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Inside Iraqi Politics

Part 1. Examining The Executive Branch

Security gains in Iraq have [maintained](#) momentum for five months and the focus has turned to spurring and gauging the country's political progress. The ultimate goal of the troop surge executed by the military was for improved security to provide "breathing room" for such progress, which can be simplified to three fronts: "ground-up" political progress, executive political progress by the federal government, and federal legislative progress.

"Ground-up" political progress largely consists of fostering relationships with local leaders - often tribesmen and former insurgents - who now wish to work with the Coalition and Federal Government of Iraq against the insurgency. This effort empowering local institutions - such as [neighborhood watches](#), Provincial Security Forces, and city and tribal councils - is considered integral to durable security and stability.

Executive political progress by the federal government includes, at least in the short term, effectively delivering reconstruction and security resources to all provinces regardless of sectarian make-up, and integrating predominantly Sunni neighborhood watch programs into government employment. These actions will facilitate reconciliation and cement decreases in both insurgency and sectarian conflict.

Legislative political progress by the federal government is measured by the passage of proposed legislation immediately essential to executive functions, such as the 2008 budget; laws stipulating the long-term design of the Iraqi government, like the distribution of federal and provincial authority; and laws crucial for sectarian reconciliation, such as reform that allows more former Baathists into government service.

The first and arguably most important area of political progress, the "ground-up" aspect, has been a linchpin of US military strategy and is [significantly responsible](#) for the large security gains since August 2007. These rapidly successful [grassroots reconciliation](#) efforts were driven by the emergence of local leadership, budding relationships between the federal government and tribal leaders, quick application of US funds and reconstruction efforts, and local relationships forged across sectarian lines.

Despite such significant regional progress, however, many have questioned the will and ability of the Iraqi federal government to meet its end of the bargain: delivering services and resources, reconciling with former Sunni insurgents, and passing essential legislation. And most media coverage has focused on implacable sectarian interest as the primary reason for the Iraqi government's underperformance in these areas, a sentiment shared by some American officials.

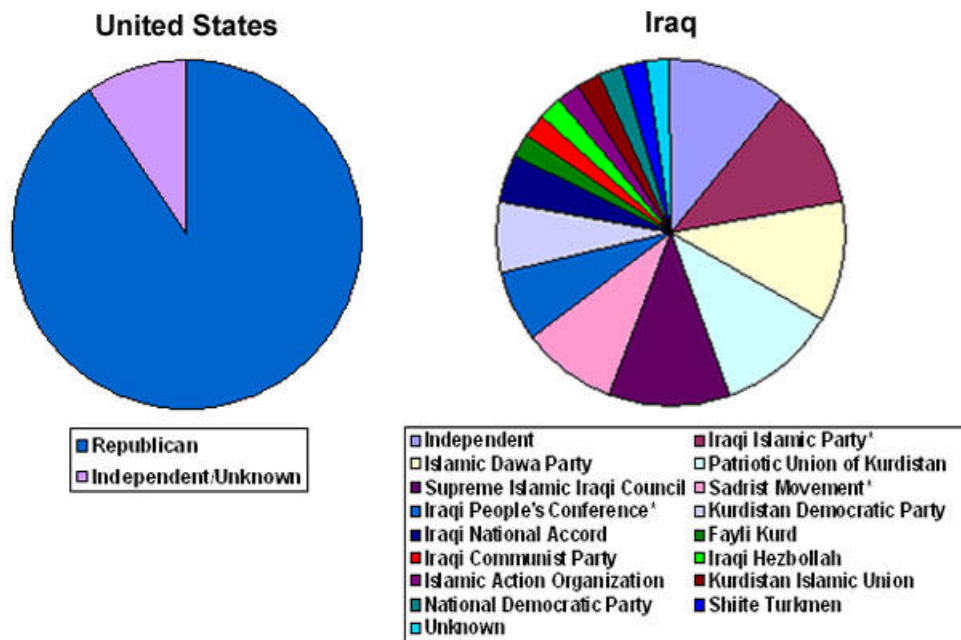
Colonel Martin M. Stanton, Chief of Reconciliation and Engagement for Multinational Corps-Iraq, is quick to praise the remarkable progress in ground-up reconciliation he's seen in his job coordinating Iraqis who want to engage with the Coalition and Iraqi government. But he is also candidly skeptical about the willingness of the "Shia [federal] government" to reconcile with Sunnis, in light of sectarian hostility.

"What haunts me is the prospect of wasting all these opportunities," said Stanton. "It's encouraging at the bottom, at the tactical level, and then you deal with the people in the Iraqi government who are so paranoid and so reticent, and it's a real emotional rollercoaster."

But while most officials acknowledge a heavy atmosphere of mistrust stoked by sectarian carnage that peaked in 2006, many cite other elements that impede action on key political benchmarks. This *Long War Journal* series on Iraqi politics - involving more than a dozen interviews with American and Iraqi officials - will attempt to examine the factors, including but beyond sectarianism, that have affected political progress by the Iraqi federal government.

A complex executive structure

Executive Branch Leadership by Political Party



Notes: US distribution includes vice president and 20 cabinet level positions. Iraqi distribution includes 37 ministry heads, 3 ministers without portfolio, presidency council, and prime minister's office as of August, 2007. Asterisks signify parties that left the government in protest but have either returned or are currently negotiating a return. Sources: US State Department and CIA library.

Any examination of political progress requires a basic understanding of the inherent challenges to quick action posed by the structure of the executive branch under the Iraqi constitution.

Executive authority is unevenly divided between the Presidency Council - comprised of the president and two vice presidents - and the prime minister, deputy prime ministers, and the Council of Ministers, a deliberative body composed of about 40 heads of Iraq's ministries. The relatively powerless president is a Kurd, Jalal Talabani. The lion's share of influence lies with Prime Minister Nouri al Maliki, a Shia with the Dawa Party, and the Council of Ministers, which has its own powers, like debating proposed legislation before it's forwarded to the legislative branch.

The various ministers are appointed by Maliki and must be approved by a majority of Parliament, which apportions the positions as political spoils after extensive haggling among members of the various parties that comprise the ruling coalition, or "government list." The process doesn't inevitably result in the most qualified administrators taking charge of the ministries, as priorities are placed on the distribution of political parties and approving candidates who are broadly acceptable. The result is an executive branch of variable competence that is radically divided among various ethnosectarian and political affiliations.

Applied to American politics, such a scenario might look like a Republican president's cabinet divided among Republicans, Democrats, Independents, and Libertarians, roughly proportional to their prevalence in Congress. For instance, Iraq's Minister of Municipalities and Public Works is a Shia affiliated with the Supreme Islamic Iraqi Council, the Trade Minister is a Shia with Maliki's Dawa Party, the Defense Minister is an independent Sunni, the Foreign Minister is with the Kurdistan Democratic Party, and the Minister of the Interior is an independent Shia.

This structure is designed to force representation from and interaction between Iraq's various religious sects and ethnicities. Ministers, representing various parties, are ostensibly granted great latitude in carrying out the function of their ministry, and have a practical say in overall executive decisions via their membership in the Council of Ministers. These features of the Iraqi Constitution that place a significant amount of power in a collective, rather than in one person, necessarily slow executive action, even as they prevent the dictatorial abuses of Iraq's past.

"It's not an easy structure," said Phil Reeker, Counselor for Public Affairs at the American Embassy in Baghdad. "Different parties have different ministries, and [ministry] relationships with the prime minister's office are different."

For example, fifteen ministers primarily from the main Sunni bloc and Shia Sadrist Movement have left their positions in protest over the last 6 months, though many have returned or are currently negotiating a return.

Despite the decentralized structure, the singular influence of the prime minister remains unmistakable, especially in light of a

cultural tendency to defer to a central authority. Ryan Crocker, US Ambassador to Iraq, and other US officials meet almost daily with Maliki and his immediate staff because "the prime minister's office is important, it's the center," Reeker said.

Other advisers also see a strong degree of deference to the prime minister's authority, as seen through the prism of American frustration with Iraqi administrative inaction.

"[A]ll lines lead back to Maliki," said Stanton. "Very few ministers or committee members will take an action without clearing it through him."

But while many note the high degree of prime ministerial authority under a decentralized structure, the complexity of the executive branch makes mapping the government's progress more complicated than exclusively blaming or lauding Maliki. "Orders of the Prime Minister" are considered the leverage needed to get many things done, but Maliki's issuance of orders favorable towards reconciliation is tempered by his management of the competing interests within his ruling coalition. In addition, the intent of individual ministers has historically influenced reconciliation issues not explicitly addressed by the prime minister.

For an extreme example, former high-level Sadrist officials in the Ministry of Health were indicted on charges of diverting government funds to the Mahdi Army and allowing the use of Iraqi hospitals and ambulances in sectarian killings during 2006. A more subtle example is the same ministry's prioritization of opening medical facilities in Shia neighborhoods during 2007, according to a report by General David Petraus' staff. Maliki's awareness of such activities has been debatable, and his willingness to prosecute such crimes has been historically weak, but many officials do not consider such actions sanctioned by the Prime Minister. In addition, the recent withdrawal of the Sadrist bloc from the government reduces some historical pressures on Maliki's decisions regarding military action in Sadr City, the hiring of Sunni security forces, and the long-term presence of the American military.

While Americans and Iraqis still note significant flaws in Maliki's leadership, many believe it has improved over the past year, citing his willingness to prosecute rogue elements (Shia as well as Sunni) outside of and within the government, and decisions on reconciliation and security issues that have caused political discord, including the various defections from his government coalition. At least one Iraqi politician offers more unqualified praise.

"Give Maliki a lot of credit for not looking at the polls, as they say in the US," said Entifadh K. Qanbar, former Deputy Military Attach, for Iraq and former member of the Iraqi National Congress, a political party. "He makes decisions that might not be popular at first, but [later] people start to realize he's a strong man who does not get dragged left and right by people threatening him. Maliki is probably not an intellectual, but he's a street guy, he knows [politics] well."

But various American and Iraqi officials make it clear that some degree of the executive hesitance towards reconciliation is due to its fundamental structure under the Iraqi constitution. This design has inevitably created a Shia-dominated but still diverse sectarian coalition whose members have varying intent to reconcile and some naturally competing interests. And the influence of party affiliation on the performance of individual ministers remains a factor in Iraq's progress.

"Are they influenced by [their parties]? Yes. Are they influenced by them so much that they are incapable of acting in a nonpartisan manner? Some of them are. Some of them, I think, are not," said Stanton.

Administrative difficulties and "building capacity"

While divisive politics and naked sectarian interest receive most of the blame for Iraq's political inertia, government inefficiency, corruption, and administrative inexperience arguably pose larger problems.

"We think our system is bureaucratic . their system is even more bureaucratic. It tends to be a paper-based system. . They tend to require lots of signatures from different technocrats along the way. They tend not to delegate much," said Brigadier General Terry Wolff, the Special Assistant to the President and the Senior Director for Iraq and Afghanistan Policy Implementation on the National Security Council.

As an example, a paper-based system of requisitions adds layers of difficulty for various provincial police headquarters getting equipment from the Ministry of the Interior. Thus, both Western observers and police officers in a Sunni province like Anbar might view equipment shortages as the product of sectarian hostility by the Shia-dominated federal government, when much of the delay is really administrative.

"An extremely small percentage . of equipment shortages would be attributed to some sort of deliberate effort to deny somebody something," said Major General Michael Jones, Commanding General of the Coalition Police Assistance Training Team. In fact, Jones had not seen this occur in the four months he had been in Iraq. He believes that a combination of complex administrative rules and inexperienced bureaucrats is responsible for many delays.

"There are procedures that you have to follow to order equipment or just to do basically everything," said Jones. "When you look at the volume of procedures that you have in an institution, to have inexperienced people try to suddenly start filling senior roles in that institution with these practices that are not well-known, and in some cases not well-documented, it creates . big challenges."

Inefficiency is exacerbated by the drastic growth of the young government. A primary focus of American advisers is "building the capacity" to govern and administer, at all levels, in rapidly expanding institutions headed by Iraqis with varying levels of experience, honesty, sectarianism, and patriotism. For example, the Ministry of the Interior's authorization for the police force in

al Anbar has grown from 11,000 to 24,000 in six months. Any organization that makes decisions to grow at such a rapid pace is "going to have huge problems" because of the inherent logistical and hiring challenges presented by such rapid expansion, said Jones.

This highly demanded growth compounds the overall disorganization of a fledgling Iraqi government that in many respects has been reconstituted from scratch.

"The destruction in Iraq was so severe that we don't have a proper staff . capable of proper planning," said Ali al Dabbagh, Official Spokesman of the Government of Iraq, who notes improvement in the proportion of the government's budget that was spent in 2007 compared to the previous year. "I think that in 2008 - we call it 'the year of reconstruction' - . the capacity of the government will be much, much . better than 2007."

The US Government Accountability Office, however, [recently reported](#) that the Government of Iraq still only spent 4.4 percent of its investment budget by August 2007; 90 percent of that budget is dedicated to the capital projects behind reconstruction and the restoration of services.

If Iraq is to capitalize on security gains, the government must improve its efficiency, as well as mitigate a huge problem with corruption that is a major drain on these resources. An [internal report](#) by the US Embassy in Baghdad characterized corruption as "the norm in many ministries" and labeled Maliki's government as incapable of "even rudimentary enforcement of anticorruption laws." The corruption watchdog group Transparency International [ranked](#) Iraq as the third-most corrupt country of 180 countries measured in a September 2007 report.

While problems with massive theft diminish as security and oversight improve, corruption remains common and, to some degree, a culturally accepted facet of administration in Iraq. Many US officials set pragmatic goals of lowering graft to an extent where it does not interfere with accomplishing the mission of a given organization, from local police forces to national ministries. And some see corruption as a moderately reduced but persistent problem.

Qanbar asserts that the major corruption, the deals worth "hundreds of millions of dollars," are a way of the past, yet he anticipates that the "middle to lower-level corruption will continue for a long time and will be a huge problem."

"I think the only way to solve this problem is for the Iraqi parliamentary system to work better, and it is," said Qanbar, citing a recent example of Iraqi Parliament calling the Iraqi Minister of Trade to answer questions relating to corruption. He noted that this type of oversight is "unprecedented for this part of the world."

Diverse impediments to quick action

Interviews with American and Iraqi officials depict an Iraqi executive branch grappling with challenges that include but are more varied than the popular narrative of sectarianism. Rapidly growing government institutions are often run by inexperienced administrators in a complex, paper-based system; poor oversight in the post-invasion chaos has fueled outrageous corruption; and a government design that has divided executive authority among the country's various ethno-sectarian political parties delays action, even as it fosters compromise and successfully curbs the dictatorial abuses of the past. Despite the daunting list of challenges, however, some US officials see opportunity in the diversity of these problems. For example, while it is impossible to quickly push Iraqis towards sectarian accord, continued time and advisership can develop the experience of Iraqi administrators and build institutional "capacity" to govern effectively. And to the extent these issues influence the pace of political progress and improve self-sufficiency, both can and should improve. If security gains are maintained, time will tell whether such improvements are made fast enough to achieve stability and eventual reconciliation.

Part 2. A Look At Executive Branch Progress

The Government of Iraq's executive branch has several goals central to maintaining security gains and achieving sectarian reconciliation: effective hiring and management of the highly publicized Concerned Local Citizens (CLCs), the auxiliary security forces greatly responsible for the significant reduction in violence; the delivery of reconstruction resources, including basic services, to Baghdad and the provinces; and the creation of jobs and economic opportunity for average Iraqis.

The Concerned Local Citizens and the IFCNR

Many reconciliation initiatives are specifically championed by Iraq's Implementation and Follow-Up Committee for National Reconciliation (IFCNR). It was formed by Prime Minister Nouri al Maliki on June 22, 2007 to place special emphasis on issues affecting reconciliation between sects in Iraq. The small committee is headed by Dr. Safa Hussein, who also serves as Deputy National Security Adviser, and includes four primary members and an additional eight subordinate members, with no extended support staff. The IFCNR focuses on managing or advocating several matters within the federal government: the CLC program, the delivery of basic services, the stimulation of jobs, and the orderly return of refugees.

"This is a national-level organization working in Baghdad, but some of its members travel around and talk to tribal support councils, which are sort of their method of communication at the local level," said Major Rouven Steeves, a former staff member of the US military's Force Strategic Engagement Cell, which works closely with the IFCNR. "There are six tribal support councils that have been organized to communicate at the local level, to include communicating with the CLC organizations." The committee continues to stand up more tribal councils in Baghdad and other provinces.

The IFCNR is an independent body within the government, but any progress on its initiatives requires obtaining prime ministerial orders and the cooperation of the specific ministry involved in managing any given activity. A specific example is its

aggressive advocacy of the Concerned Local Citizens program.

An [offshoot](#) of the tribal "awakenings" that began in Anbar province, the CLCs, now also dubbed "[the Sons of Iraq](#)," are comprised of local auxiliary police or neighborhood watches that initially were hired and managed by the US military. The strategy was designed to empower local citizens to take responsibility for security, as well as provide much-needed legitimate employment that drains the labor pool for insurgency. Because some of the security volunteers previously were associated with the Sunni insurgency in one form or another, there has been significant hesitation among federal government officials to sanction and eventually manage the program, considered a crucial reconciliation step by US officials and many Iraqis.

"The Committee has been focusing on the CLC issue because that's been the hot topic, both for the Coalition and for the Iraqis," said Steeves. "What we were trying to do is get the GOI [Government of Iraq] to take over both monetarily, by paying for contracts, and also coordination and control of these organizations. Additionally . putting some of these people to work for the ISF [Iraqi security forces] by hiring them as police."

Efforts to begin integration of Concerned Local Citizens into the government recently succeeded in increments approved by Maliki. First, the IFCNR obtained a prime ministerial order that forced the Ministries of the Interior and Defense - responsible for the Police and the Army, respectively - to work with the local CLCs at the request of American forces. Maliki's order was considered a huge step in the atmosphere of sectarian mistrust that surrounds this issue. And on Dec. 12, the Iraqi government officially agreed to take over funding and managing the program from American forces. Eventually about 20-25 percent of the approximately 85,000 CLCs are slated to be officially hired into the Iraqi security forces (mostly Iraqi Police) after proper vetting, with the remainder ideally diverted towards training programs and public-works projects headed by various ministries. To date, almost 9,000 of the volunteers have been screened by the government and are expected to enter police training.



Though the government's hesitance in taking over the program was held up as an example of sectarian inertia by some US officials and many Western media and political observers, others argue that the delay was rational, given that many of the CLC groups include former insurgents. Iraqi government officials express a desire to avoid the insurgent and militia infiltration [that plagued](#) the Iraqi National Police over the past few years, for example.

"[H]iring people [who] were fighting you yesterday . is not an easy job," said Dr. Ali al Dabbagh, Official Spokesman for the Government of Iraq. "[They] need definitely to . be checked thoroughly, and that is what the Iraqi government is doing. But nevertheless, we have accommodated more than 20,000. . We don't want to recruit [extremists] or . one more militia will be formed and they will fight the government from inside."

Sunni leaders argue that their induction into the Iraqi security forces ensures government control. And the targeting of the CLC program by al Qaeda, they insist, is further proof that CLCs must have government support. In addition, some American officials argue that the Shia-dominated federal government already had displayed some willingness to engage with Sunni regions by hiring and consistently paying Sunni-dominated police forces in Anbar province, before either the Tribal Awakening or the spread of CLC programs throughout Iraq.

Brigadier General Terry Wolff, the Special Assistant to the President and Senior Director for Iraq and Afghanistan Policy

Implementation on the National Security Council, sums up a common US perspective well.

Listen, when you're over there working this with [the Iraqis], yes everyone is incredibly frustrated, trying to help them accomplish what is intuitively obvious to us. If these tribes have found men who are willing to be part of the local security solution, then why does it take so long to get them hired and . paid? It's a great question. So many people read into that slowness as 'Ah, Maliki is against this and there are conspiracies everywhere,' and so there is some distrust there, [but] the Iraqi government has gone on record as stating, 'Hey listen, we don't mind concerned local citizens, we just want to make sure that the demographics of the CLCs are reasonably balanced, and that people aren't raising militias that are a threat to the government.'

But despite the government's official acceptance of the CLCs and the IFCNR's advocacy of the effort, there is still controversy over the eventual management of the program. As US officials check the backgrounds and catalogue biometric data of neighborhood volunteers slated to be integrated into the Iraqi Police, some in the government resist adding them to the rolls.

"[The] plan is still going ahead, but there is some pushback from GOI on how to move the CLCs to government control," said Lieutenant Colonel Robert Friedenber, the Multinational Forces-Iraq Liaison to the IFCNR. "It is arguable whether this comes from active resistance or just disorganized management and lack of capacity. Hiring the CLCs into the Iraqi Police is a slow process, and we have to work each time a list is ready for hiring to get the government to agree to hire the volunteers."

With its recent progress on the CLCs, the IFCNR is now turning much of its attention to the idea of establishing job training and public works employment programs headed by various ministries. The hope is to divert some of the CLC volunteers to this employment as the need for the homegrown security forces abates. The committee also is addressing the property rights and pension claims of returning refugees, and coordinating some basic government services, like hospital improvements and the development of infrastructure. Many of these plans remain fuzzy, and minimal progress is a reflection of poor administrative capacity, a small staff, and disorganization, problems that plague many government agencies in Iraq.

"The IFCNR has advocated some jobs programs, building workers living accommodations near factories that are planned for refurbishment in order to house the workers in the Baghdad area" said Friedenber. "Some of these plans are pretty ambitious, and out of the capability of the government of Iraq in my opinion. I expect the Coalition working with them on small projects initially and then picking up speed as momentum is gained."

Reconstruction and the Services Committee

One area that reflects poorly on the government is its limited ability to deliver basic services like electricity, sewage management, and health care. The speed at which an acceptable level of service can be delivered to the population has implications for reconciliation, Iraq's overall stability, and the odds of political survival for incumbents during the next national election cycle in late 2009.

There are signs of slow forward movement. Some of Iraq's revenue is [bypassing](#) byzantine traditional channels and has been distributed directly to provincial governments, which are advised by US Provincial Reconstruction Teams focused on spurring local economies and the delivery of services. And the Iraqi economy continues to show significant momentum, with an estimated 2007 growth rate of 6.7 percent, while oil revenues have eclipsed budgeted expectations. Despite these advancements, reconstruction action at the Iraqi national level and in Baghdad specifically remains poor. This failure is seen in an improving but extremely low proportion of budgeted national revenue that has made it to the execution stage of reconstruction contracts, and the underperformance of national ministries.

For example, General Petraeus' [December report to Congress](#) listed the following anecdotes:

While state-provided electricity output increased 14 percent from September through November 2007 compared to the same period in 2006, there remained a 42 percent shortfall of output vs. demand in November 2007, as poor maintenance and inefficient fuel distribution continued to hamper improvement.

While US-funded projects have restored potable water to 6.7 million Iraqis as of November 2007, Iraqi water services are understaffed and plagued by inconsistent power supplies.

Eighty-five of 142 planned primary healthcare centers (PHCs) have been built, but only 39 of those 85 have been opened to the public and turned over to the Iraqi Ministry of Health for management. The report cites "a shortage of trained medical staff" and a "sectarian agenda" within the Ministry of Health "that determined which PHCs should open."

In addition to lack of capacity and sectarian favoritism, 15 of 37 ministers - some heading ministries involved in delivery of services - have walked out of Maliki's government to protest various decisions over the past six months, though many have either returned or are conducting negotiations to return. Even when fully staffed, ministerial coordination is hampered by poor communication.

"There are other elements to the issue, and one of them is interministerial cooperation," said Friedenber. "There is sort of a natural tendency probably anywhere, including the US, for different elements of the government to not talk to each other, and in Iraq, that is definitely the case."

To improve communication and the delivery of services, Maliki has tried to coordinate the ministerial system by creating an independent Baghdad Services Committee. Headed by Ahmed Chalabi, the controversial former deputy prime minister and head of the Iraqi National Congress, the committee has a shifting membership that adjusts to its various agendas, and plays something like an ombudsman role among the ministries involved in reconstruction. The body has met approximately weekly since last October and addresses a wide range of services, including electricity, health care, schools, trash removal, and traffic

regulation.

For a specific example, the Baghdad neighborhood of Sab al Bor suffered a downed powerline that inactivated water pumps used for irrigation, forcing local farmers to tend their fields with drinking water. When the Services Committee learned of the resulting drinking water shortage and determined its cause, it brought the problem to the attention to the Ministry of Electricity, which repaired the powerline within a week.

Yet both the committee and the ministries have problems prioritizing finite resources, in terms of labor and money, for the delivery of services that will have the greatest impact on improving conditions. As with many Iraqi institutions, planning within these groups is not a strength. And American advisers have had their own difficulty with organization; an [October 2007 report](#) by the US Government Accountability Office lauded individual US efforts to build ministerial capacity, but assessed that they lacked overall direction, adequate performance measures and coordination with Iraqi goals. The flaws listed in this report were noted in a Petraeus' last report to Congress, along with plans to address the problems.

It's relevant to note that the Baghdad Services Committee itself does not have a significant budget and serves in an advisory role; it can make recommendations to the ministries, but lacks inherent authority to mandate response. But American officials assert that the committee plays a "constructive role," and it's [believed](#) that Chalabi has a genuine and vested interest in making a positive impact. Beyond altruism, his political party gained no seats in the last parliamentary elections, and the restoration of services could influence his political fortunes in future elections or appointments.

Current progress and the way forward

US advisers see enthusiasm for national reconciliation and reconstruction in quarters of the Iraqi executive branch, but the highly variable and often poor ability of the ministries and various committees will determine whether Iraqi citizens perceive the government's competence or willingness to reconcile all sects of Iraq.

"There's been a lot of debate about . whether [lack of progress] is sectarian, whether there is true interest in reconciliation or not; our observations over the last six months in close operations on a daily basis with these folks [in the IFCNR] is a lot of it has a lot less to do with sectarianism than just pure inefficiency," said Steeves. "That does not undermine the fact that as far as the GOI is concerned, that you probably do have sectarian actors at other levels of the government. You have a fragmented and fractured civil society, and there are a few good actors who are attempting to heal those rifts and overcome sectarian divides - not just Sunni-Shia [conflict] - but you're also talking corruption, pure self-interest, and awareness of what it means to be Iraqi."

US personnel are assisting Iraqis at most levels, from the prime minister's office to the ministries to Provincial Reconstruction Teams and public works advisers in the provinces, but most agree that these advisory efforts will need time and persistence to have requisite effect on an inefficient and rapidly changing Iraqi bureaucracy. Assuming maintenance of improved security, 2008 will be a crucial year for Iraq's executive branch, which must deliver more services and jobs, distribute oil revenue, spend and execute a much greater proportion of the budget than in years past, and effectively integrate local security forces into police and public works employment.

Some US personnel are optimistic that the development of Iraq's administrative "capacity" will improve many of the conditions related to reconciliation. Most stress Iraqi solutions to Iraq's problems. And all assert that "the way forward" is contingent on rapidly shifting conditions on the ground, while few are willing to venture firm predictions of success or failure.

"I think a sober assessment comes back to, we cannot dictate the outcome but we can dictate the means," said Steeves. "And I think the means we are using now are some of the best we can utilize under the circumstances we find ourselves."

When pressed, Colonel Martin M. Stanton, Chief of Reconciliation and Engagement for Multinational Corps-Iraq, was one of the few to hesitantly give odds of the Iraqi government accomplishing goals quickly enough to maintain recent stability:

"I'd say even," said Stanton. "It's all going to come down to reconstruction and employment, because at the end of the day people will put up with a lot if they just have a job and the standard of their living is improving."

Part 3. Examining The Legislative Branch

Understanding the constitutional structure and current composition of Iraq's legislative branch is a prerequisite to analyzing the much-maligned progress of key legislation. As with the executive, the political diversity of Iraq's legislature presents many significant challenges and a few opportunities to meeting the legislative benchmarks considered important to stability and reconciliation.

The structure and function of the Iraqi legislature

Iraq's Constitution ostensibly vests legislative power in two entities: the Federation Council and the Council of Representatives, or COR. The nonexistent Federation Council is vaguely outlined as a body of representatives from various regions, but its exact authority and makeup remain open issues to be determined by the COR. The COR is Iraq's functioning parliament, consisting of 275 elected officials who oversee the executive branch, pass laws, ratify treaties, and approve the nominations of government officials.

Elected in December 2005 and having first met on March 16, 2006, parliament members also elect Iraq's president, who in turn appoints the prime minister from the majority political coalition within the COR. The body is supposed to meet for two

four-month sessions per year with two-month breaks in January-February and July-August, though this schedule has been altered as needed when members have failed to meet legislative deadlines. The COR is currently in one of these special sessions because its members failed to pass the 2008 budget at the close of 2007. A minimum of 138 members is required for quorum, though the parliament can continue to function with less if the previous legislative session was never closed. Poor attendance has been a problem in regular sessions.

"On any given day, about 100, sometimes fewer, sometimes more members are absent," said a Western diplomat speaking on condition of anonymity. "The speaker and . even more strongly, the first deputy speaker, have made the point that the members should attend and that it's their responsibility. However, it remains the case that many members do not attend."

While many members miss sessions, "real" political agreements are often brokered outside of official COR debate, spurring sufficient participation when issues come to a vote. This paradigm is similar to how the US Congress works, though Iraq's parliament has a greater degree of absenteeism.

"When there's an important vote and once the political agreements done behind the scenes have been accomplished, what usually happens is the membership will come together and the bloc leaders are able to pull enough people in so that a vote can take place," said the diplomat. "When push comes to shove, [they] can be gathered together."

Laws can be created in two ways: initiated by the executive branch and passed to the COR for debate and ratification, or initiated by the COR, passed to the components of the executive, and then bounced back through the parliament. Typically, bills are drafted by the prime minister's office, then debated and approved by the Council of Ministers - a body within the executive branch consisting of about 40 of the heads of Iraqi ministries - then moved on for debate, revision, potential judicial review, and approval by the parliament.

After majority approval by parliament, bills are presented to the Presidency Council - the president and two vice presidents - who can sign it into law or veto the legislation. Once signed, the proposed legislation becomes law after it is published in the official government gazette, a summary of parliamentary action. This extended debate process - spanning fractious deliberative bodies in both the executive branch (the 40-member Council of Ministers) and the legislative branch (the 275-member COR) - demands a level of coordination difficult for Iraq's politically diverse government and prohibits speedy passage of legislation.

"The lack of coordination and cohesion between the executive and the legislature . is a particular problem that has to be solved in order to make the kind of political progress that this country needs," said the Western diplomat. "And there are people working very hard to get that political cooperation. It's not easy, but I think things are headed in that direction. There are some signs of the urgency, the need for political leadership by the prime minister and the Council of Ministers."

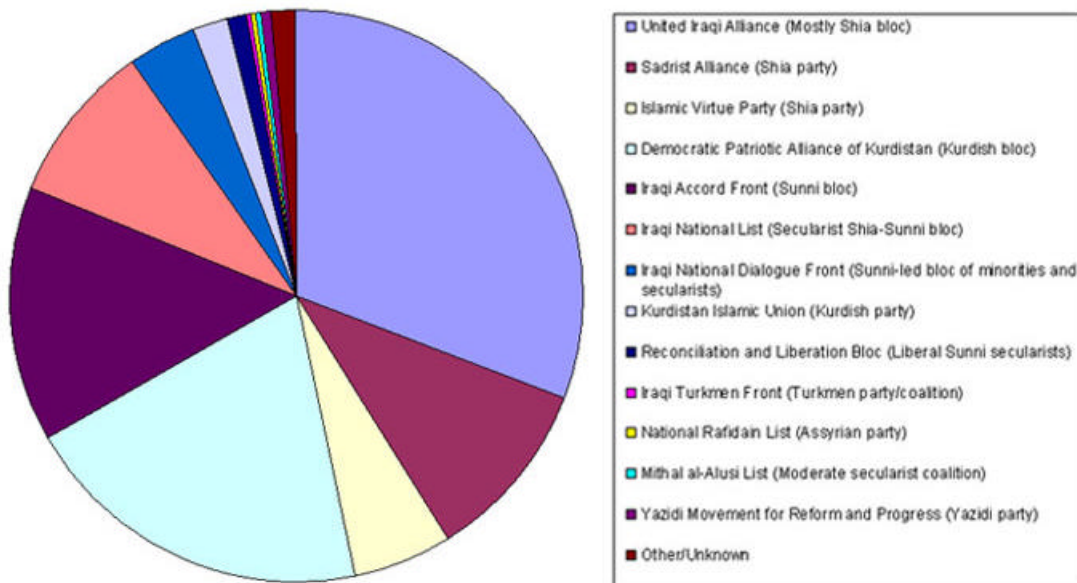
"[It's] very difficult for a democratic body of legislators - let alone an executive branch with a ministerial group that's a mixed and fractious coalition - to come to agreement on key things," said Phil Reeker, Counselor for Public Affairs at the State Department. Reeker noted that democratic processes familiar to Westerners are brand new to Iraqis, who have also been struggling to learn how to govern in the midst of extreme violence.

"Now, with better security, you do have a little less trouble at least getting to parliament and focusing on passing legislation," said Reeker.

As there are no plans to alter the structure of the government under the Iraqi Constitution, most US officials believe that stronger leadership from the prime minister's office, enhanced communication between the legislative and executive branches, and encouragement by US advisers are the best bets for moving legislation forward. As a benefit, the government's decentralized structure has successfully forced Iraq's various religious and ethnic sects to interact and form political coalitions, even as it has significantly delayed agreement on key proposals.

A whirling political kaleidoscope

Political Blocs and Parties in Iraq's Council of Representatives



Notes: Proportions of parties and blocs are approximate and may have changed. Sources: US State Department and Wikipedia.

Iraq's parliament is composed of political blocs made up of various parties that reflect the demographic diversity of the country.

The speaker of the COR is Mahmoud Mashadani, who is with the largest Sunni bloc. First Deputy Speaker Sheikh Khalid al Attiya is an independent within the largest Shia bloc, and Second Deputy Speaker Arif Tayfur is a member of the main Kurdish bloc. The sectarian groupings are reflected in the leadership as well as the composition of the COR itself. The membership changes frequently because of resignations or political moves, and various US officials can offer only approximate numbers for the distribution of political parties and blocs within parliament.

The largest political bloc is the United Iraq Alliance (UIA), a primarily Shia group that currently holds about 85 seats. The UIA is dominated by two better-known political parties: the Islamic Supreme Council of Iraq (ISCI), and Prime Minister Nouri al Maliki's Islamic Dawa Party.

Some analysts consider the conservative Shia ISCI an Iranian proxy, others see it as a US ally, and all regard it as the major competitor to the Sadrists in southern Iraq. Recent platform changes by ISCI have stressed nationalism and distanced the party from Iran, including a [politically loaded](#) name change and pledge to seek guidance from Iraq's top cleric, Grand Ayatollah Ali al Sistani, as opposed to a previous focus on Velayat-e-Faqih, a school of Shiite governance led by Iran's Supreme Leader Ayatollah Ali Khamenei. Analysts debate the motivation behind the changes - some argue they earnestly reflect the Iraqi nationalism and anti-Persian sentiment among ISCI's constituency, while others [suggest](#) the shift has been executed with Tehran's practical blessing. In any case, the new platform generally advances the concept of nationalism, which could enable reconciliation.

The Islamic Dawa Party is a conservative Shia Islamist party that had been outlawed by the previous regime and its members sentenced to death by Saddam Hussein. Dawa also has ties to Iran, a relationship historically characterized by the party's previous support of the Iranian revolution and Tehran's welcome of exiled Dawa leaders and backing of their insurgency against Hussein. But the relationship is complex; party leadership moved from Iran to London in the late eighties, and Dawa officials have been involved in forging ties to both the US and emerging Sunni leadership. These moves include recent negotiations regarding a long-term security and economic agreement with the US, the legal authorization for continued US military presence in Iraq, the government's adoption of grassroots Sunni security forces, and an increased distribution of reconstruction funds to the predominantly Sunni Anbar province.

Another large Shia group of about 28 seats is held by the Sadrist Movement led by radical anti-American cleric Muqtada al Sadr, the son of legendary deceased cleric Mohammad Sadeq al Sadr. The younger Sadr has very close ties to Tehran, characterized by his flight to Iran at the start of the US military "surge" in February 2007. And in contrast to SIIC's moves away from Iranian influence, Sadr is studying to become a cleric under Khamenei's Velayat-e-Faqih. The larger Sadrist Movement is a loose confederation of elements not completely under al Sadr's control, some of which were complicit in past sectarian cleansing, others which are more moderate. The party was a part of the ruling United Iraq Alliance, and hence the executive government, until members walked out of both in an April 2007 protest over government plans to forge a lasting security agreement with the US. Some Iraqi and US officials believe that the cohesion and influence of the Sadrist Movement is waning, as the militias associated with them become less popular, and as Sadrist ministers individually negotiate returns to the

government without Muqtada al Sadr's blessing. Another notable Shia party is the Islamic Virtue Party (IVP), which holds 15 seats. The IVP is considered a branch of Sadrism because it follows the teachings of Mohammad Sadeq al Sadr, but nevertheless could be considered a competitor to those who follow his son. The IVP also withdrew from the ruling bloc in protest over a continued US presence in Iraq.

These entities - the UIA bloc containing ISCI and Dawa, the Sadrists, and the Islamic Virtue Party - constitute "the basic building blocks among the Shias," according to the Western diplomat.

The Kurds are largely grouped in the Democratic Patriotic Alliance of Kurdistan (DPAK), considered the most unified voting bloc in the COR. The DPAK consists of 53 members primarily drawn from the Patriotic Union of Kurdistan (PUK) party and the Kurdistan Democratic Party (KDP). The bloc is closely allied with US interests, though its members are strong advocates of weak federalism, and sometimes make independent moves that seem to conflict with Iraqi nationalism. Independent or otherwise affiliated Kurds hold another five or six seats outside of the DPAK.

The current major Sunni bloc is called the Tawaffuk or Iraqi National Concord Front, which holds about 40 seats and is composed of three parties: the General Council for the People of Iraq (GCPI), the Iraqi Islamic Party (IIP), and the Iraqi National Dialogue Council (INDC). Tawaffuk's platform is anti-Iranian and pro-Sunni, though its parties are not considered widely representative of Iraq's larger Sunni population by some American officials, because many Sunni leaders sat out of national elections.

The Sunni bloc is led by Ayad al Samarrai of the IIP, and its former chairman is the controversial Adnan al Dulaymi of the GCPI, who is widely believed to be involved in insurgency and sectarian violence. Terrorism charges against Dulaymi have spurred several US and Iraqi raids on his offices over the past two years and calls by other members of parliament for his prosecution. Last December, Dulaymi's son and many of his bodyguards were detained in connection with the manufacture of car bombs, which "provoked issues within both Tawaffuk and . a great deal of controversy and some significant time within the COR," said the Western diplomat. "Several days running were spent talking about his issues within the COR debate." Dulaymi, who has survived several assassination attempts, has thus far avoided prosecution because [rivals fear](#) a backlash against his arrest.

In addition, Tawaffuk's Mahmoud Mashadani was [briefly suspended](#) as the Speaker of the COR in June 2007 because of his divisive politics, frequent violent outbursts, and use of bodyguards to physically intimidate and even attack other members of parliament. A frequent critic of US forces, Mashadani retained his position after the Tawaffuk bloc boycotted the government to win his reinstatement. Initially part of the ruling government coalition, the bloc's five ministers also quit Maliki's cabinet last August over perceived dominance by the Shia and Kurdish parties, but Tawaffuk is currently [negotiating](#) their return.

Overall, the distribution of sectarian-based political affiliations in the COR is about 45 percent Shia, 20 percent Kurdish, and 15 percent Sunni Arab, roughly reflecting the proportion of the three major ethnicities and sects in larger Iraqi society. The remaining 20 percent - approximately 54 seats - are divided between Shia and Sunnis who are explicit secularists, independents, and minority representatives, including Yazidis, Chabeks, and Assyrians. The most significant political bloc among this group is the Iraqi National List (INL), which holds about 25 seats. The INL is a hodge-podge of political ideologies and sects aligned as a secular alternative to sectarian-based coalitions, and it is dominated by the Iraqi National Accord (INA) party. The pro-American INA is headed by Ayad Allawi, Iraq's interim prime minister in 2004-2005. Founded in 1990 under a [charter](#) of overthrowing the regime of Saddam Hussein, the INA is considered a moderate party; many Sunnis regarded the Shia Allawi as an acceptably nonsectarian prime minister.

The important wrinkle in Sunni representation

Change wrought by the Anbar tribal Awakening is a vital component of evaluating the interest and intent of Iraq's Sunnis, as well as possibilities for Iraqi federalism and long-term reconciliation. The current Sunni representatives in parliament are "minimally" representative of the wider Sunni population because most Sunni leaders and tribal structures boycotted the last national elections, according to various US military and intelligence officials.

"Because most Sunnis boycotted those elections, IIP was able to sweep the field," said a US intelligence official speaking on condition of anonymity. "But despite being the Sunni voice in Baghdad, they have been completely unable to prevent either the anti-Sunni pogroms in Baghdad or the rise of al-Qaeda in the Sunni provinces."

Provincial elections that are scheduled to take place in October and subsequent national elections in late 2009 will be important, as they will give Sunnis with the popular and US-allied Sahawa al Iraq, or Iraqi Awakening, official status within the government. This will consolidate their de facto influence through democratic means, codifying both Sunni rejection of insurgency and lasting status within larger Iraqi society.

"While a number of the sheikhs are skeptical about the prospects for democracy in Iraq, as a general rule they are more than happy to consolidate the practical power they already wield through democratic means," said the US intelligence official. "The Iraqi Islamic Party (IIP) and its Tawaffuk Front coalition partners recognize the amount of popular support that Sahawa al Iraq has, and have done everything in their power to stall local elections until they can find a way to ... retain their current power."

Some US officials argue that the emergent Sunni leaders are predisposed to reconcile and realistic about their new role in Iraq society.

"[Reconciliation] would just be letting them come back and be the minority they are and now recognize themselves to be," said Stanton. "Because being a minority doesn't mean you're powerless in this parliamentary system, because the Shia are fairly fractured and there will be Shia from time-to-time who will caucus with the Sunnis and Kurds to make deals."

Sectarianism and diverse representation: crippling or workable?

While the media has focused on a narrative of unrelenting sectarianism as the cause of the COR's inertia on passing legislation, many American officials believe this view ignores some context, including the decentralized design of the government under the Iraqi constitution and a lack of experience with democracy among Iraqi officials.

"[Sectarianism] is clearly an element; political parties are formed along sectarian lines and political blocs, too," said Reeker. "That's not uncommon in countries all over the world. That does not have to be a recipe for disaster. What it means is finding the mechanisms under the constitution they have to get through those things and do what it takes to govern, so that all the parties in government and the citizenry can feel secure and comfortable."

And despite the splintered character of the country's political and demographic makeup, as well as the enhanced sectarianism that flared during the bloody conflict in 2006, both Americans and Iraqis are quick to describe the existence of a strong nationalistic sentiment in Iraq.

"There's a sort of nationalism in Iraq that frankly people don't realize," said Reeker. "Sectarianism is not as etched or hard-wired into the society here . as people think based on what was absolutely brutal, horrific sectarian violence . after the Samarra mosque bombing in 2006. If you look back in history, Iraq was a place where the Sunnis and Shia mixed, it was a place where there was a certain strong Arab nationalism. So [reconciliation is] something they have to keep working. They have these very difficult debates, but they have found certain mechanisms . to get some of this done, whether it's passing budgets, executing them, getting money moved out to the provinces."

With improved security, only time will reveal if such nationalism will result in sufficient accord within the Iraqi legislature. Many US officials shun the term "reconciliation" in favor of "accommodation," given the difficult diversity of Iraq's sects, ethnicities, and interests.

Part 4. A Look At Legislative Progress: Reconciliation Via Wealth Distribution

Some of the most important measures of progress are the Iraqi government's efforts to propose and pass legislation allocating wealth. This includes the 2008 budget, which is immediately essential to executive functions and represents a de facto distribution of revenue among Iraq's provinces and sects, and the hydrocarbons laws, which will have long-term ramifications for the apportionment and development of the country's oil resources.

The 2008 Budget

Passed on Feb. 13, the budget was a pivotal piece of legislation, as it outlines the disbursal of revenue for all purposes in 2008, and the Iraqi parliament had missed its constitutionally mandated deadline to approve it in 2007.

Even in the absence of a current budget, money flowed at the start of this year. The projected revenue in the \$30.2 billion budget for 2007 had been met a month early and exceeded by surprisingly high oil revenue; last year's revenue was allocated but contracts remain unexecuted, so projects are ongoing; and several supplemental budgets approved in 2007 had injected funds into the provinces. But approving this year's budget of \$48 billion remained a priority, given that it more directly addresses the country's pressing economic, reconstruction, and security needs.

"It reflects some of the lessons learned [last] year," said Brigadier General Terry Wolff, the Special Assistant to the President and Senior Director for Iraq and Afghanistan Policy Implementation on the National Security Council. The 2008 budget has an "increased security budget, increased provincial budgets, . and it will also reflect the fact that the Iraqis are doing what both the IMF [International Monetary Fund] and the World Bank have asked them to do in terms of debt relief and controlling inflation."

The budget is also considered a measure of reconciliation, because it candidly reflects the government's willingness to distribute resources equitably among regions and sects. This is especially relevant in the absence of an official agreement about the division of Iraq's oil profits, which constitute about 95 percent of the country's revenue. Some American officials point to the budget as a sign of Iraqi compromise and desire to remain unified as a country.

As an example, Iraq's parliament, the Council of Representatives (COR), opened a special legislative session at the end of December to resolve the disputes delaying passage of the 2008 budget. Lawmakers interrupted their winter break to debate funding of the Kurdish Regional Force - Kurdistan's semiautonomous security forces - and the [proportion](#) of nonfederal funds allocated to Kurdistan. Non-Kurdish lawmakers had cited Iraqi Planning Ministry data showing that Kurdistan contains 13 percent of the country's population and argued that the province should be funded accordingly. The Kurdish representatives wanted to maintain the 17 percent allocated to the province in previous budgets.

The impasse was resolved with parliament's passage of the budget on Feb. 13, along with the Provincial Powers Act and the General Amnesty Law. Representatives agreed to integrate up to two divisions of the Kurdish Regional Force into the Iraqi Army, and individual political deals brokered between the Kurdish bloc and major Shia parties maintained the past proportion of funding for Kurdistan. According to a secular Iraqi politician not affiliated with the parties, the Sadrist Movement and other Shia politicians agreed to support the 17 percent allocation in return for Kurdish support of the Provincial Powers Act.

This type of political deal is an example of how the budget reflects ethno-sectarian compromise through revenue apportionment, as well as how the legislative process can enable accommodation.

"The budget represents all of the sectarian communities and they all believe it's a good, investment-heavy document," said Phil

Reeker, Counselor for Public Affairs at the American Embassy in Baghdad. "I think that's the thing to point to, because ultimately that's the function of government; taking revenues and spending it on the people."

The Hydrocarbons law

The Iraqi hydrocarbons law, or oil law, is really a package of four pending laws vital for governing the oil industry and the overwhelming majority of Iraq's revenue. These laws will significantly influence the degree of the country's long-term wealth and help outline management responsibilities and profit sharing. Specifically, the four laws outline:

1. Managing investment in Iraq's oil resources, specifically the industry's upstream development;
2. Revenue sharing among private companies, provinces, and the federal government;
3. Restructuring the Ministry of Oil; and
4. Reconstitution of the Iraq National Oil Company (INOC).

How Iraq's oil industry integrates with foreign investment is a pivotal aspect of the ongoing debate over the legislation. The industry was nationalized in 1972 - a status currently shared by neighbors such as Saudi Arabia and Iran - but analysts believe that foreign investment based in profit sharing will significantly increase oil revenue. Iraqi politicians, oil companies, and various independent advisers are attempting to strike a balance between Iraqi control and foreign investment that will maximize the industry's potential, while allaying nationalist fears over the politically sensitive topic of who controls and profits from the oil. Successful legislation is considered a prerequisite to attracting foreign investors.

"It's not the security situation that keeps the oil companies away, . it's the lack of a comprehensive national oil law," said Reeker. "You have to have this national law that establishes the legal framework [for] foreign investors. . They're not going to come until they know the rules of the road are defined and can be reasonably expected to remain in place."

Key points of contention in the privatization vs. nationalization issue include the length of any contracts, the preferential treatment of the INOC over private investors in awarding contracts and responsibilities, and production sharing agreements that determine the split of profits between private companies and the government. Initial drafts of the investment portion of the legislation assigned the majority of profits to private oil companies until they recoup exploration and drilling costs, after which the companies earn 20 percent. Critics believe this degree of revenue sharing gives away too much of Iraq's oil wealth, while proponents of the plan argue that it is a fair distribution given the assumed risk of the foreign companies, as well as their unique ability to drastically increase the country's oil production. But significant, long-term production sharing agreements are abnormal for the region, as many countries utilize private companies on a more limited, contractual basis to augment nationalized industries. The extent of any revenue sharing between Iraq and private investors remains in debate, but some experts assert initial drafts provide for government control.

"[T]he aim of this law from beginning was to promote foreign investment in Iraq's oil sector," said Revenue Watch Middle East Director Yahia Said, at [an event](#) held in May 2007 by the US Institute of Peace, an independent organization funded by the US Congress. "Yet while the law opens the door for foreign companies, there are careful, deliberate mechanisms in place to maintain control in the hands of national government."

Drafts of the laws have required that any contracts with private companies contain language that stipulates Iraqi government control, give the INOC authority over more than 90 percent of Iraq's known oil reserves, and mandate a degree of transparency in oil contracting that is unusual for the Middle East.

The other major debating point in hydrocarbons legislation is the degree of federal vs. provincial control over management of the industry. Two facts spur inevitable differences among naturally self-interested ethno-sectarian parties: the overwhelming proportion of the country's revenue comes from oil and the major oil fields are [unevenly located](#) across Iraq's provinces. The current draft of the law leans toward centralization by regarding the industry as a national patrimony overseen by the Council of Ministers, with specific policy set by the Ministry of Oil.

Oilfields and Facilities



In very general terms, Kurdish politicians want more decentralization and aggressive production sharing agreements with Western companies, Shia leadership is open to decentralization but is more circumspect about Western investment, and Sunni leaders emphasize centralization while also closely vetting the conditions for any arrangements with foreign companies. The Kurds have long lobbied for control of northern oil resources and passed their own regional oil law in August 2007. But a federal government spokesman declared the law "illegal" and warned that foreign investors making deals with Kurdistan will be subject to lawsuits and denial of contracts after any federal oil laws are passed. Several foreign companies signed development contracts with the Kurds despite the warnings.

The first federal law governing investment has been approved by Iraq's executive branch and submitted to the Council of Representatives for debate and review, though the legislature has made little progress on resolving key issues. Drafts of the other three laws have not been finished by the executive to be forwarded to the legislature. Analysts assert that all four laws must be reviewed as a package before the parliament can pass any of them. It is likely that debate over such comprehensive oil legislation will take some time, given the political sensitivity, complexity, and huge, long-term ramifications of the issue. Overall, the laws are slowly moving through committees but are delayed by a cautious approach and a lack of agreement on key questions, with many divisions along regional party lines.

As for when the legislation is likely to pass, one official would not venture to guess. "I couldn't put a date on its passage; it's a tough one," said Reeker.

Short-term resolution of a long-term issue

While sectarianism and regional disagreements affect legislative progress in Iraq, lawmakers and bureaucrats have managed to achieve consensus on revenue distribution essential to the function of government with the passage of the 2008 budget. US

officials believe that the distribution currently taking place - in the form of equitably apportioned yearly budgets and past supplemental budgets assigned to provinces - is a reasonable indicator of willingness to compromise and remain unified as a country, as well as address Iraq's pressing economic, reconstruction, and security needs.

But a host of unresolved items delays legislation on the long-term disposition of Iraq's oil industry and wealth. Progress on hydrocarbons law calls for striking a balance between federal and provincial authority and between privatization and nationalization. In addition, Iraqi politicians are cautious about the design and compromise of any legislation, as they view any agreement as a de facto definition and distribution of political power that will outlast shorter-term US interests. Given the import of the legislation and the difficulty of competing interests, the uneven geographic distribution of oil fields, politically sensitive matters of nationalism, and a decayed oil infrastructure requiring private Western investment, Iraqi technocrats and lawmakers have some way to go before reaching agreement on the package of hydrocarbons laws. Effective compromise on this issue will be vital to building on Iraq's impressive revenue momentum and stabilizing the country through long-term equitable wealth distribution among provinces and sects.

Part 5. A Look At Legislative Progress: Sunnis' And States' Rights

A significant measure of political progress in Iraq is the parliament's ability to pass laws on sectarian reconciliation and those stipulating the government's long-term design. To those ends, the most significant pieces of legislation include the Unified Retirement Law, the Accountability and Justice Law, the General Amnesty Law, legislation on the status of Kirkuk, and the Provincial Elections and Powers Law. Some of these measures have passed, while others remain contested.

Unified Retirement Law, Accountability and Justice Law, and General Amnesty Law

These three laws specifically have the potential to advance stability and reconciliation. They are designed to clarify pension rules for Iraqis in need of economic support, reintegrate some former members of Saddam Hussein's Baath Party into government employment, and release primarily Sunni Arab detainees accused of insurgency but held without trial or conviction.

The Coalition Provisional Authority's 2003 decision to purge more than 1 million former Baathists from government and deny them retirement benefits created strong political and economic incentives for rebellion among those disenfranchised. What followed was the rise of a predominantly Sunni nationalist insurgency that presaged al Qaeda infiltration of Iraq and the resulting sectarian conflict. Taken together, the Unified Retirement Law and the Accountability and Justice Law remove some of the negative incentives by expanding the number of former Baathists who can re-enter public service or receive retirement pay from the government, though concerns remain about certain aspects of the latter law and its eventual implementation.

The 275-member Council of Representatives, Iraq's parliament, passed the Unified Retirement Law by a 106-39 vote on Oct. 4, 2007, barely exceeding the minimum attendance of 138 required for quorum. The law grants retired civil servants pensions equal to 80 percent of their salaries and, significant for reconciliation, also provides pensions to members of the former Iraqi Army, many of whom had been involved in the insurgency. The law removes eligibility distinctions between those who retired before or after the fall of the regime of Saddam Hussein.

"It's removing discrimination based on social status or political affiliation," said Phil Reeker, Counselor for Public Affairs at the American Embassy in Baghdad.

The Unified Retirement Law paved the way for parliament's Jan. 12 passage of the Accountability and Justice Law, also known as "de-Baathification reform." This law reforms the previously sweeping terms of removal of former Baathists from government service, and was passed unanimously by the 143 members of parliament who were present, though several major voting blocs rejected it via abstention. The [law features](#) some terms favorable to Sunni reconciliation, including reinstatement of the jobs or pensions of those who were in the bottom six levels of the Baath Party's 10 ranks, a clarification of pension rules, and a new appeals mechanism. But other facets of the law are considered potentially unfavorable to reconciliation and are strongly opposed by Sunni representatives. Those controversial aspects include the law's maintenance of a committee that scrutinizes the rehiring of former Baathists and the extension of de-Baathification purges to new areas of government, including Iraq's judiciary.

Heated sectarian debate characterized efforts to pass the legislation, and probably will mark its implementation. Much of the law's potential as a step toward reconciliation will depend on who is appointed to the seven-person committee that will oversee its execution.

"There has been a long process of coming to a consensus . that's not yet run its course," said a Western diplomat speaking on condition of anonymity. "On one side the Sunni believe it goes too far and that the law, as it is written, could harm people who have committed no crime, simply because they were Baath members. At the opposite end of opinion there are people who feel it does not go far enough in punishing Sunnis. They ask why jobs and civil services positions are being returned to Baath members . when there hasn't been enough attention paid to what are referred to as 'the martyrs,' people who were the victims of the Saddam Hussein regime."

Almost all Sunni factions initially opposed the bill because of criticism that it did not reintegrate enough former Baathists. The lone exception was the prominent Iraqi Islamic Party, which subsequently relinquished support when members accused the government of ramming an alternate draft through parliament that was harsher to former Baathists. After passage by the Council of Representatives, controversy erupted at the final step of approval - its signing by the executive branch's Presidency Council composed of Iraq's president and two vice presidents. Sunni Vice President Tarek al Hashemi of the Iraqi Islamic Party alone [refused](#) to sign it, claiming the law embodied a "spirit of revenge" and counterintuitively criticizing that it would unfairly require those in current government service to vacate positions to make way for former Baathists. The bill became law without

his signature after the expiration of the 15-day window for the majority of the Presidency Council to veto the legislation.

Ultimately, despite opposition by Sunni leaders in parliament, the practical impact of the law depends on its fair implementation, which US and Iraqi officials cautiously hope for but do not guarantee. Assuming equitable execution, the integration of hundreds of thousands of former Baathists into paid retirement or active government service could aid reconciliation by dulling economic and political motives for discord.

In addition, the parliament passed the General Amnesty Law on Feb. 13 in a package of laws that included the 2008 budget and the Provincial Powers Act. The measure, signed into law by Iraq's Presidency Council on Wednesday, will pardon and release about 5,000 of the 24,000 predominantly Sunni detainees held in Iraqi prisons for more than six months without charge or more than a year without a court appearance. The law primarily affects prisoners held on suspicion of supporting the insurgency, while excluding those held in US custody, sentenced to death, or imprisoned for terrorism, premeditated murder, kidnapping, robbery with aggravating circumstances, sex crimes, drug trafficking, forgery, or smuggling of antiquities. Most analysts agree that the measure is a significant reconciliation step, given its clear benefit to the Sunni community. It had relatively enthusiastic support from lawmakers in the Iraq Accord Front, the largest Sunni bloc, who indicated that its passage would ease ongoing negotiations for a return to Prime Minister Nouri al Maliki's ruling government. Members of the bloc walked out of cabinet positions last August in protest over perceived dominance by Shia and Kurdish parties.

Article 140 and the status of Kirkuk

Beginning in 1975, Saddam Hussein's regime executed an "Arabization" policy on the northern city of Kirkuk: non-Arabs - including Kurds, Turkmen, and Assyrians - were forced out of the city to make way for predominantly Sunni Arab oil workers. In 2005, the drafters of the Iraqi Constitution sought to reverse Saddam's policy. Article 140 of the document outlines three steps that were to be completed by a December 2007 deadline: a "normalization" process allowing thousands of non-Arabs to return to the city and reclaim seized property, the conduct of a local census, and a public referendum held to decide who has jurisdiction over the city. The vote would specify whether oil-rich Kirkuk will be administered by Baghdad, assimilated into semi-autonomous Kurdistan, or some other compromise.

The United Nations, US Iraq Study Group, and Turkey advocated postponement of the referendum as the constitutionally mandated deadline approached at the end of 2007. The vote has not yet been held. The UN and US believed the Kirkuk referendum too politically sensitive to take place in an already uncertain security environment, while Turkish officials feared that a Kurdish annexation of Kirkuk would boost Iraq's Kurdish economy, forming the basis of an independent Kurdish state on the border, which in turn could spur an independence movement among Turkey's Kurds.

But the Iraqi Kurds regard governing Kirkuk as an almost non-negotiable right, and their firm [position](#) sets the stage for sectarian discord with the city's Sunni Arabs, Assyrians, and Turkmen. While the non-Kurdish groups ostensibly desire administration by Baghdad, they are really negotiating a degree of autonomy for the city instead of outright annexation by Kurdistan. Final implementation of Article 140, including the local census and final referendum on who runs the city, remain unsettled matters before Iraq's government.

National government officials and the provincial Kurdish assembly have approved a plan developed and mediated by the UN to delay implementation of Article 140 for another six months. UN Deputy Special Representative for Iraq Staffan de Mistura is preparing to lead a technical effort to help the parties resolve some of their differences. Some US officials believe the UN is "very well-placed to do this" with the credibility and "technical expertise" capable of producing an agreement. Given that Kirkuk's Kurdish-dominated local council has threatened to unilaterally break ties with the Iraqi government if Baghdad does not implement the referendum within the six-month extension, Western advisers have their work cut out for them.

The Provincial Powers Act and Provincial Elections Law

The proposed Provincial Powers Act and Provincial Elections Law are other pieces of legislation with the potential for significant political progress. Respectively, the laws codify the distribution of powers between the provincial and federal governments, and outline election schedules and rules for the provinces.

The Provincial Powers Act was passed 83-82 by parliament on Feb. 13 in a package of three laws that included General Amnesty Law and the 2008 Budget. But the bill failed the final step of approval on Wednesday when a majority of the Presidency Council refused to sign it.

"No agreement has been reached in the Presidency Council to approve the provincial elections draft law and it has been sent back to the parliament to reconsider the rejected articles," according to a statement by the council, composed of President Jalal Talabani, Vice President Adel Abdul Mahdi, and Vice President Tariq al Hashemi. Talabani, a Kurd, and the Shia Abdul Mahdi, a member of the Islamic Supreme Council of Iraq (ISCI), specifically rejected the bill because of articles outlining federal authority to fire provincial governors.

The most recent draft of the bill creates a framework for the distribution of political power between the federal and provincial governments. The bill attempts to resolve a fundamental controversy, similar to the US tug of war between strong federalism and states' rights. The delineation of power in the law also would clarify an inherent contradiction in the Iraqi Constitution, parts of which stipulate that nonfederal governorates have equal authority to the federal government, while other sections outline federal supremacy.

A secular Iraqi politician speaking on condition of anonymity asserted that the latest version of the bill assigned a large degree of authority to the provinces. "Maybe too much," the politician ruefully added. But others disagree. Notably, ISCI and the Kurds

advocate significant provincial powers; the Shia party advances decentralization to consolidate its current dominance of southern Iraq in the face of a pending electoral challenge by Sadrist rivals, while the Kurds dislike any provisions that diminish authority in their already semiautonomous region.

US strategy in Iraq has already advanced practical decentralization of political power as a mechanism to achieve reconstruction and security gains. Bolstered by the Iraqi federal government's direct distribution of funds to provincial control, the strategy of empowering diverse provinces and locales facilitates rebuilding and removes incentives for insurgency. The resulting local hierarchies that are part of grassroots political progress would further integrate into an official government framework with the passage of the law. Specifically, the last draft of the Provincial Powers Act outlined the following:

1. The definition of legislatures and the procedures for establishing them. This includes conditions and termination of membership and the powers of provincial, district (local), and subdistrict (local) councils.
2. The rights and privileges of public servants, including pay, general responsibilities, terms of dissolution, and responsibilities of the heads of administrative units. These executives include the provincial ministers, the governor, and the district and subdistrict directors, who are like mayors.
3. Various other provisions, including directives governing provincial and local financial resources, various administrative boards, oaths, and oversight responsibilities.

In many ways, the latest bill is remarkable in its degree of decentralization. But the legislation maintains federal supremacy and oversight while mirroring the national government's structure at the provincial, district, and subdistrict levels - roughly analogous to US states, counties, and cities. The spirit of the legislation can be found in its definition of a provincial council, essentially a province's parliament, which would be the highest legislative and oversight authority within the province. The bill would give the council the right to create laws governing its own affairs, as long as they do not explicitly contradict the Iraqi Constitution and any federal laws.

This significant power-sharing scenario is agreeable to most of the naturally decentralized political movements, but significant differences obviously remain about certain aspects outlining federal authority. US officials see long-term challenges because of the complexity and importance of such power-sharing, as illustrated by America's continuous struggle with similar questions.

"If you look at provincial powers, it's absolutely crucial," said Reeker. "But it's very much an existential thing, like states' rights in the US. Our founding fathers didn't get that quite right in the 18th century, and so by the 19th century we had a pretty miserable Civil War, and we continued to work that out and even today there are issues of states' rights."

Furthermore, the passage of the Provincial Powers Act was viewed by Iraqis as a precondition for the proposed Provincial Elections Law. The former, as passed by parliament on Feb.13, stipulates that the latter must be passed within 90 days and that elections must take place by Oct. 1, 2008. Despite its subsequent rejection of the Provincial Powers Act, the Presidency Council has stated that plans to move ahead with elections will move forward, though some analysts are doubtful the deadline can be met.

Provincial elections are of especially pressing importance because it is anticipated that they will create a political outlet for the Sunni leaders who previously boycotted the political process and/or engaged in insurgency, yet who have since allied with the US and Iraqi government against al Qaeda in Iraq. The Awakening tribal alliance based in Ramadi probably will dominate provincial balloting, as its politicians are generally considered more representative of the Sunni population than the Iraqi Accord Front.

In addition, provincial elections will shape the ongoing power struggle between ISCI and the Sadrist Movement in southern Iraq. The Sadrists boycotted regional elections in 2005 and now want to challenge ISCI power through the ballot box, while ISCI wants to consolidate its current regional dominance through dramatic decentralization outlined in any final version of the Provincial Powers Act.

Opening the door to provincial representation for the Awakening movement, or Sahawa al Iraq, in Anbar province and new political parties in other provinces will also have implications for national elections in 2009, as will the design of the vote. Though the Provincial Elections Law is yet to be written and passed, some US and Iraqi officials either speculate or assert that the "closed party list" voting construct used in the last national elections will be replaced by votes cast for individual candidates, a change that should soften sectarian divisions and benefit parties with strong individual candidates.

US officials see a pressing need to hold provincial elections soon, believing they must occur before some elements of Sunni society become restless about lacking political power and official recognition in Iraqi society. But significant hurdles remain.

"The elections working groups are working with the GOI [government of Iraq], but they still have to do a rewrite of the elections law before they can even schedule the provincial elections. And there is a question of . [whether to] do them all at once or do them rolling by province," said Colonel Martin M. Stanton, Chief of Reconciliation and Engagement for Multinational Corps-Iraq.

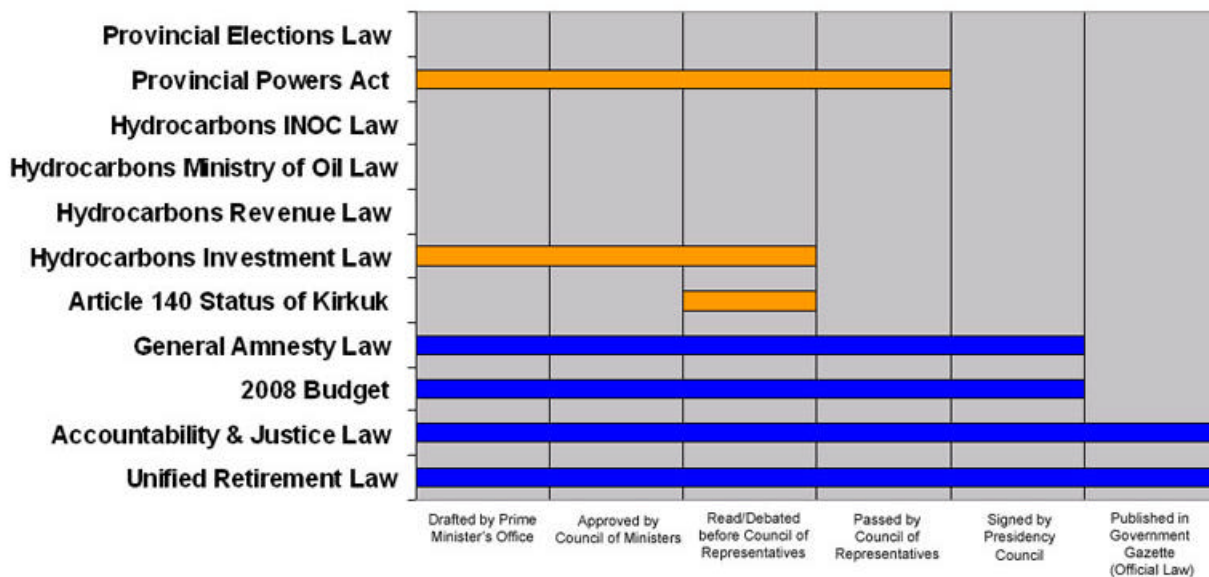
Hopes for quick provincial elections also are complicated by the lack of an elections budget and an accurate census, as well as drastic population shifts caused by the return of displaced persons within Iraq. The Oct. 1 deadline for elections reflects the urgency of involving local leaders in the political process, but presents a logistical challenge that US and UN officials are trying to address. A December 2007 report to Congress by General David H. Petraeus' staff detailed US efforts to lay the groundwork for elections that include "working with the UN to assist [Iraq's Independent High Electoral Commission] in building staff capacity, particularly in public outreach and internal organization; building database capacity that will support new registration; and establishing provincial, district and precinct-level election bodies."

Potential flashpoints in the design of the elections law involve disputes over personnel who are appointed to the electoral commissions responsible for organizing the vote. On the Shia side, the Sadrists fear that the ISCI will try to rig the process in southern Iraq. And members of the Sunni Awakening movement are calling for the dissolution of the current electoral commission because they believe it is stacked with members of a rival Sunni party who will exercise inappropriate influence to maintain power in the face of questionable popularity.

Collectively, the pending Provincial Powers Act and Elections Law have the potential to make great political headway for Iraqi stability and reconciliation. But the rejection of the Powers Act has thrown progress in this area into significant doubt. Ideally, the parliament will quickly resolve the disputed articles, or at least press ahead with vital provincial elections before the end of the year. Despite the challenging deadline, the prime minister's office is drafting the Elections Law, and logistical preparations are under way. And while the long-term disposition of provincial and federal power-sharing will undergo metamorphosis after the recent approval and rejection of the Provincial Powers Act, its eventual passage can solidify political outlets for those formerly inclined to civil war or insurgency by codifying a significant degree of local self-determination. Officials also believe that official decentralization of responsibility could further streamline the country's reconstruction and security efforts.

A burst of legislative progress . with caveats

Status of Key Iraqi Legislation



While Iraq's political progress is criticized by many Western political observers in relation to official benchmarks outlined by the Bush Administration and Congress, legislation has begun moving forward, though it often deals with complexities antithetical to quick resolution. In addition, Iraqi lawmakers tend to shun Western-imposed timetables for a variety of reasons, including a sometimes prideful sense of self-determination, the unpredictable process of ethno-sectarian and political compromise, and the practical belief that complex negotiations on long-term solutions should not be rushed to provide short-term political benefit for the US and others. While these attitudes frustrate some Western advisers, others accept and even encourage independence while facilitating progress, and stress the importance of Iraqi solutions to Iraqi problems.

In the end, the stability of Iraq hinges on the maintenance of recent legislative momentum, including: a successful revision of the Provincial Powers Act, crucial provincial elections held before the end of 2008, and the relatively fair, nonsectarian implementation of the brand new laws on amnesty and de-Baathification.

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