.

Senator WARNER. Does that make America safer?

General PETRAEUS. Sir, I don't know actually. I have not sat down and sorted out in my own mind. What I have focused on and been riveted on, is how to accomplish the mission of the Multinational Force-Iraq (MNF–I). I have not stepped back to look at the—and you've heard with other committees, in fact, I've certainly

taken into account the impact on the military, the strain on our ground forces in particular, has very much been a factor in my recommendations.

But I have tried to focus on doing what I think a commander is supposed to do, which is to determine the best recommendations to achieve the objectives of the policy from which his mission is derived. That is what I have sought to do, sir.

Senator WARNER. Once the President makes his statement, I hope you do consider very carefully—as I know you will. I thank you, General.

Chairman LEVIN. Thank you very much, Senator Warner.

Senator Byrd.

Senator BYRD. General, a lot of your testimony is focused on al Qaeda in Iraq, even though the underlying problem in Iraq is the sectarian conflict that stems back over 1,000 years.

I don't think it's a coincidence that this important hearing is taking place on the anniversary of the September 11 attacks. This seems to be another attempt to make—in the mind of a confused public—the war in Iraq to the attacks perpetrated on us on September 11 by al Qaeda. Is this just a big sales job? Please answer this clearly and succinctly, so the American people can understand. Is there, and was there, any connection between the attacks of September 11, 2001, and Iraq?

General PETRAEUS. Not that I am aware of, Senator.

Senator BYRD. General Petraeus, Ambassador Crocker, it's getting to be like the change of seasons around here. Every few months someone from the administration comes up and says, "Just give us 6 or 12 more months and things will look better." Your argument for the surge back in January was that military success would create space for political progress. That didn't work. Now the new buzz-word is "bottom-up." You talked about military success, but by the President's own reckoning, that success is meaningless without political reconciliation. Are 6 months or 12 months really going to make a difference on the big questions? Why should we keep giving you more and more time? Why? Why should we keep giving you more and more time?

Ambassador CROCKER. I think there are a couple of things that we have to keep very much in our minds here. First, what are we seeing in Iraq on the ground. General Petraeus has talked about the developments in the security situation. On the political level, we are seeing some signs of encouragement, and at the national level, I talked about with the leaders announced in August.

We're also seeing something we hadn't seen before, which is efforts to link bottom-up developments, such as those taking place in Anbar, to the central government.

Just before I came back to Washington, for example, the top leaders of the central government in Baghdad, the two Vice Presidents, and the Deputy Prime Minister, that's a Sunni, a Shiite, and a Kurd, went out to Ramadi to announce that the central government was increasing the budget for Anbar Province by $70 million for 2007, and was also providing $50 million in compensation for losses suffered in Anbar in the fight against al Qaeda.

In addition to the monetary amounts, I think this was important, again, as a signal that the central government is engaged with

Anbar, and is working to cement relations with this province, as Anbar takes its own steps to deal with al Qaeda and establish security.

So, the answer I would give is that we are seeing some encouraging signs out there, both at the provincial level, at the Federal level, and between the two. I don't want to overstate what's going on, but I think it is certainly something that is encouraging to me.

Senator BYRD. General Petraeus, you've touted success in Anbar Province. Just a few months ago, the tribes in Anbar Province were shooting and killing Americans. Recently, they decided they dislike the terrorists there more than they dislike Americans, so they're cooperating with us for the time being, while we give them money and arms.

This recalls, in my mind, our policy in the 1980s in Afghanistan of arming the Taliban to fight the Soviet Union. We all know how that short-term policy hurt our long-term interests.

What guarantee can you give us that the tribes in Anbar are not going to turn around and use the guns that we gave them against our troops, once they feel we no longer serve their interests? Isn't that a short-sighted policy?

General PETRAEUS. Senator, first of all, we are not arming the tribes. We have not provided weapons to them. What we did initially is, basically give a thumbs up when they asked if it would be okay if they pointed the weapons they did have—they were already well enough armed—at al Qaeda, because they had come to reject the Taliban-like ideology and barbarity of al Qaeda in the Euphrates River Valley.

At this point, their salaries in Anbar Province of the vast majority of these individuals are being paid by the central Iraqi Government, because they've been picked up as members that have either joined the Army, or have joined local police forces up and down the Euphrates River Valley. So, there is a connection to a national chain of command, and to a national salary structure that does give considerable leverage to the national government over those individuals.

Very significant, again, that they have taken on al Qaeda, because although I have not sought to connect al Qaeda with September 11, al Qaeda is very much part of the sectarian violence. They're really the most barbaric and lethal accelerant on the Sunni-Arab side. Within Baghdad, in particular, the element that has—had been trying to carry out the displacement of Shiite, and kill—in fact our forces have increasingly dealt with and there's still work to be done in those neighborhoods against al Qaeda, and certainly very much against Shiite militia, as well.

Senator BYRD. Ambassador Crocker, we're hearing that political reconciliation can't take place without security. But there will be no security without political reconciliation. This circular dilemma sounds a lot like the dog chasing his tail. A breeder would tell you that this is not the puppy to pick. "Don't pick that one."

I'm not looking for an explanation about satisfactory progress. I want to know when Iraq will step up to its responsibilities, as have so many of our service men and women, and what you're going to convey to the Iraqis that there is an urgency for them to act now. When can we expect to see the benchmarks that you were charged

to report on? The benchmarks originally proposed by the Iraqis themselves?

Ambassador CROCKER. Senator, the benchmark process has been deeply frustrating, certainly to us, and frustrating to a lot of Iraqis.

At the same time, I think we have to maintain a certain flexibility in our approach, and note that in some respects, we're seeing action on the objectives of the benchmarks, without actual national legislation.

We've mentioned, for example, revenue-sharing taking place without a revenue-sharing law. It's being done on a reasonably equitable basis to all of Iraq's provinces—that's all oil revenue that's being shared.

De-Baathification reform—there is not yet legislation in place, yet the government has reached out to a number of former military officers, many of whom were members of the Baath party to offer them reinstatement in the service, to offer them pensions, or to offer them the choice of other public sector employment. So, that is, indeed, progress on reconciliation, without achieving the national benchmark.

Similarly, on amnesty, as General Petraeus mentioned. The fact that the Government of Iraq was prepared to bring 1,700 young men from the Abu Ghraib area, just west of Baghdad into the police force—even though some of those individuals had been involved with Sunni insurgent groups in the past—is, if not a general amnesty, it's clearly a conditional immunity.

So, while I certainly cannot tell you when Iraq will achieve these benchmarks, formally, I can tell you that we're seeing some interesting progress on the objectives behind the benchmarks, which is reconciliation.

Senator BYRD. Thank you Mr. Ambassador.

Thank you, General Petraeus.

Chairman LEVIN. Thank you very much, Senator Byrd.

Senator Inhofe.

Senator INHOFE. Thank you. Thank you, Mr. Chairman.

First of all, General Petraeus and Ambassador Crocker, having been over and visited with you on the ground over there on a couple of occasions, I have to say here, publicly, that you two are the right people at the right time.

I listened to your testimony, General Petraeus, and I'm not sure why I did—I knew, pretty much, what you were going to say when you came here, because these are things that we experienced, those of us who have been over there—particularly who have been over there recently.

You talked about Ramadi—there's no question that the successes there, no one would have believed a year ago when they declared that that very likely was going to be the terrorist capitol of the world, and Fallujah, as we all watched with great anxiety, the door-to-door Marine operations, and now Fallujah is secure, just like Ramadi is. But the interesting thing is, it's secured by the Iraqi security forces, as opposed to ours.

You talked about Patrol Base Murray, south of Baghdad, where they're doing things, the neighborhood programs that are providing for their own security, the volunteers that are there on the ground, we watched these programs, with the concerned citizens programs

take place in Anbar province, now it's reaching some of the other areas, so that the successes are not confined to Anbar province. The citizens who go out and mark the undetonated IEDs—they're taking a risk. This is something that wasn't happening just a few months—well, it wasn't happening before the surge.

What's happening in the mosques is just really remarkable, while the Imams, the clerics, and the mosques had been giving their anti-American reports—I think we said that 85 percent of the messages were anti-American, and we really haven't had anti-American messages since about April. Now, I think that's having a huge effect on the people over there in the region, we're getting so much of the cooperation that we weren't getting before.

Joint security stations, even a very critical report said that we were almost to the anticipated number of 34, we have 32 now. When you talk to the troops, and when you talk to the Iraqi troops about the relationships that are being developed, it's a huge success story.

Ambassador Crocker, you talked about some of the economic victories that were there, you talked about the markets, about the kids in the playgrounds and these things. Some of us have been there, and we've gone through the markets, so we know that those successes are very real.

I have to say—and to apologize to the two of you for what you've had to undergo—the moveon.org was bad enough, but I think we know who was behind that, but when my old friend, Congressman Tom Lantos, came out and said, "We cannot take any of this administration's assertions about Iraq seriously anymore, no amount of charts and statistics will increase its credibility," I think it's appropriate for you to repeat something that you're probably tired of repeating. That is, the report that you've brought to us and to the American people and to Congress that you've been able to articulate in the last couple of days. Just one more time, tell us the genesis of that report—who put it together, and who's responsible for it.

General PETRAEUS. Senator, I have a brain trust of bright guys, they wrote two drafts of it, and I took control of the electrons last week, or 2 weeks ago and basically rewrote it, and wrote that myself. Obviously, I shared it back and forth with them, but what I delivered here today was very much, by and large, my testimony, and it certainly had not been cleared with—nor even shared with anyone——

Senator INHOFE. At the Pentagon, the White House, or Congress.

General PETRAEUS. The White House, the Pentagon, or Congress.

Senator INHOFE. All right.

General PETRAEUS. Yes, sir.

Senator INHOFE. I appreciate that, very much.

I say to both of you that the adversaries, those who had been opposed to the war, those who are, generally, opposed to this President, have been very outspoken for a long period of time. But, I also noticed that some of the adversaries, once they go over there, and they see firsthand what we have seen, change their minds.

I was really shocked when I saw the article in the paper by Michael O'Hanlon and Kenneth Pollack, in the New York Times on the 30th of July. These are two journalists, fine people and all that,

with the Brookings Institute, but they've been very critical. They came back and wrote the article, "A War We Just Might Win." I was in shock to see that. Katie Couric, who has certainly been no friend of the President's, or of this effort, came back from actually going over and visiting—Fallujah was one of the deadliest cities in this country with terrible fighting. But what happened is, al Qaeda came in, the tribal leaders realized they did not want to live under a brutal al Qaeda regime, so they enlisted the help of the U.S. soldiers—suddenly, these former enemies had a common enemy, worked together, and now Fallujah is relatively calm, reconstruction efforts are underway, and it is really being considered a crowning achievement.

I can't help but think, I would suggest that both Senator Kennedy and Senator Byrd go over there, and they may experience the same type of conversion.

Now, when that statement was made, trying to draw a relationship—or trying not to draw a relationship between Iraq and September 11—I think it's important to bring out the fact that there were very major terrorist training camps in Iraq. In place like Sarda, Ramadi, Samarra, and Salimin Paq. In Salimin Paq there was a training camp where they actually had a fuselage of a 707, training terrorists how to hijack airplanes—there's no evidence that those who performed that duty on September 11 were trained there, but nonetheless, these were terrorist training camps. Are there any left in Iraq now?

General PETRAEUS. There are certainly areas in which al Qaeda still has local sway, if you will. But one of the big efforts during the surge has, in fact, been to wrest control from them of many of the areas that were formerly sanctuaries, including not—also Ramadi, Baqubah, Arab Jaboor, a number of other neighborhoods in Baghdad, and so——

Senator INHOFE. The point I want to make and want to get into the record, is that there are terrorist training camps that were there, most of which are not there anymore.

There's been a lot of discussion about the various "cut and run" resolutions, and what would happen if we precipitously left. We have a lot of people we can quote, but one that has not been in the record so far was Iranian President Ahmadinejad, when he said at a press conference in Tehran just a matter of a few days ago, he said, "soon,"—believing that we might pull out, he said, "soon we will see a huge power vacuum in the region, of course, we are prepared to fill that gap." Ambassador Crocker, do you think they'd do that?

Ambassador CROCKER. Sir, I think they've already shown that that is their intention. Iranian involvements in Iraq, support for extremist militias, training, connections to Lebanese Hezbollah, provision of munitions that are used against our forces, as well as the Iraqis, are all—in my view—a pretty clear demonstration that Ahmadinejad means what he says, and is already trying to implement it to the best of his ability.

Senator INHOFE. I'd appreciate one last question, as my time is just about expired.

General Petraeus, I probably wouldn't have gone quite as far as you went, in terms of what you're anticipating could be in the troop

level in the future, because I think that's a difficult thing to do, but in your assessment, I would like to have you respond as to what factors should be used to determine that date and the size of troop withdrawal. What kind of factors would we be looking at? Instead of using specific withdrawals, and withdrawals and dates.

General PETRAEUS. Sir, certainly the conditions in local areas are hugely important, and it's not just the conditions of the local security forces, it's also, actually, local political conditions. Because when you have a real sea change, as we have had in some of the Sunni areas, where they have decided to oppose al Qaeda, needless to say, the job just became quite more manageable. That's a very important factor.

I will continue to factor in the strain on our ground forces, I think that's something in a strategic sense that I do have to take into account. It is an area, in fact, in which I've looked at what the impact of this is on our country?

To come back to that, if I could—let me be very clear—I believe that if we can achieve our objectives in Iraq, that is obviously a very good thing for the United States, and would make us safer. The converse, I think, is also true, depending on how it turned out.

To go on further, as I said, the Iraqi security forces become of considerable importance in that area, the institutional underpinnings for them at that time become important, and those are the key factors that we would look at, as we take this forward.

Senator INHOFE. Thank you very much.

General PETRAEUS. Thank you, sir.

Chairman LEVIN. Thank you, Senator Inhofe.

Senator Lieberman.

Senator LIEBERMAN. Thanks, Mr. Chairman.

Thank you, General and Ambassador. It strikes me, as I watched your testimony over the last 2 days that you left the real war in Iraq, and came over onto the battlefield of the political war here in Washington about Iraq. I would say, on this battlefield, you have gained considerable ground over the last 2 days.

I say so because, too often on this battleground, the forces are divided according to partisan loyalties, and there's a lot of hype and spin. You have given testimony that is thoroughly non-partisan, non-political, and realistic. It's quite obvious just today, this afternoon, that all of the answers you have given have not been answers that the administration would have wanted you to give. But, you're straight-shooters, you're both professionals—a soldier and a statesman who have served your country, and are serving it most admirably today. I thank you very much for that.

I also thank you for the encouraging report that you have given, and I hope that it effects opinions here on Capitol Hill—I'm confident it will effect the opinions of a lot of people across America, because of the credibility that you've gained in giving it. You've said to us, the military objectives of the surge are, in large measure, being met, and as a result, the forces can be reduced by 7,500 troops by the end of this year, and 30,000 by about, less than a year—by next summer. "Without jeopardizing," I'm quoting you, General, "the security gains that we've fought so hard to achieve."

I suppose one of the things that has surprised me most over the last 2 days is that every Member of Congress, regardless of our

opinion about the way forward in Iraq, hasn't cheered when you said that, thanked you for it. Because, I can tell you that the 30,000 troops and their families are thrilled to hear that announcement, and I appreciate it very much. In the best of all worlds, I'd like to think people around here would take "yes" for an answer, and we'd go on and look forward to your next report in the spring.

It's probably not going to happen. So, I want to ask you a few questions, General, about some of the amendments and proposals that we're likely to have put before us on the floor of the Senate.

First, some may attempt to take your "7,500 by the end of the year, 30,000 by next summer," and mandate it without regard to conditions on the ground, what would you say to that?

General PETRAEUS. I would be uncomfortable with that. Again, I think that we have to have our eyes wide open as we go forward with this. We are making projections about what we believe will be the case, they're not hopes, but they are where we think we will be, and that is the basis for our decisions.

In fact, if it can go the other way, we could even make it sooner. But, what we should do, again, is the objective about our assessments as we move along and ensure that we do not surrender a gain for which we've fought very, very hard by being locked into a timetable like that.

Senator LIEBERMAN. I take it that your answer would be the same to a proposal that would accelerate the troop withdrawal, mandate a larger troop withdrawal sooner, perhaps switching over to a different kind of mission early next year that would be counterterrorism, training the Iraqi troops, and protecting our troops there?

General PETRAEUS. First of all, to do counterterrorism, as I mentioned very briefly in the statement, requires conventional, as well as all types of SOFs and intelligence, surveillance, and reconnaissance assets. We've found, in fact, this is very effective.

We had been banging away in Ramadi with our very high-end, SOFs for years, and we did disrupt the enemy in there, we did take them down, various times, a few pegs. But it was not until courageous marines and soldiers truly cleared Ramadi in mid-March, now augmented by these Iraqi security forces, former tribal members who joined in the fight against al Qaeda in the Euphrates River Valley, that we were truly able to take that sanctuary away from al Qaeda-Iraq.

The same has been true in other areas—you do have to clear the area, and that is something that is not done just by counter-terrorist forces, per se, those that we normally associate with a counter-terrorist mission, but by conventional forces as well.

In fact, one of the things we've worked very hard to do is diffuse the intelligence that support all of these different operations, and also, to coordinate and to try to achieve a synergy between the effects of these different types of assets.

Senator LIEBERMAN. Thank you for that answer, which I take to be a negative to an earlier accelerated reduction of troops, to switch the mission earlier.

I want to go to Iran—both of you have focused on the very destructive role that Iran is playing through its Quds force in Iraq,

by most counts responsible for the murder of hundreds of American soldiers and thousands of Iraqi civilians and soldiers.

Ambassador Crocker, I know you've met twice with the Iranian Ambassador to Baghdad. I know that some of my colleagues and others have called for a diplomatic surge with Iran, to engage in negotiations with them. In your view, based on those two meetings, are the Iranians responding to that diplomatic initiative that you commenced with them?

Ambassador CROCKER. Sir, we have seen nothing on the ground that would suggest that the Iranians are altering what they're doing in support of extremist elements that are going after our forces, as well as the Iraqis.

Senator LIEBERMAN. General, do you feel that you have all of the authorities that you need, from a military point of view, to deter, disrupt, and respond to the Iranian attacks on our troops, and Iran's efforts to destabilize Iraq?

General PETRAEUS. I do, Senator. Again, keeping in mind that my area of responsibility is limited to Iraq. So, it does not include going into Iran.

Senator LIEBERMAN. Let me ask you about that, because I know your military spokespeople in Baghdad have made very clear that we have evidence that Iran is taking Iraqi extremists to three training camps outside of Tehran, training them in the use of explosive, sophisticated weapons, sending them back into Iraq where they are responsible for the murder of American soldiers. Is it time to give you authority, in pursuit of your mission in Iraq, to pursue those Iranian Quds force operations in Iranian territory in order to protect America's troops in Iraq?

General PETRAEUS. Sir, I think that really the MNF–I should just focus on Iraq, and that any kinds of operations outside the borders of Iraq would rightly be overseen by Central Command (CENTCOM).

Senator LIEBERMAN. My time's up.

Thank you both. God bless you in your extraordinary service, and we all wish you well and success. Thank you.

Chairman LEVIN. Thank you, Senator Lieberman.

Senator Sessions.

Senator SESSIONS. Thank you, Mr. Chairman, and I thank both of you for your service to America, your commitment to executing the policies, not only of the President, but of this Congress, as we voted, over three-fourths voted to authorize the actions in Iraq.

I think it's a healthy discussion, I really do. Last week we had General Jones' Commission, where 20 experienced people came and gave their views. We had the GAO give us their evaluation of where we are, and today you front-line officers, representing the government, are sharing your thoughts with us today, and we thank you for that.

Ultimately, it is Congress' role to decide whether or not to fund this activity. I hope after this discussion, we can reach a bipartisan agreement, even though maybe it won't be a unanimous vote, but once an agreement is reached, I hope that we can all work together in a way that helps us achieve the decided-upon policy, and does not in any way make it any more difficult to achieve the policy that this Nation will have decided upon in this democratic fashion.

Bing West has been to Iraq a number of times and written extensively about it—I believe two books—recently said this, General Petraeus, and I think you should be complimented, he said, "The new military team has infused the effort with energy and strategic clarity, and seize the initiative. In this war, the moral, psychological element outweighs the physical by 20 to 1. On the two primary battlefields—Anbar and Baghdad—I see a common characteristic, U.S. momentum." I think that's indicated in your comments, and I just wanted to share that, because some things have happened there.

General Petraeus, you have—after having two full tours in Iraq, you came back and completed writing the DOD Counterinsurgency Manual—I see a copy of the big manual over there someone has. Would you tell us some of the tactics and principles you're applying that might have been different from those before, that you think can be effective against insurgents?

General PETRAEUS. Sir, I think one of the most important initiatives has been to ensure that the idea of securing the population by living among it, is one of the tactics, techniques, and procedures that we practice. This manifests itself in the form of the joint security stations that are combinations of Iraqi and coalition forces, jointly manning, generally commanding control, and also, typically some forces there as well. Locations are in Baghdad, they're also in a number of other cities.

There are also, however, patrol bases and combat outposts that have been established—again, to ensure that our soldiers and Iraqi forces are in the neighborhoods, are in the areas. You cannot commute to this fight. You can't secure a population by driving through it a few times in a day. You have to be there 24/7.

This has, in fact, had positive developments. The intelligence that you get from this can actually be overwhelming at a certain point when they realize you're there to stay. It's worked exceedingly well in Ramadi and Fallujah, and in a number of other cities——

Senator SESSIONS. Speaking of intelligence, this is when the local people give information of value to the American, or the Iraqi soldiers?

General PETRAEUS. Yes, sir. In fact, that's a big factor in the number of additional weapons caches. The locals are helping us to those, we also have more forces on the ground, we also have more presence throughout the countryside, throughout cities, and so forth.

Particularly, as the locals sense a degree of momentum, then they want to get on board, they're now happy to have the mortar cache in their vegetable garden taken out, as it's no longer needed.

So, those are the types of practices that we have sought to employ, and a number of others in terms of this fusion of the intelligence—a lot of these are evolutions. But, I do think that, yes, we have made mistakes along the way, we have learned lessons very much the hard way, but I think that our institutions—the Army, the Marine Corps, the other Services—have made a number of changes that have helped ensure that our leaders not only have the experience to draw on that many of them have already had in Iraq, sometimes one or two tours before—but also have had a prepara-

tion for deployment, the road to deployment, as it's called—that has the DOD Counterinsurgency Manual, or a host of other field manuals that have been revised, the detainee operations one is another significant one—and then the education system for our commissioned and NCOs has been completely overhauled. The Combat Training Center, mission rehearsal exercises out in the desert in Nevada, in Central Louisiana and Germany—all of this. In starting off, in fact, with a seminar on counterinsurgency, as they begin the road to deployment.

So, the institutions themselves have already made a lot of changes. We have a counterinsurgency center, in fact, in Iraq that General Casey started that has a superb element in this as well, all leaders, instead of sitting down in Kuwait as our forces come through the port, actually are flown up to a base North of Baghdad, where they go through a week at the counterinsurgency center there. In fact, I address them. General Odierno and a number of others all sit down and talk to them about the latest developments, because it does continue to evolve.

So, there are a lot of these efforts to try to do what we have learned is the right thing to do in Iraq. I think that, our leaders in particular—commissioned and NCO leaders really do get it, about this in a way that perhaps we have not had in the past.

Senator SESSIONS. I would thank you for those comments, and I guess the point of that answer is that you didn't just take 30,000 more troops and patrol more in Baghdad. You have a new strategy, a complex strategy, that teaches an alteration in their approach to the nature of this combat and conflict, is that what I understand?

General PETRAEUS. We are trying to employ the forces in very appropriate ways. The truth is that some cases are doing what you might identify as counterterrorism, really. Targeted raids, other cases it really is classical counterinsurgency, and in some cases it's almost peace enforcement, in others it's nation-building—but that is what counterinsurgency is today, and that's what we tried to capture, in fact, in the counterinsurgency field manual.

Senator SESSIONS. I think that's important. There's no one area of that country that's exactly like another——

General PETRAEUS. That's correct.

Senator SESSIONS.—and each one has to be treated differently, does it not?

General PETRAEUS. That is correct, sir.

Senator SESSIONS. You have that complexity in mind as you develop this strategy—I think it does give us a cause for belief that we can make progress.

General Petraeus, when you came before us in January, before you went to Iraq, you had told me previously that no matter what happened, you would tell Congress the truth. I asked you that, that morning, and you committed to tell the American people the truth as you see it. Have you—to the best of your ability—told this Congress the truth about the situation in Iraq today?

General PETRAEUS. I have, yes, sir.

Senator SESSIONS. General Petraeus, in your opinion, is there a circumstance in which this effort in Iraq is such that we cannot be successful, that we would be putting more effort in a losing cause

if we continue it? Or, in your opinion, do we have a realistic chance to be successful in this very important endeavor?

General PETRAEUS. Sir, I believe we have a realistic chance of achieving our objectives in Iraq.

Senator SESSIONS. I would just say, Mr. Chairman, when I asked General Jones last week, did a single member of his 20-member Commission believe that our effort in Iraq was hopeless, and that we should withdraw promptly, he indicated not a single one did. So, I believe the American people are concerned about that question, and I value your honest answer to it.

Chairman LEVIN. Thank you very much, Senator Sessions.

Senator Reed.

Senator REED. Thank you very much, Mr. Chairman.

General Petraeus, have you ever recommended or requested the extension of troop tours to 18 months, or the accelerated deployment of National Guard and Reserve Forces?

General PETRAEUS. I've certainly never recommended extension beyond 15 months. In fact, General Odierno and I put out a letter that said that unless things got completely out of control, that we would not even think of extending beyond 15 months.

Senator REED. Having done that, doesn't that virtually lock you into a recommendation of reducing troops by 30,000, beginning in April, and extending to the summer? Regardless of what's happening on the ground?

General PETRAEUS. Depending on what can be taken out of the Reserves. I don't know what is available in the National Guard and the Reserves. I do know that the Active-Duty Army, in particular, that the string does run out for the Army to meet the year-back criteria.

Now, what we have done, of course, as I mentioned, Senator, is actually, in fact, to take some elements out short of their 15-month mark, because of our assessment of the situation——

Senator REED. I understand that, and I think basically, my sense is that the overriding constraint you've faced is not what's happening on the ground in Iraq, but the reality—unless you did recommend, request, and succeed—that unless tours were extended, 30,000 troops are coming out of there beginning in April of next year, regardless of the situation on the ground.

General PETRAEUS. Again, certainly the active brigade combat teams were going to come out of there. Again, I'm not aware of what is available in terms of battalions, brigades, or what have you——

Senator REED. My sense is that the Reserve and National Guard Forces are not available to——

General PETRAEUS. I think that's the case, but again, I don't know because I have not asked.

Senator REED. Let me go to an issue which I think is essential to, not only where we are, but where we're going—that's the reversibility of the progress you've reported with respect to the surge. I think in that context, I look at the situation in Basra, which the Chairman alluded to.

The British conducted Operation Sinbad for about 6 months, goals very similar to the surge—reduce the violence in Basra, the second-largest city in Iraq, bring down the level of violence, prepare

for redeployment of forces. They've begun their redeployment, and yet the situation in Basra, I think, has deteriorated significantly. Is that accurate?

General PETRAEUS. Actually, in the last month, the level of violence has come down fairly significantly. In part because as I mentioned, there's been a four-star general put in place there several months ago, changed the police chief, and again, reached some political accommodations among the three parties that are down there. Also, did some release of some Jaish al-Mahdi detainees, as well, who are not ones—by the way—who are in league with Iran.

Senator REED. But, the presence there of Iran is quite significant in the southern part, particularly in Basra.

General PETRAEUS. There is a very real concern about Iranian activity in the southern provinces, and in Basra, in particular.

Senator REED. Yet, you've agreed—as you said earlier to the chairman—that the reduction of British forces was appropriate. In that regard, too, do the current British forces have a population protection mission?

General PETRAEUS. They do not. Really, Operation Sinbad was very different from our surge, in the sense that it was conducted to reach some relatively short-term goals, and actually all along, intended to come back to their bases. They did, then, train—for example—the force to secure the palace over the course of the last couple of months, it's certified, took it over, and in fact has done an adequate job in maintaining security of that palace there. It has been the stand-up of some additional Iraqi forces down there, including Iraqi SOFs. There are additional forces—literally, as we speak—that are moving there to strengthen the position of General Mohan, the four-star general there.

Senator REED. If the British forces are operating there with, essentially, a force protection mission, and you've described—in your terms—progress because of political adjustments, why can't U.S. forces begin to adopt a force protection counterterrorism mission, and nonpopulation protection mission? Or, alternatively stated, why do certain elements in your command—American units—have a population protection mission, and the British don't?

General PETRAEUS. It's largely because that's a Shiite area, and there has not been the kind of sectarian violence, there's just basically one sect. There is a pocket of Sunnis down there, but there has been general co-existence down there, by and large. So you, literally, just don't have the same—that particular challenge—in Basra, or in the other southern provinces. There is intra-Shiite fighting that goes on, but that is something that, in general, the Iraqis have shown an ability to resolve in a way that they have not been able to deal with, the very heightened sectarian violence, in particular, that took off in the next areas, in the wake of——

Senator REED. But let me return to my initial—you've argued that lately, at least, that the progress in the south seems to be taking some hold. Principally because of the non-sectarian element. Yet, out where you are operating, where you will reduce forces next spring, there is a significant sectarian Shiite-Sunni clash. Yet, you're still confident that these gains will stand up?

General PETRAEUS. There are a number of areas in which we are actually doing fine in mixed areas—or, in which, a better more ac-

curate to say, Iraqi security forces are holding their own, are shouldering their share of the burden. Again, not to come back to Anbar, but Anbar is one of them, certainly. You see, not only were we going to bring the Muhone out of there, and not ask for it to be replaced, but we actually moved an Army battalion out of Anbar Province, as well, to another area, in fact, where it was needed more. But there are other locations like that—Kirkuk, Mosul to a degree—other locations where you can thin, because of the additional—in many cases—local volunteers who have seen what has happened in Anbar Province, and have sought to have some of that in their areas.

Senator REED. Any strategy has objectives and resources to gain those objectives. Included in that is timed troops. So, given the present strategy that you've adopted, how long, and at what maximum strength, do you anticipate American forces being in Iraq?

General PETRAEUS. What I can see so far, with any clarity in terms of time, as I said, is to the mid-July figure of 15 brigade combat teams. We have the concepts to take us beyond that, but as I mentioned in my testimony, I can't—with any confidence or clarity—then project beyond that time, other than to say that we will draw down. What I cannot say is the pace of the drawdown, beyond that 15 brigade combat team structure.

Senator REED. Ambassador Crocker, to date the nation-building effort in Iraq has faulted, dramatically. It seems the emerging strategy is one based on tribalism. Do you think that is a long-term and appropriate approach to stabilize the country?

Ambassador CROCKER. Again, Senator, it's hard to do nation-building or reconciliation in the face of widespread sectarian violence, which has been the situation over the last 18 months. As you've seen from General Petraeus' charts, it's really just been in the last few months that we've seen a significant reduction in that.

I think that nation-building, reconciliation in Iraq is going to take a lot of forms. In certain areas, the tribal dimension is key. If you're dealing with Anbar, you're dealing in tribal terms, and what is interesting, and somewhat encouraging to me there, is those tribal elements that have emerged have shown a considerable interest with linking up with the central government in Baghdad.

About 10 days ago, the leader of the Anbar Awakening, Sheikh Sittar, came to Baghdad, I spent some time with him, and his main purpose, though, was to meet with the Prime Minister, and establish a relationship, and see what might develop out of that.

In other parts of the country, it's going to be a somewhat different story. Diyala, for example, the Baqubah area, you have tribal elements, but given the inner-mixture of Sunni, Shiite, and Kurds—unlike Anbar which is all Sunni—you also have a very complex sectarian element. So, the dynamic is going to work differently in Diyala.

Similarly, in the south, there is a tribal dimension there, it has a different form and shape than the tribal dimension in the predominantly Sunni areas. But there, too, we're seeing some signs of a desire on the part of Southern Shiite tribes, to connect with us, to connect with their own central government in the face of violent extremism practiced by elements of Jaish el-Mahdi.

In Baghdad, the tribal dimension is less dominant, although in many areas, still present. But, we're also seeing—as General Petraeus has pointed out, in some Sunni Baghdad districts, the same kind of backlash against al Qaeda, the same desire to step up, and cooperate with our forces, and then to go the next step, for these neighborhood watches to link up with their own central government, and come under the authority of the Ministry of Interior.

So, again, it's very complex. It's going to vary from place to place. The tribes are part of it, different areas are going to have different dynamics.

Senator REED. Thank you.

Chairman LEVIN. Thank you.

Now, I'm going to call on Senator Collins. We are in the middle of a roll call vote. There apparently are—how many minutes left, 10 plus 5 left in the roll call vote. After Senator Collins' turn, of 8 minutes, we will automatically stand in recess 20 minutes to give our witnesses a break. They haven't asked for one, but we're going to provide it anyway. [Laughter.]

So, Senator Collins, then we'll stand in recess until 20 minutes to 5 p.m.

Senator COLLINS. Mr. Chairman, I will say that we've had this experience before, for those who were on the Governmental Affairs and Homeland Security Committee, and I hope the vote really is going to go the full amount of time.

Senator WARNER. I'll go down and protect you.

Senator COLLINS. I hope I'll be protected on that, since I've never missed a vote.

General, Ambassador, let me begin by thanking you for your courageous service.

General, you've testified three times now that, "The fundamental source of conflict in Iraq is competition among ethnic and sectarian communities for power and resources." As you've stated in your confirmation hearing—and reaffirmed here today—success in Iraq requires a political, as well as a military, component. So, let's look ahead a year from now.

If a year from now the Iraqi Government has still failed to achieve significant political progress, what do we do? How long should we continue to commit American troops, American lives, American treasure, if the Iraqis fail to make political gains that everyone agrees is necessary to quell the sectarian violence? I'm going to ask both you and the Ambassador this question.

General PETRAEUS. Senator, if we arrived at that point a year from now, that is something I would have to think very, very, very hard about. That is my honest answer to you right now. That would be a very, very difficult recommendation to make at that point in time. Because, on the one hand, we have very real national interests that extend beyond Iraq. They are true American national interests. On the other hand, there clearly are limits to the blood and treasure that we can expend in an effort. I am keenly aware of that, and, as I've mentioned a couple of times, that awareness did in fact contribute to these recommendations.

Senator COLLINS. Ambassador?

Ambassador CROCKER. Senator, what I said in my testimony yesterday and today, is that it is my judgment that cumulative trajec-

tory of political, economic, and diplomatic developments in Iraq is upwards, although the slope of that line is not steep. As we move forward, I will be constantly reviewing and assessing—with myself, my team, General Petraeus and members of his command—how we see things developing on the political level. I can't say what I'll be seeing a year or even 6 months from now, but what I can tell you is that I will make the same objective, honest objective, honest assessment that I've tried to do for this testimony.

Again, if I should—at some future point—come to the judgment that, instead of a slight upward trend, we have a line moving in a downward direction, I'll be clear about it.

Senator COLLINS. Ambassador, the first chart that General Petraeus showed us listed the major threats to Iraq. It talked about foreign fighters coming in from Syria, the possibility of Turkey coming in, and the concern about the Kurdistan Worker's Party. From Iran, we've had lethal aid training and funding, there are also foreign fighters coming in from Saudi Arabia.

The Iraq Study Group's major recommendation—in addition to a change of mission—was for a diplomatic surge. To undertake a major diplomatic effort, to involve Iraq's neighbors, and to deal with all of these threats. I know that you have met with the Iranians, but there really has not been a consistent, ongoing effort to engage all of Iraq's neighbors. Should we be doing more on the diplomatic front?

Ambassador CROCKER. It's a great point, Senator, because the reality is that while Iraq's problems in their own context are extraordinarily difficult, Iraq also exists in a region, and as that slide demonstrates, the neighbors can make a hard situation that much worse. That has to be part of the overall strategy.

We're doing two things on that. One is the neighbors initiative, if you will. There was a ministerial meeting in Sharm El Sheikh in May that involved all of Iraq's neighbors, plus the P–5 and the G–8. Since then there have been meetings of three working groups, among the neighbors, to focus on border security, refugees, and energy. We were observers at those.

There was a meeting of the neighbors representatives in Baghdad, at the level of Ambassadors, on September 9, and there will be another ministerial at the end of October, or the beginning of November in Istanbul.

There is also a proposal out there to establish a permanent secretariat, so that there will be an ongoing, coordinating mechanism for some of these difficult issues. So, that's at one level.

The other thing we're doing is—and we coordinate together on this—bilateral initiatives—demarches, and capitols, and so forth, and we will continue to do that, as well.

Senator COLLINS. Thank you.

I am going to go run for the vote. Senator Akaka, I believe is here, and I think—okay, we're going to recess until 4:40, I believe.

Thank you very much.

General PETRAEUS. Thank you.

[Recess.]

Chairman LEVIN. The committee will come back to order, and Senator Akaka is next. Senator Akaka.

Senator AKAKA. Thank you.

Thank you very much, Mr. Chairman.

I've been very concerned about placing the responsibility of the new Iraqi Government back in the hands of the Iraqi people. In his speech on January 10, the President said, "I've made it clear to the Prime Minister and Iraq's other leaders that America's commitment is not open-ended. If the Iraqi Government does not follow through on its promises, it will lose the support of the American people, and it will lose the support of the Iraqi people. Now is the time to act. The Prime Minister must understand this." The President further stated, "America will hold the Iraqi Government to the benchmarks it has announced."

Ambassador Crocker and General Petraeus, can you explain to me why we are not holding the Iraqi Government accountable for failure to meet their benchmarks, as the President said we would? We've heard reports from the Commission and reports from GAO pointing this out. But we have not heard about what we're going to do about it. I'm asking the question, why are we not holding the Iraqi Government accountable for this?

Ambassador CROCKER. Senator, the benchmark exercise, the failure of the Iraqi Government to fully implement a number of the benchmarks has been very frustrating to us, to me personally. It's frustrating to the Iraqis, it's frustrating in the Iraqi Government. These are, in many cases, very complex legislative initiatives that are difficult to do, particularly in conditions of significant violence. It's really been in the last few months that we've actually seen the violence trend down in a substantial way.

My own view is that while the benchmarks are clearly important—while they are Iraq's own benchmarks, they are the ones who established them—the reality has been that in many cases, it has been simply too hard to do as a straight-up, national-level, legislative initiative. That doesn't mean that they should quit, or that we should stop pressing them. Neither is the case. It's a regular part of our discussions with the Iraqi leadership. But I think we have to be realistic here. They haven't been able to do them in the time that they and we agreed they should. They have done, as I discussed earlier, some practical things, creating the effect of benchmarks without having a national-level legislation. We see that in amnesty and de-Baathification and in revenue-sharing, just to mention three.

So, I guess the final point I would make, sir, is that we have to keep in mind that benchmarks themselves are a means to an end. That end is reconciliation. If reconciliation is being achieved without full implementation of benchmarks, we should not lose sight of that as a measure of progress.

Senator AKAKA. General?

General PETRAEUS. Senator, let me talk, if I could, about the security-related benchmarks. Frankly, the Iraqis have done better there. They did provide the three brigades worth of forces. Yes, they're not all operational readiness assessment (ORA) #1 because some of them are short equipment, or short NCOs, or something else, but they are in the fight in Baghdad, those forces are there. They are involved. In fact, some of them have really gained a good bit of respect of our coalition forces. Interestingly, one from Basra that is actually operating in the Sunni area. So Shiite, predomi-

nantly Shiite, of course from a Sunni area—in a Sunni area and the coalition commander actually wants that force to stay.

In addition, Prime Minister Maliki has not limited operations anywhere in Iraq. There was a time my predecessor, as you may recall, was in the press, was directed or asked to remove some check points, for example, around Sadr City at one point. We have not had restrictions after a couple months after I got there and we talked our way through this, and also after Prime Minister Maliki came to understand, again, the real challenge that the sectarian—the Shiite militia extremists, in particular—posed to the new Iraq and also the militia threat. It's something that he became much, much more concerned about over time. So again, in that regard, there is a more positive level of performance.

It is mixed in some other areas. One of those, talking about the sectarian influence or influence in targeting or things like that. Again, Maliki himself has done the right thing in this area. But here we have some concerns about others, either in his office or in other echelons of command. Therefore, they have not done what we had certainly expected that they would do.

But, on the security side again, I think it's fair to say—a more positive assessment than with respect to the big legislative items.

Senator AKAKA. We have had faction problems and violence as well, General. Anthony Cordesman, an Iraq expert at the Center for Strategic and International Studies here in Washington, has said that, "In the 6 months the surge has been underway, we have lost about 40 percent of the country to Shiite factions." In Basra for example, the withdrawal of British troops seems to have led to an increase in Shiite on Shiite violence outside government control.

General, do you agree with this, with his assessment, and if not, how much of the country do you believe is now under the control of Shiite factions?

General PETRAEUS. I haven't sat down and figured out a percentage of the country that might be under Shiite militia control. There are certainly large neighborhoods, Sadr City for one, that obviously, in which there is considerable, enormous Shiite militia influence, several others in Baghdad. Again, Prime Minister Maliki has actually taken steps to address this in certain locations, in particular, and also in certain ministries. Because sectarian, the Sadr movement really hijacked some of the ministries as well. He's taken some fairly courageous steps—detained the Deputy Minister of Health, detained the Brigadier General in charge of the Facility Protection Security Forces of the Ministry of Health—and replaced the Facility Protection Security Forces around Medical City.

Then I would have to walk down through the Shiite south, there has certainly been serious challenges by Shiite militia, including the assassination of two governors in southern provinces. But I would not say—by and large—that there are entire provinces, by any means, that are completely under the sway of the Sadr militia.

In most of those provinces, Iraqi security forces, by and large, have control. Certainly Dewaniya is a bit dicey, but they've actually rolled back some of that. But others, as you walk your way down—and then Basra, as I explained earlier, really is in the throes of a, both the establishment of a pretty strong security operational command under General Mohan, a four-star general, and a new police

chief, repositioning forces. Really an Iraqi solution down there, a Shiite-Iraqi solution to an Iraqi problem that right now seems to be doing reasonably well.

But we hosted Tony Cordesman in Iraq, have a great deal of time for him and for the piece that he had, this latest one was titled, "The Case for Strategic Patience." It poses, it lays out many of the challenges that we have described here, but also, as I said, does, at the end of the day, make this case for strategic patience, given the national interests that are involved.

Senator AKAKA. Thank you for your response.

General PETRAEUS. Thank you, sir.

Chairman LEVIN. Thank you, Senator Akaka.

Senator Chambliss.

Senator CHAMBLISS. Thank you very much, Mr. Chairman.

Let me echo the thanks of everybody else here to you gentlemen. Number one, for providing the kind of leadership in a very complex world at a critical point in the history of the world, the kind of leadership that's really needed right now, and also compliment you on what you've had to go through for the last 24 hours.

You've been worn down and asked every conceivable question that could have been asked about what's going on in your part of the world. But there are a couple of things that I want to get to.

But first, General Petraeus, we're very pleased to have you stop by Georgia on your way from Baghdad to Washington and to visit Fort Benning over the weekend and to see the next generation of Petraeus airborne-qualified as he graduated from jump school. I know you're just as proud of Stephen as he is of his Dad, so congratulations to you there.

One other thing I want to say to you, General. I get a lot of emails from soldiers on the ground because of the fact I've been there so many times, and we have so many soldiers from the 3rd Infantry Division at Fort Benning and Fort Stewart that are over there.

I got an email back in January, shortly after you were confirmed and went to Baghdad. That e-mail was from a young soldier who had been on the ground for several months. He said, "Senator, I just want you to know how refreshing it is to have new leadership on the ground in Iraq that is committed to winning this war." He sent me a copy of a memo that you had sent out to all of your commanders in the field. He highlighted one phrase in that memo, which said, "Be relentless in your pursuit of the enemy," and he said, "We haven't heard this before. With General Petraeus here now, it has boosted the moral of the soldiers on the ground like I've never seen." So that's a great compliment to you and it is the kind of leadership that we need if, in fact, we are going to prevail.

I want to go back to what Senator Lieberman was talking about, with this issue regarding Iran. We know that the Iranian influence is strong, particularly in the southern part of Iraq. We know that there are explosively formed penetrators (EFPs) being manufactured in Iran, or perhaps the parts being shipped from Iran into Iraq and manufactured. EFPs are more deadly than the IEDs, so we know the Iranians are having a significant influence on American's lives.

What are we doing, Ambassador Crocker, from the diplomatic standpoint, with the fact that you have already said, in response to Senator Lieberman, that you didn't get much in the way of a positive reaction on the other side. From a diplomatic standpoint, is our discussion with the Iranians dead, are we pursuing it any further, or does it even merit pursuing it any further?

Ambassador CROCKER. Senator, I think that it's an option that we want to preserve. Our first couple of rounds did not produce anything. I don't think that we should either, therefore, be in a big hurry to have another round, nor do I think we should say we're not going to talk anymore. Things have strange ways of developing out in that part of the world. It may be, for example, that in the wake of the pronouncement by Mokdul Sadr a week or so ago, calling on the Jaish al-Mahdi to stand down in operations against both Iraqi and coalition forces, after the negative reaction that Sadr and the Jaish al-Mahdi received because of their violence in Karbala during a religious festival—it could lead to some recalculations in Tehran. I don't know.

But I think we want to see how this plays out and see, again, whether the Iranians are ready to make another calculation of where their interests really lie. Because I would submit that for Iran, whose people suffered more than anyone else from Saddam, except the Iraqis themselves, that a stable, secure Iraq that doesn't threaten its neighbors is in their long-term interest.

We'll see if they get to that calculation. I have absolutely no assurance that they will, or not even very much confidence, but I do believe it's important to keep the option for further discussions on the table.

Senator CHAMBLISS. General Petraeus, what about from a military standpoint? Obviously, there's a very long border between Iran and Iraq. What action are we moving on to try to make sure that we slow down the shipment of arms from the Iranians to the Iraqis?

General PETRAEUS. First of all, Senator, we have conducted a number of operations against individuals connected with the EFP shipment process. In fact, we captured the Iraqi head of the Shivani Network, as it's called, that is one of the major arms smuggling networks.

A number of others along the way, we just picked up a large EFP cache in the last 24 or 36 hours. In addition, obviously we're focusing a good deal of intelligence on this, and we're working very closely with the Iraqi security forces and now, the Georgian Brigade, the country of Georgia—not to be confused with your great home State, but the country of Georgia that has just deployed a brigade into Iraq—very keen to operate outside the wire. It is going to work hard to interdict and disrupt the flow of weapons and other assistance from Iran. They're in a very strategic location in Kut, southeast of Baghdad, astride the road that comes up from Maysan, and also in from the border crossing that is to the east of Kut. That, we believe, can have a positive affect as well, and very much thicken and reinforce the actions of the Iraqis in that area.

Senator CHAMBLISS. Is there any consideration given to, or being given to, establishing a larger military presence, in the form of some sort of small base?

General PETRAEUS. Sir, there's actually a very large base already at Kut. It's a base that had been used by the Multinational Division Center South, and that is, in fact, where the Georgian Brigade has deployed. We have a small U.S. headquarters there that works with them as well, a Provincial Reconstruction Team standing up and then some border transition teams also working out of that location. We may well put a patrol base or a combat outpost just to the west of the border crossing in that area as well to assist and to get eyes on, really, what is being done at that border entry point.

Senator CHAMBLISS. My time is up, but I thank both of you again for being very straightforward and honest in your assessment, as well as your presentation over the last 2 days.

Ambassador CROCKER. Thank you, sir.

Chairman LEVIN. Thank you, Senator Chambliss.

Senator Bill Nelson.

Senator BILL NELSON. Mr. Ambassador, earlier today I asked you about Iran. Does Iran support, in your talks with the Ambassador, do you get any indication that they support the Shiite government in Iraq?

Ambassador CROCKER. Their stated policy is to support Iraq's new government and the efforts of that government to build a secure, stable, democratic Iraq. Their actions run pretty much to the contrary and that is a fact that the Iraqi Government itself is aware of. The Foreign Minister of Iraq, speaking at a gathering of Iraq's neighbors on Sunday, publicly spoke over his concerns on intervention by the neighbors, by some of the neighbors in Iraq with a negative security impact, and it was clear that he was talking about Iran. So again, you have a stated policy of support that simply is not borne out by reality on the ground.

Senator BILL NELSON. General, if I may, earlier in conversation that you had with Senator Reed, the question was raised, can you sustain 130,000 troops, which you have set as a benchmark at the end of next summer. Can you sustain that? You tell me if I'm correct. I understood your answer to be, you would have to be able to sustain that, not with the regular Army, but with the Reserves.

General PETRAEUS. No, sir, I was talking about the surge. Had we, if I had requested to extend the surge forces, the Active brigade combat teams in the Army could not, with a 15-month tour lane, have sustained that beyond, again, the 15 months of those particular deployments.

Senator BILL NELSON. Okay.

General PETRAEUS. It would have taken forces from another component, from either the Reserves or the National Guard. I'm just not familiar enough with what the two Services—the Army and the Marine Corps—have available in that regard, and I haven't requested it.

Senator BILL NELSON. As the field commander, do you think that if you have a 15-month requirement for soldiers, that there should be 15 months off?

General PETRAEUS. Senator, as I mentioned this morning, what I want as a field commander is the maximum possible, but again, my job is not to determine the dwell time for the Army or the Marine Corps, it really is to establish the requirements for the achievement of the objectives that we are trying to achieve.

Senator BILL NELSON. Certainly, I would assume that you would have an opinion on that, because it would affect morale, rest, and recuperation.

General PETRAEUS. Sir, again, if I said the longer the better, I mean again, the longer the better, but again, it's just something that's not on my plate.

Senator BILL NELSON. Okay, I understand. So, let's assume that Congress enacts a requirement that if you're going to have 15 months in-country, you have to have 15 months that you're not in-country. So now, looking down the road at your goal of 130,000 by the end of next summer, can you sustain that? Can you sustain that 130,000?

General PETRAEUS. Sir, I don't know. I'm not——

Senator BILL NELSON. You don't know.

General PETRAEUS.—again, the service chief, I've seen discussions of this. My sense is that we could not, but again, I'm not the one to ask about that, I'm afraid. That's really a question for the Army Chief of Staff.

Senator BILL NELSON. We will certainly ask that and there's no mystery that the Reserves and the National Guard had difficulty with regard to enlistments.

General PETRAEUS. Sir, could I clarify one point as well? Because that is—again, I'm not sitting here saying we're going to sit at 130,000 again, what I have said is that we will continue to come down. What I don't know is what recommendation I can make about the slope of that line, if you will.

Senator BILL NELSON. Correct me if I'm wrong, I clearly got the impression this morning that you think what we will have is 130,000 of our U.S. troops over there by the end of next summer.

General PETRAEUS. Sir, what I have said is we will have 15 brigade combat teams and then we'll have to shape what the rest of the force is at that time because we've actually had to bring some additional forces in above and beyond this because of detainee operations, IED Task Force, and some other things that are there.

What I want to do is to get as low as we can. I've already charged the chief of staff of the MNF–I to pull together the teams, to start determining where we can achieve savings and combining functions of the two headquarters, the logistics, a whole host of other areas, wherever we can, we want to send folks home, and not keep them over in Iraq.

Senator BILL NELSON. Can you venture a guess or a wish——

General PETRAEUS. Sir, I have not——

Senator BILL NELSON.—by the end of the year? Not this year, the end of——

General PETRAEUS. I cannot, sir.

Senator BILL NELSON.—after the summer?

General PETRAEUS. I cannot, sir. Again, what I've said is that, with any confidence at all, I cannot predict the level of the continued force drawdown beyond that point in mid-July. But that's what

I've pledged to do, is to assess that and make a determination, recommendations no later than mid-March.

Senator BILL NELSON. Of course, a lot of that would depend on whether or not there's political reconciliation.

General PETRAEUS. That's an important factor, both nationally and locally, and other factors as well, obviously.

Senator BILL NELSON. Do you see any indication, thus far, of political reconciliation?

General PETRAEUS. What I've seen, again, as I mentioned earlier, Senator, is the Prime Minister himself, in his office, reaching out again, to Sunnis in Anbar Province—we haven't talked at all about what he did in Salah ad Din Province. We actually flew him up to Tikrit the other day, he got off, went and met with a number of Sheiks up there, and have a similar initiative to what has gone on in Anbar Province. Now, it's going to take a while for that to reach critical mass, it's at the very early stages. But that is an important accommodation, if you will, and it is a tangible representation of a form of national reconciliation, short of, certainly, the legislative items that represent national reconciliation.

We've talked about the fact that there's no oil revenue-sharing law, but there is oil revenue-sharing going on. It's actually pretty decent. In fact, when I left Iraq in 2005, the provinces had no budgets whatsoever. I came back in the early part of this year. They actually had fairly substantial budgets and, in fact, even better, because last year they didn't spend them. They didn't spend about $10 billion. This year they're spending them, which—and again, in a country that is really a command economy in many respects, certainly there's some free market areas, but the government spending is just hugely important in Iraq, because that is what does so much good for the people in a country with an enormous social safety net, but one that has had a lot of holes torn in that safety net because of the sectarian violence, sectarian activities, and so forth.

Senator BILL NELSON. Looks like my time is up.

Chairman LEVIN. Thank you, Senator Nelson.

Senator Graham.

Senator GRAHAM. Thank you, Mr. Chairman. I'm not so sure 2 days of this is Geneva Convention-compliant, but we'll keep going.

Let's just put on the table as honestly as we can, what lies ahead for the American people and the U.S. military if we continue to stay in Iraq. Now, I know you can't predict with certainty the numbers we're going to have, but can you agree with this statement, General Petraeus? It's highly likely that a year from now, we're going to have at least 100,000 troops in Iraq.

General PETRAEUS. That is probably the case, yes, sir.

Senator GRAHAM. Okay. How many people have we been losing a month, on average, since the surge began, in terms of killed in action?

General PETRAEUS. Killed in action is probably in the neighborhood of 60 to 90, probably on average 80 to 90, average, killed in action.

Senator GRAHAM. Right.

General PETRAEUS. That does not include the American soldiers, for example, tragically killed last month in a helicopter accident.

Senator GRAHAM. But here's what lies ahead for the American military. If we stay in Iraq and continue to support the surge through July, we're going to lose somewhere in the neighborhood of 60 military members, most likely hundreds more.

General PETRAEUS. Yes, sir.

Senator GRAHAM. We're spending $9 billion a month to stay in Iraq, of U.S. dollars. My question for you, is it worth it to us?

General PETRAEUS. The national interests that we have in Iraq are substantial. An Iraq that is stable and secure, that is not an al Qaeda sanctuary, is not in the grips of Iranian-supported Shiite militia, that is not a bigger humanitarian disaster, that is connected to the global economy, all of these are very important national interests.

Senator GRAHAM. Would that be a yes?

General PETRAEUS. Yes, sir. Sorry.

Senator GRAHAM. So you're saying to Congress that you know that at least 60 soldiers, airmen, or marines are likely to be killed every month from now to July, that we're going to spend $9 billion a month of American taxpayers' dollars, and when it's all said and done, we'll still have 100,000 people there. You believe it's worth it, in terms of our national security interests, to pay that price?

General PETRAEUS. Sir, I wouldn't be here and wouldn't have made the recommendations that I have made if I did not believe that.

Senator GRAHAM. Don't you think most soldiers who are there understand what lies ahead for them, too?

General PETRAEUS. Sir, I believe that's the case and I have discussed the reenlistment rates there. They know the sacrifice that may be required of them during the tour of their next enlistment.

Senator GRAHAM. Knowing what's coming their way, how is morale?

General PETRAEUS. Sir, I, as a general characterization, let me just say that it's solid. Because, and you've heard this before, I believe that morale is an individual thing. Morale is the kind of day that you are having. If you lost a buddy that day, if I was the commander, if we have sustained losses that day, it's not a good day and morale's not great. But that doesn't mean that you don't have enormous determination and commitment to this very, very important endeavor, one which they all recognize as hugely important to our country. I think that one reason that they do reenlist, it's not just these tax-free bonuses, trust me. Those are wonderful, we are very grateful to Congress for funding those, but this is about continuing to commit yourself to something that is bigger than self.

Senator GRAHAM. General, I hear this statement more than any other statement from troops. "The reason I'm here is I don't want my kids to have to come back." Do you hear that?

General PETRAEUS. I do, sir. I have a kid who, as you heard,——

Senator GRAHAM. Who's going to go, probably.

General PETRAEUS.—pin jumplings on and he may well. Yes, sir.

Senator GRAHAM. There's no "may well." He'll either be in Iraq or Afghanistan. You know that, don't you?

General PETRAEUS. Sir, I do.

Senator GRAHAM. The recommendations you're making make it more likely that your own son is going to go to war. You know that, don't you?

General PETRAEUS. In Iraq.

Senator GRAHAM. Anywhere.

General PETRAEUS. That's correct, sir.

Senator GRAHAM. Yes, in Iraq.

General PETRAEUS. That's right.

Senator GRAHAM. Ambassador Crocker, what's the difference between a dysfunctional government and a failed state?

Ambassador CROCKER. In a democratic system, governments—or in a parliamentary-democratic system, such as Iraq has—there is a mechanism for the removal of governments that people get tired of. Parliament can simply vote, no confidence. So it's, I think——

Senator GRAHAM. Would you agree with me that Iraq is a dysfunctional government at this moment in time?

Ambassador CROCKER. Certainly it is a challenged government. I would not——

Senator GRAHAM. You called it dysfunctional.

Ambassador CROCKER. If dysfunctional means it doesn't——

Senator GRAHAM. You could say we're dysfunctional and you wouldn't be wrong. The point I'm trying to make, is to anybody who's watched this, this government is in a dysfunctional state. The point I'm trying to make, there's a difference between still trying and not trying. What's the worst case scenario for the United States in Iraq, as you see it?

Ambassador CROCKER. The worst case scenario would be a failure, either a complete failure on their part, where dysfunctional government leads to a failed state.

Senator GRAHAM. What are the consequences of a failed state, to the United States?

Ambassador CROCKER. Just to finish my thought, that's one avenue. The other is simply a decision on our own part, that we no longer want to sustain our commitment. I think either way, you have a failed state in Iraq.

That, in my view, has the gravest conceivable consequences for our own interests. As I mentioned in my statements, and as Ahmadinejad has made clear, Iran would seek to fill the void.

Senator GRAHAM. Is a failed state still possible in Iraq?

Ambassador CROCKER. Yes, sir, it is a possibility.

Senator GRAHAM. Do the actions we take in Congress, in your opinion, affect that outcome one way or the other?

Ambassador CROCKER. Yes, sir, they certainly could.

Senator GRAHAM. General, what's the worst case scenario militarily for the United States regarding Iraq?

General PETRAEUS. Again, it is the consequences of a failed state, of failing to achieve our objectives and really to support the Iraqis achieving their objectives. Again, it could include al Qaeda regaining lost ground and its freedom of maneuver. It would certainly be a very, very heightened ethno-sectarian level of violence. These alliances of convenience with outside forces, that would certainly flow from that, a humanitarian disaster of enormous proportions, for which we would share responsibility. Possibly some dislocation in

the global economy, depending on what happens, obviously, with the flow of oil.

Senator GRAHAM. Why do you think Bin Laden's so worried about the outcome in Iraq?

General PETRAEUS. I think again as I mentioned earlier, it has been regarded by al Qaeda Senior Leadership, AQSL, as the central front. They are trying to give us a bloody nose, which would be an enormous shot of adrenaline in the arm of international jihadists. If they had a sanctuary that close, where they could, again, export elsewhere, I don't know what would happen, in terms of the fighters who are there, whether they would then turn to Afghanistan in a bigger way or go to source countries or—again, that's a good question for the intelligence folks. But a lot of these scenarios are obviously pretty grim.

Senator GRAHAM. Thank you both for your service.

Chairman LEVIN. Thank you, Senator Graham.

Senator Ben Nelson.

Senator BEN NELSON. Thank you, Mr. Chairman.

Let me add my appreciation, publicly, to you both for your service.

Before the surge in Baghdad, do we know what the mix was of residents of Sunnis, Shiites, and others, approximately?

General PETRAEUS. What we have, Senator, is a map that shows reasonably where there were predominantly Sunni, predominantly Shiite, predominantly mixed, and we have continued to track that. Tragically, one of the outcomes of the ethno-sectarian violence has been hardening of those certain areas into either more exclusively Shiite or Sunni and the diminution of some of the mixed neighborhoods.

Senator BEN NELSON. In addition, has it resulted in a loss of Sunni residents in Baghdad, as well?

General PETRAEUS. There have been displacements of Sunnis from Baghdad, throughout the sectarian violence and of course, again, this is why we have focused on that subset that I mentioned, of overall deaths, the ethno-sectarian deaths, because that is the cancer that just keeps eating at the fabric of Iraqi society and it won't stop if it is not stopped. It's not going to stop until something does, in fact, stop it. In this case, it is coalition and Iraqi forces stabilizing those neighborhoods and then trying to achieve a sustainable situation for the way ahead.

Senator BEN NELSON. Do we know what the percentage of loss of Sunnis is, in the Baghdad area?

General PETRAEUS. Sir, I don't have the——

Senator BEN NELSON. Is it a 10 percent, 20 percent loss?

General PETRAEUS. I could not hazard a guess. There have been substantial Sunni-Arab displacement from Baghdad. There has also been a tragic displacement of Assyrian Christians from Baghdad. Those two probably most of all.

Senator BEN NELSON. Out of the south, out of the southern Shiite region as well, it's my understanding there's been an exodus of Christians from the south. Were you aware of that?

General PETRAEUS. Sir, I am less aware of that and more aware of the challenges to Assyrian Christians in Baghdad and also in some of their former areas in northern Iraq.

Senator BEN NELSON. I've heard that there have been displaced as many as 800,000 Christians in the Shiite regions in southern Iraq. Ambassador Crocker, do you know anything about that?

Ambassador CROCKER. No, sir, I don't. I'll certainly check into that. We are in regular touch with Christian representatives, and I am, myself. Their concerns have been focused on Baghdad and the areas to the north. I've never heard them raise a problem in the south.

Senator BEN NELSON. It's my understanding that the problem is with the militias, and the ethno-cleansing that's going on there, as well.

General PETRAEUS. Sir, I think, literally, it may be south Baghdad. There's one area, in particular, of southeast Baghdad, that was, in fact, the Dura area, an Assyrian Christian—or Christian, in general—enclave from which there has been tragic displacement.

Senator BEN NELSON. I think they really had a reference to both, so if you would check, that would be very helpful.

[The information referred to follows:]

There have been a substantial number of Christians displaced from southern Iraq. However, given that the total population of Christians in Iraq is estimated at less than 1 million, the number cited—800,000—seems high. Many of the Christians who have become internally displaced are relocating to northern Iraq, particularly the Kurdish region and Ninewa province. Embassy officials and the Provincial Reconstruction Team in Ninewa meet regularly with representatives of these communities, and ensure that their concerns are raised with the appropriate Iraqi local and national government officials. Christian communities in need also benefit from U.S. Government assistance programs. These include the Iraq Community Action Program, which works with underserved communities to form grassroots groups that develop community driven projects, and humanitarian aid programs aimed at improving the quality of child health services and filling gaps in emergency assistance in Ninewa.

Senator BEN NELSON. You mentioned that when it comes to the south there has been a loss of a couple of Governors; former Governors sitting here thought that might be fairly significant, but——

General PETRAEUS. It is very significant, sir, and Prime Minister Maliki——

Senator BEN NELSON. I'm being light-hearted about it.

General PETRAEUS. Right.

Senator BEN NELSON. But it does represent a significant level of violence in the south, as well.

General PETRAEUS. Sir, what it represents is really very targeted militia activity against Governors who had—in one case, definitely, in another case, sort of stood up to the militias.

Interestingly, it may be another case, as the Ambassador mentioned, of the militia overplaying their hand. Because where there was a willingness to have some accommodation in the past between the militia—really, the party that the militia represents, and so forth, some of the Governors and other political figures, there is less willingness for that now. That also is a result of the violence in Karbala, which Prime Minister Maliki took very personally. In fact, he personally led the column of military vehicles down there to sort it out.

Senator BEN NELSON. Ambassador Crocker, you said when looking at the Government of Iraq in terms of trying to meet the underlying goals of the benchmarks, that we shouldn't get lost in the

benchmarks, we should try to evaluate whether or not they're achieving success.

Would you agree that there are three things that you need to look for, in connection with that? Is there a commitment to do it? Is there effort being made to do it? Because it's quite possible there's a commitment and there's effort, but the results become more difficult, because as you both have said, Iraq is hard. It's hard for us, and it's obviously hard for that government. But, can we make that analysis, is there commitment to reconciliation?

I've talked to some, and I've heard from others that they question whether that is the case. It's "winner-take-all" in many respects. Now, you're suggesting, General, that the Prime Minister's getting outside of Baghdad and going into other areas, I think that's a very positive, positive step.

But isn't it the case that in Iraq they're going to have to have a Sunni, a Shiite, or a Kurd somewhere in the top position. While they may not believe that they get an honest broker, will they be satisfied with an effective broker, that seeks equity among all of the groups. Is that fair?

Ambassador CROCKER. That's a great point. There has been effort—the trip with the Prime Minister up to Tikrit, Saddam's old hometown, additional budgetary resources for Anbar, and the visit of the Shiite Vice President and the Kurdish Deputy Prime Minister to Anbar, illustrate that.

Then going to your main point there. The question came up earlier as to whether the reports were true that when Prime Minister Maliki visited Ayatollah Sistani a few days ago, that he had raised the possibility of a technocratic cabinet. The minister's chosen—not because of their sectarian or ethnic identify, but because of their ability to do their jobs.

Senator BEN NELSON. That would be more equitable in dealing with the people—would you agree?

Ambassador CROCKER. Absolutely, sir. One thing we have seen is a lot of frustration among the Iraqis, and even within the Iraqi Government, over where this heavy focus on sectarian and ethnic balance in cabinet has taken the country, in terms of effective governance.

So, if it has brought them to the level of frustration, where the key leaders are prepared to say, "Good governance is more important than strict sectarian and ethnic balance." That I would consider progress.

Senator BEN NELSON. You used the word "if" several times there, so I suspect that it's hypothetical at the moment, but hope for results in the future.

Finally, let me say that as we look at the surge, several of us didn't necessarily support the surge going into Baghdad. I think I communicated that when we met. No reservations about going into al Anbar with the surge.

What are your thoughts about transitioning the mission out of Baghdad, in terms of the troops for over a 6-month period to drawdown—out of Baghdad, not withdrawing or anything of that sort—but standing up the combat-capable troops that Iraq has, to begin to take over that responsibility, so that they can secure themselves,

they can govern themselves. Again, if not, it's not going to be very difficult.

Then, make the mission stronger in going after the bad guys in the north, where we're having cooperation from the local Sheiks, tribal leaders, and others. Also, because as we've driven al Qaeda and the bad guys out of Baghdad, they've gone elsewhere, go after them. Then go to the south and work diligently to get the local forces there, to work with us in reducing the sectarian violence, and the other violence that just comes from Shiite versus Shiite to the constant militias.

What are your thoughts about that suggestion?

General PETRAEUS. Senator, as I mentioned, the title of the recommendations, if you will, "Security While Transitioning," captures the idea that we certainly want to hand off as quickly as we can. But, as was stated in the December 2006 assessment that was done by Ambassador Khalilzad and General Casey, when they determined that the effort at that time was failing to achieve the objectives, the emphasis that it put on was reducing the sectarian violence, in Baghdad in particular—because of that being the center of gravity for so much of Iraq. So, what we want to do, certainly, is to try to achieve sustainable situations in these neighborhoods, and then obviously to hand off over time.

I don't think that we need to put U.S. forces in southern provinces, other than, say, some SOF teams or occasionally sending something down to help out. But, by and large, in the south what we want to do there is to develop these special units, if you will, in each province—and every province has them, the special tactics unit in Nasiriyah, for example, which is supported by one of our SOF teams, although they don't live with it, but when that unit, on occasion, a couple of times in the last, I don't know, 6 or 7 months has needed some assistance, and then our team links up with it, if it's close air support or what have you, unmanned vehicle or whatever it may be—it provides that enabler, but otherwise that force on the ground has been capable of doing what it's needed to do.

We're trying to do that in other areas, as well, without increasing the conventional combat footprint in those particular areas.

Senator BEN NELSON. In the process of doing that, it's quite likely that your force needs will reduce in Iraq. What are your thoughts in terms of having a second piece of that phasing-out of Baghdad, also establishing the residual force that is going to be there for a significant period of time, as in the case of Korea, Japan, and Germany—I don't know that it's time to establish what it is in its entirety—but moving to the borders for border protection, protecting our assets there, both the private assets of the contractors that are rebuilding, protecting the Iraqi Government and continuing to support them in the development of their security forces—including, perhaps as the Jones Commission report said, firing all of their police officers and starting over. It's a major job, but it's going to be an ongoing job for a long time, and could require a smaller force, ultimately, which I think would enable a reduction in the number that are there, take pressure off the operational tempo, to get to a level where it is sustainable in the future.

General PETRAEUS. Sir, the CENTCOM Headquarters, my boss Admiral Fallon—and with, very much, our support from the MNF–I staff, because we're frankly where a lot of the expertise, needless to say, resides—did a recent look at the request of the Secretary of Defense at what a long-term force might look like, literally, that down at the lower end there in that stair-step that you saw.

So, we have looked at that, looked at the force mix, looked at the task mix, and so forth—the challenge is getting there from here, and trying to do it as expeditiously as we can, but again without rushing to failure along the way.

Senator BEN NELSON. I think we'll have to leave that there.

Thank you.

Chairman LEVIN. Thank you, Senator Nelson.

Senator Dole.

Senator DOLE. Thank you, Mr. Chairman.

General Petraeus, Ambassador Crocker, you're coming up on 8 hours of testimony, today alone. I thank you very much for your excellent presentations, and I thank you both for your tremendous service, and your leadership in our country.

Let me say at the outset that all of us here, and all Americans, want to see our brave young men and women come home as soon as possible. My home State of North Carolina, for example, has 37,000 currently-deployed troops, a total of 151,000 personnel have been deployed. Our shared heartfelt concerns in the Senate for our troops and for the safety and security of our country should draw us toward consensus. But, as we all know, a conspicuous gap exists between two policy positions—namely, a long-term military commitment on the one hand, and mandated withdrawal on the other. Gentlemen, we must seek common ground based on a set of shared principles.

A growing number of our fellow Americans oppose a long-term U.S. military commitment. At the same time, many understand the profoundly negative long-term security implications for our country, and for the Middle East of a premature withdrawal, before Iraqi security forces are able to independently conduct security operations across their country.

The difficulty of the current American and Iraqi situation is rooted, in large part, in the Bush administration's substantial failure to understand the full implications of our military invasion, and the litany of mistakes made at the outset of the war.

Regardless, our task must be to see the way forward, to agree upon a policy that the majority of Americans will support, and one that provides the American and Iraqi people with the greatest opportunity for success.

I believe that a requisite level of security must be a precondition for political reconciliation, and we know that security has improved in substantial areas of the country. The continued failure of the Maliki Government to achieve reconciliation, and the fact that current U.S. force levels are not sustainable beyond next spring, compels me to support what some have called "action-forcing measures."

General Petraeus, I strongly agree with your recommendation to begin withdrawal of the equivalent of six brigades between this month and next July. I would hope—consistent with your security

assessment—that many units not withdrawn could be reassigned, beginning next spring, to conduct border security operations, to reduce the flow of Iranian arms—particularly EFPs and other military supplies—to more effectively deny entry to foreign fighters through Syria, to supplement the training of additional Iraqi security forces, to conduct support operations, or to back up Iraqi forces that, increasingly, should have the lead in security operations.

A recent Wall Street Journal article described that the Pentagon is preparing to build its first base for U.S. forces near the Iraq-Iran border, in a major new effort to curb the flow of advanced Iranian weaponry to Shiite militants. Of course, there must be more, which has been discussed in the recent questioning. I certainly would like to see more secure borders, and more activity along the long border, and of course on the Syrian border, as well, as we move people out of the Baghdad region, and more into the border areas.

But let me ask a question about neighboring Arab countries. Why have neighboring Arab countries that have profound vested interest in a stable Iraq—Saudi Arabia, the Gulf States, Jordan, Kuwait, Egypt, Lebanon—not stepped up to the plate, both diplomatically and economically? Recent diplomatic successes are welcome, but are modest, relative to the need. Could you both discuss this matter for me, please?

Ambassador CROCKER. Yes, ma'am, it's an important part of an overall strategy for success in Iraq. We have been engaged with Iraq's Arab neighbors, and they've engaged with each other, and with Iraq, that's the whole point of the neighbors' exercise——

Senator DOLE. Right.

Ambassador CROCKER. —the meeting that took place on Sunday, the ministerial that will occur in Istanbul.

We have pressed these states on issues such as debt relief, they hold billions of dollars in Iraqi debt from the days of the Saddam regime in the Iran-Iraq war. By and large, now, they have agreed to afford Paris Club terms to Iraq, which is 80 percent debt forgiveness, we would like to see that move to 100 percent, for example.

There have been some other steps with the neighbors. Saudi Arabia is planning to re-open its embassy in Baghdad, that will be the first step for them since the fall of the Saddam regime, and we would hope it would show the way to other Arab neighbors, that the time has come to resume an active diplomatic presence in Baghdad.

There is a negotiation that is just about to conclude between Iraq and Kuwait that will provide for the supply of Kuwaiti diesel to Iraq, and that's critical for power generation. We've also been in direct touch with the Arab neighbors on security-related issues, particularly on foreign fighters. While the flow is through Syria, the origins are from other Arab states in the Gulf. We have strongly urged steps, for example, for these states to prevent easy travel by, say, young men on one-way plane tickets, heading for Damascus airports. Indeed, I think one of your recent detainees, a Saudi picked up in Iraq, had to get from Saudi Arabia to Syria by bus, because he wasn't allowed to fly out.

So, we're going to continue a diplomatic strategy that is focused on the neighboring states, and particular the Arab states. They are starting to do more, I think they are starting to accept that they

have critical equities on how things turn out in Iraq, and are moving beyond the state they've been in for the last several years, of just not wanting to engage to accepting that, the outcomes are important to them, and they can affect the outcomes.

General PETRAEUS. Senator, Jordan, first of all, has always been really quite supportive, and has worked very hard to limit foreign fighter flow to ensure that support for al Qaeda is disrupted as much as possible from there. Syria may have taken some steps against some of the foreign fighter facilitators in its country—it is something that we are literally looking at very hard to see how much they have done. But, they do recognize, we believe, that al Qaeda poses a very serious threat to them. That, should al Qaeda have success in Iraq, the next one you turn on might be that minority government in Damascus. We see signs that they recognize that, and have taken some steps, again, to make it more difficult.

As the Ambassador mentioned, some of the source countries have made it more difficult for military-aged males also to travel on a one-way plane ticket to Damascus. But again, the more that can be done in that regard, or at large, in any way, to limit the flow of individuals from source countries through Syria, in particular, into Iraq, is something that helps Iraq enormously. Because a number of these end up being the suicide bombers that have created such horrific casualties on certain occasions in Iraq.

Senator DOLE. Thank you, Mr. Chairman. My time is expired.

Chairman LEVIN. Thank you, Senator Dole, thank you.

Senator Bayh.

Senator BAYH. Thank you, Mr. Chairman.

Gentlemen, thank you. I want to express my appreciation for your service to our country.

In a democracy, having a dialogue like this, questioning your recommendations, even your judgment, is entirely appropriate. I don't believe that questioning your integrity is. So I appreciate your candor, and your service, and your presence here today.

Let me begin—you've had to go for 8 hours, this is our fourth hearing over the last several days—we heard from the GAO, from General Jones, we heard about the NIE, and now we have the benefit of your thinking.

Let me give you what I have concluded is the collective bottom line in all of this, and get your response. The bottom line in all of this is, the American people—particularly our service men and women, but also our taxpayers—will be required to continue to sacrifice in Iraq for an indefinite period of time to allow Iraqi politicians to get their act together to make the tough decisions that only they can make to hopefully begin the process of reconciliation. What's your reaction to that?

Ambassador CROCKER. There is a process underway that we've talked about in the course of the afternoon. It's bottom-up, to some degree, it's top-down to some degree, and it's linkages between them. It's the beginnings, if you will, of a reconciliation process that obviously needs to go much farther, if it is to carry Iraq to a position of security and stability over the long run.

Senator BAYH. Ambassador, there's a question behind my observation, and you mentioned the process, bottom-up, top-down, so let me get to it.

For several years now, the progress has not been adequate, I think we'd all agree on that. The theory has been, "Look, insecure people don't make hard decisions. We need to try to increase their confidence, their security, so that perhaps they'll begin to make the hard decisions." It just doesn't seem to have worked that way. They dither, they delay, and so we face this dilemma. If we stand by them, they tend to take our support for granted, and seem a little more comforted by that, and don't make the hard decisions. Yet, your advice as I understand it is timelines would not be helpful.

So, my direct question to you is—what about accountability for taking these hard steps? What about consequences if they don't? Sixty to 70 troops every month, $9 billion to $12 billion every month—they're not doing what they need to do, when do we say, enough already? Have some consequences when they don't?

Ambassador CROCKER. Again, it's important to bear in mind the recent past—2006 up through early 2007 was an extremely bad period in Iraq, and not only were things not moving forward, they were sliding back, in political terms, economic terms, and above all, security terms. Iraq came pretty close, I think, to just unraveling in the course of that year that began with the February bombing of the Golden Dome Mosque in Samarra.

Senator BAYH. There is some history in Iraq before that timeframe you just mentioned, and they weren't making progress then, either.

Ambassador CROCKER. Senator, the challenges are immense, the failures are there, too, on the Iraqi side. It is frustrating to me, I'm out there. We are pushing them constantly in all sorts of ways. But, I have to be honest—this is going to take more time.

Senator BAYH. I think we all need to be honest with ourselves, Ambassador, and I've appreciated the General's comments about modesty in making predictions is in order, and overemphasizing our ability to control events needs to be guarded against. Isn't it possible, at the end of the day, in spite of all of our efforts, support and encouragement—this just may be beyond them, for a variety of reasons—outside interference, historic enmities, a lack of leadership, all of those kinds of things. Don't we constantly need to be evaluating their capabilities and whether they can get this done, to justify the continuing sacrifices that we're making?

Ambassador CROCKER. I think, clearly, that's the case. We're here before you today to give our best assessments in four lines of operation, where we see things standing now.

Senator BAYH. What you're hearing from a lot of us is, so often these last several years, we've tried to give their political leadership the benefit of the doubt, and now only doubt remains. So there we are.

General, I hope—but I think you have to be a little skeptical about it at this point, too, and that's why I come down on the side of consequences, some accountability, because a gentle encouragement doesn't seem to have gotten the results that we want, if in fact, they can be gotten.

General, I'd like to turn to you, I thought you had an excellent, very candid response to Senator Warner's questions, and that was—he asked you, going forward, the recommendations that you're making, will that make America safer? You said that you

could not answer that question because that was beyond the scope of your responsibilities.

General PETRAEUS. I thank you actually, Senator, for an opportunity to address that, frankly. Candidly, I have been so focused on Iraq, that drawing all the way out was something that, for a moment there, was a bit of a surprise. But, I think that we have very, very clear and very serious national interests in Iraq, achieving those interests has very serious implications for our safety——

Senator BAYH. Let me ask you about those interests——

General PETRAEUS. —and for our security. So I think the answer really—to come back to it—is yes. But again, frankly, having focused down and down and down, that was something that really on first glance I would let others——

Senator BAYH. I judged by your response to Senator Graham that you had given that a little additional thought.

General PETRAEUS. Immediately after, actually. Thank you.

Senator BAYH. It happens to all of us, including those of us on this side of the table, as well.

Let me ask you about those interests, then. You referred to the DIA, and then you referred to things that we picked up about how al Qaeda views Iraq, as being the central front in the war on terror, and so forth.

But, let me refer to some other public statements of our intelligence services, and then ask you this question, about the importance—which we all agree upon—of Iraq not becoming a platform from which terrorists can operate against us, or other countries. That's why almost every responsible person thinks we need to keep a capability there to deal with that. So, let me tell you what the CIA's experts on radical Islam have indicated in public testimony.

They have indicated that it is their assessment—on a global, not just on an Iraq-specific—basis, our presence in Iraq is generating more radicals and terrorists than we are eliminating in Iraq. So, on a net basis, we're actually creating more enemies than we are eliminating.

They've also indicated that al Qaeda is reconstituting itself in Afghanistan, and perhaps in the tribal areas in Pakistan, and their assessment of the radicals in Iraq, the al Qaeda-Iraq members—I asked them this question directly, General, I said, "Who do they hate more? The apostates or the infidels? Once we've reduced our footprint, and aren't as obvious a target anymore, where is their enmity going to be turned?" The response was, "Well, they'll turn on the Shiite. They really hate them more than they hate us."

So, my question to you, as my time's going to run out here—isn't it at least possible that looking at this from a global perspective, that the strategy we've pursued in Iraq, and indeed our presence there and the magnitude that we currently are there, is in fact, somewhat counterproductive in the global war against terrorism, and making America safer?

General PETRAEUS. Senator, I think again, if al Qaeda was to be able to retain a substantial presence in Iraq, particularly a sanctuary in the order of what they had in certain areas, in fact, prior to the surge that that would be a very serious threat. I don't know where they would go next. Some have speculated that, in fact, they might focus more on Afghanistan, others more in the particular re-

gion there, to go after some of the other countries in that particular region.

But, I think again, based on their own communications, that the CIA and the Joint Special Operations Command commanders assessment—this is their central front on the global war of terror that they are carrying out. It has been, at least. Again, it is hard to tell whether they will continue to regard it that way because of the loss of some momentum there.

I am not sure that it is true that they are still generating more radicals in Iraq. I think, again, one of the big changes, as I've reported in the past 6, 8, 12 months if you will, stating all the way back, certainly, to October of last year when the first of these tribal oppositions to al Qaeda emerged, is that the Sunni-Arabs in al Qaeda—and that is the area in which they had been able to find sanctuary and so forth—have in large numbers turned against al Qaeda. They've gotten over the fact that they're not going to run Iraq again, they've gotten over the fact that they're disrespected, in their view, dispossessed, whatever it may be—and now want to make the Euphrates River Valley a decent place to live, work, and raise a family, and maybe even open up the border, and now they have a police academy again, and the rest of that, and rebuilt Ramadi and some of these other places, and others have seen the same. What they really want now is a seat at the table in Baghdad. They want adequate representation, they want their share of this ethno-sectarian competition for power and resources. They want their share of the resources.

That's why it is significant—as the Ambassador reported—on the Anbar big summit that was held out there the other day, the second of these, where the national government has reached out to them in such a substantial way. So, I think how al Qaeda plays out in Iraq is of enormous importance to our country, and to the overall international jihadist movement. Failing to achieve our objectives there would be just an enormous shot of adrenaline to them, I'm afraid.

Senator BAYH. Gentlemen, thank you again, my time is expired. I would just conclude by saying, we all want to be successful in Iraq. We all hope that these signs you indicate come to fruition, but there's a lot of history here. We have to ask ourselves, "What if they do not?" How do we go about securing the national security interests of our country if, in fact, that is the course that events take.

General PETRAEUS. Yes, sir. Thank you.

Chairman LEVIN. Thank you, Senator Bayh.

Senator Cornyn.

Senator CORNYN. Thank you, Mr. Chairman.

General, Mr. Ambassador—you have my respect and admiration, and I appreciate your service to our country, particularly in the challenging jobs that you have, you are performing now.

It's because of my respect and admiration for both of you that I was particularly shocked and chagrined when I happened to open the New York Times on Sunday to see this ad, purchased by moveon.org—I don't know if I've ever witnessed a more reprehensible slander of a public servant and a patriot than as represented in this ad. It's my hope that members of this committee will join

me—and, in fact, all Members of the United States Senate—will join together, without regard to partisan affiliation, and condemn this ad, and restate our confidence in General Petraeus, the same confidence that was manifested when he was confirmed by a unanimous vote of the United States Senate this last January.

It's a pretty tough environment, I know you're working in Iraq—it's a pretty tough environment here, in Washington, in another way. General, when you were confirmed in January, you were announced not only as a new leader there, you announced a new strategy in Iraq, something people had been calling for, for a long time. People had been asking for some signs of progress in the security situation. You've come back here today as the Jones Commission did last week, as did the NIE did in August, and report that some security progress being made in Iraq, positive news in any other context.

You've announced here today that you would likely recommend significant cuts in troops over the next year—something that people in this room and on Capitol Hill have been calling for, for a long time. You would, again, think that that would be met with some appreciation, some gladness.

Ambassador, there have been those who have said that we weren't doing enough to talk to the people in the neighborhood, Iran, Syria, and others. Indeed, since that time—since January, since General Petraeus was confirmed—that's happened, and you've reported on that. Here again, something I would think that would be met with an appreciation for the progress, or at least the effort that entails.

Then, of course, there were those, General, that announced shortly after the President announced the surge of troops into Iraq, they announced it a failure, or predicted a failure at the outset, before the surge had even occurred, and I guess it just goes to show that it's a bad bet to bet against the men and women of the United States military, because it has demonstrated some significant successes.

So, I guess this is an unusual case, General and Ambassador, where you come bringing what otherwise might be regarded as good news, or at least progress, and it's the first case I've seen, I guess, of shooting the messenger for bringing good news. It's a strange time we find ourselves in, it's a strange environment here in Washington.

But my question, what I want to ask you about in particular, are the consequences of failure. Because it seems to me there, too often, is a debate in the abstract about what's happening. General, you've already said that you believe what we're doing in Iraq is making us safer here at home, but I would like to ask, if we embraced the suggestion of some, here on Capitol Hill, that we would pull out our troops before the Iraqis are able to govern and defend themselves, what the consequences would be? I know we've talked about providing a failed state, a power vacuum into which al Qaeda would fill, you've talked about Iran. But, in particular, I'd like to get your assessment General, and Ambassador, about the humanitarian crisis that would like occur. Could you speak to that, please? General first?

General PETRAEUS. Senator, first of all, there has already been a humanitarian crisis in Iraq. The estimates run as high as 2 million that have left the country, and perhaps that number that has been displaced within the country. So, this is already a tragic situation.

One of our areas of focus has, as I mentioned, been to try to stabilize and to reduce the ethno-sectarian violence that is really the engine of that displacement. Some of that has continued. Some has risen to the level of cleansing. But in many areas, again, it has stabilized it, and has kept it from continuing. Because, this is not something, again, that just stops of its own accord. It doesn't reach the highway to the airport, let's say, and say, "That's it." It then hops over and keeps on going.

So, that has been a big effort, and we have a lot more work to do in that regard, as I mentioned up front, very clearly. We're not at a point that is at all satisfactory, but the trend line, again, is good.

But, the level to which that could go if it got out of hand again, and got even worse, obviously could be horrific.

Senator CORNYN. I believe the figures I recall, off the top of my head, about genocide in Darfur, roughly 400,000 people killed there. Would this be, would rival or exceed the magnitude of that sort of death by ethnic cleansing?

Ambassador CROCKER. Sir, it's obviously very difficult to predict. My previous experience, for example, in Lebanon in the early 1980s, I was there at the time of the massacres and the Palestinian camps following our withdrawal in 1982. When those massacres took place, I knew that some very bad consequences were likely to be set in train, but I couldn't have begun to predict where we'd be a year later, for example, with the resurgence of Hezbollah, and the bombing of both the embassy and the Marine barracks with horrendous consequences for us. I had a failure of imagination. I don't think in the intervening years, my imagination has gotten any more accurate or strong.

But, I would be very concerned that in a context in which the United States was seen to be definitely backing away—and backing away in a sense that projected a signal in Iraq and elsewhere that we were not coming back, there's not going to be a second surge, it's over for us—I think the prospects of a truly catastrophic humanitarian disaster would be considerable.

Senator CORNYN. In the order of hundreds of thousands, or millions?

Ambassador CROCKER. It could be that, sir. Because it could be a situation that would be so, so dramatic, that it would bring in neighboring states. Then you would have a failed state. You would have, basically, a meltdown inside Iraq, and the ensuing violence within Iraq, plus ambitions of some of Iraq's neighbors, like Iran, could bring these states in, and we could be looking at regional conflict, as well as a horrific humanitarian disaster. I can't say that's going to happen, I can't predict that's going to happen, but it certainly is something that could happen.

Senator CORNYN. Thank you, Mr. Chairman.

Chairman LEVIN. Senator Cornyn, thank you.

Senator Clinton.

Senator CLINTON. I want to thank both of you, General Petraeus, Ambassador Crocker, for your long and distinguished service to our Nation. Nobody believes that your jobs or the jobs of the thousands of American forces and civilian personnel in Iraq are anything but incredibly difficult.

But today you are testifying about the current status of our policy in Iraq, and the prospects of that policy. It is a policy that you have been ordered to implement by the President, and you have been made the de facto spokesman for what many of us believe to be a failed policy.

Despite what I view as your rather extraordinary efforts in your testimony both yesterday and today, I think that the reports that you provide to us really require the willing suspension of disbelief. In any of the metrics that have been referenced in your many hours of testimony, any fair reading of the advantages and disadvantages accruing post-surge, in my view, end up on the downside.

I started my morning today at ground zero in New York City, where once again, the names of the nearly 3,000 victims of the attack on our country were read solemnly in the rain. We have seen Osama bin Laden reappear on our television sets, essentially taunting us. We have the most recent reports out of Germany of terrorists plotting against American assets who have been trained in Pakistan. We get very little comfort from the fact that the mastermind of that mass murder is at large, neither captured nor killed, and that the Taliban and al Qaeda are resurging in Afghanistan, and their network is certainly—if not tightly organized, a loose confederacy—that has grave consequences for us.

With respect to Anbar province, a lot has been made of the coalition's work with the Sheiks, but that was going on before the surge. General, in your testimony during your confirmation hearings, you referenced the fact that the Sheiks were coming over, that there was already a decision by a lot of the tribal leaders that they would no longer tolerate the extraordinary brutality of the al Qaeda elements in al Anbar province.

With respect to violence in Iraq, although the charts tell part of the story, I don't think they tell the whole story. If you look at all of the evidence that's been presented, overall civilian deaths have risen. The number of car bombings is higher. May was the deadliest month in 2007 with 1,901 civilian deaths. American military casualties are greater in every month in 2007 than in the same month in 2006, leaving us with a total thus far, through August, of 739 Americans killed.

The Iraqi reconciliation process is now described as relying on bottom's up efforts, which are anecdotal, which have very little hard evidence to support what needs to be accomplished. Senator Warner's very specific questions of what is happening from top-down, certainly lead to the conclusion that not very much is occurring that can give us comfort that the Iraqi leadership is yet ready to put aside their sectarian, commercial, and personal interests for some kind of greater Iraqi political reconciliation.

Iraqi public opinion, according to an ABC, BBC, NHK poll released September 10, shows that since the escalation began, Iraqi opinion has starkly turned against the occupation, as most Iraqis

see deepening dissatisfaction with conditions in Iraq, lower ratings for the national government, growing rejection of the U.S. role there. For example, 65 to 70 percent of Iraqis say the escalation has worsened, rather than improved, security. Thirty-nine percent say their lives are going well, down from 71 percent in November 2005, and 47 percent now favor immediate withdrawal of U.S. forces, a 12 point rise since March. Overwhelming majorities give negative ratings to electricity, jobs, and access to health care.

So, I give you tremendous credit for presenting as positive a view of a rather grim reality, and I believe that you and certainly the very capable people working with both of you, were dealt a very hard hand. It's a hand that's unlikely to improve, in my view.

General, I want to ask you about what appeared to be a contradiction in your testimony. Earlier today you were asked by Senator Biden if, in fact, the circumstances on the ground are exactly what they are today in March of next year, will you recommend the continuation of somewhere between 130,000 and 160,000 American troops being shot at, killed, and maimed every day. Your answer, "I would be hard-pressed to recommend that at that point in time."

In response to Senator Collins, who asked, I thought, a very important question about what if, in a year from now, there has been very little progress, your answer was, "Well, we would have to consider what to do at that time." General, don't you think the American people deserve a very specific answer about what is expected from our country in the face of the failure of the Iraqi Government to pursue its own required political agenda, that they have essentially been unwilling or incapable of doing so?

General PETRAEUS. Senator, I don't see quite as big a difference in the answer, but I will stand by the answer that I gave earlier, which is that I would be very hard-pressed at that time to recommend a continuation.

This policy is a national policy that results from policies put forward at one end of Pennsylvania Avenue with the advice and consent and resources provided at the other. I would, obviously, provide recommendations to that. Again, I would just say, I would be very hard-pressed, at that time—it's an awfully big hypothetical, and it is not something that I would want to try to determine right here, right now, about a year from now without having some sense of all of the other variables, that I think, understandably, would go into a huge recommendation like that.

Senator CLINTON. Ambassador, it's not only the Iraqi Government that, in my view, has failed to pursue a coherent strategy, I think our own has, as well. You've been tasked—as I understand it—with carrying the only contact with the Iranians and others in the region, and many of us have long-advocated that our government needed to be much more engaged in a robust diplomatic effort.

Do you believe that if the full force and effect of the American government were brought to bear on the region, and more broadly on countries that have a stake in the future of Iraq, even beyond the region, that there was some process established that could begin to try to sort out what was or wasn't possible, that that would be an additional benefit to your efforts, going forward in Iraq?

Ambassador CROCKER. Senator, engaging the region and the international community more broadly in support of Iraq is important. That is ongoing and it's accelerating. This fall we'll have at least two ministerial-level meetings on Iraq, the one that I mentioned involving the neighbors, plus the P–5 and the G–8 in Istanbul, and then in a little less than 2 weeks, in New York, the Secretary General of the U.N. and Prime Minister Maliki will jointly chair an international ministerial-level meeting to review progress on the international compact with Iraq, and also to focus on how the new U.N. mandate for Iraq, the expanded mandate for Iraq, can most effectively be implemented.

So, I think we're seeing an increase in regional and international diplomacy in support of Iraq. We're also starting to see, I think, some change in attitudes. I talked a little bit earlier about some positive developments among some of Iraq's Arab neighbors. I think we're also seeing a new look at Iraq on the part of at least some of the European states.

During a 10-day period, for example, at the end of August, we had the visits of Bernard Kouchner, the Foreign Minister of France, and then right after that, Carl Bildt, Foreign Minister of Sweden—the first time, really, since 2003, we have seen major European states send their foreign ministers into Iraq to assess where Iraq is, and how they can, perhaps, more effectively engage for the future.

So, I think we're seeing that kind of diplomatic initiative now gain some further momentum.

Chairman LEVIN. Thank you, Senator Clinton.

Senator Thune.

Senator THUNE. Gentlemen, thank you very much for your extraordinary service, and thank you for your indulgence in being here today. I know both of you, Ambassador and General, are runners. I know, General, you are a marathon runner, and I want you to know that when you get to this point at the dais at a hearing, you're like on mile 23 in a marathon, you're almost there. We appreciate very much your patience.

I also want to convey our appreciation to the men and women who serve under your command. Please let them know how grateful we are for their service. They are the best of the best.

What I would like to do, General, is Senator Graham asked a question about the morale of our troops over there, which you answered—and by the way, your testimony here and report has probably been the most hyped event in this city for a long time. Many of us for months now, have been saying that we're waiting to hear this report, and I will have to say that you have not disappointed. Your report has been full, it's been comprehensive, it's been factual, it has been objective and independent, and you've not sugar-coated things. I think that we appreciate very much your willingness to give us an assessment, an honest assessment on where things stand.

I want to hone in on the whole question of the Iraqi troops, in general, what is the morale of the Iraqi troops? Are they taking ownership of this mission?

General PETRAEUS. As I mentioned in the testimony, sir, there is an unevenness to it. The Iraqi forces range from extremely good

to high-end, Iraqi SOF brigade with a counter-terrorist force commando battalion that is now multiplying. The National Emergency Response Unit, the Special Tactics Unit—these forces are absolutely superb, they are in operation just about every night, if not more—and every day—and we are now positioning them around the country, as well, including some in Basra.

There are other special forces in just about each of the provinces. Again, as I mentioned in many cases, how our own SOF teams work with them, and those are viewed very highly, as well.

The Army, by and large, a professional force, national force, again—by and large—and performing credibly and in a number of areas, in many cases, literally by themselves already, regardless of their ORA. Again, that does not hold up the provincial Iraqi control process completely, it is a factor in it, but in many cases those forces are doing quite well.

Then it goes all the way down to—as you heard from General Jones' Commission—concerns about the sectarian tendencies of some elements still in the national police. We continue to have concerns about several of the units there. Again, we have raised those to the Prime Minister, those are—and the Minister of Interior—really, who is grappling with this issue, and working their way through the change-out of leaders, the retraining of a number of the organizations, and now even bringing in the Italian Carabinieri to train some of them. At some point, there may be a point at which some of those units will have to be disestablished, that is certainly not where Iraq wants to go right now, given just the sheer need for forces and for boots on the ground in a host of different areas, which is one reason why they're expanding so rapidly.

But, so again, it runs the gamut—all the way and there is a substantial effort ongoing to improve the leader development in the Iraqi security forces to build the institutional structures that are, frankly, very hard to build, the military academies, junior and senior staff colleges, war colleges, and these may not sound all that exciting, but they are the types of institutional assets that have made our own Army and Marine Corps and other Services the truly professional forces that they are, and it takes that level of investment. That is ongoing, but again, it is something that does take time. It just doesn't spring out of the desert floor with infrastructure and structures and all of the support for it. But that is ongoing.

Senator THUNE. The first time I met with you was in Iraq, I think, back in February 2005 when you were leading the training mission there. I think you talked about the need to build leadership capacity within the Iraqi security forces.

General PETRAEUS. Right.

Senator THUNE. But that—are they, to me, this doesn't work until that really happens. Is that happening?

General PETRAEUS. It is happening, but frankly, some of this took a step backward—in some cases a substantial step backward—during the height of the sectarian violence. When certain units, literally, were taken over by sectarian interests, and became part of the problem instead of part of the solution. Retrieving some of those units is still ongoing in some cases, and again, of course, a big part of that had to be to reduce the level of sectarian violence,

and threats, and so forth, so that these individuals didn't feel as though they had to side with one or the other, but could be truly professional, all commissioned and NCOs.

That is something, again, that Prime Minister Maliki is very much concerned about confronting and dealing with. In fact, as I mentioned earlier, replacing wholesale, the facility protection security force that guarded the medical city.

So, there are numerous challenges out there like that, but there are also just dozens and dozens of Army battalions and special operations units in particular, that are doing very credible work, and are very much going after the enemy. I mentioned the example of the unit in Mosul that killed the Emir of Mosul with its own intelligence, in fact, it was actually the intelligence officer who we believe was the one that fired the shot that did kill this individual where there was a confrontation.

Senator THUNE. I know that they've prevented some attacks in Mosul, they have acted rapidly in restoring security in Karbala, they've had some successes, and I guess my question is—if and when the Iraqi security forces are ready to take responsibility for the security of Iraq, if that happens before the political process has yielded a political solution, is our job done there?

General PETRAEUS. First of all, Senator, let me just——

Senator THUNE. Those aren't on the same tracks.

General PETRAEUS. Sure, let me just be clear—they have already taken over.

Senator THUNE. In some areas.

General PETRAEUS. Again, in these provinces that have transitioned to provincial Iraqi control, there are no coalition forces in Maysan Province, Muthanna, Karbala, Najaf and some others. Karbala will go to provincial Iraqi control in about a month. Then there are some others who are very much, certain areas where we still have to be in the lead.

Again, we can hand off as long as that local situation is sufficiently connected to Baghdad to enable us to do that. That's what we have done, again, in a number of cases, regardless of the fact that there may not be the agreement on the laws that we see as so important to ultimate national reconciliation. But, the fact is, there's a Ministry of Defense, there's a Ministry of Interior, there are varying degrees of functionality in different areas, and certainly, we're still having to help a great deal on the logistical arena, especially, because that's just proven very difficult.

Senator THUNE. I understand that, and I know we've made headway, and I know that there are areas that are now totally under the control of the Iraqi security forces, and in some cases we're in the lead and they're supporting, or they're in the lead and we're supporting.

But, I guess the bigger question is, is the mission complete when they can take over the fight, even if the political component, if we haven't gotten some Western-style democracy imposed in terms of a political solution there—are we done? Is that where we can say, "mission accomplished"?

General PETRAEUS. Again, it depends how far along you are. I think we obviously have to have some degree of confidence that it wouldn't unravel. So, again, I think you have to ask where are we?

There is national-level leadership and direction at this point, it does exist, Prime Minister Maliki is the commander in chief, he does issue orders.

Another very important case was the celebration of the Seventh Imam Commemoration in Baghdad. This is one of the holiest Shiite celebrations, it focuses on a shrine in Kadamia, north central Baghdad. That's the one that you'll recall—I believe it was 2005—where there were nearly 1,000 of the pilgrims that were killed when there was a stampede due to either rumor of action, or possibly actually enemy action. The other 2 years around that, there have been dozens of Iraqis killed.

This particular year, the Iraqi Baghdad Operational Command oversaw the operation, the Ministry is very much invested in it, it involved not just army and police, but also emergency services, transportation ministry and a whole host of other ministries that all would be involved in this, and to our knowledge there was not a death caused by enemy action, which is really a fairly extraordinary accomplishment.

Senator THUNE. Again, my time is expired, as well, but many of us have concerns about some of the national interests that you've articulated with regards to our efforts there, particularly the possibility of an Iranian-supported Shiite state that would exercise more influence, and would obviously put not only that region, but I believe, our country at risk as well. We thank you for the efforts that you're making, and encourage you, there are a lot of us who are cheering for you, hope you succeed. But you've been exposed to a political dimension of the debate that occurs here in Washington over the past few days that, on a level that's regrettable, but notwithstanding that, I think a majority of Americans and a lot of us up here want to see you succeed, so thanks again for your service.

Chairman LEVIN. Thank you.

Senator Pryor.

Senator PRYOR. Thank you, Mr. Chairman.

I'd like to start, if I could, with a question for both of you. That is, after 2 days on Capitol Hill, are you two ready to get back to Baghdad? [Laughter.]

Ambassador CROCKER. Baghdad's never looked so good, Senator. [Laughter.]

Senator PRYOR. No, seriously, I have a couple of questions for you, General Petraeus, about the slides that you showed earlier, and one is just a real basic question, and that is on slide number 5, which is the caches found and cleared that you had—I just have a quick question in that.

I remember in the early days of us being in Iraq, we found a lot of caches that were former Saddam Hussein caches. I look at January to September 2007, some big numbers there—are these weapons old Saddam weapons, or are they new weapons?

General PETRAEUS. They're a mix, Senator, and now they often include something called HME, which means Home Made Explosives, which is a mix of fertilizer and nitric acid that is mixed up and often put sometimes in 5-gallon or even as much as 55-gallon drums.

But, again, it runs the gamut. It includes, in some cases, weapons that clearly are traced back to Iran in terms of certain rockets,

the EFPs, and some mortars, to items that certainly may have come from the Saddam weapons storage sites, or have come in from other countries over time.

Senator PRYOR. I assume you're seeing a fairly healthy mix of Iranian weapons caches?

General PETRAEUS. Again, there are certain ones that are signature weapons, without question—the EFPs. The rockets, mortars, the rest is, it's just hard to tell where it came from.

Senator PRYOR. I understand, okay.

Let me ask about the second graph I wanted to ask about and that's your Iraqi security forces capabilities, and that's number 12. Down at the bottom this, in most cases, the shortest part of the bar graph where they're fully-independent forces, and then you see this yellow band on top. I assume one of the fundamentals that you're talking about here in your report this week in Washington, is you're trying to have a yellow to green policy, you're trying to turn this yellow area into green areas, is that fair to say?

General PETRAEUS. It is, and candidly, it is proving very difficult, because the requirements to be green in terms—they can get the strength up, that is not really an issue now. They're starting to—I think, strength for most Iraqi Army units is really quite good and it is climbing.

The challenge is the fill of NCOs and commissioned officers. As the number of units grows, as they take casualties and tough combat, they're very challenged to find those experienced soldiers who can step into those positions, they just don't have a large pool of that, and that's a limiting factor. Also, the equipment, again, when they take losses, they do not have a good resupply, and that's fairly absolute. So, if you don't have a certain mix of equipment, you're just not going to be ORA–1. The truth is, it doesn't mean that you may not be conducting independent operations—this is very important, because it's something we work to. Obviously, we want to get them the right mix of equipment, we want to help them develop the leaders, the strength, again, and so forth, and to fix their logistical systems. But, the fact that they're not ORA–1 does not mean that they may not be operating independently. Again, there are places where that actually happens.

Senator PRYOR. That's one of the things that concerns me, is really, there isn't a clear trend that the green is going up and the yellow is going away.

General PETRAEUS. It's a tough standard to meet. Especially when you're in combat, and losing soldiers, equipment, and leaders.

Senator PRYOR. Do you have sense——

General PETRAEUS. Don't have a great logistical support structure.

Candidly, this is something that Senator Levin and Senator Warner are helping us with. They have put a lot of stock in FMS, and we have to come through for them. We talked to Senator Levin about that, and to Senator Warner when he was chairman—we really have to take this on. This cannot be a peacetime approach to FMS. I mentioned, they've put about, I think it's $1.6 billion already into it, it could be that much and a bit more by the end of the year. But we have to come through for them, and it can't be business-as-usual. It has to be, really, moved very quickly.

Senator PRYOR. I guess it's hard to say how long it will take you to go from yellow to green, but you're trying to get there as quickly——

General PETRAEUS. We are trying to get there. You can see they took steps backward, because, again, the hard fighting that took place to get this, to deal with the sectarian violence, and then to get it down. That's the unknown, unfortunately, is just what kind of losses will they take, what kind of equipment will they lose.

Senator PRYOR. Let me change the question, here, if I can, General Petraeus, and let me just see if you agree with this. First, I'd say our military efforts in Iraq are very important, and our men and women in uniform in Iraq are doing an outstanding job in some very difficult circumstances, would you agree with that?

General PETRAEUS. Certainly, yes, sir.

Senator PRYOR. Our military efforts are only part of the solution there. We must work very hard on four broad fronts—diplomatic, economic, military, and political. Would you agree with that?

General PETRAEUS. In fact, those are the Lines of Operation (LOOs) in our Joint Campaign Plan. There is an MNF–I Embassy Joint Campaign Plan, and those are, in fact, the LOOs in it.

Senator PRYOR. Ambassador Crocker, do you agree with that, as well, that we need a broad effort—not just on military—but also on diplomatic, economic, and political?

Ambassador CROCKER. Absolutely.

Senator PRYOR. My fundamental concern with the surge strategy, is that if we don't have the diplomatic, the economic, the political efforts, and progress in place, then the surge, I'm afraid, won't make a long-term difference in Iraq. So, that's a concern I have.

In August, all of us went home to our home States, and I spent all month in Arkansas, and my sense of the Arkansas' general public their view of Iraq would be this: First, they're very patriotic. Second, they want to support—they're going to support the war fighter, regardless, no questions asked. Third, I'd say, they want for the United States to leave Iraq in a better condition than what we found it. They also need some assurance that the sacrifice we're making, that this country's making, is worth it. They need that assurance from the President, first and foremost, and from Congress, and from you all. But, I'll say this, too—there's a sense with people I talked to back home is that the goal posts keep moving in Iraq. I do have a concern about the report, and the stuff that we're hearing today, is that the goal posts have moved again. We talked about the surge, initially, being maybe 6 months, and now it looks like it may be a year-plus before we get back down to the pre-surge numbers, so I think people want to support what we're doing there, but they need some assurance on it, and they also desperately want to make sure that when we leave Iraq, we leave it in a better condition than what we found it.

Last thing I have, Mr. Chairman, is a number of us, 15 of us in the Senate have been working on a bill to try to implement the Iraq Study Group recommendations. I just want to leave a copy of this bill with you all, it's an effort in working with the Iraq Study Group and bipartisan group of Senators, 15 of us—I believe it's 8 Democrats, 7 Republicans. From my standpoint, it's really the only truly broadbased, bipartisan bill in Congress, in the House or Sen-

ate. I know we talk about needing political consensus in Baghdad, which we do, but we also need it in Washington, DC, you all have had a taste of that this week. So, I'm going to leave this with you, and I'd love to get your comments, either from you or your staffs, at some point in the very near future. Thank you.

[The information referred to follows:]

II

110TH CONGRESS
1ST SESSION

S. 1545

To implement the recommendations of the Iraq Study Group.

IN THE SENATE OF THE UNITED STATES

JUNE 5, 2007

Mr. SALAZAR (for himself, Mr. ALEXANDER, Mr. PRYOR, Mr. BENNETT, Mr. CASEY, Mr. GREGG, Mrs. LINCOLN, Mr. SUNUNU, and Ms. COLLINS) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

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A BILL

To implement the recommendations of the Iraq Study Group.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Iraq Study Group Recommendations Implementation Act of 2007".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) On March 15, 2006, the Iraq Study Group was created at the request of a bipartisan group of members of Congress.

(2) The United States Institute of Peace was designated as the facilitating organization for the Iraq Study Group with the support of the Center for the Study of the Presidency, the Center for Strategic and International Studies, and the James A. Baker III Institute for Public Policy at Rice University.

(3) The Iraq Study Group was composed of a bipartisan group of senior individuals who have had distinguished careers in public service. The Group was co-chaired by former Secretary of State James A. Baker, III and former chairman of the House Foreign Affairs Committee Lee H. Hamilton, and the other members were former Secretary of State Lawrence S. Eagleburger; Vernon E. Jordan, Jr, the Senior Managing Director of Lazard, Freres and Company; former Attorney General Edwin Meese III; former Supreme Court Associate Justice Sandra Day O'Connor; former White House Chief of Staff Leon E. Panetta; former Secretary of Defense William J. Perry; United States Senator Charles S. Robb; and United States Senator Alan K. Simpson.

(4) On June 15, 2006, President George W. Bush signed into law the Emergency Supplemental Appropriations Act for Defense, the Global War on

1 Terror, and Hurricane Recovery, 2006 (Public Law
2 109–234), which provided $1,000,000 to the United
3 States Institute of Peace for activities in support of
4 the Iraq Study Group.
5 (5) The Iraq Study Group consulted nearly 200
6 leading officials and experts, including the senior
7 members of the Government of Iraq, the United
8 States Government, and key coalition partners and
9 received advice from more than 50 distinguished
10 scholars and experts from a variety of fields who
11 conducted working groups in the areas of economy
12 and reconstruction, military and security, political
13 development, and the strategic environment in Iraq
14 and the Middle East.
15 (6) While the Iraq Study Group recommended
16 shifting the primary mission of United States mili-
17 tary forces in Iraq from combat to training, and
18 while the Iraq Study Group described actions and
19 conditions that could allow for a redeployment of
20 troops not necessary for force protection out of Iraq
21 by the first quarter of 2008, the Iraq Study Group
22 did not set a fixed timetable for withdrawal and said
23 it could support a short-term redeployment of
24 United States combat forces, complemented by com-
25 prehensive political, economic, and diplomatic ef-

1 forts, to stabilize Baghdad or to speed up the mis-
2 sion of training and equipping Iraqis if the United
3 States commander in Iraq determines that such
4 steps would be effective.

5 (7) The report of the Iraq Study Group in-
6 cludes a letter from the co-chairs of the Iraq Study
7 Group, James A. Baker, III and Lee H. Hamilton,
8 which states, "Our political leaders must build a bi-
9 partisan approach to bring a responsible conclusion
10 to what is now a lengthy and costly war. Our coun-
11 try deserves a debate that prizes substance over
12 rhetoric, and a policy that is adequately funded and
13 sustainable. The President and Congress must work
14 together. Our leaders must be candid and forthright
15 with the American people in order to win their sup-
16 port."

17 (8) The Republicans and Democrats who com-
18 prised the Iraq Study Group reached compromise
19 and consensus and unanimously concluded that their
20 recommendations offer a new way forward for the
21 United States in Iraq and the region, and are com-
22 prehensive and need to be implemented in a coordi-
23 nated fashion.

SEC. 3. SENSE OF CONGRESS ON IMPLEMENTATION OF IRAQ STUDY GROUP RECOMMENDATIONS.

It is the sense of Congress that the President and Congress should agree that the way forward in Iraq is to implement the comprehensive set of recommendations of the Iraq Study Group, particularly those specifically described in this Act, and the President should formulate a comprehensive plan to do so.

SEC. 4. SENSE OF CONGRESS ON DIPLOMATIC EFFORTS IN IRAQ.

It is the sense of Congress that, consistent with the recommendations of the Iraq Study Group, the United States Government should—

(1) establish a "New Diplomatic Offensive" to deal with the problems of Iraq and of the region;

(2) support the unity and territorial integrity of Iraq;

(3) encourage other countries in the region to stop the destabilizing interventions and actions of Iraq's neighbors;

(4) secure the borders of Iraq, including through the use of joint patrols with neighboring countries;

(5) prevent the expansion of the instability and conflict beyond the borders of Iraq;

1 (6) promote economic assistance, commerce,
2 trade, political support, and, if possible, military as-
3 sistance for the Government of Iraq from non-neigh-
4 boring Muslim nations;
5 (7) energize the governments of other countries
6 to support national political reconciliation in Iraq;
7 (8) encourage the governments of other coun-
8 tries to validate the legitimate sovereignty of Iraq by
9 resuming diplomatic relations, where appropriate,
10 and reestablishing embassies in Baghdad;
11 (9) assist the Government of Iraq in estab-
12 lishing active working embassies in key capitals in
13 the region;
14 (10) help the Government of Iraq reach a mu-
15 tually acceptable agreement on the future of Kirkuk;
16 (11) assist the Government of Iraq in achieving
17 certain security, political, and economic milestones,
18 including better performance on issues such as na-
19 tional reconciliation, equitable distribution of oil rev-
20 enues, and the dismantling of militias;
21 (12) encourage the holding of a meeting or con-
22 ference in Baghdad, supported by the United States
23 and the Government of Iraq, of the Organization of
24 the Islamic Conference or the Arab League, both to
25 assist the Government of Iraq in promoting national

1 reconciliation in Iraq and to reestablish their diplo-
2 matic presence in Iraq;
3 (13) seek the creation of the Iraq International
4 Support Group to assist Iraq in ways the Govern-
5 ment of Iraq would desire, attempting to strengthen
6 Iraq's sovereignty;
7 (14) engage directly with the Governments of
8 Iran and Syria in order to obtain their commitment
9 to constructive policies toward Iraq and other re-
10 gional issues;
11 (15) provide additional political, economic, and
12 military support for Afghanistan including resources
13 that might become available as United States com-
14 bat forces are redeployed from Iraq;
15 (16) remain in contact with the Iraqi leader-
16 ship, conveying the clear message that there must be
17 action by the Government of Iraq to make substan-
18 tial progress toward the achievement of the mile-
19 stones described in section 11, and conveying in as
20 much detail as possible the substance of these ex-
21 changes in order to keep the American people, the
22 Iraqi people, and the people of countries in the re-
23 gion well informed of progress in these areas;
24 (17) make clear the willingness of the United
25 States Government to continue training, assistance,

1 and support for Iraq's security forces, and to con-
2 tinue political, military, and economic support for
3 the Government of Iraq until Iraq becomes more ca-
4 pable of governing, defending, and sustaining itself;
5 (18) make clear that, should the Government of
6 Iraq not make substantial progress toward the
7 achievement of the milestones described in section
8 11, the United States shall reduce its political, mili-
9 tary, or economic support for the Government of
10 Iraq;
11 (19) make clear that the United States Govern-
12 ment does not seek to establish permanent military
13 bases in Iraq;
14 (20) restate that the United States Government
15 does not seek to control the oil resources of Iraq;
16 (21) make active efforts to engage all parties in
17 Iraq, with the exception of al Qaeda;
18 (22) encourage dialogue between sectarian com-
19 munities and press religious leaders inside and out-
20 side of Iraq to speak out on behalf of peace and rec-
21 onciliation;
22 (23) support the presence of neutral inter-
23 national experts as advisors to the Government of
24 Iraq on the processes of disarmament, demobiliza-
25 tion, and reintegration of militias and other armed

1 groups not under the control of the Government of
2 Iraq; and
3 (24) ensure that reconstruction efforts in Iraq
4 consist of great involvement by and with inter-
5 national partners that actively participate in the de-
6 sign and construction of projects.

7 **SEC. 5. STATEMENT OF POLICY ON SECURITY AND MILI-**
8 **TARY FORCES.**

9 It shall be the policy of the United States to formu-
10 late and implement with the Government of Iraq a plan,
11 consistent with the recommendations of the Iraq Study
12 Group, that—
13 (1) gives the highest priority to the training,
14 equipping, advising, and support for security and
15 military forces in Iraq and to supporting
16 counterterrorism operations in Iraq; and
17 (2) supports the providing of more and better
18 equipment for the Iraqi Army by encouraging the
19 Government of Iraq to accelerate its requests under
20 the Foreign Military Sales program and, as United
21 States combat brigades redeploy from Iraq, provides
22 for the transfer of certain United States military
23 equipment to Iraqi forces.

1 **SEC. 6. STATEMENT OF POLICY ON STRENGTHENING THE**
2 **UNITED STATES MILITARY.**

3 It shall be the policy of the United States to formu-
4 late and implement a plan, consistent with the rec-
5 ommendations of the Iraq Study Group, that—

6 (1) directs the Secretary of Defense to build
7 healthy relations between the civilian and military
8 sectors, by creating an environment where senior
9 military leaders feel free to offer independent advice
10 to the civilian leadership of the United States Gov-
11 ernment;

12 (2) emphasizes training and education pro-
13 grams for the forces that have returned to the
14 United States in order to restore the United States
15 Armed Forces to a high level of readiness for global
16 contingencies;

17 (3) provides sufficient funds to restore military
18 equipment to full functionality over the next 5 years;
19 and

20 (4) assesses the full future budgetary impact of
21 the war in Iraq and its potential impact on—

22 (A) the future readiness of United States
23 military forces;

24 (B) the ability of the United States Armed
25 Forces to recruit and retain high-quality per-
26 sonnel;

1 (C) needed investments in military pro-
2 curement and in research and development; and
3 (D) the budgets of other Federal agencies
4 involved in the stability and reconstruction ef-
5 fort in Iraq.

6 **SEC. 7. STATEMENT OF POLICY ON POLICE AND CRIMINAL**
7 **JUSTICE IN IRAQ.**

8 It shall be the policy of the United States to formu-
9 late and implement with the Government of Iraq a plan,
10 consistent with the recommendations of the Iraq Study
11 Group, that—
12 (1) transfers the Iraqi National Police to the
13 Ministry of Defense, where the police commando
14 units will become part of the new Iraqi Army;
15 (2) transfers the Iraqi Border Police to the
16 Ministry of Defense, which would have total respon-
17 sibility for border control and external security;
18 (3) establishes greater responsibility for the
19 Iraqi Police Service to conduct criminal investiga-
20 tions and expands its cooperation with other ele-
21 ments in the judicial system in Iraq in order to bet-
22 ter control crime and protect Iraqi civilians;
23 (4) establishes a process of organizational
24 transformation, including efforts to expand the capa-
25 bility and reach of the current major crime unit, to

1 exert more authority over local police forces, and to
2 give sole authority to the Ministry of the Interior to
3 pay police salaries and disburse financial support to
4 local police;
5 (5) proceeds with efforts to identify, register,
6 and control the Facilities Protection Service;
7 (6) directs the Department of Defense to con-
8 tinue its mission to train Iraqi National Police and
9 the Iraqi Border Police, which shall be placed within
10 the Iraqi Ministry of Defense;
11 (7) directs the Department of Justice to pro-
12 ceed with the mission of training the police forces
13 remaining under the Ministry of the Interior;
14 (8) provides for funds from the Government of
15 Iraq to expand and upgrade communications equip-
16 ment and motor vehicles for the Iraqi Police Service;
17 (9) directs the Attorney General to lead the
18 work of organizational transformation in the Min-
19 istry of the Interior and creates a strategic plan and
20 standard administrative procedures, codes of con-
21 duct, and operational measures for Iraqis; and
22 (10) directs the Attorney General to establish
23 courts, train judges, prosecutors, and investigators,
24 and create strongly supported and funded institu-
25 tions and practices in Iraq to fight corruption.

1 **SEC. 8. STATEMENT OF POLICY ON OIL SECTOR IN IRAQ.**

2 It shall be the policy of the United States to formu-
3 late and implement with the Government of Iraq a plan,
4 consistent with the recommendations of the Iraq Study
5 Group, that—

6 (1) provides technical assistance in drafting leg-
7 islation to implement the February 27, 2007, agree-
8 ment by Iraq's Council of Ministers on principles for
9 the equitable sharing of oil resources and revenues;

10 (2) encourages the Government of Iraq to accel-
11 erate contracting for the comprehensive oil well
12 work-overs in the southern fields needed to increase
13 oil production, while ensuring that the United States
14 no longer funds such infrastructure projects;

15 (3) supports the Iraqi military and private secu-
16 rity forces in their efforts to protect oil infrastruc-
17 ture and contractors;

18 (4) implements metering at both ends of the oil
19 supply line to immediately improve accountability in
20 the oil sector;

21 (5) in conjunction with the International Mone-
22 tary Fund, encourages the Government of Iraq to
23 reduce subsidies in the energy sector;

24 (6) encourages investment in Iraq's oil sector
25 by the international community and by international
26 energy companies;

1 (7) assists Iraqi leaders to reorganize the na-
2 tional oil industry as a commercial enterprise, in
3 order to enhance efficiency, transparency, and ac-
4 countability;
5 (8) encourages the Government of Iraq to post
6 all oil contracts, volumes, and prices on the Internet
7 so that Iraqis and outside observers can track ex-
8 ports and export revenues;
9 (9) supports the efforts of the World Bank to
10 ensure that best practices are used in contracting;
11 and
12 (10) provides technical assistance to the Min-
13 istry of Oil for enhancing maintenance, improving
14 the payments process, managing cash flows, improv-
15 ing contracting and auditing, and updating profes-
16 sional training programs for management and tech-
17 nical personnel.

18 **SEC. 9. STATEMENT OF POLICY ON IMPROVING ASSIST-**
19 **ANCE PROGRAMS IN IRAQ.**

20 It shall be the policy of the United States to formu-
21 late and implement a plan, consistent with the rec-
22 ommendations of the Iraq Study Group, that—
23 (1) provides for the United States to take the
24 lead in funding assistance requests from the United

1 Nations High Commissioner for Refugees and other
2 humanitarian agencies;
3 (2) creates a new Senior Advisor for Economic
4 Reconstruction in Iraq reporting to the President,
5 with the authority to bring interagency unity of ef-
6 fort to the policy, budget, and implementation of
7 economic reconstruction programs in Iraq and the
8 authority to serve as the principal point of contact
9 with United States partners in the overall recon-
10 struction effort;
11 (3) gives the chief of mission in Iraq the au-
12 thority to spend significant funds through a program
13 structured along the lines of the Commander's
14 Emergency Response Program, with the authority to
15 rescind funding from programs and projects—
16 (A) in which the Government of Iraq is not
17 demonstrating effective partnership; or
18 (B) that do not demonstrate substantial
19 progress toward achievement of the milestones
20 described in section 11;
21 (4) authorizes and implements a more flexible
22 security assistance program for Iraq, breaking down
23 the barriers to effective interagency cooperation; and
24 (5) grants authority to merge United States as-
25 sistance with assistance from international donors

1 and Iraqi participants for the purpose of carrying
2 out joint assistance projects.

3 **SEC. 10. STATEMENT OF POLICY ON BUDGET PREPARA-**
4 **TION, PRESENTATION, AND REVIEW.**

5 It shall be the policy of the United States to formu-
6 late and implement a plan, consistent with the rec-
7 ommendations of the Iraq Study Group, that—

8 (1) directs the President to include the costs for
9 the war in Iraq in the annual budget request;

10 (2) directs the Secretary of State, the Secretary
11 of Defense, and the Director of National Intelligence
12 to provide United States military and civilian per-
13 sonnel in Iraq the highest possible priority in obtain-
14 ing professional language proficiency and cultural
15 training;

16 (3) directs the United States Government to
17 provide for long-term training for Federal agencies
18 that participate in complex stability operations like
19 those in Iraq and Afghanistan;

20 (4) creates training for United States Govern-
21 ment personnel to carry out civilian tasks associated
22 with complex stability operations; and

23 (5) directs the Director of National Intelligence
24 and the Secretary of Defense to devote greater ana-
25 lytic resources to understanding the threats and

1 sources of violence in Iraq and institute immediate
2 changes in the collection of data and violence and
3 the sources of violence to provide a more accurate
4 picture of events on the ground in Iraq.

5 **SEC. 11. CONDITIONS FOR CONTINUED UNITED STATES**
6 **SUPPORT IN IRAQ.**

7 (a) IN GENERAL.—It shall be the policy of the United
8 States to condition continued United States political, mili-
9 tary and economic support for Iraq upon the demonstra-
10 tion by the Government of Iraq of sufficient political will
11 and the making of substantial progress toward achieving
12 the milestones described in subsection (b), and to base the
13 decision to transfer command and control over Iraqi secu-
14 rity forces units from the United States to Iraq in part
15 upon such factors.

16 (b) MILESTONES.—The milestones referred to in sub-
17 section (a) are the following:

18 (1) Promptly establishing a fair process for con-
19 sidering amendments to the constitution of Iraq that
20 promote lasting national reconciliation in Iraq.

21 (2) Enacting legislation or establishing other
22 mechanisms to revise the de-Baathification laws in
23 Iraq to encourage the employment in the Govern-
24 ment of Iraq of qualified professionals, irrespective
25 of ethnic or political affiliation, including ex-

1 Baathists who were not leading figures of the Sad-
2 dam Hussein regime.
3 (3) Enacting legislation or establishing other
4 binding mechanisms to ensure the sharing of all
5 Iraqi oil revenues among all segments of Iraqi soci-
6 ety in an equitable manner.
7 (4) Holding free and fair provincial elections in
8 Iraq at the earliest date practicable.
9 (5) Enacting legislation or establishing other
10 mechanisms to ensure the rights of women and the
11 rights of all minority communities in Iraq are pro-
12 tected.

13 **SEC. 12. SENSE OF CONGRESS ON REDEPLOYMENT OF**
14 **UNITED STATES FORCES FROM IRAQ.**

15 It is the sense of Congress that—
16 (1) with the implementation of the policies
17 specified in sections 5 through 11 and the engage-
18 ment in the increased diplomatic efforts specified in
19 section 4, and as additional Iraqi brigades are being
20 deployed, and subject to unexpected developments in
21 the security situation on the ground, all United
22 States combat brigades not necessary for force pro-
23 tection could be redeployed from Iraq by the first
24 quarter of 2008, except for those that are essential
25 for—

1 (A) protecting United States and coalition
2 personnel and infrastructure;
3 (B) training, equipping, and advising Iraqi
4 forces;
5 (C) conducting targeted counterterrorism
6 operations;
7 (D) search and rescue; and
8 (E) rapid reaction and special operations;
9 and
10 (2) the redeployment should be implemented as
11 part of a comprehensive diplomatic, political, and
12 economic strategy that includes sustained engage-
13 ment with Iraq's neighbors and the international
14 community for the purpose of working collectively to
15 bring stability to Iraq.

16 **SEC. 13. REPORT ON POLICY IMPLEMENTATION.**

17 Not later than 90 days after the date of the enact-
18 ment of this Act, and every 90 days thereafter, the Presi-
19 dent shall submit to Congress a report on the actions that
20 have been taken to implement the policies specified in sec-
21 tions 4 through 11.

○

As the Commander of Multinational Force-Iraq (MNF–I) and a professional military officer, I do not comment on current legislation or draft legislation; I execute the policy and missions that are assigned to MNF–I to execute. I cannot, therefore, comment on the draft Iraq Study Group (ISG) legislation that you have referenced, but I can provide you with our assessment of the ISG's recommendations and a comparison of these recommendations with our Joint Campaign Plan.

The ISG recommended changing the coalition strategy, specifically drawing down coalition combat power (although it noted that a temporary increase was an option)

while placing greater emphasis on: (1) training, advising, and equipping the Iraqi security forces; and (2) conducting counterterrorism operations. Early this year, the President's New Way Forward established a different strategy, placing priority on protection of the Iraqi population to establish the security conditions that would enable economic and political progress and gradual transition of security responsibilities. This strategy required a temporary increase of coalition combat power—the surge of forces that deployed to Iraq this past spring.

Despite the difference in prioritization outlined above, we have still implemented many of the ISG's recommendations. Of the 79 ISG recommendations, 40 are within the purview of MNF–I and United States Mission-Iraq either to implement or to influence the Government of Iraq to implement, and 36 of those 40 recommendations are effectively being implemented. More detailed information on the status of those 36 recommendations is as follows:

a. *Diplomatic.* Recommendations 1–12 focus on a comprehensive Diplomatic Offensive and an Iraq International Support Group. No such support group has been formed, but the elements of the diplomatic offensive are being pursued in multilateral, bilateral, and international (to include the U.N.) frameworks. Particularly important are the Neighbors Working Groups on Borders and Security, Refugees, and Energy and Fuel. Membership of these groups includes Iraq's neighboring states and other regional Arab partners as well as the five permanent members of the U.N.

b. *Political.* The coalition's current campaign plan establishes the primacy of the Political Line of Operation and effectively implements the ISG's recommendations regarding political action.

i. Recommendations 19–31 deal with legislative initiatives, including constitutional review, de-baathification reform, oil revenue sharing, provincial elections, amnesty/reconciliation, and the status of Kirkuk. Joint Campaign Plan 07 outlines the aforementioned initiatives as priority political goals. Recommendation 24 states that these milestones should be complete no later than first quarter of 2007. While we did not meet that target date, the coalition continues to assist the Government of Iraq in working to achieve resolution of these difficult legislative issues.

ii. Recommendations 35–36 and 38–39 deal with engaging Iraqis of all sects and supporting disarmament, demobilization, and reconciliation. Similarly, Joint Campaign Plan 07 emphasizes engagement, transition, and reintegration of militias.

c. *Economics.* Recommendations 62–63, 65, and 68 deal with improving Iraq's oil industry and improving coalition reconstruction programs. Through mechanisms such as the Energy Fusion Cell and by assisting in the creation of Iraqi Army Strategic Infrastructure Battalions, MNF–I is effectively implementing the recommendations relevant to the oil industry. The coalition is also implementing recommendations in reconstruction through negotiations focused on more foreign investment and involvement and by making full use of the newly developed Quick Reaction Fund (QRF).

d. *Security.* Recommendation 45 suggests leaving excess equipment behind as coalition forces depart and encouraging acceleration of Iraqi use of the Foreign Military Sales (FMS) program. Although only limited deliveries have occurred thus far, Iraq has invested significantly in FMS. Also, as forces depart, MNF–I will continue to study the feasibility of leaving equipment behind. We are working closely with the Department of the Army and Office of the Secretary of Defense to transfer 8,500 M1114 Up-armored HMMWVs to the Iraqi security forces under a FMS-like case with greatly reduced costs per vehicle. These 8,500 HMMWVs become excess when the MRAP vehicles flow into country and are put into the fight with American units.

e. *Rule of Law.* Recommendations 52–55 and 57–61 cover expanding Iraqi police capability to control crime, transforming the Ministry of Interior, controlling the Facilities Protection Service, and training the National and Border Police. Through the efforts of the U.S. Embassy Rule of Law section, the Law and Order Task Force, and the Coalition Police Assistance Transition Team, the coalition is effectively implementing these recommendations. Recommendations 57, 60, and 61 all assume the Department of Justice will take the lead for Iraqi Police training, as recommended in Recommendation 56 (which is beyond MNF–I/USM–I purview). While these recommendations are being implemented by a mix of civilian and military trainers, they are not being done so under a Department of Justice lead.

Four recommendations of the ISG Report are not being implemented at this time. More detailed information is as follows:

a. Recommendations 50 and 51 deal with the transfer of the National Police and Border Police from the Ministry of Interior to the Ministry of Defense. This concept continues to be evaluated as part of the long-term evolution of the interior forces, and the ultimate decision will eventually be made by the Government of Iraq.

b. Recommendation 42 requires the United States to complete Iraqi security force training and equipping by the first quarter of fiscal year 2008. As the Government of Iraq continues to define its requirements, ISF development will likely not be complete by the first quarter of fiscal year 2008.

c. Recommendation 43 discusses changing the coalition priorities to focus on counterterrorism and ISF development. While both activities are important, the current coalition strategy assigns different priorities. Counterterrorism is a coalition priority, but its effective execution requires significant conventional combat forces for intelligence collection and complementary conventional operations, not just options normally associated with counterterrorist elements. In fact, the success of the current counterterrorism program would be impossible without broad conventional support. Also, although population protection has a higher priority within the current MNF–I strategy, we are also working with the Iraqis to improve the capability of the Iraqi security forces, through training and equipping programs and robust partnering and advisory efforts. Notably, the partnering effort would not have been as effective with the reduced coalition presence recommended by the ISG.

The remaining 39 ISG recommendations are directed toward the U.S. Government and, as such, are beyond the scope of either MNF–I or USM–I. Of the recommendations that are out of the purview of MNF–I or USM–I, recommendations 13–18 focus on the Arab-Israeli conflict; recommendation 37 focuses on ensuring U.S. executive and legislative branch actions do not undercut Iraqi amnesty proposals; recommendations 40–41, 44 focus on national policy statements and DOD personnel assignments; recommendations 46–49 focus on resetting the force; recommendation 56 assigns Department of Justice lead for Iraqi police training; recommendations 64, 66–67, 69–71 deal with U.S. national economic policy decisions; and recommendations 72–79 focus on U.S. national budgetary, personnel, and intelligence policy.

Chairman LEVIN. Thank you, Senator Pryor.

Senator Martinez.

Senator MARTINEZ. Thank you, Mr. Chairman.

Gentlemen, thank you very much. I appreciate your hosting me in Baghdad a few days ago. I got an advance, I think, of what we have seen in your report, and I want to tell you that between what I've heard from you, and also what I was able to perceive by visiting several places, and seeing and talking to our troops, that I have a very positive view of your report. I am astonished that some may be so invested in failure that they cannot see the very positive signs that you're bringing to us.

I had the privilege of visiting Patrol Base Murray, south of Baghdad, and I saw there, myself, this is the last brigade of the surge. They've been there since late-May or early-June. They've been in the fight in a very tough neighborhood south of Baghdad, and they have been rooting out al Qaeda. I talked to Iraqis there, who are so thankful that our troops were there, that are working with them in partnership, and the enthusiasm that I saw from our men and women in uniform, there performing admirably, sustaining some difficult losses of their own troops, is what leads me to think that this strategy is succeeding in the neighborhoods where it matters, and turning the situation around. So while I understand the difficulties ahead, and the difficulties that we've had in the past, I must say that I am encouraged by what I saw there, and by what you report to us here, as well.

I know we've been talking about this for a long, long time, but I wonder if you would, General, define for me who it is that our enemy is in Iraq? Who are we fighting?

General PETRAEUS. At the outset, actually if I could just point out first, you'll be heartened to hear that the al Qaeda in the area of Arab Jabour was killed in the last several days as well, and that's in the Arab Jaboor area there, and that was in an area that was a sanctuary for al Qaeda, southeast of Baghdad, in an area in which operations are planned, set up and then run into Baghdad. So, it is a significant accomplishment by those at Patrol Base Murray.

Senator MARTINEZ. It's like the conduit to Baghdad, isn't it?

General PETRAEUS. Yes, sir. Sir, I use the term that the enemy, the wolf closest to the sled, is al Qaeda-Iraq because it is the enemy that has, in the past, ignited the enormous escalation in ethno-sectarian violence by some of its actions. The bombing in February 2006 of the Golden Dome Mosque in Samarra are foremost among those, the enemy that causes the most horrific casualties, the most sensational attacks, and again has an effect at times, or tries to have an effect of pouring gas on burning embers, wherever they can find them.

They're the ones responsible for the bombings of the four Yazidi villages several weeks back, of some Turkomen villages prior to that, south of Kurkuk, in trying all the time, again, to conduct more of those types of attacks.

Beyond that, certainly the militia extremists supported by Iran are very much a growing concern. I mentioned earlier, we've learned a great deal about them after capturing the head of the special groups and the Lebanese Hezbollah operative who was supporting them, with Iran and a number of others over time, quite a few brigade commanders, in that particular structure. Again, the impact that they have is very significant because it can eat at neighborhoods. In many respects, it is the militia extremists at this point in Baghdad that are the cause of the ethno-sectarian violence, more so than are al Qaeda or any other Sunni extremist affiliates.

Senator MARTINEZ. Slide number 10, in my view, gives a great graphic portrayal of the success that you've had against al Qaeda-Iraq and we can add to this chart, now, the Amir that you just mentioned from my old friends at Patrol Base Murray, God bless them.

General PETRAEUS. Sir, and again, that is significant success against al Qaeda. They're off balance, we're in the pursuit mode against them, certainly in many, many more places than we were before and had to take some tough casualties to go into areas that they had controlled before, Baqubah, and a variety of Baghdad neighborhood, Arab Jaboor, and other locations.

Beyond that, I think the other enemies are less kinetic, but more just the challenges of institutions, again, that just aren't fully functioning. Certainly, residual sectarian influences, and even the degree of corruption that is still in certain elements in Iraq, those present big challenges, as do a variety of these different issues that we have to deal with in trying to stand up the security forces, in getting their logistical systems working, getting the institutional structures established, getting the sectarian activities out, and so forth.

But that lays out, I think, the major challenges—the two big ones, again, being al Qaeda and its affiliates. There are still, certainly, Sunni insurgents out there, loosely affiliated, or not in some cases, and then the Shiite militia extremists who have caused such challenges in recent months.

Senator MARTINEZ. Thank you, sir.

On your chart 13, as you talk about the stepping, you also are talking about mission shift. First of all, what would the shift be? You mention at the bottom, leading to partner to overwatch. Would you define those terms, and then also, is there any way to forecast when the shifting mission might also kick in? Because I presume that would have some impact of the level of casualties that our own forces sustain.

General PETRAEUS. Senator, it already has. As I've mentioned, we certainly have a number of places where brigades, or the majority of brigades, are in the lead, but there are other phases where we are very much in partnering or have already moved to some form of tactical or operational overwatch, where we're not located with that unit, we're away from it. What we provide is quick reaction force, perhaps some other combat enablers, as required in a pinch.

The way this will happen is, there will actually be, an entire brigade I don't think will go from, say leading to partnering and then partnering to tactical overwatch, because the brigades are fairly disbursed. There will be units within a brigade that may actually already be at a partnering or a tactical overwatch situation, where others may still be not as far along, depending on again, the units with which they are working. So, it is something we want to move as rapidly as we can, but again, we don't want to rush to failure.

Senator MARTINEZ. Ambassador Crocker, I just wanted to comment that I think that political communiqué is an important consideration and may be a foretelling; I know how we legislate here sometimes, sometimes it takes people getting in a room, agreeing on something, and then ultimately you see it become a bill and passed.

If you could just quickly, my time is up, but I would like to hear from you, Ambassador, as to—we talked a lot about the grim realities of a precipitous withdrawal—what is the upside, what is the potential if we were to just succeed in Iraq in the way that I think is envisioned and possible. What could be the upside potential for Iraq and the region, if you could do it just briefly, because my time's expired.

Chairman LEVIN. Please be brief, because we have three more questioners and we're going to have votes, I think at 7 o'clock.

Ambassador CROCKER. Yes, sir. It would be a fundamental change in the region because Iraq, for decades, has been a source of instability and threat in the region and beyond, to Iran, to the Gulf States, and to Syria. So this would be almost an unprecedented situation, certainly for the last 3-plus decades, something we hadn't seen. I guess I just leave you with that. I wouldn't try to go beyond that. Again, my weak imagination fails me, but it would be a situation we have not seen. An Iraq that is a source of stability rather than instability and threat. Literally something we haven't seen since 1967.

Senator MARTINEZ. Thank you, sir.

Chairman LEVIN. Thank you very much, Senator Martinez.

Senator Webb.

Senator WEBB. Thank you, Mr. Chairman.

Gentleman, welcome to mile 25. I've been with you all the way, but you've been running a lot harder than I have.

I would like to make just two comments about some of the testimony that preceded me and then try to get quickly to two questions.

The first, to echo something that Senator Clinton said, as a result of a question that was posed by Senator McCain. I think it's important to point out for the historical record, that the situation in al Anbar did turn around before the surge began. I mentioned this in the Committee on Foreign Relations, but I think it's important to mention it here. Also, it's a matter of, on the one hand, I think, personal loyalty. My son is an infantry Marine, he was in the 1st Battalion 6th Marines, and through that period at the last 4 months of last year, in particular, they were knocking back Ramadi block by block and street by street. I think, number one, they deserve credit, and number two, you don't want your staff to have to throw hands with the 1st Battalion 6th Marines, if somebody were trying to take credit for what they did.

The second is, when we talk about consequences of failure, Ambassador, I sadly point out, that so many of these consequences were what people, such as myself, General Zinni, and General Scowcroft were trying to point out as the predictable consequences of an invasion. We have basically scrambled the egg here and we're all struggling to try to find a way to bring the United States out of this in a way that will bring further stability to the region, but I think it's fair to point that out.

I want to renew, briefly, General Petraeus, my comments that I began at the end of the Senate Foreign Relations Committee hearing about this dwell-time situation. You can see how divided we still are here in trying to come to grips with the policy. As we continue this debate, I just very strongly believe that we need to put some sort of a safety net under our troops. The one inarguable result of this policy has been the disruption of the rotational cycles of deployment, when we accelerated the deployment cycles. Its policy has resulted in extended tours, 15-month deployments, and also an acceleration of other situations like stop-loss and, on the Marine Corps side, the going into the pool of the Individual Ready Reserve in a way that they had not done in previous years.

On a personal note, my number two daughter's long-time boyfriend of 7 years, when I was an embedded journalist in Afghanistan in 2004, I was able to get up to where his unit was, one of the nine stops that I made. He did 4 years in the Marine Corps, infantry corps, pulled two tours in Afghanistan, out a year and a half, finally got a good job, and then last Friday he gets the news he's been recalled, he's going back to Iraq.

This is the kind of situation that people up here really aren't seeing because of the bifurcation that began back in Vietnam between the people who are making policy and the people who are carrying it out, quite frankly. I'm really glad to see so many members of this committee have been able to go on congressional delegations and

come over and, even if it's just a brief period of time, see what the United States military looks like, even see what a combat environment looks like. But we need some advocates up here for a situation that is really having a dramatic impact on the men and women who are having to go through these repeated cycles.

I was out of the room when Senator Nelson of Florida asked about this. I am told, General, your response to him was that this is more a matter for a Chief of Staff of the Army, in terms of dwell-time. Is that correct?

General PETRAEUS. Senator, I, again, am very concerned about the strain on, and sacrifice of, our soldiers. Obviously, what a commander in the field wants, is soldiers who have had maximum time between deployments. They'll obviously perform better, they'll have had more time to prepare, presumably, and be rejuvenated in a way that they would not if it has been a shorter dwell-time. So again, I very much want that and I stated that, I believe at that time, I certainly did earlier today.

What I meant by that is, again, I'm just not any, have been away from the Army sufficiently, that I just don't have a feel for what that kind of policy would mean to the Army. It has a responsibility, as a force provider, and I again, don't know what that would do in that sense to the Army. That's why I say that it's just one I think I have to defer to the Chief of Staff of the Army. Having said that, I'd love to, again, have some experience in this myself, in the past 6 years, I think it's coming up on 4 of those 6. So, I am all for maximum dwell-time.

Senator WEBB. Right. I think, I related to you a conversation that I'd had with the Chief of Staff of the Army, when the tours went to 15 months, where his comment to me was that he is feeding the strategy. So, somewhere in here, we need to find a balance, and that's the reason that I introduced the amendment that I did. There are times, perhaps, when Congress needs to weigh in and kind of be a referee.

The other question I wanted to be able to ask you, Ambassador, it's something that I've thought a lot about and I would like to get your perceptions on—I was a journalist in Beirut in the 1980s, you spent a long time there, I spent some time there, not in any way the sort that you did, but I see a lot of similarities in the situation, from Lebanon in the 1980s and Iraq today. Although, Iraq is sort of macrocosmic, but with the notion of a weak central government that can't get its feet on the ground and very strong armed militias around them that are not going to obey the edicts that come out of them. We had a very bad situation there. We did leave. What do you draw from this, in terms of how we're trying to fix the situation in Iraq?

Ambassador CROCKER. It's a great question, Senator, and certainly something that's preoccupied my mind. I spent a total of 6 years in Lebanon, two different tours, and neither of them at really great times, given levels of violence.

You don't want to overstate the similarities, or at least I certainly don't. Iraq is a vastly bigger country, substantially greater strategic importance, I would argue. There are some other important differences too, just in terms of internal conditions, that Lebanon was, without question, an all out civil war in the late 1970s,

early 1980s. The Army, as you recall, split and disintegrated. With all of the problems in Iraq, we're not seeing something to that level. In fact, it's kind of the opposite, security forces actually expanding and improving, even as they're engaged in a fight, and many aspects of that fight against other Iraqis, but they're hanging together.

One element of similarity that we have to keep in mind, because our adversaries most certainly are, and that is the roles of Iran and Syria. Iran and Syria came together, as you recall, to engage in Lebanon in the early 1980s. They worked together to create Hezbollah in 1982, for example, and they're still working together in Lebanon. Damascus airport, just as it channels foreign fighters into Iraq, also serves as a main supply hub for supplies going to Hezbollah from Iran. So, we need to look at it in those terms, because certainly, in Tehran and Damascus, the coordination and the cooperation that they have brought to bear in Lebanon, in somewhat different ways, they're also bringing to bear in Iraq.

Senator WEBB. My time is up in 30 seconds—one event that sticks in my mind, and I was there when it happened, was when the United States picked a side, even though it was the Lebanese Army, when we supported the Lebanese Army in the Battle of Sug el Ghard with naval guns, then all of the other factions decided that we were fair game and that, could be argued, led to the destruction of the building at the airport and the deaths of 241 marines. It's very difficult when you get involved in a five-sided argument.

Thank you.

Chairman LEVIN. Thank you, Senator Webb.

Senator Corker.

Senator CORKER. Thank you, Mr. Chairman. I want to thank you both. I know we began together 9½ hours ago in the Senate Foreign Relations Committee and I want to thank you for your tone, your directness, and certainly again, for your service and I certainly have appreciated the meetings we've had in Iraq, itself.

Earlier last week General Jones testified about some border issues. Four, 5, 6 months ago, General McCaffrey had been in here talking about equipment issues and getting the Iraqis with the type of equipment they need to carry out their functions. One of the things that was discussed was the lack of equipment at the border itself, where Iraqis checking vehicles that are coming and going are going through those by hand. They don't have forklifts, they don't have the basic equipment, if you will, to really leverage our efforts, to make sure that munitions and other types of destructive gear would be coming into our country. General Petraeus, I wonder if you might comment on that or anything that may be happening in that regard, to alter that.

General PETRAEUS. Senator, it's a great question because what we want to do is to focus on the ports of entry and to improve the equipment at those locations and to, for example, ensure that everyone has a back scatter X-ray that can look at these kinds of cargos, without having to unload all of them. Biometric devices, the Pisces system and some others also have transition teams out there overseeing them and making sure that, in fact, we're helping the

Iraqis to do the right thing, if you will, at those border points of entry.

It is hugely important on the Syrian border, again, to try to cut down on the flow of foreign fighters. Sometimes some of them undoubtedly just drive in and that's something that we have to try to interdict, obviously, at those ports of entry. Then, on the Iranian side, what we want to do is similar, and also to have some additional backstop to that on some of the key routes that lead to Baghdad, so that again, we can interdict more of the arms and ammunition that come in from Iran.

Senator CORKER. That's something that's urgently being pursued?

General PETRAEUS. It is, indeed. Yes, sir. In fact, if it's important to the military, there's a set of slides and they have stoplights and we have that for the ports of entry, in particular.

Senator CORKER. I want to thank you for the exemplary model you all set up. I think you all have a common wall between your offices and work together on a daily basis, both diplomatically and militarily to achieve our goals here. I know it seems to be an evolving thing we focus on. We focused on diplomacy a great deal 3 or 4 months ago, it was upgrading of troops and obviously, and for good reason, it's been the lack of the central government's progress politically, certainly at this point in time.

Ambassador Crocker, talk to us about the nature of the conversations that you have privately, if you will, with the Prime Minister, the President, and the Deputy President, just about the fact that those things are not happening that need to happen, certainly, to create the top-down reconciliation that Senator Warner was referring to.

Ambassador CROCKER. In the course of the last couple of months, we've had an extensive and intensive series of discussions with all of the Iraqi leadership as part of the effort they were making to come together and to work on both specific substantive issues and to work on processes. That's what led to the communiqué at the end of August, in which they announced agreements on several areas, among the five principle leaders of Iraq.

What may be more important in the long run are the substantive achievements on de-Baathification reform, provincial powers, detainee issues, and how to handle armed groups that no longer want to fight against the coalition or the central government. What may be even more important than that was the announcements that the five made, that they would continue to work together, both at their level, through a mechanism involving the President, the two Vice Presidents, and the Prime Minister, but also at a preparatory level, where their deputies would continue to meet as they did for a number of weeks during the summer, to wrestle with the hard issues of reconciliation and try to hammer out issues to the point where the leadership could effectively deal with them. Again, that involved multiple meetings on the part of me and my staff with, again, all of Iraq's leaders, as they moved toward this.

One other outcome, incidentally, of that meeting, was a statement, declaration, by the five that they wanted to reach an agreement with the United States on a long-term strategic partnership. I find that noteworthy, again, particularly in light of the reports

that Iraqis want us out, that these five individuals, who all have constituencies and whose constituencies are the main communities of Iraq, Shiite, Sunni, and Kurd, all wanted that in the communiqué.

So, these are the kinds of things we're engaged in, on a daily basis. We worked very closely, again, with the combined leadership to ensure that the Anbar Development Forum that we talked about a little bit earlier, that took place on September 5, that the central government came forward with the kinds of financial support and with the presence in Anbar of its Shiite and Kurdish, as well as Sunni, leadership, that they followed through on that commitment. Because that too, is an important part of reconciliation.

So, it's no exaggeration, sir, to say that in the course of the week I will be engaged—if not on a daily basis, something close to it—again with all of Iraq's principle leaders.

One of the good things is, I don't have to do it by myself. I have this gentleman here, General Petraeus, who's very much a part of that. When there are meetings with the Prime Minister, we normally go together and depending on the issues, we'll even adjust our seating. I'll go through an agenda and then move over and General Petraeus will take forward his.

Senator CORKER. I don't know if Senator McCaskill is coming back. My guess is she is.

Senator WARNER [presiding]. She is to come and then we're going to conclude the hearing.

Senator CORKER. Let me just end my day with you on the note I guess we started with and that is, in both of your estimations, do you believe that Iraqis want to be Iraqis?

General PETRAEUS. Yes, I definitely do, Senator. I think the interesting reflection of that was when the Iraqi soccer team won the Asian Cup Championship. Even though, horrifically and tragically, when they won the semifinal, a suicide vest bomber had caused casualties in one of the celebrations, there was nothing keeping them off the streets for that. It was Sunni, Shiite, and Kurd. Everyone was proud to be an Iraqi that day. There is an Iraqi identity and I think it's really quite, quite a strong one.

Ambassador CROCKER. I would agree with that, Senator. The Iraqi identity is deeply-felt and there is a strong sense that it's something that they've literally had to fight for over the years. The 8-year war with Iran, I think, really intensified that sense of Iraqi identity among both Sunnis and Shiites.

With respect to the Kurds, it's significant to me and encouraging, how Kurdish political leaders have clearly indicated their interest in Iraq, as a whole. The Iraqi President is Kurdish, as is Iraq's Foreign Minister. They have been very effective, the Foreign Minister's been a very effective spokesman for Iraq, in dealing with the international community. The President is a very constructive force in trying to bring about elements of reconciliation within the country, as is the Deputy Prime Minister, who oversees economic affairs and who was out in Anbar with us, on September 5. So, for all of the strains, violence, tension, and history, I think there is a strong sense of Iraqi identity.

Senator WARNER. Thank you, Senator.

Senator CORKER. I know my time is up. I want to say to both of you, I have a deep respect for the service you provide and I want to thank you for that, and also for your time and patience and directness today. Thank you very much.

General PETRAEUS. Thank you.

Ambassador CROCKER. Thank you.

Senator WARNER. Gentlemen, you have an extraordinary performance, not only in the context of your testimony, but your endurance throughout this day. Senator Levin will be back momentarily to conclude the hearing. He's asked that I cover a few points here, which we feel should be put into the record. If Senator McCaskill returns, she'll have her time and that will conclude the hearing.

So, if you'll bear with me a minute. We just got started, Carl.

That last comment of yours, Mr. Ambassador, indicating the group of five; would that agreement of the U.S. forces be a status of forces-type agreement?

Ambassador CROCKER. It is obviously still to be determined, but yes, it could be that.

Senator WARNER. I think it's important that we do it. That's a well recognized instrument between the nations in this situation.

Second, I did a little research, which I think is quite interesting. Almost 5 years ago, three other Senators and I, there were four of us who worked on Public Law 107–243, October 16, 2002, titled; "Use of Military Force Against Iraqi Resolutions." In it, in section 2, it makes a number of references to one of the reasons that we went in on this invasion, and that is "the Congress of the United States supports the effort by the President to strictly enforce the United Nations Security Council relevant resolutions. The President is authorized to use armed forces that he determines to be necessary in order to: (1) defend the national security of the United States against the continuing threat posed by Iraq; and (2) enforce all relevant United Nations Security Council resolutions regarding Iraq." It's an interesting piece of history. It brings me to the question, what role do you foresee the United Nations playing in the future, Mr. Ambassador?

Ambassador CROCKER. It's an excellent question, particularly in light of the new Security Council resolution, Resolution 1770, that establishes a significantly expanded mandate for the United Nations Assistance Mission in Iraq (UNAMI). New mandates for UNAMI include facilitating national dialogue and political——

Senator WARNER. Let me interrupt you to say, you can finish your answer for the record on this question, but I judge that you're somewhat optimistic that they will take a stronger role, particularly as it may be with the bordering countries to get their involvement in a positive way. Would that be correct?

Ambassador CROCKER. That is correct. That is the clear intention of the Secretary General.

Senator WARNER. Then amplify that in the record.

[The information referred to follows:]

We have been working with the Iraqi Government, Iraq's neighbors, and the broader international community in an effort to increase international support for Iraq. The U.N. has demonstrable experience in areas such as humanitarian assistance, rule of law, and conflict resolution, and we believe it is well-positioned and ready to take a larger role in helping to stabilize Iraq. The U.N. Security Council

renewed and expanded the mandate for the U.N. Assistance Mission Iraq (UNAMI) in resolution 1770 (August 10), and the mandate now encourages U.N. engagement with Iraq on political reconciliation, economic and electoral reform, humanitarian assistance, and regional dialogue.

We are pleased that U.N. Secretary General Ban Ki-moon expressed clear interest in increasing U.N. involvement in Iraq by cohosting with Prime Minister Maliki a September 22 U.N. High Level Meeting on Iraq. This international gathering was a notable success. The Secretary General endorsed efforts to provide additional staff to implement the expanded UNAMI mandate and including the establishment of a support mechanism for the neighbors process. Furthermore, the Secretary General appointed a new Special Representative of the Secretary General for Iraq, Staffan de Mistura, who will launch his efforts by attending the November Expanded Neighbors Ministerial in Istanbul. In an effort to encourage regional support for Iraq, de Mistura will then embark on a consultative tour of neighboring countries thereafter.

The road to stabilizing Iraq will likely continue to be a difficult and sometimes uncertain one. However, we believe that we are on the right course as we work with the international community, under the auspices of the U.N., to help build a more secure, stable, and prosperous Iraq.

Senator WARNER. The next question I have is, the Jones Commission report, I thought was a very satisfactory contribution. Do you agree with that?

General PETRAEUS. I do, sir.

Senator WARNER. Mr. Ambassador?

Ambassador CROCKER. Yes, I do.

Senator WARNER. One provision in there, page 129, "Circumstances of the moment may continue to present the opportunity for considering a shift in the disposition in deployment of our forces. This could be characterized as a transition to a 'strategic over-watch' posture. Such a strategy would include placing increasing responsibilities for internal security on the Iraqi forces, especially in urban areas. Coalition forces could be retasked to better ensure the territorial defense"—that's the border—"of Iraq, and increasingly concentrating on the Eastern and Western borders and the active defense of the critical infrastructures essential to Iraq," namely their water, their power, their electricity, and so forth.

Now I judged in your comments and testimony you took a reference to that, but I judged from what you said, that there could be a point in time when that type of transition might well be employed by the forces under your command. Is that correct, General?

General PETRAEUS. Sir, it certainly is possible. We want to get to an overwatch situation. Now where the forces deploy to or, whether they go home or take on those other mission, I think, is something that we need to look at very hard.

Senator WARNER. Lastly, General, there's been a good deal of comment in the press—I can't ascribe the accuracy—that various segments of the chain of command, the President, Security Council, Chairman of the Joint Chiefs, Admiral Fallon, yourself, as to different viewpoints. I was privileged to have many years of experience in the Pentagon and here on this committee, I think that's healthy that the different views were assessed and will eventually be presented to the President. But I assume that you feel, and I think you've said this for the record, that you did work within the chain of the command, that you did listen to your colleagues and the Chairman of the JCS, member of the JCS, and others, as well as Admiral Fallon, and all of it was brought to bear on the testimony that you've given us today.

General PETRAEUS. Sir, that's correct. Actually Secretary Gates really, I think, sheparded quite a process that took place with a number of different briefings to the Chairman, to the Secretary of the Joint Chiefs, and eventually to the President. I have been told that there is support for what I have recommended. Certainly Admiral Fallon has assured me of that, as well as the Chairman and the Secretary.

Senator WARNER. Right, and that will be brought to the President as he prepares to state the——

General PETRAEUS. That is correct, sir. In fact, the JCS had a session separately with him the day after I briefed him, I believe was the chronology.

Senator WARNER. You had a session when he visited your home?

General PETRAEUS. Sir, we also had that session. I gave my recommendations, actually, several days prior to that and then there was the additional session in Anbar province as well.

Senator WARNER. Did this trip back provide any opportunity for further work in that area?

General PETRAEUS. Sir, I have not talked to the President at all since I have been back. My conversation with the Secretary merely was, "Good luck." I have talked to Admiral Fallon on several occasions and basically, and he just assured me that he supports the recommendations that I have put forward.

Senator WARNER. Thank you very much, General.

Chairman LEVIN [presiding]. Thank you, Senator Warner.

Senator McCaskill.

Senator WARNER. Thank you, Mr. Chairman.

Senator MCCASKILL. Thank you. It's a much quieter and smaller room than when we began. I'd like to point out what is obvious about me being the last questioner. That is how I got here.

I ran against an incumbent in the United States Senate, who was 100 percent supportive of the President's policies in Iraq, had never really asked a tough question during his time on this committee of any of the men and women who sat at that table, justifying why we were going and what was happening when we were there.

So, as our democracy works, the people of my State made a decision whether or not they wanted to send him back to Washington to continue to support the policy, or whether they wanted someone different.

I'm blessed, they decided they wanted someone different and I'm here. So, I too want to echo everyone's comments about our respect for you and the work you do. But I also feel a mandate from my election to disagree, to challenge, and to ask the kind of questions that I think most Americans want asked right now.

The benchmarks came to this discussion by virtue of the commander in chief. It was the commander in chief that gave the speech in January, that said "We will judge the success of this strategy by the benchmarks." We've had a lot of discussion today about the benchmarks and bottom-up, top-down, and I don't want to repeat anything that's been done. But I went back and read the testimony, General Petraeus, when you were confirmed. You had an exchange of questions and answers with Senator Levin about those benchmarks and about the leverage we could use. There was

discussion about what could we use as leverage and there was discussion about, from you, that we could withhold things, we could withhold our support, we could provide support.

I guess my first question to you, and if you could answer it very briefly, I would appreciate it, what leverage do we have? Because clearly, it does not appear to be working. Why is it not obvious to the American people that we're exercising any of the leverage that we have? This just appears that we have to take on faith, that this last date is not 2030, or 2025, or 2040. That's where I think my frustration lies, is I see no effective use of leverage to force the Iraqis to come back from vacation. Either of you? Leverage that we can use?

Ambassador CROCKER. Senator, we clearly do have leverage and we use it. At the same time, national reconciliation, I think by definition, is not something that can be forced from outside. It, just by, again, definition, means people in conflict agreeing to work through differences and to come together.

So, we can facilitate, we can pressure to some degree, but ultimately, national reconciliation has to be an Iraqi process. I have expressed my view that, to state to the Iraqis that if they don't do A, B, and C, for example, on reconciliation, that we are then going to withdraw forces, has a very high risk of being counterproductive, that it will cause them to be less likely to compromise, rather than more. So I think we have to be very careful about that.

I wish there were simple answers. I wish there were clear-cut things that we could do to get them to do the things that result in national reconciliation. But there aren't. In my experience and I've been there about 6 months now, it is a long, slow, hard grind that may now become easier because of the effects of the surge in reducing violence. It's because, I am convinced that it is only when violence comes down and shows every indication of staying down, that you create the climate in which hard compromises, if not becoming easy, at least become possible.

General PETRAEUS. Senator, I mentioned earlier, I don't know if you were here, but at one time, in an earlier assignment, I did actually withhold support for an element in the Major Crimes Unit in the Ministry of Interior after they were found to have been mistreating detainees. We have looked at some of that type of action. We have actually discussed this. At one point we actually even prepared a letter with respect to something like that. At this point, we just haven't reached the point, literally, where we think that that would be more productive than less productive.

On the other hand, there are some carrots, as well, that can be used. For example, right now, the Major General who oversees our Detainee Operations is working closely with the Sunni-Arab Vice President to try to facilitate the release of those Sunni-Arabs who have been in the system, have been prepared for release, guarantor pledges by individuals who we view as responsible and a judge is participating in this, and to try to accelerate that process. That is one of their big concerns in the Sunni-Arab community. That has actually generated some positive responses, in terms of engagement with the national process.

So, there are areas like that where we cannot just use stick but occasionally use carrot as well. That's just one example of that, al-

though obviously, we have to find some more examples to get them to come to grips with the really big issues.

Senator MCCASKILL. I don't want to belabor the difference of the opinion of the Armed Forces. I think they're doing a magnificent job, but I noticed Senator Martinez talked about talking to the troops. When I was there in June, I had an opportunity to talk to a number of Missourians and I got all different opinions. Some of them stuck in my mind, but one I'll never forget, and that was a young man who was telling me about the biggest problem they face. That was 1 hour a day of electricity and what a terrible, difficult situation that was, to get the confidence and the participation of the Iraqi people, because of 1 hour a day of electricity.

I said to him, "But what if we pulled out, if we began to pull out in a meaningful way, wouldn't it be chaos?" He looked me right in the eye, and he said, "Ma'am, this is chaos." So, that stuck with me and it probably always will.

I would like to close today on a subject matter we haven't talked about today, but it's one that's near and dear to my heart, and that's the money. I spent most of my time in Iraq in June looking at contracting. My background is an auditor. I have yet to sense a feeling of urgency among the Active military, among the folks at DOD, about the way money has been spent in this conflict, particularly as we have dealt with privatization at a level we've never had privatization before, in a contingent operation. We have privatized much more than we ever have, in terms of not just reconstruction, but obviously in troop support and logistics.

I would certainly appreciate, briefly, if the Chairman will indulge me at this point, your sense about that. I think that all of this is about choices and none of them are easy, but I do think people need to understand that the price tag for 1 month pays for health insurance for 800,000 American children. That is a startling reality of what we're doing. The President's going to ask us for another $50 billion of debt, and now we have borrowed most of the money for this conflict. The strength of our military not only relies on the incredible leadership that we develop within our military and the brave and courageous acts of our military men and women, but it depends on the economic status of our Nation and the strength and security of our economy. I would like, briefly, from both of you, your reflection on the heartbreaking news that we had, that even someone in the Active military was involved in fraud, and stealing money from the American people, the kind of contractor abuse, the kind of overspending we've seen, the kind of money that's been spent that we can't account for. What, if anything, is being done on a day-to-day basis to address the incredible amount of money that's being spent and a sense of urgency about making sure that every dime of it is spent wisely?

General PETRAEUS. First of all, Senator, a very important step is the support for the continuation of the Special Inspector General for Iraq Reconstruction (SIGIR), which I think is very important and has proven very, very useful. The formation of the Joint Contracting Command Iraq, I think over time, has improved very much the process that is conducted over there. The Iraqi First Program Initiative is also one that not only gets us, in many cases, lower costs and lower salaries, but gets the local people invested in our

success, as well. But those are just a couple of initiatives that I would mention.

Ambassador CROCKER. Certainly, on the mission side, I would echo the importance of the SIGIR and the wisdom of the decision to continue that function. The Inspector General, Stuart Bowen, and his staff, he's been with this from the beginning. He's acquired a considerable amount of expertise and is, I think, extremely important in being an assurance to you and to us that resources are being used as wisely as possible and are accounted for in a comprehensive manner.

With respect to privatization, I know that your comment was in the military context, but it also applies——

Senator MCCASKILL. Absolutely.

Ambassador CROCKER. —on this side, as well. The reality is, for example, on the security function, much of our security, most of our security is provided by contractors, it is overseen by diplomatic security officers, Foreign Service Officers, but there is simply no way at all that the State Department's Bureau of Diplomatic Security could ever have enough full-time personnel to staff the security function in Iraq.

There is no alternative except through contracts, and I would have to say that the capability and courage of the individuals who provide security under contract is worthy of respect of all Americans. One of Blackwater's helicopters went down yesterday, a hostile fire incident, fortunately no one was killed in that accident, but over 30 of our contract security Americans have been killed keeping the rest of us safe. So it is something that we have to do because we don't have enough people in the State Department to do this, but I think it's being done very well.

Senator MCCASKILL. I think privatization is the future. I just think we need to work harder at getting it right. I don't question that they're very brave and courageous people. I think most of them are former United States military. They learned it right in place. So, I appreciate that, but I do think we have a long way to go, in terms of the accountability piece on the privatization issue.

Thank you both very much. God bless you and congratulations. I think, with the exception, if the Chairman has some questions, you're at the finish line.

Chairman LEVIN. We have one more question.

Thank you, Senator McCaskill.

This goes to General Petraeus. I want to clarify something. You've testified that the force reductions will continue beyond, which I understand means below, the pre-surge levels of 15 brigade combat teams that you'll recommend we reach by mid-July 2008. You've testified that you won't decide on the pace of those reductions until mid-March 2008. I understand from your testimony, that when the pre-surge level of 15 combat brigade teams is reached in July 2008, that you intend to keep on with the troop reductions. The decision that you are reserving to mid-March is the pace of those continuing reductions. Do I have it straight? Am I right?

General PETRAEUS. You do, sir. Again, what I have recommended is making a recommendation in mid-March of the pace of the continued reductions at that time.

Chairman LEVIN. But it is your recommendation and intention that those reductions would keep on going after the July 2008 level of 15 combat brigade teams is reached?

General PETRAEUS. That is correct. As I said, we will continue to reduce it at that point.

Chairman LEVIN. It's intended not just that you will, in some future year, but that you intend to continue those reductions at that point, reserving the pace of the reductions beyond 15 combat teams, reserving that decision to mid-March.

General PETRAEUS. Recommendation, yes, sir.

Chairman LEVIN. Recommendation.

Your testimony, Ambassador Crocker, will be made part of the record. I did not say that. Thank you for your presentations, both of you here today. I think we all deeply appreciate it. I hope that appreciation to you and the men and women that you lead comes through here very loud and clear, because we all have that strong belief that you are, indeed, not only patriots, but that you are expending beyond the call of duty your own energies and your families' in leading the men and women under your command and under your leadership. Thank you both.

General PETRAEUS. Thank you, Senator.

Ambassador CROCKER. Thank you, Mr. Chairman.

Chairman LEVIN. We will stand adjourned.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR ROBERT BYRD

IRAQI TRIBES

1. Senator BYRD. General Petraeus, what assurance can you give that the tribes in al Anbar province—who until recently were shooting at American soldiers—will not resume their attacks against us once they feel we no longer serve their interests?

General PETRAEUS. Both Multinational Force-Iraq (MNF–I) and the Government of Iraq recognize that there are many benefits, but also some risks, associated with the newfound participation of tribes and other concerned local citizens. As you pointed out in your question, many of these individuals at best condoned acts aimed at coalition and Iraqi forces and at worst actively fought against us. As such, we are working with the Government of Iraq to create a viable strategy that mitigates the risks, especially the risk of these concerned local citizens turning against coalition forces and the Government of Iraq, but that also allows us to seize this fleeting opportunity. Our strategy aims to do this by not just working with local citizens and tribes in Anbar and throughout Iraq, but more importantly by solidifying their support for the long-term.

There are a number of ways we are doing this. We are putting these individuals under short-term security contracts, collecting their biometric data, ensuring they are fit for long-term service, and having them swear allegiance to the Government of Iraq. We are also working to place these volunteers into permanent positions in the Iraqi security forces or other forms of governmental employment. Specifically, we are filling available authorizations in the Iraqi police, so that these volunteers, once trained, can then provide security for their local communities. After all local security is in their interests, the Government of Iraq's interest, and our interest. Moreover, by being employed by a governmental agency or as a member of the Iraqi security forces, these concerned local citizens will remain tied into the central government, as it provides their salaries and other financial resources.

2. Senator BYRD. General Petraeus, during the hearing you noted that we are not directly supplying the tribes with weapons or money, but that does not alter the underlying point that we are now cooperating with groups that a few short months ago treated us as enemies. I fear that we are touting a short-term success while potentially doing damage to our long-term interests. Please confirm that we are not supplying arms or funding to the tribes; and why you believe that our new allies

in al Anbar province today will not be our bitter enemies tomorrow, and that this policy is in our long-term interests.

General PETRAEUS. MNF–I is not arming tribes. In truth, most tribes were armed long before our arrival. We have, however, provided non-lethal equipment such as cell phones and uniform equipment to identify concerned local citizens, many of whom come from tribal elements, as being under security contract and cooperating with coalition and Iraqi security forces. We have also provided training in topics such as safe weapons handling procedures, human rights, law of land warfare, and proper reporting procedures. Additionally, MNF–I provides funding to groups of concerned local citizens through lawful contracts as part of the Commander's Emergency Response Program. While the majority of this funding has gone to Sunnis to date, we are seeing an increasing number of Shiite citizens volunteer as well, given their rejection of extremist Shiite militias and Iranian influence. These contracts are for a specified length of time and a specified mission, such as providing security for a critical piece of infrastructure or a stretch of roadway. By using contracts, we have been able to provide these local citizens and tribal elements with a legitimate way to assist coalition and Iraqi forces in securing their areas as well as provide them with a stipend so that they can provide for their families. As we move forward, we will begin transitioning the responsibility for these security contracts to the Government of Iraq.

As I stated above, we are mindful of the risks but believe we have a sound policy in place to mitigate these risks and take advantage of this important opportunity. Also, it is important to point out that by having these previously disaffected individuals provide security and by integrating them into Iraqi security forces, Iraq is taking the first steps toward turning bottom-up accommodation into national reconciliation. Helping to foster national reconciliation is critical to developing sustainable security in Iraq, which is one of our principal long-term interests.

MILITARY MISSION IN IRAQ

3. Senator BYRD. General Petraeus, please tell me in your own words why our soldiers are in Iraq, what their military mission is, what the Iraqi military needs to do, and how long you expect it to take?

General PETRAEUS. The mission of the soldiers, sailors, airmen, marines, and coastguardsmen of MNF–I, in partnership with the Government of Iraq, is to secure the population of Iraq and employ political, security, economic, and diplomatic means to help the people of Iraq achieve sustainable security and commensurate political and economic development in order to foster continued reconciliation. I believe our troopers are here in Iraq building sustainable security because it is in our Nation's interest to do so. A stable and secure Iraq will deny extremist enemies a safe haven, prevent further Iranian influence, be a stabilizing influence in a fragile region, and allow Iraq's natural resource blessings to benefit its citizens and the greater global community.

Within the mission statement listed above, our troopers are focused primarily on the security line of operation, performing tasks such as clearing, controlling, and retaining neighborhoods; capturing and killing irreconcilable enemies; developing Iraqi security forces; and partnering with concerned local citizens. However, our troopers also contribute considerably to Embassy-led efforts on the political and economic lines of operation. Indirectly they do so by increasing security, which allows the time and space for political and economic progress. They also work directly with their Iraqi partners to build governance capacity, execute reconstruction projects, improve essential services, and increase the economic opportunities in their areas of operation. Lastly, our troopers are taking part in advancing reconciliation. As I explained above, the bottom-up accommodation taking place is critical to the overall reconciliation effort, and our troopers are providing important assistance in moving bottom-up accommodation forward, separating those that are reconcilable from those they are not and helping their Iraqi counterparts to integrate the reconcilables—the concerned local citizens—into their efforts to secure neighborhoods and areas across the country.

The Iraqi security forces, both the Iraqi military and the Iraqi police, work with our coalition troopers to clear, control, and retain neighborhoods and capture and kill irreconcilable enemies. As the capabilities of the Iraqi security forces continue to increase and based on conditions on the ground, we will begin transferring to our Iraqi partners responsibility for population security. As we do so, coalition forces will assume an overwatch position, providing quick-reaction force support, intelligence, and other key enablers, as well as transition teams to support the development of Iraqi forces.

Based on the security improvements we have made and additional improvements we expect to make, we have already recommended a drawdown of the five surge brigades, two Marine battalions, and Marine Expeditionary Unit. We believe that we will be able to execute this reduction in forces without jeopardizing the security gains that we have fought so hard to achieve. Further reductions and potential changes to our mission will take place, but in my professional military judgment, it is premature to make those recommendations at this time. By mid-March of next year, we believe we will have an adequate appreciation for the pace of further troop reductions and mission adjustments beyond the summer of 2008. By then, we will know more about the enemy situation, the capabilities of the Iraqi forces and the concerned local citizens, and further improvements to the security situation, and will then be prepared to make recommendations for additional drawdown and potential change in mission.

As we move forward, we must remain mindful of the fact that the accomplishment of our mission in Iraq will not be quick or easy. Doing so will take continued time, commitment, and resources on the part of our country. Our plans call for sustainable security to be established nationwide by the summer of 2009, but that does not end the commitment of American forces, which I would expect to continue well into the next administration, though at a reduced level over time. I expect long-term force levels will be determined by a long-term strategic relationship that will be negotiated between the Government of Iraq and our own government.

4. Senator BYRD. General Petraeus, what are our specific military goals, and precisely what is required from the U.S. military to achieve them?

General PETRAEUS. In the near-term, by summer 2005, our goal is to protect the population and create a baseline of local security. Specifically, this includes the neutralization of irreconcilable armed groups, the containment of militias, the reduction of large-scale sectarian violence, the protection of infrastructure, and the further development of the Iraqi security forces. In various areas throughout the country, coalition forces will be leading and partnering with or in overwatch of their Iraqi counterparts. The baseline of localized security they create will ensure the population is protected, thus enabling political and economic progress and fostering reconciliation.

In the intermediate-term, by summer of 2009, our goal is to create sustainable security. Specifically, this includes a greatly diminished level of violence that the Iraqi security forces will be able to sustain largely on their own and for the long-term. This includes not only the capabilities of the Iraqi units themselves, but also the abilities of the Ministries of Interior and Defense to effectively perform their institutional functions on their own. Coalition forces will largely be in an overwatch position by this point, responsible for monitoring developments and providing quick-reaction force support, intelligence, and other key enablers. Transition teams will also continue to support the development of Iraqi forces. While in overwatch, should a situation develop that is beyond the capacity of Iraqi forces to handle on their own, coalition forces will be readily available to back up our Iraqi counterparts. Overall, this diminished level of violence will create the conditions for further political and economic progress.

In the long-term, our goal is Iraqi security forces that are capable of protecting the population and controlling their borders and that are able to sustain themselves. Ministries of Interior and Defense that are capable of performing their institutional functions, and a coalition forces presence, one large enough to continue to provide a contribution in accordance with an agreed-upon long-term security relationship that is mutually beneficial to our Nation and to Iraq.

Achieving local security, then sustainable security, and then ultimately a long-term security relationship will require a continued commitment of time, resources, and personnel, not just from the U.S. military but from other members of the interagency. However, in the future, we project that the number of personnel and resources required will be far smaller than at present time. As I stated above, we have already begun to transition responsibilities and draw down the surge forces, and we plan to make further recommendations on troop decreases and potential mission shifts in mid-March.

CONTRACTORS IN IRAQ

5. Senator BYRD. General Petraeus, please tell me the total number of private contractors in Iraq serving in combat, combat support, and security roles who are funded by the U.S. Government. Please break down the numbers of each and describe the range of duties that private contractors are involved in.

General PETRAEUS. There were 136,655 contractors supporting MNF–I as of the most recent CENTCOM Quarterly Contractor Census, which was conducted in July 2007. The next census will be completed by the end of this month. MNF–I's contractors perform two principal missions: supporting coalition operations and supporting Iraqi reconstruction operations, and they do this through combat support and security roles. Their breakdown is as follows:

Service Provided	Total Contractors	Percentage
Security	9,702	7.1
Combat Support: Construction	39,057	28.6
Combat Support: Base Support	65,195	47.7
Combat Support: Transportation	6,012	4.4
Combat Support: Communications Support	5,362	3.9
Combat Support: Translator/Interpreter	8,120	5.9
Combat Support: Other	3,207	2.4
Total	136,655	100

None of our contractors are in combat roles in the same way our infantry or armor soldiers are. The closest our contractors come to an actual combat role is our 1,237 armed contractors who serve in personal security details and our 371 armed contractors who conduct convoy escort missions. In addition to those individuals, some of our other contractors inevitably do leave the confines of our bases, and when then they do, they—like all our troopers—are at risk of exposure to enemy contact such as small arms fire or improvised explosive devices. Their purpose in leaving the base, however, is to complete their combat support or security tasks such as getting to their reconstruction site, acting as an interpreter, or driving logistics supplies to another base, and not to perform specific combat tasks such as patrolling a street or conducting a raid.

The Department of State (DOS) will be able to provide information on the quantity of personnel under DOS contracts and the specific roles those contractors perform.

IRAQI NATIONAL POLICE

6. Senator BYRD. General Petraeus, the Report of the Independent Commission on the Security Forces of Iraq noted that the National Police are "operationally ineffective" and riven with sectarianism, and recommended that the entire force be disbanded and reorganized. Iraq's police forces are central to the long-term establishment of security in Iraq. Do you agree with the Commission's assessment of the National Police and its recommendation to disband it? Why or why not?

General PETRAEUS. I respectfully disagree with the recommendation to disband the National Police. The National Police remain the part of Iraqi Security Forces of which we are most concerned, and we may, in time, recommend that some units be disbanded by the Government of Iraq. However, we also believe that overall, we have a viable strategy to assist the National Police in overcoming their two principal challenges, sectarianism and insufficient training, and that we are making progress in developing the National Police into a viable paramilitary force. Disbanding the National Police writ large would leave a significant gap in security capability, as there are currently about 32,000 National Police performing security operations across Iraq, and the vast majority operate within the Baghdad security belt in support of Operation Fardh al-Qanoon.

There has been considerable effort, led by the National Police leadership and supported by coalition forces, to overcome the challenges of sectarianism within this force. Numerous individuals who promoted sectarian agendas have been removed and replaced, to include 17 of 27 battalion commanders, 9 of 9 brigade commanders, and other key officers. National Police units have undergone "re-bluing" training programs, which have shown positive results in many units in building a more professional National Police force. This training is now being complemented by Italian Carabinieri-led training. Also, National Police units are advised, coached, and mentored by Coalition Force National Police Transition Teams and they often partner with coalition forces on operations. These partnerships remain crucial to our ability to strengthen the capabilities and professionalism of the National Police.

Ultimately, our goal is to help the Ministry of Interior transform the National Police into a national, rapidly deployable, paramilitary police force operating in support of the Iraqi Police Service, under the command of the Ministry of Interior and when appropriate, under the direction or in support of the Provincial Governors in

order to provide the Government of Iraq with a proportional response option and bridging capability between the Iraqi Police Service and the Iraqi Army. Achieving this goal will take considerable time and continued effort, and some units may, indeed, need to be disbanded, but the right strategy is in place to get there.

ARMY RETENTION RATES

7. Senator BYRD. General Petraeus, in 2003, only 18 percent of West Point graduates quit the force. This low attrition rate has been attributed to the memories of September 11, the successful war in Afghanistan, and the fact that war in Iraq was just under way. Duty called, and it seemed a good time to be an Army officer. However, last year, when the 905 officers from the class of 2001 had to make their choice to stay or leave, 44 percent quit the Army. It was the Service's highest loss rate in 3 decades. Some have suggested that there is a "trust gap" between junior and senior officers. Others have suggested that we are on a quixotic quest in Iraq to reach an unreachable goal, leading to disillusionment among our young officer corps. Some of the combat-tempered junior and mid-level officers have charged the general corps, many of whom lack combat experience because they attained their rank in peacetime, with demanding the impossible and providing too few resources to achieve success. The result is that the military is losing, at record rates, the very individuals that can best lead our Armed Forces. How does this exodus of the future leaders of the military weigh on your decision-making in attempting to achieve military objectives and goals in Iraq?

General PETRAEUS. As Commander of MNF–I, my responsibility is to develop and execute a strategy focused on achieving our goal of sustainable security in Iraq. As such, the recommendations I presented before your committee were based on my view of how we are faring as we build sustainable security and what means are required to meet our stated goal. However, as a senior leader of our Nation's Armed Forces, I am also acutely aware of the strain being put on our ground forces as a result of our ongoing operations in Iraq and Afghanistan. This understanding informed, but did not drive, my recommendations.

Undoubtedly, to be successful—not just in the short-term, but more importantly in the medium and long-term—our military needs top-quality leaders. Today's junior officers, who will be tomorrow's senior leaders, are probably the most combat experienced generations of officers in the history of our Nation. Most Army and Marine Corps lieutenants and captains have deployed multiple times and learned first-hand what it takes to succeed in an exceedingly challenging environment. Now, many of these same leaders are choosing to leave military service because of, among other reasons, the high operational tempo. I am in my fourth year or longer deployment since September 11 and my family and I intimately understand the strain placed on our troopers and their families through repeated and lengthy deployments. Ideally, through both the expansion of the force as well as a gradual decrease in the number of our forces deployed, our military will be able to return to a more manageable deployment cycle, with at least double the time at home compared to the time deployed. In the meantime, the Army has recently released other initiatives designed to retain our junior officers, including expanded offers of graduate school and a retention bonus. Additionally, as I go out and visit with subordinate commanders across Iraq, I encourage them to mentor their junior officers and communicate to them their worth to this fight and to the long-term health of our organization. I do the same, taking the time to personally talk to company commanders (captains) on nearly every trip I take to see troops, listen to their concerns, and remind them that they matter a great deal—to all of us.

U.S. ARMED FORCES

8. Senator BYRD. General Petraeus, what is the long-range impact of the war in Iraq on the U.S. Armed Forces?

General PETRAEUS. At this stage of an ongoing conflict, it is difficult to predict what the long-range impact will be on the Armed Forces, but we do have some indicators already. On the positive front, we now have one of the most experienced combat forces in our Nation's history, complete with a core of battle tested leaders, many of whom have multiple tours and often have served in both Iraq and Afghanistan. Our military has also demonstrated an ability to change doctrine and adapt training to the current fight, to become proficient at new tasks, and to field needed new equipment. While these adaptations did not necessarily happen fast enough during the early years of our operations in Iraq and Afghanistan, they are now occurring much more quickly. We can see the difference: more than ever before, I am

convinced that our troopers and especially our leaders get it—they understand how to operate in the exceedingly challenging environments they face in places like Iraq and Afghanistan.

There are negative impacts we're watching closely as well, in particular the stress on our ground forces—most importantly on the mid-grade noncommissioned officers and junior officers who have that wealth of combat experience on which we will draw in the decades ahead. There are other stresses as well, such as stresses on equipment that has seen much wear and tear over 4+ years of sustained combat and stresses on the ability to train for other tasks. The Joint Chiefs of Staff and individual Services are endeavoring to put policies in place to alleviate the stress on our troopers and on our equipment as much as possible and they are working to reset, reconstitute, and revitalize the All-Volunteer Force, while also ensuring our troopers are prepared to deploy and succeed in the current operations in Iraq and Afghanistan.

BUDGETS

9. Senator BYRD. General Petraeus, in the budgets for the global war on terror that the President sent to Congress in February, he did not request one thin dime for the cost of the troops serving in Iraq as a result of the surge. Can you explain to me, the Chairman of the Senate Appropriations Committee, why 8 months later, the President has still not asked for funds for the troops that have gone to Iraq as a result of the surge?

General PETRAEUS. I am not able to provide insight into the details of the budgetary process. I respectfully recommend this question be addressed to the Office of Management and Budget.

10. Senator BYRD. General Petraeus, during the hearing you essentially asked Congress for patience to allow the military strategy in Iraq time to work. We have heard these requests virtually since the war began. Can you offer any evidence that 6 or 12 more months are going to make a significant difference on the only important issues: achievement of the benchmarks and genuine progress toward national political reconciliation?

General PETRAEUS. We are hopeful that over the next 6 to 12 months, we will see continued progress toward resolving the ongoing competition for power and resources among Iraq's ethnic and sectarian communities. This resolution will in turn help achieve the benchmarks and allow for genuine progress toward national political reconciliation.

Significantly, the gradual improvements to the security situation arc providing Iraqi leaders with the time and space to resolve their difficult political issues, foster reconciliation, and strengthen their economy. During the height of sectarian violence late last year, Iraqi leaders focused their energy simply on quelling the violence. Now that the levels of violence are more manageable—though admittedly still too high—Iraqi leaders are able to focus their energies on the key tasks that only they can solve. The 26 August communiqué released by Iraq's senior leaders was a heartening step towards resolving their difficult issues, and now that the Council of Representatives is back in session, it is up to Iraqi leaders to ensure the promises set forth in the communiqué are translated into laws. Also, the groundswell of bottom-up support is forcing Iraqi leaders to deal with difficult issues involving reconciliation, and their actions, to include conditional immunity in some areas, represent the first steps toward national reconciliation. In another sign of progress, other ongoing actions are also outpacing the laws. For example, the Government of Iraq has not yet passed a provincial powers law, a hydrocarbon law, or de-Baathification reform. Still, the central government is allocating budgets to the provinces and the provinces are spending their money; oil revenue is being shared in a manner generally consistent with what we believe the hydrocarbon law will codify; and, as I stated above, conditional immunity is beginning to occur. Such developments are tangible signs of political progress and are hopefully indicative of more progress to come in the coming months.

11. Senator BYRD. Ambassador Crocker, we are hearing that political reconciliation cannot take place without security, but there will be no security without political reconciliation. This is a singularly circular argument, but the bottom line is we have yet to see any real political reconciliation. I am not looking for an explanation about "progress"; I want to know when Iraq will step up to its responsibilities, as have so many of our servicemen and women, and what you are doing to convey to the Iraqis that there is an urgency for them to act now. When can we expect to see

the benchmarks you were charged to report on—benchmarks originally proposed by the Iraqis themselves—achieved?

Ambassador CROCKER. Like U.S. servicemen and women, Iraqi officials—including politicians, judges, and security forces—are stepping up and putting their lives at risk on a daily basis to sustain a democratic, Federal Iraq and continue progress on political reconciliation.

Beyond benchmarks, the Government of Iraq is pursuing political reconciliation by 'latching up' the national and provincial governments. For example, on September 30, Iraq's Finance Minister, Bayan Jabr, announced that the portion of the capital budget that goes directly to the 18 provinces would increase to nearly $4 billion next year. Iraq's Deputy Prime Minister, Barham Salih, also announced that Babil Province would be rewarded for its effective budget execution with $70 million for a major loan program for small businesses and individuals. Previously, Vice Presidents al-Mahdi and al-Hashimi and Deputy Prime Minister Salih announced a 70 percent increase in the 2007 provincial capital budget as well as $50 million in compensation for losses suffered in Anbar in the fight against al Qaeda.

While not yet meeting the legislative benchmark of passing a Hydrocarbon Law, sharing of hydrocarbon revenues is taking place equitably while deliberations over a revenue-sharing law continue. Further, U.S. leaders have stressed the importance of passing national hydrocarbon legislation during meetings with both Prime Minister al-Maliki and President Talabani.

12. Senator BYRD. Ambassador Crocker, the U.S. taxpayer has been called upon to provide hundreds of billions of dollars to support the war in Iraq. What specific assurances can you give, contrary to many of the other official reports we are receiving, including some from your own Department, that this war is making us safer here in the United States?

Ambassador CROCKER. Our efforts in Iraq make the United States safer at home by helping to stabilize the region and by confronting al Qaeda. Should the United States abandon or drastically curtail its efforts, Iraq could fall into chaos or civil war and become a safe haven for terrorists who could strike America at home and abroad. Civil war in Iraq would also likely trigger the intervention of regional states, all of which have a vital national interest in Iraq's future. The Iranian President has already announced that Iran will fill any vacuum in Iraq.

In partnership with courageous and dedicated Iraqis, we have weakened al Qaeda in Iraq and reduced its ability to carry out acts of terrorism. A growing number of communities in Iraq have joined the fight against al Qaeda in Iraq. Should the United States quit Iraq prematurely, the gains made against al Qaeda in Iraq and other extremist groups could easily be reversed.

QUESTIONS SUBMITTED BY SENATOR DANIEL K. AKAKA

MILITARY PRESENCE IN IRAQ

13. Senator AKAKA. General Petraeus, the President's Chief of Staff, Josh Bolten, was quoted in an interview with USA Today last week as saying President Bush wants to make it "possible for his successor—from whichever party that successor is from—to have a sustained presence in the Middle East, and have America continue to be a respected and influential power in the Middle East." Was maintaining a long-term military presence in Iraq an objective provided to you by the Commander in Chief, or any member of his administration, when you took command of the Multinational Force in Iraq?

General PETRAEUS. It was not a specific objective. Developing a long-term relationship with Iraq, though not specified to a particular military relationship of any set size, has been a strategic goal. The 10 January 2007 NSC Iraq Strategy Review defined the administration's strategic goals and objectives (page 5 of attached unclassified briefing). The strategic goal was established before I took command and has not since been changed: A unified, democratic, Federal Iraq that can govern itself, defend itself, and sustain itself, and is an ally in the war on terror.

The NSC noted that, "While our strategic goal requires a long-term relationship with Iraq, we are at a new phase in the effort and must sharpen the objectives we believe are achievable in the next 12–15 months."

The following objectives are where we have focused the energies of MNF–I in coordination with our Embassy and Iraqi partners:

1. Defeat al Qaeda and its supporters and ensure that no terrorist safe haven exists in Iraq.

2. Support Iraqi efforts to quell sectarian violence in Baghdad and regain control over the capital.

3. Ensure the territorial integrity of Iraq and counter/limit destructive Iranian and Syrian activity in Iraq.

4. Help safeguard democracy in Iraq by encouraging strong democratic institutions impartially serving all Iraqis and preventing the return of the forces of tyranny.

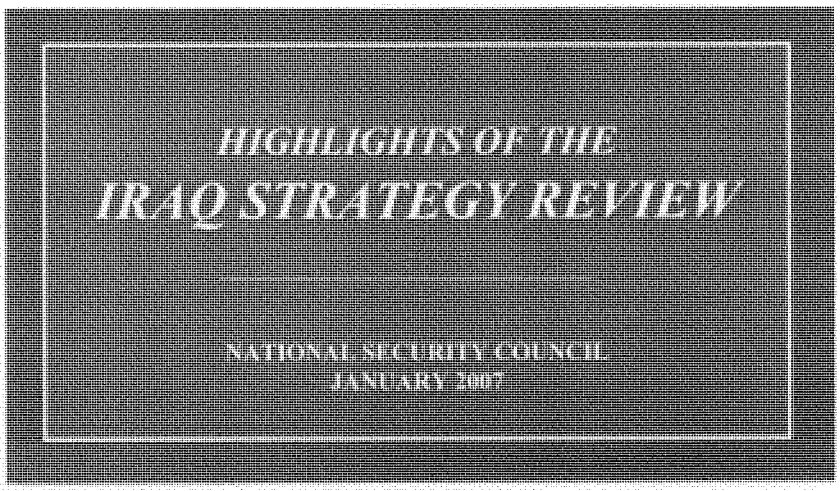
5. Foster the conditions for Iraqi national reconciliation but with the Iraqi Government clearly in the lead.

6. Continue to strengthen Iraqi Security Forces and accelerate the transition of security responsibility to the Iraqi Government.

7. Encourage an expanding Iraqi economy including by helping Iraq maintain and expand its export of oil to support Iraqi development.

8. Promote support for Iraq from its neighbors, the region, and the international community.

MNF–I is focused on achieving the objectives outlined above. Conditions in Iraq and a coordinated agreement with the sovereign Government of Iraq will dictate our future presence or lack of presence.



Summary Briefing Slides

Guiding Principles

- Success in Iraq remains critical to our national security and to success in the War on Terror.
- Failure in Iraq would have disastrous consequences for the United States, the region, and our allies.
- There is no silver bullet solution in Iraq. Every option involves trade-offs across various risks.

2

Relationship to the War on Terror

- Iraq remains a central front in the Global War on Terror.
- Al-Qaida in Iraq has declared and shown its intentions to establish a caliphate in Iraq and then to expand the caliphate widely.
  - Sowing sectarian violence in Iraq has been and remains the central strategy of al-Qaida in Iraq to reach the goal of creating a caliphate.
- The Freedom Agenda is advanced by the survival and strengthening of Iraq's democratic institutions.
  - Winning in Iraq will not end the War on Terror, but it will make success in the War on Terror much easier.
  - Failing in Iraq would make succeeding in the War on Terror vastly more difficult.

3

The Regional Picture

- Our allies in the region are concerned about negative Iranian influence in Iraq.
  - Support for the Iraqi Government, however, can help stabilize the region.
- Iran has been cultivating influence in Iraq through all means at its disposal.
  - Iran's threat involves both lethal action and the burrowing of Iranian actors into Iraqi institutions.
- Syrian actions, while posing less of a strategic threat to Iraq than Iranian actions, exacerbate the tactical challenge faced by the Iraqi government.

4

Present Situation

- **We have achieved many of our initial objectives in Iraq.**
  - Saddam Hussein's regime is no longer an organized threat to Iraq, its neighbors, or the United States.
  - Iraq is governed by a freely elected government under a permanent constitution.
  - Democratic institutions have been established and are enabling Iraqis to shape their own state.
  - Per capita incomes have increased ($743 to $1593 according to the World Bank, although inflation also has risen) and Iraq has performed under its IMF agreement.
- **But the situation in Iraq has grown increasingly complex over the past 12 months.**
  - Al-Qaida terrorism and a vicious insurgency are now combined with sectarian violence.
  - The national government is eager to take lead responsibility, but it is hampered by a lack of governmental capability and widening sectarian divisions.
  - Power centers are devolving, with events outside the international zone becoming more relevant to national trends.
- **The political process has shown signs of maturation, but meaningful reconciliation has yet to be achieved.**
  - Iraqi leaders have not yet achieved a single vision for a unified Iraq.
- **Iraqi Security Forces (ISF) have grown in effectiveness, but the levels of violence with which they must cope continue to increase.**
  - Professionalism and effectiveness are improving but are not yet consistent across the force.
  - Some members of the ISF, notably the police, are contributing to sectarian violence.
  - Despite more than 300,000 trained and equipped members of the ISF, substantially fewer numbers are present for duty on a given day.
    - Combat losses, desertion, attrition, and leave account for the majority of those absent.

5

Present Situation

- **The situation in Baghdad has not improved despite tactical adjustments.**
  - The situation in Baghdad determines nationwide trends; its stabilization has been seen as key to a unified Iraq.
  - The Government of Iraq has not yet delivered promised essential services.
  - Limitations on operations have hindered the execution of security plans.
  - Force levels overall in Baghdad have been inadequate to stabilize a city of its size.
- **Iraqi support for the Coalition has declined substantially, in part due to failure of security over the past year.**
  - In the absence of security, communities are turning to "self-help."
- **In his public and private statements, Prime Minister Maliki articulates a positive vision where all Iraqis are protected by the rule of law.**
  - Execution and delivery on pledges remain vital.

6

Key Assumptions

Previous	Now
• Primary challenge is a Sunni-based insurgency.	• Primary challenge is violent extremists from multiple communities; the center is eroding and sectarianism is spiking.
• Political progress will help defuse the insurgency and dampen levels of violence.	• While political progress, economic gains, and security are intertwined, political and economic progress are unlikely absent a basic level of security.
• National Compact is within the grasp of Iraqi leaders and will have meaningful impact on security.	• Effective national reconciliation may or may not take the form of a comprehensive package or deal; it could come about as the product of piecemeal efforts.
• Majority of Iraqis will support the Coalition and Iraqi efforts to build a democratic state.	• Iraqis increasingly disillusioned with Coalition efforts.
• Region has a strategic interest in the stabilization of Iraq.	• Many Arab states remain wary of throwing their full support behind the Iraqi Government.
• Majority of Iraqis and Iraqi leaders see their interests as best advanced by a unified Iraq.	• While still committed to a unified Iraq, many Iraqis are also advancing sectarian agendas -- as hedging strategies, pursuit of narrow interests, and due to history.
• Dialogue with insurgent groups will help reduce violence.	• Dialogue with insurgents has not improved security and may not produce strategic gains in current context.
• Iraqi Security Forces are gaining in strength and ability to handle Iraq's security challenges.	• Many elements of ISF are in the lead but not yet ready to handle Iraqi security challenges independently.

7

Strategic Goals and Objectives

- Our strategic goal in Iraq remains the same: A unified democratic federal Iraq that can govern itself, defend itself, and sustain itself, and is an ally in the War on Terror.
- While our strategic goal requires a long-term relationship with Iraq, we are at a new phase in the effort and must sharpen the objectives we believe are achievable in the next 12-18 months.
- The objectives in this new phase are:

1. Defeat al-Qaida and its supporters and ensure that no terrorist safe haven exists in Iraq.
2. Support Iraqi efforts to quell sectarian violence in Baghdad and regain control over the capital.
3. Ensure the territorial integrity of Iraq and counter/limit destructive Iranian and Syrian activity in Iraq.
4. Help safeguard democracy in Iraq by encouraging strong democratic institutions impartially serving all Iraqis and preventing the return of the forces of tyranny.
5. Foster the conditions for Iraqi national reconciliation but with the Iraqi Government clearly in the lead.
6. Continue to strengthen Iraqi Security Forces and accelerate the transition of security responsibility to the Iraqi Government.
7. Encourage an expanding Iraqi economy including by helping Iraq maintain and expand its export of oil to support Iraqi development.
8. Promote support for Iraq from its neighbors, the region, and the international community.

8

Major Strategic Shifts

Iraqis Are in the Lead in Ensuring Success – U.S. in Support Role
- Place the responsibility for success on the Iraqis
- Recognize and expect that sectarian violence must be addressed by Iraqis
- Encourage Iraqis to reach national reconciliation
- Urge Iraqi Government to serve Iraqis in an impartial way

The Primary Mission is Helping Iraqis Provide Security to the Population
- Help Iraqis provide greater levels of security in Baghdad in order to enable political and economic progress
- Help Iraqis create the security environment in which political deals needed to sustain security gains can be made
- Bolster Iraqi capabilities and transfer responsibility to able units as part of this effort

Moderates Will Be Vigorously Supported in their Battle with Violent Extremists
- Counter extremist portrayal of Iraq's conflict as Sunni vs. Shi'a, rather than moderates vs. extremists
- Recognize and act upon the reality that the United States has a national interest in seeing moderates succeed
- Build and sustain strategic partnerships with moderate Shi'a, Sunnis, and Kurds

We Will Diversify our Political and Economic Effort in Iraq to Achieve Our Goals
- Increase attention to developments outside of the International Zone – emphasize flexibility
- Help Iraqi provincial governments deliver to their constituents and interact with Baghdad
- Extend the political and economic influence through the expansion of our civilian effort

We Will Further Integrate Our Civil and Military Efforts
- Harness all elements of national power; further augment joint civilian-military efforts throughout theater
- Resource at levels that assume a resilient enemy and realistic assessment of Iraqi capacity over the next 12 months

Embedding Our Iraq Strategy in a Regional Approach is Vital to Success
- Iraq is a regional and international challenge
- Intensify GOI and USG efforts to expand regional and international help, counter Iran and Syria meddling
- Invigorate diplomatic efforts to improve the regional context

We Must Maintain and Expand Our Capabilities for the Long War
- Acknowledge that succeeding in Iraq is the immediate challenge, but it is not the last challenge
- Ensure we have adequate national capabilities to fight the long war, on the military and civilian side

9

Key Operational Shifts

Previous

- Primary security focus was on transferring responsibility to Iraqis; with less focus on population security
- Coalition conceived and led Baghdad security plans.
- Restrictive ROE hindered execution of Baghdad security plan.
- Focused efforts on brokering National Compact among elites.
- Outreach, sometimes unilateral, to Sunnis.
- Helped build government capacity across the board.
- Acknowledged continued Syrian and increasing lethal Iranian interference in Iraq.
- Trained ISF to 325,000 end-strength.
- Political and economic efforts focused mainly in green zone, work with all national ministries.
- Military and civilian efforts coexisted outside of Baghdad.
- Modest embedding with Iraqi units.
- Gradual transfer of security responsibility to ISF.

Way Ahead

- Primary security focus is on helping Iraqis provide population security; will facilitate the transfer of security responsibility to Iraqis
- Iraqi-conceived, Iraqi-led Baghdad security plan.
- Iraqi leaders committed to permissive ROE and non-sectarian, non-political command and control arrangements.
- Equal focus given to local political developments outside the international zone. Hold Iraqi Government to benchmarks it has announced
- GOI leads outreach to insurgents; maintain outreach and keep door open for Sunni moderates.
- Target assistance to vital functions only; build capacity outside green zone especially at provincial level.
- Counter Iranian and Syrian action that threatens Coalition forces.
- Expand size of Iraqi Army; conduct fundamental review of Iraqi police.
- Double political and economic presence outside international zone to better promote local accommodation.
- Civilian and military effort integrated in the field and in planning.
- Selective and significant increase in embedding program.
- Accelerate transfer of battlespace and Provincial Iraqi Control to Iraqis.

10

Key Tactical Shifts

By Iraqis

- Commitment to non-interference in operations of the Iraqi Security Forces
- Commitment to go after all those who violate the law, regardless of sect or religion
- Three additional Iraqi army brigades to Baghdad
- Restructuring of security arrangements in Baghdad: one military commander, two subordinates, one Iraqi army brigade for each district
- Expansion of Iraqi Army to add units, provide replenishment for 30,000 positions, and increase the deployability of forces on a national basis

  MOD Forces will grow from:
  - 10 Army Divisions to 13
  - 36 Army Brigades to 41
  - 112 Army Battalions to 132
  - Development of National Operations Center, National Counter-Terror Force, and National Strike Force
  - Reform of the Interior Ministry to increase transparency and accountability, transform National Police into a professional force, transform local police and Facilities Protection Service

Political/Economic

- Reform of Cabinet as suggested in Dec 16 PM Maliki speech
- Completion of Budget – money for economic programs
- Release of Iraqi funds
- Launch of International Compact

By U.S.

- Increase in U.S. troops; five additional brigades committed to Baghdad.
  - Partnering of U.S. battalions to Iraqi brigades in nine districts of Baghdad
- Increase U.S. forces available to support Iraqi operations in Anbar, and step up pressure on al-Qaida
- Remobilize the National Guard to support rotations
- Expansion of U.S. embed program and partnering
- Doubling of PRTs and PRT civilian personnel in Iraq
- Integration of PRTs and BCTs in most areas
- Request to Congress to support the creation of a Civilian CERP for PRT leaders
- Jobs creation programs to support operations in Baghdad and Anbar
- Increase operations against Iranian actors
- Deployment of security assets to the Gulf region
- Launch of International Compact, early 2007
- Increase in end-strength of U.S. Army and Marine Corps
- Request to Congress to allow State to reimburse civilian agencies that send employees to Iraq

11

14. Senator AKAKA. General Petraeus, if not, were you aware that a sustained presence in Iraq was desired by the President?

General PETRAEUS. See answer to question 13.

15. Senator AKAKA. General Petraeus, was the President's desire to maintain a sustained presence in Iraq beyond the end of his term in office a factor in your evaluation of recommended troop levels in Iraq?

General PETRAEUS. No. My recommended troop levels in Iraq until next July were based on my professional assessment of what it will take to accomplish the mission.

My assessment was also informed by the strain on the ground forces, though that was not a determining factor. We do believe that accomplishing the mission will take until well into the next administration, but that belief is predicated on a realistic assessment of the situation on the ground in Iraq and the objectives we have been given to accomplish.

16. General Petraeus, have you, or DOD, taken any steps to facilitate sustaining our long-term military presence in Iraq, such as building of permanent bases or negotiating long-term lease deals with the Iraqi government?

General PETRAEUS. Currently, MNF–I basing is governed by the authorities of the existing United Nations Security Council Resolutions and Coalition Provisional Authority Orders. In recognition of the sovereignty of the Government of Iraq, and as we move forward in support of the Government of Iraqi's request for DOS's work on the Long-Term Security Relationship, MNF–I will establish a dialogue with the Government of Iraq to reach a mutual agreement on the future basing needs for coalition forces. In accordance with United States Central Command instructions, the military construction that has been conducted in Iraq has been and continues to be temporary in nature.

U.S. SECURITY

17. Senator AKAKA. General Petraeus, the war in Iraq, which has lasted over 4 years with a cost of over $500 billion before the end of next year, is having a major impact on our armed services in terms of their readiness and capability to respond to other potential crises. If our military is less ready to respond to other crises, then I suggest to you that our country has been made less safe.

By not eliminating Osama Bin Laden and "al Qaeda Central," a recent National Intelligence Estimate (NIE) concluded that we have allowed them to reconstitute their organization in to a level equal to or greater than just prior to September 11, 2001. Since we have allowed our enemy to gain its full strength back, then I suggest to you that our country has been made less safe. We have diverted significant resources unnecessarily into Iraq instead of focusing on "al Qaeda Central," and because we do not have unlimited resources, we have reduced the total resources available to conduct the global war on terror. As Chairman of the Veterans Committee, I know that we will be paying for this war for many decades to come as we care for our wounded veterans. These costs also reduce our available resources for battling terrorist networks. Since our decision to go to war in Iraq has caused us to have less resources to utilize in the war on terror, I suggest to you, that our country has been made less safe.

The April 2006 NIE concluded "The Iraq conflict has become the "cause celebre" for jihadists, breeding a deep resentment of U.S. involvement in the Muslim world and cultivating supporters for the global jihadist movement." It further concluded that the "global jihadist movement—which includes al Qaeda, affiliated and independent terrorist groups, and emerging networks and cells is spreading and adapting to counterterrorism efforts." The July 2007 NIE concludes that "al Qaeda Central is and will remain the most serious terrorist threat to the Homeland." These conclusions from our intelligence agencies demonstrate that the Iraq war is fueling a growth in terrorist networks throughout the world, not just in Iraq, and I suggest to you, that this has made our country less safe. In your opinion, is the Iraq war making America safer? If so, why?

General PETRAEUS. I recognize that there are many arguments as to whether or not the invasion of Iraq was the correct policy, but from where we are right now, pursuing our objectives in Iraq is making America safer. I believe this because of the effect we are having on the al Qaeda-Iraq, which al Qaeda Senior Leadership has determined as their central front in a global effort and which the July 2007 NIH noted in relation to al Qaeda Senior Leadership as "its most visible and capable affiliate and the only one known to have expressed a desire to attack the Homeland."

I also agree with the findings in the April 2006 NIE that Iraq was an attractive cause for global jihadists. From that finding, the NIE also concluded that "should jihadists leaving Iraq perceive themselves, and be perceived, to have failed, we judge fewer fighters will be inspired to carry on the fight." We have done considerable damage to the global al Qaeda network by the killing and capturing of hundreds of skilled terrorist leaders, many of them foreigners to Iraq who would have been free to operate elsewhere if they were not in Iraq. The decrease in foreign fighters coming into Iraq in recent months may indicate that Iraq is losing its attractiveness to al Qaeda and affiliated terrorists, though it also likely reflects actions in source countries, as well as action in Syria and Iraq.

There is no doubt that the enemy we face constantly adapts to our efforts. At the same time, because of our experience in Iraq, I believe we are farther along in learning how their networks are organized, how they fund their activities, how they communicate, how they train, and how they recruit new members than we would have been without the past 4 years of learning on the battlefield. We continue to get better and adapt as well, by fine-tuning the synchronization of conventional and special operations, by improving our tactics and enhancing our technology, by fusing intelligence and by the accumulation of experience.

The July 2007 NIE noted al Qaeda central as the most serious terrorist threat to the Homeland, as it was before September 11, but also stated, "We assess that greatly increased worldwide counterterrorism efforts over the past 5 years have constrained the ability of al Qaeda to attack the U.S. Homeland again and have led terrorist groups to perceive the Homeland as a harder target to strike than on September 11." I believe our efforts in Iraq are a part of that equation and an important reason we must continue to work with our Iraqi partners to defeat terrorist networks here in Iraq.

18. Senator AKAKA. General Petraeus, every year our troops are in Iraq, the costs to our country are huge: thousands killed in action, thousands more permanently disabled or maimed, and hundreds of billions of dollars. With the money we have spent we could have contributed to rebuilding our aging transportation infrastructure, retooling our educational system to train our children to compete in the global market place, and strengthening the security of our borders. So we have a responsibility to this country to assess whether or not the mission is worth the cost: a cost measured in American lives, in foregone programs in America, in the health and welfare of our military, and in the risk if other areas of the world demand our military resources. Even if the mission is worth the cost, we must assess whether or not we can continue to afford to pay it. In your opinion, is the cost worth it and what does America gain for the expense?

General PETRAEUS. Ultimately, this is a question for the national leadership of the United States. In my professional opinion, we have substantial national interests in Iraq. Failure in Iraq would mean that important American and global interests in Iraq and the region are not achieved. Should Iraq collapse into violence (and we got a glimpse of that during the height of ethno-sectarian violence in 2006), many of our vital and important national interests would be negatively affected.

A withdrawal before achieving sustainable stability would result in the further release of the strong centrifugal forces in Iraq and would likely produce a number of dangerous results, including a high risk of the disintegration of the Iraqi security forces, a rapid deterioration of local security, a marked increase in violence, further ethno-sectarian displacement and refugee flows, alliances of convenience among Iraqi groups and other internal and external forces to gain advantages over their rivals. The recent DIA report confirms my assessment of the consequences of withdrawal. A failed state in Iraq would also allow al Qaeda-Iraq to regroup and regain the sanctuaries they had established and that Iraqi and coalition forces have secured in the past months. Al Qaeda writ large would also benefit from the psychological and recruiting boost to their cause that would be derived from the perceived failure of American policy. Beyond al Qaeda, Iranian hegemonic ambitions could be encouraged. Additionally, the developing nexus between Iraq, Tehran, Damascus, and Lebanese Hezbollah would solidify and exacerbate the underlying Sunni-Shiite conflict already in the Middle East. There is a significant risk that Iraq would be the catalyst for broader regional turmoil as Turkey, Iran, Syria, and other neighbors acted to defend their interests. These consequences would have an adverse impact on the global economy, as potential interruptions in the export of oil from Gulf Region would impact global economic markets. Such results would, in my view, constitute failure in Iraq; our shared vision of a stable and secure Iraq would not be achieved and American and global interests in Iraq and the region would not be protected.

To be sure, the situation in Iraq remains complex, difficult, and frustrating, but I believe that it is possible to achieve our objectives in Iraq over time through our continued efforts, though doing so will not be quick, inexpensive, or easy. The costs of staying in Iraq are high, but the costs of withdrawal before achieving sustainable security may well be much higher.

I believe that the best way to secure our national interests and avoid an unfavorable outcome in Iraq is to continue to focus our operations on securing the Iraqi people while targeting terrorist groups and militia extremists and, as quickly as conditions are met, transitioning security tasks to Iraqi elements.

TROOP LEVELS

19. Senator AKAKA. General Petraeus, you expressed concern in your opening statement about "the implications of a rapid withdrawal." I am troubled by this characterization because I have not heard any Member of Congress who supports ending the war say that our withdrawal should be rapid. In fact, I believe that most of us advocate a gradual or phased drawdown that would lessen the shock of our troops' departure on the Iraqi citizens and government, and give them an opportunity to, using the words of the President, "stand up." Please define what you mean by a "rapid" drawdown.

General PETRAEUS. I would describe a rapid withdrawal as any withdrawal that is solely time-based and fails to consider the operational environment and the current mission. The reduction of MNF–I forces that I proposed in my testimony matches our ability to secure U.S. national objectives in Iraq with the operational environment and available resources at an acceptable level of risk. This plan also allows for the orderly repositioning of equipment and personnel currently in Iraq. Any significant acceleration of this schedule without a significant improvement in the operational environment would constitute a rapid drawdown because it would fail to balance the mission and force level with the security conditions on the ground.

20. Senator AKAKA. General Petraeus, if you were to conduct a "gradual" drawdown of our presence in Iraq, at what pace would you recommend reducing our troop levels?

General PETRAEUS. I do not recommend a "paced" reduction of troop levels. My recent recommendation to reduce the surge force of five BCTs, a Marine Expeditionary Unit (MEU), and two Marine Infantry Battalions, taken in consultation with Ambassador Crocker and my chain of command, represents how I recommend reducing coalition forces against the progress we have achieved in Iraq and the operational environment. The recommendation reflected an assessment of a number of conditions, namely the security environment, the state of Iraqi security forces, and progress in governance and the Iraqi economy. The term "pace" infers a time-based drawdown of troop levels that provides the enemy greater predictability of our actions and cedes initiative. Adhering to a time-based drawdown with a specific "pace" would almost certainly jeopardize security and other gains we have made in Iraq.

Our forces levels can and will come down further beyond the levels reduced in July 2008. As I testified, however, I cannot predict the pace of drawdowns past next July and therefore have offered pledges to present my assessment and recommendations in March 2008 for the way ahead after July 2008.

SAFE HAVENS

21. Senator AKAKA. General Petraeus, I am concerned about reports that there are some areas of Baghdad where coalition forces are not going. In effect, possibly establishing safe havens for our opponents. For example, there is one joint security station in Sadr City which is located not in the interior of the neighborhood but on the border with another district. Are there areas of the city in which our troops do not go?

General PETRAEUS. There are districts in which we try to minimize our visible force posture, such as some of those in Sadr City, but coalition forces execute operations in every neighborhood and security district of Baghdad, including Sadr City. There arc Iraqi Police and National Police units responsible for daily policing within Sadr City and many other neighborhoods of Baghdad, but no areas of Baghdad can be considered a safe haven for the enemies of the Iraqi people. While we strive to conduct all of our operations with our Iraqi partners if they are not operating independently already, we can and do operate in any neighborhood of Baghdad as the mission requires it to ensure that no place in Iraq is knowingly left as a safe haven for extremists.

22. Senator AKAKA. General Petraeus, wasn't the intention of the Baghdad Security Plan to eliminate safe havens?

General PETRAEUS. Yes, and we largely have. Coalition forces execute operations in every neighborhood and security district of Baghdad. Sustained precision strike operations that selectively target extremists and criminals continually reinforce the fact that there is no safe place for the enemy in Baghdad. Kinetic strikes are then reinforced by nonkinetic programs designed to bring clean water, electricity, fuel, and sewer service to the populace in order to build their allegiance to the Government of Iraq and to get them to reject extremist militias and terrorists who cannot

provide basic services, though much work remains to be done in this category. In addition, we continue to work with over 52.000 Iraqi security forces that operate in the Baghdad Security Districts, a number that is increasing, as this will lay the long-term foundation for sustainable Iraqi security.

IRAQI TRIBES

23. Senator AKAKA. General Petraeus, I understand that there are over 150 tribal groups in Iraq. During your hearings on September 10 and 11, 2007, you specifically denied media reports that you were arming Sunni tribes in al Anbar to assist them in fighting al Qaeda. However, I am still concerned about other forms of assistance that might be provided. You did not, for instance, discuss if you are providing any other kind of support to the tribes, such as funding and/or training. My concern is that we may provide them with support that could be utilized against the Shiites or, even our own troops once they are through battling al Qaeda. After all, some of these tribes were previously killing Americans. In addition, the appearance that we are favoring some tribal groups over others could exacerbate sectarian and ethnic conflict. I understand that assisting the Sunni tribes helps put al Qaeda on the defensive; however, I must caution that we must do so with great care in order to avoid unintended consequences. Please describe what resources and/or training you are providing to the Sunni tribes in any province to support their efforts against al Qaeda, and how you are ensuring that anything you provide is not used against our troops, the Shiites, or the Kurds.

General PETRAEUS. I appreciate your well-founded note of caution, and this is indeed an area where we have had to accept some risk, though not without what we consider sufficient mitigation. In separating the armed tribes who are willing to work with us from extremist individuals and irreconcilable groups, we can gain two tangible benefits: we reduce the number of opponents on the battlefield, and we gain contributing partners who have staked their families' well-being on working together with coalition and Iraqi security forces.

As I testified, coalition forces are not arming tribes. Tribal members are already armed for the most part due to the Iraqi policy that allows every household to maintain one AK–47 assault rifle. The support of coalition force for Sunni tribes is focused on supporting community watch groups trying to rid al Qaeda elements from their midst and on providing basic skills to tribal members who agree to monitor key infrastructure or transportation routes in order to prevent its destruction or the emplacement of improvised explosive devices. Before any training takes place, a plan is developed that clearly defines the responsibilities for all parties, outlines the limitations of authorities, and explains the consequences if any person violates the agreement. The tribal sheikh or neighborhood leader selects and vets candidates who also sign an agreement and swear an oath to the Iraqi Government. Once the agreements are signed, the coalition forces' Iraqi security forces in process and screen the candidates including the collection of biometric data, cross-matching with the biometrics database against criminal databases, and recording the serial numbers of candidates' personal weapons. We then work with the Iraqi Government to get formal hiring orders for their integration into Iraqi security forces.

The training provided to these groups covers defensively oriented skills such as checkpoint operations, detainee handling procedures, human rights, Law of Land warfare, safe weapons handling, and proper reporting procedures. The equipment provided to the Iraqis in these situations generally involves a uniform (usually a t-shirt and arm band), cell phones, a phone card, and materials such as reflective belts, chemical lights, and, in some cases, GPS systems that help provide identifying information and locations to improve coordination and reduce fratricide.

24. Senator AKAKA. General Petraeus, if you are providing funding to the Sunnis tribes, please describe the purpose of the funding, and how you are ensuring that the funds are used as intended.

General PETRAEUS. The funding we are providing to Shiite as well as Sunni tribal volunteers covers the initial costs of the broader Concerned Local Citizens (CLCs) movement, in which there are now some 65,000 individuals participating. The majority of these CLCs are Sunni at the present time, though we are seeing rapid growth in the number of Shiite citizens who are also forming groups to reject extremist Jaish al Mahdi and Iranian influence in a similar manner that Sunni tribes rejected al Qaeda. We estimate that approximately $35 million will be spent on these citizen groups through the end of the year, which is a wise investment both in getting a large number of military age males into employment and in the dramatic reductions in violence we see in the areas in which active CLCs are present.

In fact, just the reduction in vehicle losses due to battle damage more than offsets the cost of the CLCs. The next step, which is crucial, is developing with the Government of Iraq the mechanism by which the CLCs go onto Iraqi payrolls. This effort is in its nascent stages now, and I expect to report more on it in the future.

AMERICAN-IRAQI RELATIONS

25. Senator AKAKA. General Petraeus, Dennis Ross, who is a leading Middle East expert, who served in several Republican and Democratic administrations, has stated that, "It is an illusion to believe that the new Iraq is going to act as our partner in the war on terrorism." How sure are we that a new independent Iraq—even one at peace with itself—is going to be pro-American, especially given the pervasive influence of Iran on the dominant Shiite leaders, and what is the basis for your conclusion?

General PETRAEUS. I cannot guarantee success in Iraq or even if we arc successful, that the new independent Iraq will remain pro-American. However, a free and independent Iraq is most likely to be a stabilizing force in the Middle East, and given that it is Shiite-led, and largely Arab, it is at least likely to oppose al Qaeda in Iraq in many areas, as well as Iran, based on historic suspicions and fighting. What I can say is that the building of a strong strategic partnership with the Iraqi Government is in our best interest and that Ambassador Crocker and I are both committed to making this happen. Recently, Iraqi officials indicated that they wanted the United Nations Security Council to extend the mandate of the MNF–I through the end of 2008. Once that mandate extension expires, we believe that senior Iraqi leaders intend on seeking a long-term bilateral security agreement with the United States, an agreement similar to those that exist with Saudi Arabia, Kuwait, the United Arab Emirates, Bahrain, Qatar, and Egypt.

IRAQI REFUGEES

26. Senator AKAKA. General Petraeus, it seems to me that the number of internally displaced people (IDP) is an indicator of sectarian violence. I understand that about 1.8 million Iraqis are now refugees in other countries and that the number of IDPs has increased from 499,000 in February to over 1.1 million in July. Do you agree that the increasing number of IDPs is an indicator of increasing sectarian violence and rising ethnic tensions?

General PETRAEUS. As Ambassador Crocker and I testified, the fundamental source of conflict in Iraq is competition among ethnic and sectarian communities for power and resources. This competition will take place, and its resolution is necessary to produce long-term stability in the new Iraq. The question is whether the competition takes place more or less violently. Tragically, one of the by-products of this power struggle is the number of Iraqis and families that are displaced from their homes as a result of sectarian threats and violence. The surge of operations has led to increased security for Iraqis throughout the country and, while the number of displaced people remains far too high, we have seen positive signs: citizens beginning to return to neighborhoods and an Iraqi government that is working to guarantee the property rights of those who were displaced in order to help reintegrate them into civil society. All indicators are that overall sectarian violence in Iraq is significantly lower now than it was in the winter of 2006 and 2007.

27. Senator AKAKA. General Petraeus, the pace of IDPs does not seem to have been slowed by the surge. How do you respond to the criticism that this is further evidence that the surge has failed?

General PETRAEUS. The military objectives of the surge are, in large measure, being met. Though the improvements in security have been uneven across Iraq, the number of incidents, such as attacks and ethno-sectarian violence, has decreased since June. This decrease in sectarian violence and terrorist attacks, and the associated enhanced security that the surge enabled, have given government and community leaders valuable time to try and resolve pressing political, economic, and sectarian issues. As incidents continue to decline and confidence in the security situation stabilizes, many displaced Iraqis will eventually return to their homes and communities. In fact, as I mentioned above, we are beginning to see a small but significant number of families moving back into neighborhoods that have been secured by coalition and Iraqi security forces.

BENCHMARKS

28. Senator AKAKA. General Petraeus, in its report on the Iraqi government's progress in meeting its benchmarks, the Government Accountability Office (GAO) asserted that it could not confirm that there has been a reduction in sectarian violence since the surge, as a measure of sectarian violence is difficult since the perpetrator's intent is not always clearly known. The report further stated that the average number of daily attacks against civilians remained about the same over the last 6 months, and that the decrease in total average daily attacks in July is largely due to a decrease in attacks on coalition forces rather than civilians. How is the MNF–I determining which killings or attacks are sectarian violence, and which are not? While some may be obvious, I am sure that many are not.

General PETRAEUS. Ethno-sectarian violence is defined as an event and any associated civilian deaths caused by or during murders/executions, kidnappings, direct fire, indirect fire, and all types of explosive devices, identified as being conducted by one ethnic/religious person/group directed at a different ethnic/religious person/group, where the primary motivation for the event is based on ethnicity or religious sect. Analysts review each event to determine the ethnicity and/or religious sect of the victim(s), the entity being attacked, the demographics of the area where the attack occurred, and the method of attack to determine whether a particular event should be included as ethno-sectarian violence. As you correctly point out, many of these events are obviously ethno-sectarian in nature, while others are less obvious until the full range of circumstances are closely examined.

MNF–I employs a methodology that is consistent, rigorous, and thorough. We have shared our methodology with the CIA and DIA, and they concur with our system of measurements. In large part, the GAO's criticism is based on a fundamental misunderstanding of our methodologies. We have always welcomed outside audits and will continue to do so and we continue to stand by our metrics.

29. Senator AKAKA. General Petraeus, you stated in the hearing that the current methodology has been used for over a year. From this, I conclude that the current methodology was changed approximately 3 years into the war. How long exactly has this methodology been in use, and why was it changed?

General PETRAEUS. I have attached to this response the document "MNF–I Ethno-Sectarian Violence Methodology" which outlines the definitions and methodology we use to determine if violent acts should be classified as ethno-sectarian. This methodology has not changed since July 2005. MNF–I defines ethno-sectarian violence as "an event and any associated civilian deaths caused by or during murder/executions, kidnappings, direct fire, indirect fire, and all types of explosive devices identified as being conducted by one ethnic/religious person/group directed at a different ethnic/religious person/group, where the primary motivation for the event is based on ethnicity or religious sect."

The only significant change to the reported level of ethno-sectarian violence is one that resulted from our receipt of backlogged data from the Iraqi National Command Center in March 2007. After verifying the data, we updated previous accounts of the levels of sectarian violence with these reports to ensure we had the most accurate depiction of the sectarian violence we are measuring. This additional data did not arrive in time for inclusion in the March 9010 Report to Congress, but was reflected in the June 9010 Report. Since then, MNF–I has worked hard to improve our coordination with our Iraqi counterparts to ensure we receive Iraqi reports in a timely and consistent manner. We believe that using verified Iraqi data adds to the accuracy of our statistics.

MNF-I Ethno-Sectarian Violence Methodology

MNF-I Ethno-Sectarian Violence Methodology

Definition of Ethno-Sectarian Violence. An event and any associated civilian deaths caused by or during murders/executions, kidnappings, direct fire, indirect fire, and all types of explosive devices identified as being conducted by one ethnic/religious person/group directed at a different ethnic/religious person/group, where the primary motivation for the event is based on ethnicity or religious sect.

Procedure for Determining Ethno-Sectarian Violence. MNF-I gathers data from Coalition and Iraqi operations centers as events are reported. In the days after incidents take place, MNF-I continues to refine the data, verifying and updating initial information, adding pertinent details, and analyzing the events. In this way, the first report is supplemented by follow-up reporting to ensure that we have the most accurate information possible. Analysts then review the Coalition reports and a subset of the Iraqi reports (murders, high profile attacks, assassinations, and kidnappings), using the criteria listed below, in order to determine the ethnicity and/or religious sect of the victim(s), the entity being attacked, the demographics of the area where the attack occurred, and the method of attack. These criteria allow the analysts to determine whether or not a particular event should be considered ethno-sectarian violence.

The following criteria are used by MNF-I to determine Ethno-sectarian Violence

Ethnicity or Religious Sect of the victim. Each event is reviewed to determine the ethnicity and religious sect of the victim. When a victim is identified to have been one ethnicity/sect and was killed in an area predominantly populated by a different ethnicity/sect or is known to have been killed by a different ethnicity/sect, the event is considered an ethno-sectarian incident.

Entity. Each event is reviewed to determine if the attack occurred against civilians, civilians of the same sect or ethnicity, Coalition Forces, Iraqi Security Forces, or the Government of Iraq. Attacks against civilians of the same sect or ethnicity, Coalition Forces, Government of Iraq personnel/facilities, and Iraqi Security Forces are not considered ethno-sectarian incidents.

Area. Each event is reviewed to determine the area in which the attack took place. Attacks targeting predominantly single-sect or single-ethnicity areas are typically considered ethno-sectarian. "Predominantly" is defined as greater than or equal to 50% of one ethnic/religious affiliation.

Target. Each event is reviewed to determine the intended target(s) of the attack. The targets of an attack, such as crowds or specific types of infrastructure, provide indicators of whether or not an attack was conducted for ethno-sectarian reasons. Medical centers, market places, mosques or religious symbols, educational facilities, religious gatherings, stores/restaurants, and housing areas are some common areas where ethno-sectarian attacks occur. These entities are normally run/owned, attended by, or used primarily by one ethnic/religious group. There are cases where the attacking sect may kill or injure individuals from his same ethnic/religious group during an attack; however, this alone does not prevent an attack from

being classified as ethno-sectarian, as extremist ideology permits the killing of any Muslim who is not a member of the targeted group and is located among the targeted group, since doing so classifies them as apostates.

Method of Attack. Each event is reviewed to determine the type of attack that occurred. The method of attack is a solid indicator of whether an attack is ethno-sectarian or not.

Example: High-profile attacks, such as suicide car bombs, car bombs and suicide vests, are known Sunni-extremist group tactics often directed against civilians, Coalition Forces, Iraqi Security Forces, and the Government of Iraq. For example, a high-profile attack occurring in a predominantly Shi'a area points is often considered an ethno-sectarian attack.

The following explains methods of attack in more detail as well as the source of the reporting for the attacks:

Improvised Explosive Device (IED): Locations that are primarily targeted by IEDs include, but are not limited to, medical centers, market places, mosques or religious symbols, educational facilities, religious gatherings, stores/restaurants, and houses in neighborhoods. These entities are normally run/owned, attended by, or used primarily by one ethnic/religious group. Coalition reports (SIGACTS) are used for this category of attacks.

Example: Threats are made to Sunni individuals living in a predominantly Shi'a area, telling them to leave or face the consequences. Following the threat, the homes of two Sunni families in the neighborhood are destroyed by an IED. This is considered an ethno-sectarian incident.

Car Bombs: Locations that are primarily targeted by car bombs include, but are not limited to, medical centers, market places, mosques or religious symbols, educational facilities, religious gatherings, stores/restaurants, and houses in neighborhoods. These entities are normally run/owned, attended by, or used primarily by one ethnic/religious group. Coalition reports (SIGACTS) are used for this category of attacks.

Suicide Car Bombs: Locations that are primarily targeted by suicide car bombs include, but are not limited to, medical centers, market places, mosques or religious symbols, educational facilities, religious gatherings, stores/restaurants, and houses in neighborhoods. These entities are normally run/owned, attended by, or used primarily by one ethnic/religious group. Coalition reports (SIGACTS) are used for this category of attacks.

Suicide Vest: Locations that are primarily targeted by suicide vest attacks include, but are not limited to, medical centers, market places, mosques or religious symbols, educational facilities, religious gatherings, stores/restaurants, and houses in neighborhoods. These entities are normally run/owned, attended by, or used primarily by one ethnic/religious group. Coalition reports (SIGACTS) are used for this category of attacks.

Example: A suicide vest explodes in a crowded market located in a mixed neighborhood but mainly frequented by Shi'a. Although the attack was in a mixed neighborhood, the assessed target is Shi'a civilians. This assessment was derived from the fact that the predominant

population using the market was Shi'a. Some Sunnis may have also been killed or injured in the event; however, extremist ideology permits the killing of any Muslim who is frequenting an area used by a different sect, since they are considered apostates. This suicide vest attack is considered an ethno-sectarian incident.

Direct Fire: Direct fire often targets religious gatherings, such as individuals entering and exiting mosques; individuals entering and exiting educational facilities; and individuals entering and exiting medical centers, market areas, and gatherings for work. Coalition reports (SIGACTS) are used for this category of attacks.

Example: Individual day laborers of the same sect or ethnicity gather while waiting for work and are killed by direct fire that is shot by individuals of a different sect or ethnicity.

Indirect Fire (IDF): Indirect fire often targets medical centers, market places, mosques or religious symbols, educational facilities, religious gatherings, stores/restaurants, and houses in neighborhoods. It also often targets Coalition Forces, Iraqi Security Forces, and Government of Iraq facilities and personnel. Due to the inaccuracy of IDF, it must be assessed as being directed against civilians of a specific sect/ethnicity, and there must not be any Coalition Forces, Iraqi Security Forces, or Government of Iraq facilities or personnel in the area; if they are, it cannot be construed that they were not the intended target. Coalition reports (SIGACTS) are used for this category.

Executions: Executions include civilians that show signs of torture. This includes evidence of individuals being bound, blindfolded, or shot anywhere in the head or decapitated, strangled, hung, suffocated, or mutilated as well as instances where three or more bodies are found together (except in cases of indirect fire). Executions against Iraqi Security Forces or any other government personnel are excluded. Also excluded are executions conducted due to intra-sect violence. For this category of attack, Coalition reports (SIGACTS) are supplemented by Host Nation reports, since those reports have the best information available from morgues and police stations.

Murder: Murders can be categorized as ethno-sectarian violence if it is determined that the perpetrator is of one ethnicity/religious group and the victim is of a different ethnicity/religious group. Coalition reporting and Host Nation reporting are both used for this category of attack.

Kidnapping: Kidnapping events are considered ethno-sectarian incidents if they involve individuals who are kidnapped solely because of their ethnicity or religion. Coalition reporting and Host Nation reporting are used for this category.

30. Senator AKAKA. General Petraeus, how can you use this methodology to evaluate trends in sectarian violence against previous years when the methodology was changed?

General PETRAEUS. The methodology for measuring ethno-sectarian violence has not changed since it was implemented in the summer 2005. Additionally, the rigorous methodology deals with interpreting data, rather than collecting it. Thus, when comparing data from different years, MNF–I analysis apply the same methodology to the entire data set to make the most accurate trends assessments possible. Prior to 2005, we weren't as focused on ethno-sectarian violence as we are today. In fact, prior to the bombing of the Mosque of the Golden Dome in early 2006, ethno-sectarian violence was limited. The bombing of the mosque literally tore the fabric of Iraqi society, pining sects against one another and plunging neighborhoods into violence.

31. Senator AKAKA. General Petraeus, because of the inherent difficulties in attempting to determine the intent of a killing, your method of measuring sectarian violence in Iraq seems subjective to me. Why not use objective measurements such as total civilian killings or average daily attacks to assess levels of violence?

General PETRAEUS. We do, in fact, use total civilian deaths and daily attacks as metrics on which we focus. However, due to the damage done by sectarian violence, we do focus on that, as well. In fact, due to its divisive nature, sectarian-motivated violence poses the greatest threat to the long-term goals of reconciliation among the Iraqis. While no violence is acceptable, measuring the level of sectarian violence helps assess progress toward reconciliation.

Sectarian violence is thus an important subset of total levels of violence as it is an indicator of the level of civil unrest among the various sects within Iraq. We therefore scrutinize various indicators and develop specific methods for accurately measuring the level of sectarian violence. We use a number of indicators to determine the levels of violence in Iraq. These include subjective assessments as well as objective measurements. While total civilian casualties and daily attacks are part of that set of measurements, those two indicators alone are not enough to determine if a violent act was sectarian-motivated. Therefore, our analysis teams review reports in detail, searching for the signs that suggest sectarianism.

Securing the population from both internal and external threats is a priority and it is therefore essential to accurately measure trends in violence. Ultimately, I believe we are best able to do this by assessing a wide spectrum of violence indicators, including, as I noted earlier, total civilian deaths and average daily attacks. The nature of the conflict in Iraq is exceedingly complex and we use a variety of tools to measure it.

WEAPONS CACHES

32. Senator AKAKA. General Petraeus, in your slides that you provided with your opening remarks at the hearing, you provided a slide on the numbers of weapons caches found. What percentage of the weapons caches found are weapons from: 1) Saddam Hussein's military forces; 2) U.S. military weapons; 3) Iranian weapons; 4) Syrian Weapons; and 5) weapons from other nations?

General PETRAEUS. While we attempt to collect as much information as we can to gain greater situational awareness, to include forensic data that is then shared with and analyzed by other governmental agencies such as the FBI, it is very difficult to assess the sources of weapons we have found in caches. Most of the weapons we are finding in theater are made from a variety of different countries. Due to the commonality of the type of weapons and the variety of different methods of entrance into Iraq, we cannot accurately track sources of origin. Further, the condition of the weapons caches we are finding vary greatly, from some that have been secured for long periods of time and lack markings to some that have just been recently emplaced. These factors make it extremely difficult and often nearly impossible to assess the weapons' sources.

U.N. RESOLUTION 1723

33. Senator AKAKA. Ambassador Crocker, United Nations (U.N.) Resolution 1723, the mandate under which coalition troops currently operate in Iraq, expires in December 2007, and would, therefore, require renewal to support continued coalition operations in Iraq. Have any efforts been made by the Iraqi Parliament to block the renewal of U.N. Resolution 1723?

Ambassador CROCKER. No efforts have been made by the Iraqi Parliament to block the renewal of U.N. Resolution 1723. We are currently working with the Government of Iraq, coalition members, and members of the United Nations Security Council to renew UNSCR 1723. We have received assurances from the Government of Iraq that it supports this effort.

34. Senator AKAKA. Ambassador Crocker, if so, what actions were taken by the Parliament, what further actions do they have planned, and what is the intent and current status of their efforts?

Ambassador CROCKER. See answer to question 33.

MALIKI GOVERNMENT

35. Senator AKAKA. Ambassador Crocker, on August 22, 2007, Time.com reported that Nouri al-Maliki's government was teetering on the verge of collapse, and that

"Baghdad's Green Zone is humming with political maneuverings by Iraqi politicians who want his job." The next day, CNN.com's Political Ticker reported that former Iraqi Prime Minister Ayad Allawi had hired a Washington, DC, lobbying firm to begin a public campaign to undermine the Maliki government and replace him with Allawi. In your opinion, how likely is the Maliki government to survive?

Ambassador CROCKER. Prime Minister Nouri al-Maliki continues to enjoy the support of his party and its coalition partners. Al-Maliki demonstrated his political tact through his success in achieving agreement on the principles of reconciliation contained in the August 26 communiqué by top Sunni, Shia, and Kurdish leaders. He enhanced his international support at the U.N. General Assembly in September and he will be attending the Expanded Neighbors Conference in Istanbul on November 2–3. The United States is fully committed to continuing its work with Prime Minister al-Maliki to sustain a united, Federal, and democratic government in Iraq.

36. Senator AKAKA. Ambassador Crocker, if the government were to fall and new elections held, how long would that set back negotiations for political reconciliation?

Ambassador CROCKER. It is impossible to determine what the exact impact on political reconciliation would be should the current governing coalitions in Iraq fall and new elections be held. As I stated in a previous response, Nouri al-Maliki continues to enjoy the support of his party and its coalition partners. Al-Maliki demonstrated his political tact through his success in achieving agreement on the principles of reconciliation contained in the August 26 communiqué by top Sunni, Shiite, and Kurdish leaders. He enhanced his international support at the U.N. General Assembly in September, and he will be attending the Expanded Neighbors Conference in Istanbul on November 2–3. The United States is fully committed to continuing its work with Prime Minister al-Maliki to sustain a united, Federal, and democratic government in Iraq.

37. Senator AKAKA. Ambassador Crocker, in your opinion, is Ayad Allawi actively working to undermine the Maliki government, and hindering the Prime Minister's efforts to achieve political reconciliation?

Ambassador CROCKER. Competition among politicians and among political parties is part and parcel of democracy. Iraq's democratic, Federal governance system has, for the first time, allowed for competing political parties to publicly express different political views without fear of government retribution. Individual leaders, including Allawi, establish positions and pursue platforms which they believe will attract political support. Rather than seeing that competition of ideas as a challenge to reconciliation, I see it as an indispensable part of the political process, and one that helps ensure that the Iraqi people's desire for reconciliation will be fulfilled.

STATE-OWNED BUSINESSES

38. Senator AKAKA. Ambassador Crocker, in the last 4 years the United States has obligated nearly $370 billion to Iraq—as the GAO points out. We have been pouring money into state-owned plants which do not seem to be able to generate much business. It has been suggested that rather than trying to prop up state-owned businesses, the Bush administration should switch to supporting the private sector and letting the markets take over. What is your assessment of this idea?

Ambassador CROCKER. Supporting private sector development is a key goal of our economic policy in Iraq. A dynamic and varied private sector will provide the source of long-term economic growth that generates employment and spurs innovation. To this end, the Embassy in Baghdad has been working for 3 years with the Iraqi Government on a range of initiatives to improve the business climate and facilitate the creation of Iraqi firms. This includes helping to streamline the business registration process, passing a landmark investment law, and creating a one-stop investment promotion center. The Embassy has also focused on helping Iraq improve laws and regulations to improve specific sectors that are key to private enterprise, such as telecommunications.

In support of an emerging Iraqi private sector, USAID's micro-credit program has also been very successful in helping thousands of businesses start up. More than 55,000 loans have been issued over the past 3 years. USAID has also offered vocational education programs and business education initiatives.

At the same time, DOD's Task Force to Improve Business and Stability Operations in Iraq, led by Deputy Under Secretary of Defense Paul Brinkley, is working to revitalize certain state owned enterprises (SOEs), with the aim of increasing employment, kick-starting economic activity (including in related private companies)

and attracting private investment in those SOEs, leading to their eventual privatization.

We are working with DOD to fully integrate this initiative into our broader engagement with the Iraqi Government to promote the kinds of reforms Iraq will need to develop its economy. This initiative was conceived to play a part in creating short-term gains to improve the prospects for job creation and broader Iraqi economic growth. This should come within the context of an overall focus on promoting private sector development and supporting free-market enterprise.

INSURGENCY IN IRAQ

39. Senator AKAKA. General Petraeus and Ambassador Crocker, Admiral Fallon, in his testimony before this committee on May 3, 2007, stated that "Insurgent groups in Iraq have multiple and often competing motivations for perpetuating violence. However, a common thread is their opposition to U.S. and coalition presence and refusal to accept the legitimacy of an inclusive, representative government." Do you agree with Admiral Fallon's point?

General PETRAEUS. First, I agree with Admiral Fallon that insurgent groups, terrorists, militias, and criminals have multiple and often competing motivations for perpetuating violence. There are a wide range of individual motivations and group dynamics that justify violent acts. Some of the motivations include anger, sense of disrespect and loss, fear of Iranian influence, fear of a Baathist return, anti-Western xenophobia, religious extremism, concern for the future, and the need to protect and provide for a family. A recent survey of detainees showed that the majority were drawn to the insurgency for economic reasons. On a larger scale, the violence we see today is driven by a complex mixture of destabilizing forces that include insurgency and terrorism; communal power struggles; and regional interference and foreign-fueled proxy war, all compounded by weak and divided institutions. That said, the conflict remains predominantly a reflection of a communal struggle for power and survival, with elements of both inter- and intra-sectarian violence, as well as al Qaeda-sponsored terrorism.

A major driver for violence in Iraq for the Sunni Arab-based insurgency had been the rejection of what the Sunnis perceived as the disproportionate empowerment of the Shiite and Kurdish communities that occurred as a result of coalition force operations. For many insurgents, the coalition presence was a primary target because coalition forces enabled major societal and political changes at their expense. However, over the past several months, many Sunni Arab political, tribal, and religious leaders, as well some of the insurgent groups, have demonstrated increased pragmatism and willingness to assist in the suppression of violence, to work with the coalition force and Iraqi security forces to defeat al Qaeda, and to help secure their neighborhoods with Local Citizens Groups.

In contrast to the spring of 2006, I would say that more and more Sunni Arabs, including insurgents and former insurgents, increasingly understand the value of our presence. In point of fact, the Sunni Arab Awakening movement has expanded well beyond al Anbar province, reflecting an increased willingness to work within the parameters of the current political process. Many have now reconciled themselves to the idea that the future of Iraq will be determined by political efforts rather than at the handle of a gun and what they really want is a seat at the table in Baghdad. It will take some strong confidence building measures to get many of the Shiite—who don't know they have "won" to get over the years of Sunni suppression. The struggle to define legitimacy and a representative government is taking place, and its resolution is required to produce long-term stability in the new Iraq. The question is whether the competition takes place more—or less—violently.

Ambassador CROCKER. While many insurgents in Iraq oppose the coalition presence and refuse to accept an inclusive and representative government, the Iraqi insurgency is dynamic and diverse. As Admiral Fallon stated, different groups have different motivations for their actions. Thus, the level of an insurgent's opposition to either the coalition or the Iraqi government may vary dramatically based on that individual's cultural, ethnic, political, and religious orientation as well as his or her interpretation of recent history.

One commonality among insurgent groups in Iraq is the increasing popular opposition they are facing from Iraqis who have grown weary of violence. These citizens would rather cooperate with an inclusive, representative Iraqi government and coalition force than suffer continued violence and economic privation.

40. Senator AKAKA. General Petraeus and Ambassador Crocker, it is entirely possible that our presence in the region is fuel to the fire, and that the resistance to

the government is because it is seen as an extension of the American occupation force. Has anybody seriously researched the underlying cause for opposition to our presence?

General PETRAEUS. There is undoubtedly an element of resistance to perceived occupation that adds "fuel to the fire," particularly given Iraqi xenophobia, but overall I believe we are more of a stabilizing force than an irritant, as seen by the decrease in sectarian violence as additional coalition forces were brought into the country. I believe the resistance to the government stems more from internal Iraqi politics in that groups representing the diversity of the Iraqi populace are for the first time fairly competing for political power.

Iraq is the one of the most complex and challenging situations we have ever faced as a nation, and perhaps one of the most thoroughly examined. In 2007, there were two in-depth NIEs, not to mention other government agency reports, academic and think tank studies, and, of course, our partnership with the Iraqis, all providing valuable insights into the motivations of groups opposing the Government of Iraq.

Ambassador CROCKER. For some insurgent groups U.S. presence is an underlying reason for resistance to the Government of Iraq. Some view Iraqi security forces as extensions of the coalition forces that are helping to train and equip them. Others, like al Qaeda, are against any governmental system not based strictly on what they assert is the only true understanding of Islamic law. These extremists are violently opposed to the governments of most Muslim nations, regardless of outside influences. Still others simply wish to take control of power and resources for their own profit, seeking to subvert any force that would block their access.

Among the studies devoted to this topic, the bipartisan Iraq Study Group, led by James A. Baker III and Lee H. Hamilton, made some relevant observations. According to their research, "Sectarian violence causes the largest number of Iraqi civilian casualties." They note that, far from calling for quick withdrawal of forces, many Iraqis see the coalition presence as a crucial buffer against opposing sects—for Sunni leaders, a buffer against Shiite militias and, for Shiite leaders, a buffer against al Qaeda and former regime elements. For that reason, the study warned that any premature withdrawal of coalition forces would likely lead to much higher levels of violence.

41. Senator AKAKA. General Petraeus and Ambassador Crocker, has anyone spoken with leaders from the warring factions/insurgent groups to determine whether or not the removal of most of our troops might actually cool things down and facilitate acceptance of the government?

General PETRAEUS. MNF–I has engaged in dialogue with warring factions and insurgent groups. On issues of potential security accommodations, we insist that no expedient agreement can be made that undermines the sovereign Government of Iraq. Over time, as sufficient Iraqi security forces are trained and equipped, they will increasingly allow us to thin our forces, which could potentially be used in bargaining with some warring factions/insurgent groups. It is our understanding, however, that many of these groups would fully support the removal of most of our troops in order to increase their relative power, which would not necessarily translate into support of the government.

On a broader scale, we recognize that in many cases Iraqi public opinion favors the removal of coalition forces when the question is broadly asked. More nuanced polling elicits responses that indicate a hesitance to have coalition force leave before reaching a sustainable level of security and stability. Additionally, the coalition is seen as a fair arbiter in facilitating the reconciliation process, regardless of Iraqi opinion of coalition presence.

Ambassador CROCKER. Coalition forces are serving in Iraq under a U.N. mandate and at the invitation of the democratically elected Government of Iraq. Accordingly, while the United States puts a priority on understanding the motivations and operations of the warring factions/insurgent groups, the United States consults first and foremost with the Iraqi government about policy regarding the withdrawal of forces or overall troop levels in Iraq. We have, however, engaged select insurgent groups, most notably in Anbar province, with positive results. Ultimately, it would be a mistake to assume there is a direct relationship between the level of coalition forces and the level of violence. For example, in some areas where there is a declining coalition presence, we have seen an increase in the level of violence among various militia groups as well as criminal gangs. Violence in Iraq and the motivations behind it are varied and dynamic.

42. Senator AKAKA. General Petraeus and Ambassador Crocker, the goal of this research would be to identify what is the underlying objection to our presence, which would provide us with the information we need to develop a successful strat-

egy for resolution. If a study of this nature has been conducted, how was the research done, and what were the results? If not, why have we not studied this possibility?

General PETRAEUS. As described above, we recognize that our presence is not an "either-or" proposition: we will be an irritant at the same time we are a stabilizer. We conduct all of our engagements with the Government of Iraq and Iraqi citizens with this understanding. Our own analysis of this problem is buttressed by other governmental and nongovernmental agencies that use differing methodologies for their research on Iraq. Through these broad approaches, we attempt to gain a nuanced understanding of the motives and objectives of the large number of diverse groups with whom we deal.

Ambassador CROCKER. As I noted to your earlier question on the subject, Iraqi insurgent groups are dynamic and diverse, as are their reasons for opposing U.S. presence or the Government of Iraq, and it would be a mistake to assume that there is a direct relationship between the level of coalition forces and the level of violence. The level of an insurgent's opposition to either the coalition or the Iraqi Government may vary dramatically based on that individual's cultural, ethnic, political, and religious orientation as well as his or her interpretation of recent history. Among others, the bipartisan Iraq Study Group, led by James A. Baker III and Lee H. Hamilton, examined the underlying objection to U.S. presence in Iraq. It noted that many Iraqis see the coalition presence as a crucial buffer against opposing sects—for Sunni leaders, a buffer against Shiite militias and, for Shiite leaders, a buffer against al Qaeda and former regime elements. This is critical because sectarian-based violence is one of the key sources of violence in Iraq. For that reason, the study warned that any premature withdrawal of coalition forces would likely lead to much higher levels of violence.

43. Senator AKAKA. General Petraeus and Ambassador Crocker, should we not be assessing all of our options to determine the best course of action?

General PETRAEUS. MNF–I's planning efforts do examine all plausible options to develop the best courses of action. As we refine our plans, we take into account realities on the ground, such as the recent outburst of Concerned Local Citizens across Iraq, and endeavor to put into place solutions that are feasible in execution and sustainable by Iraqis over time. We continually assess our progress, options, and possible outcomes. Our in-depth assessment process uses resources that include think tanks, Red Teams, panels, experts, and staff from all sectors of society and government.

Ambassador CROCKER. U.S. diplomatic and military officials continually examine all policy options to ensure the best course of action to go forward in Iraq. This examination is done in consultation with the Government of Iraq and other coalition partners and focuses on options that protect and advance U.S. interests and the U.N. Chapter VII mandate to maintain security and stability in Iraq.

[Whereupon, at 7:35 p.m., the committee adjourned.]