

Reflections on Tin-Cupping for the Iraq War

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Jul 6, 2004

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Brief Analysis

A Different Iraq

Although the United States had been engaged in a similar reconstruction effort in Iraq not more than twelve years before the recent war in that country, the Iraq of 2003 was fundamentally different from the Iraq of 1991, which meant that the reconstruction effort this time around would also be fundamentally different. First and foremost, the reconstruction effort of 1991 was directed more toward the rebuilding of Kuwait. Because Iraq had triggered the first conflict, the donor countries were inclined to allocate the majority of their funds to the aid effort in Kuwait. Second, both the political situations and the internal economies of the countries that contributed to reconstruction effort twelve years ago were vastly different. In addition, several other reconstruction efforts were -- and had been -- going on when plans for the current reconstruction of Iraq were being formulated. Those efforts were in the Balkans, East Timor, and U.S.-occupied Afghanistan. By mid-March of 2003, while both the Afghan project and the Iraq war were underway, plans were made to establish a coordination group to raise money for the reconstruction of Iraq. This group was called the senior Coalition Contribution Group (CCG).

The Importance of Multilateral Cooperation

Once the project officially began, the question was quickly raised as to whether the CCG should incorporate a core group of allies. The incorporation of a diverse international group into the reconstruction effort was seen as absolutely essential to success of the project, as many viewed multilateralism as a crucial element in winning both worldwide and media approval. It was widely believed that a multilateral effort would dispel the negative perception that the reconstruction was an American project. Initially, the coordination group was able to incorporate not only a diverse array of international support, but also a unique blend of particular types of agencies. This blend of international agencies was particularly significant, because it allowed the group to identify -- and resolve -- a wider array of problems and issues, because each agency was able to use its specific expertise. Despite the substantial international element that CCG was initially able to incorporate, it was felt that the Arabs had to play some sort of significant role in the fundraising and rebuilding process. This issue would go unresolved for the next four weeks until the United Arab Emirates was brought on board.

The End Result

The CCG held a preliminary conference in May 2003 to assess possible sources of funding. The preliminary conference drew more than fifty countries and international agencies, including the World Bank, the International

Monetary Fund, and the Arab Monetary Fund. The primary conference, which took place on October 23 and 24, attracted more than seventy-three countries and was held, along with the preliminary conference, in Madrid, as a result of Spain's constant lobbying to have the event held there.

At the conference, it was estimated that a minimum of \$55 billion would be needed to repair the country's severely damaged infrastructure, an amount that the press suggested would be impossible to raise. The media, however, were incorrect in their initial assessment of the fundraising effort. They failed to take into account the fact that most of this estimated amount would come from Iraqi oil revenues, which the CCG estimated would reach \$18 billion to \$20 billion in three years. In addition, the United States was expected to contribute \$20 billion, which meant that, in the end, the amount that needed to be raised was \$15 billion.

Lessons Learned from Iraq

Now that the fundraising effort has been completed, there are many lessons, both positive and negative, that can be taken from the CCG's experience in Iraq that can be used in future rebuilding efforts. One lesson learned from the experience points toward the CCG's failure to anticipate how much the ongoing conflict would affect the country's infrastructure. This factor coincided with the fact that the CCG ignored the World Bank's initial estimation that the country would absorb only \$5.2 billion in the first year, a figure that was based on previous reconstruction efforts in countries that had poor infrastructure.

Much has also been learned about the efficacy of so-called quick impact projects such as the commander's emergency rehabilitation program. These programs, while proven effective in numerous instances, are intended to serve only as Band-Aids to treat smaller problems. Although some would argue that, in the case of Iraq, a country that has been plagued by smaller problems, it might be more prudent to focus on these Band-Aids, the fact still remains that at the time -- and even in hindsight -- the quick impact programs did not seem to provide any relief for the problem at large. Another problem with the quick impact programs is that they were implemented by the military, whereas aid distribution and fund allocation do not fall under military jurisdiction.

Some of the more positive lessons learned, as well as the reason some have come to regard the CCG's reconstruction effort as a success, directly stem from the multilateral strategy implemented by the group. As was previously mentioned, a multilateral effort was seen as an essential ingredient in the reconstruction effort. What proved to be even more crucial in the end, however, was that, not only was CCG able to incorporate a multitude of countries, but also these countries were able to cooperate and work together from the start.

Another telltale sign that the reconstruction effort in Iraq has been successful is that, in many ways, the Iraqi situation has come to resemble the situation in Afghanistan, in that the ingredients that were essential to success in Afghanistan are now being implemented in Iraq. Those ingredients include, a significant international presence and a homegrown lead government official. When the conflict began, many charged that the campaign in Iraq, which was substantially larger in the scale than the one in Afghanistan, would divert resources away from the war on terror. Instead, over \$2 billion this year alone was directed toward the campaign in Afghanistan.

This Special Policy Forum Report was prepared by Jarod Bullock.

Policy #881

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