

# Rebuilding Iraq:

## The Way Ahead

by [James Jeffrey \(/experts/james-jeffrey\)](/experts/james-jeffrey)

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### ABOUT THE AUTHORS



[James Jeffrey \(/experts/james-jeffrey\)](/experts/james-jeffrey)

Ambassador is a former U.S. special representative for Syria engagement and former U.S. ambassador to Turkey and Iraq; from 2013-2018 he was the Philip Solondz Distinguished Fellow at The Washington Institute. He currently chairs the Wilson Center's Middle East Program.



### Brief Analysis

On May 18, 2006, Ambassador James Jeffrey and Maj. Gen. William McCoy addressed The Washington Institute's Special Policy Forum. Ambassador Jeffrey is senior advisor to the secretary of state and coordinator for Iraq policy at the U.S. Department of State. He previously served as deputy chief of mission and charge d'affaires in Baghdad, ambassador to Albania, and deputy chief of mission in Turkey and Kuwait. General McCoy is commander of the Gulf Region Division, Army Corp of Engineers, in Baghdad, where he oversees most of the U.S. government's major infrastructure projects in Iraq. Previously, he served as assistant commandant of the U.S. Army Engineer School, held command and staff positions in various combat engineer units, and served in Saudi Arabia. The following is a rapporteur's summary of their remarks.

#### JAMES JEFFREY

The goal of U.S. Iraq policy is accurately reflected in the National Security Council's [National Strategy for Victory in Iraq \(http://www.whitehouse.gov/infocus/iraq/iraq\\_national\\_strategy\\_20051130.pdf\)](http://www.whitehouse.gov/infocus/iraq/iraq_national_strategy_20051130.pdf). The strategy has three tracks: political, economic, and security.

**Politics.** There is every indication that the long awaited Iraqi government will be inclusive. Prime Minister Nuri al-Maliki has shown considerable independence of action, particularly in choosing his cabinet ministers. Hopefully, the new government will be able to split the insurgency by driving a wedge between hardcore elements, such as al-Qaeda, and those Sunnis who can be brought into the government.

**Economics.** The economic reconstruction track has several goals. The first is to restore economic capabilities destroyed by the thirty-year rule of Saddam Hussein, several wars, UN sanctions, and the repercussions of Operation Iraqi Freedom, including looting and deliberate sabotage of infrastructure in spring 2003. Oil production has been largely restored; production is over 2 million barrels per day, with exports at 1.6 million barrels per day compared to the 1.65 million barrels per day target in the Iraqi budget. In the short term, the primary limitation is the 400,000 barrels per day pipeline ending in Ceyhan, Turkey, which is in theory operational but which has not been used for some time for technical and security reasons. As for water and sanitation, while half of the \$4 billion earmarked for

this purpose had to be spent on security, the number of people with access to potable water has increased to three million, and somewhat more have access to modern sewage systems. Electricity is now the biggest problem, especially in Baghdad. While coalition forces have added 2,700 megawatts of refurbished electrical power capability, the problems are still significant. Much equipment is decades old, there are attacks against infrastructure, and Iraq lacks natural gas for electric generators.

A second goal of economic reconstruction is to give Iraq a basis upon which the international community and Iraqis themselves can invest tens of billions of dollars over the next ten years. In the late 1970s, Iraq had the same gross per capita income as Spain; since then it has dropped to the level of many sub-Saharan African nations. The World Bank estimated in 2003 that \$55 billion would be necessary for infrastructure and economic programs in Iraq, although the actual amount needed for reconstruction may be closer to \$100 billion. With U.S. funding for the reconstruction effort through the Iraq Relief and Reconstruction Fund (\$20.9 billion in all) ending this fiscal year, the Iraqi budget will carry much of the future burden for funding reconstruction; this year's budget allocated \$6 billion to infrastructure projects—an important first step. The international community needs to fulfill its pledges of \$13.5 billion in assistance; to date, only \$4 billion has been disbursed. To keep funds flowing, improvements need to be made on both security and government capacity building.

Security. Security is the basis for everything in Iraq, including reconstruction. The United States is making progress in training and equipping the Iraqi armed forces. While the army has been progressing and has assumed much responsibility, including the Baghdad airport road, it is still a rifle-platoon level force. They lack heavy weapons, armor, artillery, attack helicopters, and so on. Further, their logistical capabilities are still rudimentary. It will take time and American support to overcome this.

The biggest challenge has been the police. Police are a vital component in any counterinsurgency effort, but police reform and capacity building has lagged behind other efforts. It is a much more difficult problem because of institutional and structural factors. There is also in the Middle East a lack of understanding of how police function. Transforming the police into a force loyal to the central government and not to local political leaders and militias from whence they came has been problematic.

WILLIAM McCOY

The goal of both the U.S. Embassy and U.S. forces in Iraq is to create a secure and stable environment for development. After elections in January, it was necessary to reassess U.S. reconstruction efforts. Now, U.S. goals are summarized by “unity, prosperity, and security.” The United States squandered the honeymoon period after the 2003 invasion as violence grew. At present, an average of 580 people are killed or wounded each week in Iraq, including approximately 380 Iraqi civilians, 120 Iraqi security personnel, and 120 coalition soldiers. Despite this, the security situation is gradually improving, with only four of eighteen provinces suffering endemic insurgent violence.

The issue of governance is being addressed by Provincial Reconstruction Teams. The notion of local governance—a concept foreign to Iraq for the last three decades—is being introduced to overcome the legacy of an overly strong central government in which all decisions were made at the top. The Provincial Reconstruction Teams involve experts in local governance and economic reconstruction and have been deployed to four governorates thus far (Ninawa, Babil, Tamim, and Baghdad).

The Department of Defense has initiated about 3,500 reconstruction projects in Iraq and has completed about 2,500 of these. While all sectors are improving, all face significant challenges. Some contractors are doing well, but some are lagging in their commitments. The challenges facing these projects are similar to those that any construction project would encounter, including poor safety, delays, and misuse of funds. The United States is attempting to transfer as many projects as possible to Iraqi firms.

In the electrical sector, the United States has met or exceeded its goals in all of Iraq, save Baghdad. In the rest of the country, electricity has been restored to prewar levels of twelve hours a day, while in Baghdad electricity is only available on average four to six hours a day. A vital project being implemented is a central automated control system. This will allow a central control center to determine the needs for the entire country and is similar to systems used in developed countries.

Although potable water is not available throughout the country, it is available in all major urban areas. Progress in the healthcare sector has also lagged, but slowly the situation is turning around. Twenty hospital projects have been completed and more than one hundred and forty healthcare clinics are to be built. Nearly three thousand schools have been built, renovated, or expanded. Military installations, border control posts, and police stations are being built in large numbers. The United States is finding and fixing problems every day and the vast majority of projects start and end on time.

The moneys in the Iraq Relief and Reconstruction Fund (the last of the \$18.4 million in the fund will be spent by the end of Fiscal Year 2006 and will not be replenished) and the Commanders' Emergency Response Fund (nearly \$700 million a year) are improving the lot of the Iraqi people, who are beginning to take charge of their future. The news reports and images coming out of Iraq often paint a bleak picture, but the fact of the matter is that the United States is making a positive impact. If the effort succeeds, it could have a broad, lasting, and beneficial effect on the Middle East.

This rapporteur's summary was prepared by Brooke Neuman. ❖

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