Iraq: Lessons Learned in the Context of Regime Change in North Korea

by

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Introduction

In framing the Iraq reconstruction experience in ways that may be useful to anticipating reunification of the Korean Peninsula, it is at once necessary and difficult to isolate the enterprise’s dominant feature: the American invasion and occupation. The demise of the Baathist regime at the hands of external forces versus internal pressures naturally affected every aspect of the effort to stabilize the country in the wake of Saddam’s fall. Grandiose visions for what post-Saddam Iraq might look like paired with inadequate planning and a woeful ignorance of Iraqi culture and political dynamics quickly sapped the goodwill of Iraqis toward their liberators and created power vacuums that un-reconciled regime elements, agents of sectarianism and neighboring states moved quickly to fill. The resulting distraction and massive shift in resources to cope with a determined insurgency and avert civil war crippled the broader effort to improve basic services, reform Iraq’s civil institutions and lay the foundations for long-term economic and social stability. From the moment it assumed authority in May 2003 to the rushed transfer of power to a shaky Iraqi Interim Government in June 2004, the Coalition Provisional Authority (CPA) found itself in a desperate race to keep pace with events it failed to foresee and was vastly under-resourced to contend with. A maximalist agenda to transform Iraq into the Middle East’s first democracy ran up against a minimalist approach to the time-frame and resources necessary to accomplish the job.

From the perspective of the Iraqi people, encouraged to believe their material circumstances would see dramatic improvement in short order, the makeover of Iraq has fallen well short of expectations. Seven years after the invasion, Iraqis can still count on an average of only seven hours of electricity a day. Water shortages and quality problems plague vast swaths of the country, impoverishing farmers, damaging public health and setting off a new wave of population displacement. The sectarian civil war that peaked in 2006-2007, threatening to drown the nation in a cauldron of violence appears to have abated. In its wake, however, a bitterly divided political establishment struggles to make the necessary compromises to form a stable government five months after national elections. Meanwhile, critically-needed reforms, including legislation to demarcate provincial and central authorities, divide Iraq’s oil revenue and create a merit-based civil service, languish. If the two Koreas can be said to live in a tough
neighborhood, Iraq’s milieu verges on toxic. The country today finds itself surrounded by governments who, for a variety of reasons, regard an ascendant Iraq as inimical to their own interests, expending considerable resources to ensure it remains weak.

At first blush, North Korea’s profile appears somewhat better than that of Iraq prior to the latter’s invasion in March 2003 by U.S. and British forces. Though isolated and impoverished, North Korea does not bear the combined legacy of thirty years of unrelenting war and sanctions. Nor does it possess the deep ethno-sectarian schisms that have threatened to tear Iraq apart, igniting in the process a broader regional war along the same fault lines. And while North Korea is under constant pressure from an international community bent on mitigating the threat posed by its nuclear arsenal, the existential threat it faces exists only in proportion its own belligerent tendencies. Finally, while Iraq lacks a stable, democratic state nearby on whom it might model its transformation, South Korea presents not only the possibility for fraternal guidance, but also the prospect of reunification, albeit not without significant attendant baggage.

Despite these differences and notwithstanding the unpredictable circumstances that will accompany regime-change in North Korea, the two countries share characteristics common to all societies stunted by isolation and cowed by repression. These include a traumatized and bewildered population, weak and corrupt institutions, a defunct economy and malign actors seeking to exploit these conditions, circumstances also associated with societies emerging from violent conflict. It is on the basis of these shared characteristics – irrespective of the prevalence or degree violence - that I have chosen to view the Iraq experience through the lens of post-conflict stabilization and reconstruction (S&R). In so doing, I am drawing heavily on the framework developed by my colleagues at the U.S. Institute of Peace and outlined in *Guiding Principles for Stabilization and Reconstruction*. The outcome of years of research and field experience drawn from post-conflict environments ranging from Haiti and Bosnia, to Afghanistan and Iraq, the framework establishes five desired “end states” for a society emerging from conflict and the conditions necessary to achieve them: 1) Safe and Secure Environment, 2) Rule of Law, 3) Stable Governance, 4) Sustainable Economy, and 5) Social Well-Being. (see attached chart).
It is a crude rule of thumb among practitioners that domestic and international responders have roughly one year to establish sufficient progress toward these end states to convince ordinary citizens and spoilers alike that a secure state capable of establishing and defending the rule of law, is a fait accompli. Equal parts opportunity and vulnerability, it is a crucial period during which responders must seize the initiative to establish security, guarantee essential services and effect political reconciliation – or risk surrendering it to those seeking profit in chronic instability. This is a malleable rule, of course, but one borne out by the Iraq experience. For this reason, this paper focuses primarily on the 13-month tenure of the CPA, which commenced shortly after Saddam’s fall and ended June 28, 2004. Acutely aware of the unforgiving constraints of its self-imposed shelf-life, the CPA labored mightily to achieve a tipping point of success beyond which the chances of backslide into chaos would be less likely. Which aspects of that yet ongoing and unresolved struggle may apply themselves to the questions facing the two Koreas, I leave to those far more expert in Korean affairs to discern.

The following is a short-list of key principles associated with successful S&R missions, loosely adapted from *Guiding Principles*. I attach them both in reference to the Iraq experience and for any guidance they may offer to future contexts, including that of the Korean Peninsula:

1. **Rule of interdependence:** Security, rule of law, governance, and economic growth are all interdependent components of a just and stable society. Attempting to develop any one area in isolation of its peers jeopardizes the overall success of the endeavor.

2. **Building host-nation capacity:** The affected country must drive its own development needs and priorities even if transitional authority is in the hands of outsiders. Neglecting local ownership and capacity risks alienating the population and rendering S&R efforts unsustainable.

3. **Breaking the vessel in order to save it:** Applying foreign templates to reform local institutions without a clear understanding of the nature and role of those institutions can lead to inappropriate solutions. Better to build on existing formal and informal structures, wherever feasible, to develop local capacity and gain trust.

4. **Managing expectations and communication:** Constant and clear communication helps manage expectations about the realities of donor and state resources and the progress of reconstruction. It also counters spoiler narratives that undermine peace.

5. **Unity of effort:** Cooperation among all actors involved, including those of the host-nation, international agencies and foreign governments, is as critical to success as it is difficult to achieve. It begins with a shared understanding of the situation - derived from an assessment – enabling the creation of an overarching strategic goal and plans to accomplish it.

6. **Regional engagement:** Linked to unity of effort, regional engagement entails encouraging the host nation, neighboring countries and other regional stakeholders to partner in promoting the affected nation’s security and economic development for the benefit of all. A key element of this
activity is identifying the interests, issues and unresolved conflicts of neighboring states and assessing their impacts on the S&R mission.

7. **Nesting:** Short term objectives must be “nested” in longer-term goals in order to build sustainable peace. For example, micro-grants and neighborhood projects intended to stimulate local economies and provide temporary employment can lead to disillusionment and harm the S&R mission if they are not connected to a development strategy that leads to sustained employment.

8. **Prioritize to stabilize:** The opening days and months of an S&R mission provides an opportunity to maximize initial efforts to establish security, win the trust of the population and set the “tone” for transition. It is also a time when hopes for the future are at their highest and resistance among spoilers less organized.

**Prewar planning**

It is received wisdom that while prewar planning for the invasion of Iraq was generally solid, preparations for its occupation and reconstruction left much to be desired. Given that operational planning began less than six months prior to the invasion, is hard to imagine how it could have been otherwise. By comparison, preparations for the occupations of Germany and Japan commenced two years before the end of WWII. Aside from a late start, prewar planning also suffered from a lopsided focus on preparing for humanitarian crises versus how to go about rewiring the institutional framework of an entire society emerging from three decades of war and sanctions. While fears – justified at the time – of massive refugee flows and massive food shortages failed to materialize, American military and civilian authorities were “shocked and awed” by the state of collapse in which they found Iraq upon arrival. In fact, there had been some attempt at pre-war assessment. As part of its *Future of Iraq Project*, for example, the State Department convened working groups of Iraqi exiles in early 2002 to build consensus among them and assess Iraq’s postwar needs. The report’s findings, registering some of the challenges ahead and offering a vision for a new Iraq, was devoid of the kind of detailed information on the nature and condition of Iraq’s bureaucracies and infrastructure essential to accurate forecasting. Given the tight control over information exerted in a police state, this dearth of detail is to be expected; it did not help, however, that many of the project’s Iraqi participants had not been in Iraq for decades. In the end, it all came to “guestimation.”

**Ensuring a Safe and Secure Environment**
An end state in which the population has the freedom to pursue daily activities without fear of politically motivated, persistent or large-scale violence and characterized by an adequate level of public order, the subordination of security forces to legitimate state authority and the protection of infrastructure and commerce.

Much has been written about the decision by CPA Administrator, Paul Bremer, to disband the Iraqi Army and start from scratch rather than retrain and reform the existing force structure. Taken together with the contrasting decision to retain the highly corrupt and less competent national police force, these actions and their consequences underscore the challenges in harnessing host-nation capacity.

As widespread looting and destruction of infrastructure and government property ensued in late spring 2003, the CPA was faced with a dilemma: either to proceed with its plan to disband the Iraqi Army and rely on the police to maintain order or, as some argued, change course and recall the military to active duty. At once an instrument of internal repression and Saddam’s regional ambitions, and a symbol of national pride, the Iraqi Army was also the means of support for hundreds of thousands of Iraqi soldiers and their families. Defeated and demoralized in the aftermath of the U.S. invasion, it had largely dissolved, taking with it large inventories of weapons and equipment. U.S. authorities were concerned about the security threat posed by large numbers of armed and disgruntled ex-soldiers, but in the end decided it was more important to send a clear message that the Baath regime was gone for good by dismantling one of its most visible pillars. Thus, rather than issue a selected recall, culling out senior Baathist officers and those guilty of human rights abuses, and retraining the armed forces for domestic policing duties, the CPA proceeded with formal dissolution. No corresponding program was in place to assist former soldiers with finding alternate employment and reintegrating into civilian society. To make matters worse, promised stipends failed to materialize for months after the disbandment.

While accurate data on the numbers of former soldiers who may have joined or contributed weapons to the emerging insurgency are unavailable, anecdotal evidence suggests such support was significant. Rebuilding the army from scratch would take years and come at great human and financial cost before a capable and cohesive force would again take the field. In retrospect, retraining the military to help maintain security might have proved the better option. Failing that, a proper Disarmament, Demobilization and Reintegration program (DDR) of the kind
successfully implemented following the Balkan Wars should have been introduced to ease the financial and emotional burdens of disbandment.

With the Iraqi Army dissolved and insufficient numbers of U.S. and coalition troops on hand to secure Iraq’s infrastructure and guarantee public safety, the task fell to a woefully inadequate Iraqi police force. The lowest rung on the security ladder in many states, Iraq’s police services at the time of occupation were poorly trained and equipped, riddled with corruption and prone to commit abuse. Outgunned and poorly led, these forces quickly crumbled as factional militias and armed gangs took over the streets of Iraq’s cities and towns. The response of CPA administrators was to rush the recruitment and training of tens of thousands of policemen per month in the hopes of re-establishing security through sheer numbers. Its approach called for a bottom-up strategy modeled on a decentralized American system and emphasizing community-style policing. The results were catastrophic. After months of confusion and delay, lightly-armed Iraqi police units trained in Jordan as beat cops were turned loose against heavily armed insurgents and militias. Underpaid and easily intimidated, many officers turned to criminal activity, becoming themselves a threat to security and deeply mistrusted by the public.

At the same time as it was training officers facing an insurgency in community policing tactics, CPA advisors were ignoring the development needs of the Interior Ministry (MoI), the agency responsible for leading and managing the police. It is notable that during the entire first year of the occupation, only twelve international advisors were present at any time at a ministry responsible for overseeing 200,000 police. Absent adequate supervision and mentoring, the MoI quickly fell into the hands of a Shiite political faction and was turned into an instrument of ethnic cleansing. As with the army, after several false starts, the rudiments of a professional and reliable police force are starting to emerge in Iraq. But the problems encountered along the way - many of them stemming from ignorance on the part of U.S. advisors of the role and functions of a ministry-directed policing system - severely handicapped efforts to establish security and gain public trust.

**Mapping internal conflicts in advance**
Societies emerging from conflict are often host to a number of low to high-intensity rivalries driven by a variety of economic, cultural, political, and ethnic motives. Frequently suppressed by the former regime, such feuds can quickly flare up in the wake of the latter’s departure, sometimes leading to large-scale violence. Environments in which governance and security structures are absent or wobbly are particularly vulnerable.

In December of 2002, future Ambassador to Iraq Ryan Crocker, co-wrote a twelve-page memo entitled *The Perfect Storm* in which he warned of a struggle for dominance that would ensue among Iraq’s various tribal, sectarian and ethnic factions in the aftermath of Saddam’s fall. These clashes, he argued, could create centrifugal forces strong enough to fragment the country. The tragic accuracy of Crocker’s warnings underscores the importance of mapping a country’s internal conflicts, including identifying primary actors, their motivations, agendas, capabilities and incentives *before* embarking on efforts to stabilize it. Accurate data can obviously be hard to come by in formerly closed societies, and information provided by émigrés is not always sufficiently detailed or reliable. While Iraqi participants in the *Future of Iraq Project*, for example, did reference sectarianism and “score-settling” as possible sources of conflict post-Saddam, such warnings were not emphasized nor were they accorded weight by U.S. authorities in their operational plans.

**Rule of Law and Stable Governance**

*The end states in which all individuals and institutions are held accountable to a set of laws consistent with international human rights standards; the state provides essential services and serves as a responsible steward of state resources; government officials are held accountable through political and legal processes and the population can participate in governance through civil society organizations, independent media and political parties.*

Countries emerging from conflict are often plagued with decrepit and corrupt institutions lacking in professional capacity and requiring extensive legal and structural reform. Legislative bodies are typically rubber-stamps for the regime in power and political parties - if they exist - are more often instruments of patronage and state control than of genuine political expression. Societies conditioned by decades of repressive rule face the especially daunting challenge of developing a culture of independent decision-making and leadership. Civil society and media are often stunted. Burdened by all of the above in its ongoing struggle to achieve representative governance, Iraq offers up a number of lessons in the complexities of political transition.
One of the hallmarks of the planning process for Iraq’s political transition was the lack of clarity on what the outcome should be other than that it should be democratic in form. Efforts to conceive a roadmap for a new political order by the aforementioned *Iraq Study Project* had produced the outlines of a new constitution, judiciary, security architecture and civil society but remained largely aspirational, often becoming bogged down in squabbling among the various factions. In April 2003 at conferences convened in Baghdad and Nasiriyah convened by U.S. officials, Iraq’s various ethnic, religious, tribal and political groups agreed to hold a national conference to elect a transitional government by the end of August. National elections to form a fully representative government were anticipated to occur a year later. For the U.S., the overriding interest was to transfer sovereignty and responsibility for reconstruction to an Iraqi interim government and withdraw its troops as quickly as possible.

The eruption of large-scale violence around the country, however, prompted U.S. authorities to unilaterally abandon this timetable and opt instead for an extended occupation with an American civil authority running the various ministries and making the key day-to-day decisions. To put an Iraqi face on things, the CPA established a 25-member consultative body, the Iraqi Governing Council (IGC), dominated by émigrés but also including internal representatives. In a foreshadowing of the political infighting to come, this body failed even to agree on a single candidate for its president, choosing instead a rotating executive. Elections were post-phoned out of fear that the inexperience of Iraqi political parties with democratic culture could exacerbate factional fighting, further destabilizing the country and delaying the return to sovereignty. Iraqis present during these deliberations have since expressed the view that by promising to quickly transfer power and then withdrawing it, U.S. authorities sowed serious doubt about America’s intentions in Iraq. Iraqis’ sense of ownership of their national agenda was further undermined by the unveiling, with little advance notice, of a massive reconstruction program to train and deploy 30,000 policemen, establish dozens of new prisons and detention centers, rehabilitate 1000 schools, restore health services and boost electricity generation to pre-war levels. American officials realized at the time that the program lacked sufficient Iraqi input but, as would often prove to be the case, decided that time constraints precluded broader consultation.
“Constituting” peace

Perhaps no democratic process is more crucial to laying the foundations of a just society, than that of creating a constitutional framework. Including the population in the constituting process via public debates, referenda and other means, enables a society to choose the instruments of governance and create a shared vision for their national identity. Given the increasingly brutal manifestations of identity politics unfolding on the streets of Baghdad and around the country, it was with an understandable sense of urgency that Coalition and IGC authorities reached agreement in September 2003 to draft a national constitution. At the same time, amid intense political maneuvering colored by sectarian animosity, pressure was building for a rapid return of power to Iraqi hands. The rancorous debate that followed this decision and the legacy of division it engendered among Iraq’s ethnic and confessional groups illustrates the high stakes nature of crafting a constitution and the dangers of a rushed process to achieve it.

Stiff resistance to the idea of an un-elected body (the IGC) drafting the country’s constitution arose from a number of quarters, most notably from Ayatollah al Sistani, Iraq’s senior and most influential cleric. Arguing that such a key foundation of the new Iraqi state should be drafted only by elected officials – versus a foreign-appointed body dominated by émigrés - Al Sistani issued a fatwah demanding that elections be held to establish a constitutional assembly. Although anxious to transfer power at the earliest possible date, U.S. and international experts agreed that without proper mechanisms in place, including an elections law, the procedure could easily create more problems than it solved. In the end, Iraqi demands for sovereignty versus the CPA’s worries over their capacity to handle it, were reconciled by intensive U.N. mediation, yielding a plan to return power to a new interim government in June 2004 selected via provincial caucuses. No less than three elections were to be completed in a year’s time following the handover: the first to elect provincial councils and a national assembly, the second to establish a formal constitution, and the third to elect a national government. The pressing need for some sort of constitutional framework would be met by creating an interim constitution labeled the Transitional Administrative Law (TAL) through which, in the words of a Congressional report, “the CPA sought to enshrine the core principles of western federalism in Iraqi law.”
As a practical matter, the TAL represented an important formative step in Iraq’s slog toward democracy- an impressive achievement given the daunting political and security conditions that prevailed at the time. By the same token, the rush to creation despite the absence of a key stakeholder (Sunnis boycotted the process) and a lack of consensus on core elements such as the separation of central and provincial powers, have rendered the Iraqi constitution as much a source of conflict as the means to resolve it. A more deliberative process most certainly would have meant a more protracted and angry affair, but it might also have resulted in a more consensual, and thus a more solid, framework.

**The push for local government**

An especially significant – and curious - aspect of the effort to dismantle the Baathist state and replace it with accountable institutions, was the push to plant local government where it had never existed before. To accomplish this, the CPA, together with the U.S. military, set about creating councils at the provincial level on down to the district and even neighborhood levels in major cities. The presumption was that by rapidly devolving decision-making throughout Iraqi society, Iraqis could learn about democratic processes on the job, creating more efficient and accountable civic bodies while breaking the traditional stranglehold of the central bureaucracies. This ‘if-you-build-it-they-will-come’ approach encountered immediate resistance from the Baghdad ministries long accustomed to undiluted authority over budgeting and the allocation of resources. Elected by snap local elections in some cases, appointed by American military and civilian officials in others, these councils were charged with representing their communities but often rendered powerless by their lack of control over budgets and resources. Over the coming years, the CPA and its successors would spend huge sums of money to teach local officials the fundamentals of civic responsibility and pressure central authorities to allow them to exercise that responsibility.

While at this point in time, the long-term viability of the these councils remains uncertain, considerable progress has been made at the provincial level where elected officials now set
Priorities, develop budgets, receive funds from central ministries and expend those funds on essential services and reconstruction.

**PRTs: an innovative governance tool for post-conflict environments**

Provincial Reconstruction Teams (PRTs), a unique tool used for building governing capacity at the provincial level in Iraq merit discussion for two reasons: their potential use in other post-conflict environments and the fact that South Koreans operated a PRT in Iraq’s Kurdish region until 2009. Distributed throughout Iraq’s 18 governorates, these civilian-led teams resemble mini development task forces responsible for building local capacity in a number of areas, including governance, rule of law, agriculture, health, economy education and women’s development. The PRTs arose out of the need to fill the development void created when traditional aid agencies proved unable or unwilling to operate in Iraq’s hostile conditions. Usually co-located with combat brigades, the PRTs mentored local officials and provided the “connective tissue” between them and their central ministry counterparts. While the program’s effectiveness was constrained by a range of factors – most notably its inability to deploy well-trained professionals for sustained periods of time – it did succeed in building the capacity of local authorities to plan and expend their own budgets to deliver essential services to their constituents and effect reconstruction. Few initiatives to stabilize Iraq over the last seven years have done more to encourage local ownership for solving local problems, especially when contrasted with the stubbornly weak capacity at the federal level.

**Role of civil society in establishing good governance**

Any discussion of stable governance would be remiss without reference to the vital role an independent and robust civil society plays in achieving that end state. When functioning properly, civil society serves as the vital link between a government and the population, helping the former to achieve transparency while ensuring visibility of the latter’s needs and priorities. Networks of grassroots organizations can also help break down the legacy of mistrust that can inhibit progress in formerly oppressed societies. A common misperception about Iraq is that prior to the U.S. occupation, civil society organizations (CSOs) did not exist. In fact, a variety of
organizations, including writers unions, women’s groups and professional associations existed as part of a vibrant community that reached its zenith in the early 1970s. Under Saddam Hussein, however, these organizations were co-opted to buttress the Baath Party’s grip on power, their ability to serve as independent expressions of the needs and aspirations of their communities severely constrained.

Nevertheless, the potential for Iraqi civil society to regain its capacity for meaningful civic engagement remained. The initial approach taken by U.S. civilian and military authorities to tap this potential, however, was not propitious. Lacking the cultural knowledge and capacity to vet the surfeit of organizations seeking funding, administrators gave cash handouts to virtually any Iraqi entity labeling itself an “NGO.” Predictably, this approach did little to advance Iraqis’ appreciation of the value of civil society in advancing the cause of institutional accountability and transparency. Fortunately, however, recent years have seen significant improvement in the vetting and training of Iraqi CSOs. A leaner, more effective civil society is playing an increasingly positive role in ensuring government accountability, educating the public on matters of civic import, and helping Iraqis come to terms with decades of violence and oppression.

**Sustainable Economy**

*An end state in which people can pursue opportunities for livelihoods within a predictable system of economic governance, and characterized by market-based macroeconomic stability over the illicit economy, and employment generation.*

It is hard to exaggerate the impoverished condition of the Iraqi economy CPA authorities inherited after the fall of the regime. In steady decline for more than two decades beginning with the war with Iran and accelerating downward through the Gulf War, by 2003 it was in a state of collapse. Unemployment was estimated at 70 percent with human development indicators among the lowest in the region. Oil production, the economy’s mainstay, had ground to a halt following the destruction of Iraq’s port facilities and due to poor maintenance and lack of investment. Other challenges included preventing currency collapse, rebuilding infrastructure damaged by war and looting, dismantling corrupt and inefficient state economic controls and coaxing a private sector into being.
Privatizing Iraq’s state-owned enterprises

Along with the disbanding of the Iraqi Army, the decision to privatize Iraq’s state-owned enterprises (SOEs) ranks as one of the more glaring examples of the challenges of harnessing existing capacity to stabilize a society in transition. Producing a range of products from bicycles to pharmaceuticals, Iraq’s SOEs were over-staffed, inefficient and decrepit behemoths employing approximately 500,000 people when the CPA inherited responsibility for them. Many had survived solely on the basis of the heavy subsidies they received from the former regime. A stepped-up timetable was announced by the CPA in September to privatize some 200 public enterprises, prompting immediate protest from the IGC which was not consulted in advance. Driven by an abiding faith in the logic of free-enterprise to restore economic health, the CPA’s plan was loosely adapted from experience transitioning the state-run economies of Eastern Europe during the 1990s. Key steps in the process included firing or forcibly retiring 103,000 employees, halving state subsidies and cancelling intergovernmental debts charged to the SOEs prior to 2003. Domestic and international investors would be given the chance to purchase shares in enterprises pronounced viable.

In retrospect, the rationale for privatization and many of the steps taken to accomplish it were sensible- just not on the typically rushed schedule envisioned by American authorities. As was the case in Eastern Europe, Iraq’s SOEs required downsizing and massive restructuring if they were to survive as viable concerns able to attract outside investment. This would take years to accomplish, including the time necessary for other sectors of the economy to develop to where they could absorb workers displaced by SOEs that failed to survive transition.

In any event, fearful of the political and social consequences of ‘shock therapy’ for Iraq’s public companies, Iraqi leaders convinced CPA planners to abandon the project. But instead of coming up with an alternate plan for the SOEs, the CPA abandoned them to fend for themselves, resulting in hundreds of thousands of Iraqis losing their livelihoods and hampering the reconstruction effort. The bankrupt Iraqi Railroad, for example, was told it would have to be self-supporting, irrespective of its importance to reconstruction as the country’s primary means of transport. Iraq’s cement and fertilizer industries, similarly cut adrift, failed to restart.
production resulting in the need to import these products when indigenous capacity might have been harnessed to meet demand and provide employment. Though commendable efforts to reboot privatization were undertaken in later years, they have produced few success stories.

Other initiatives to stabilize and transition Iraq’s economy met with greater success. These include the program to stabilize the Iraqi dinar by reorganizing the banking system around an independent central bank and the judicious printing of new dinars to ensure liquidity without triggering rampant inflation. Coalition authorities also managed to restore salaries and pensions to over two million Iraqi civil servants and pensioners within two months of Saddam’s fall - a vital contribution to maintaining a modicum of government continuity that helped stave off a collapse of confidence. The campaign to reduce Iraq’s external debt resulted in the cancelation of 80 percent of the country’s official obligation, the largest debt relief package in history. The initiative was also notable for the fact that Iraqis were fully consulted and coached on how to make the case themselves to creditors and international financial institutions.

Creating employment

Creating employment for millions of jobless Iraqis quickly rose to the top of the CPA’s agenda. Anxious to provide economic support to an increasingly impoverished population, administrators were also desperate to reduce the growing pool of destitute and angry citizens (mostly young males) from which insurgent groups, armed gangs and militias draw their recruits. An over-emphasis on a nascent private sector to stimulate jobs in the short term, however, had failed to turn the situation around. The CPA responded by announcing a program to create 300,000 skilled and unskilled jobs in the reconstruction effort. Ultimately, the program managed to create only 100,000 jobs, most of them part-time or temporary in duration.

What is instructive about this episode, however, is not the actual numbers but the strategy employed to distribute these positions. At first glance, the CPA’s emphasis on fairness by distributing the new jobs evenly among Iraq’s provinces - weighted according to population size - makes sense. Its unintended effect, however, was to boost employment in large but relatively stable areas like Ninewa and Basra, while shortchanging less populated but highly volatile
regions like al Anbar and Salah ad Din where terrorists and insurgent groups based their operations.

**Social well-being**

*An end state in which basic human needs are met, including equal access to services (water, food, shelter and health services), the provision of primary and secondary education and the resettlement of those displaced by violent conflict.*

Perhaps nothing better captures the challenges, pitfalls and tradeoffs encountered in the Iraq experience than the ongoing struggle to “keep the lights on in Baghdad.” Massive in scope and hugely expensive (the 2003 Iraq funding request included $4.2 billion for Iraqi security services versus $5.7 billion for electricity), the quest to rehabilitate Iraq’s electric power infrastructure also offers valuable lessons in both the macro-economic and messaging spheres of stabilization practice. Iraq’s power grid, like the rest of its infrastructure, was in a state of failure when Coalition forces assumed control in March 2003. With petroleum production, water treatment plants, hospital equipment and air conditioners breaking down, power disruption constituted a threat to health and safety, as well as to the public’s confidence in the CPA’s ability to get Iraq up and running again. In midsummer of 2003, Administrator Bremer made a surprise and welcome announcement that Iraq’s power supply would be restored to its pre-war level of 4,400 megawatts within a few months, despite a grave shortage of spare parts and increasingly debilitating insurgent attacks on power lines and substations. Even before reaching this goal, however, he upped the ante by promising Iraqis that they would have all the electricity they could use, 24 hours a day everyday. To its great credit, the CPA actually succeeded in meeting the first target, putting Iraq’s power generation on par with more developed countries in the region like Jordan. It also succeeded in improving distribution to parts of the country - the Shia’a south, for example - that had suffered deliberate neglect under Saddam. What it failed to do in the face of political pressure, however, was end the power subsidies that made electricity a free commodity. With pent-up demand unleashed, Iraqis rushed to buy new appliances - including those air conditioners – causing a massive load increase on system. Meanwhile in Baghdad, where most of the Iraqi population and media exist, the perception was that supply had in fact decreased, triggering wide-spread discontent and hostility toward occupation authorities. The failure to set realistic goals and manage public expectations - despite good intentions and measurable progress - turned a success story into a perceived failure.
Conclusion

The three-part narrative of the American invasion, occupation and withdrawal from Iraq is now somewhere in the middle of its third chapter. For Iraqis, however, the story of their transition from dictatorship to whatever entity emerges when the dust finally settles (one pundit has labeled it an ‘Iraqcracy’) – is just beginning. The tale is justifiably viewed as a parable about nation-building, a “what not to do” compendium of lessons-learned many of which will find expression and explanation in the concepts laid out in Guiding Principles. Not all of the objectives established by the CPA and its successors were misguided or wrong - many were, in fact, entirely worthy and correct. But all were handicapped from the outset by unrealistic timeframes and insufficient resources, lack of Iraqi input, and a deficit of cultural awareness by outsiders seeking to reshape Iraqi society in their own image.

Finally, it is a maxim that events in societies undergoing profound political transformation do not unfold in linear fashion– “stuff happens” in the casual phraseology of former Defense Secretary Donald Rumsfeld. The capacity to adjust priorities to meet evolving conditions on the ground is thus a vital component of successful stabilization efforts. For that capacity to exist, however, a clearly defined strategic vision and path to achieve that vision must also exist, understood and accepted by both those charged with carrying it out and, most importantly, by those whose lives will be impacted by its success or failure.
STRATEGIC FRAMEWORK for STABILIZATION and RECONSTRUCTION

RULE OF LAW
- Just Legal Frameworks
- Public Order
- Accountability to the Law
- Access to Justice
- Culture of Lawfulness

SAFE AND SECURE ENVIRONMENT
- Cessation of Large-Scale Violence
- Public Order
- Legitimate State Monopoly Over the Means of Violence
- Physical Security
- Territorial Security

CROSS-CUTTING PRINCIPLES
- Host Nation Ownership and Capacity
- Political Primacy
- Legitimacy
- Unity of Effort
- Security
- Conflict Transformation
- Regional Engagement

SOCIAL WELL-BEING
- Access to and Delivery of Basic Needs Services
- Access to and Delivery of Education
- Return and Resettlement of Refugees and internally Displaced Persons
- Social Reconstruction

SUSTAINABLE ECONOMY
- Macroeconomic Stabilization
- Control Over the Illicit Economy and Economic-Based Threats to Peace
- Market Economy Sustainability
- Employment Generation

STABLE GOVERNANCE
- Provision of Essential Services
- Stewardship of State Resources
- Political Moderation and Accountability
- Civic Participation and Empowerment

End States
- Conditions

Guiding Principles for Stabilization and Reconstruction