

Iraq, the United States, and the “New” Middle East

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The U.S. “long war” in Afghanistan may be ending, although it is far from clear what will happen when U.S. forces fully withdraw, and there is no way to predict what kind of new government will emerge and what level of U.S. aid and assistance – if any – will continue. The story in Iraq, however, is very different. The “long war” in Iraq against ISIS and extremist movements has broken up the ISIS “caliphate” – although elements of ISIS remain all too active – but Iraq remains a major strategic interest, faces a serious threat of being at least partially dominated by Iran, and is a country where the U.S. needs to forge some form of a new strategic partnership if this proves possible .

Iraq’s strategic importance is all too clear. Iraq has the world’s fifth-largest proven crude oil reserves at 145 billion barrels, representing 17% of proven reserves in the Middle East and 8% of global reserves. It not only is strategically important in itself, but its position between a hostile Iran and a Syria tied to Russia will have a major impact on the stability of the Gulf and the Levant – so will Iraq’s Kurdish population that has long created tension with Turkey.

Iraq shares a border with Jordan and Saudi Arabia, and an Iraq that came under major Iranian (and Syrian) control or influence – or some hostile Shi’ite faction – would not only threaten two key American strategic partners, but it would greatly increase the potential regional threat to Israel – as would any major security and economic ties between Iraq and Russia and/or China.

The U.S. still has a major economic interest in the broader stability and security of the Gulf region. Iraq and the other Gulf states are the source of some 20% of the world’s petroleum exports, and the flow of these exports is critical to China and key U.S. trading partners like Japan, South Korea, and Taiwan. China’s dependence on Gulf exports has already led it to negotiate a massive potential trade agreement with Iran and to establish a naval base in Djibouti – and the Gulf will remain a key potential target for Chinese efforts to increase its economic and military influence as well as future Chinese arms sales.

For all of the talk of U.S. energy independence, the U.S. economy remains as dependent on the stable flow of their manufactured goods as it once was on direct imports of Gulf petroleum. Furthermore, U.S. strategic partnerships with Egypt, Jordan, and the Arab Gulf states are both a critical way of minimizing the risk of any major new Arab-Israeli conflict and of giving the U.S. strategic leverage over China.

In short, there is no one lynch pin to the U.S. strategic position in the Middle East, but Iraq is a critical part of any future security structure in the Middle East.

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The Options for Strategic Cooperation with Iraq After the Withdrawal of U.S. Combat Forces

The U.S. did agree to withdraw its combat forces from Iraq by December 31, 2021, during the strategic dialogue it held with the Iraqi government on July 26, 2021. It did not do so, however, because ISIS and extremism were fully defeated; because Iraq did not face threats from Iran, Syria, or Turkey; because its security forces and military could stand on their own; or because its politics, governance, and economy no longer were in a state of crisis. The U.S. agreed to withdraw its combat forces in large part because of internal opposition to the U.S. presence within Iraq’s deeply political factions, opposition and active attacks from Iraqi Popular Mobilization Forces (PMFs) with links to Iran, and the hostile reaction of some Shi’ite Iraqis to the U.S. killing of Qasem Soleimani and Abu Mahdi al-Muhandis – the deputy commander of the Iraqi Shiite PMFs – on January 3, 2021.

The text of the announcement of the U.S. withdrawal, and the new strategic relationship between Iraq and the U.S. is attached as Annex A to this commentary. It still leaves the U.S. with a role in training and assisting Iraqi forces. It does not prohibit the U.S. from providing military and economic aid. And, it does not prevent the U.S. from sending forces back to support Iraq if the Iraqi government should request such aid in the future.

This leaves the U.S. with three options in shaping its future strategic relationship with Iraq:

- First, the U.S. can deal with Iraq as a strategic partner that faces threats from Iran, Turkey, Syria, and the remnants of ISIS and other extremist groups. It can provide military and economic assistance that will help Iraq stand on its own and become a stable and fully functioning state. This, however, will also require U.S. and other outside aid in building a stronger, more unified and more effective Iraqi government as well as a degree of political unity and cooperation between Iraqi Sunnis and Shi’ites as well as between Arabs and Kurds that does not now exist.
- Second, the U.S. can fail to create some new and meaningful form of strategic partnership with Iraq. This risks seeing Iraq continue to falter and divide or become a strategic battle ground for its neighbors. This, to some extent, is Iraq’s most likely future – weak, corrupt, and factional politics and government that is divided between Sunni and Shi’ite, Arabs and Kurds, and factions within each bloc. This Iraq would exist in a self-inflicted state of economic collapse.

Such a future would not leave any one outside state in charge, but it would probably leave Iran with major influence over all Shi’ite areas, Turkey exerting pressure on Iraq’s Kurdish North, Sunnis seeking support from Sunni Arab states, and elements of an ISIS or some other form of Sunni extremist revival. It would leave Iraq’s government with military and security forces as well as with Shi’ite Iranian-backed Popular Mobilization Forces contesting for power. It would also leave Iran able to move relatively freely though Iraq to Syria.

- Third, the U.S. can fail to act and see Iraq become dominated by Iran, or Iraq could split so that Iran largely controls its Shi’ite areas, Bagdad, major transit routes through the South, its surviving Popular Mobilization Forces, and possibly its military. It seems unlikely that any full political axis would emerge between Iran and Syria, but relations

might well become close enough to be a major ongoing security threat to the stability of the region and to both Israel and America’s Arab strategic partners.

A Strategic Partnership Based on Creating a Strong Independent Iraq

Option one is clearly the most desirable, but it is also one where the U.S. faces two major challenges. The first is Iraq’s politics and the Iraqi government. If there is any lesson the U.S. needs to learn from both its “long war” in Afghanistan and its previous efforts in Iraq, it is that the U.S. cannot help a nation that cannot help itself.

At present, this is a major issue in dealing with Iraq. Since 2003, Iraq has been splintered along ethnic, sectarian, regional, and sometimes tribal lines. Iraq’s government will firstly have to deal with the legacy of the U.S. invasion in 2003 and the failed U.S. nation-building efforts that followed. More broadly, Iraq must recover from a period of political instability, crisis, the war that began with Saddam’s purge of the Baath movement and the Iran-Iraq War in 1980-1988, and the still lingering forms of the remaining threat from ISIS. Iraq has now been a “fragile state” for a period of over four decades.

The Governance Challenges

Iraq’s government is now so divided that it is barely functional. It is dominated by factions that are themselves divided, seek their own interests rather than those of the country, and are corrupt and opportunistic. It does have a competent current Prime Minister, many honest officials, and some highly competent commanders and economists, but it is unclear that they have the political strength to hold successful elections, create effective plans and budgets, develop effective national security forces, and actually implement economic reform and a development plan that meets the needs of all its major sects and ethnic groups. It is clear that they have not been able to respond to growing popular protests and to protect peaceful demonstrators from repressive action by security forces.

Factionalism, self-interest, and corruption are endemic. Reporting to Congress by the U.S. Lead Inspector General (LIG) in the spring of 2021 noted some progress in fighting corruption, but that:¹

The DoS stated that corruption continues to be a serious problem in Iraq that impedes the Iraqi government’s efforts to attract foreign investment. Corruption in Iraq also threatens the federal government’s stability, denies Iraqis needed public services, and contributes to increased poverty and unemployment. In January, Transparency International’s Corruption Perceptions Index ranked Iraq 20th from the bottom of 180 countries worldwide.

In March, a media organization reported on the results of its 6-month investigation into corruption at Iraq’s official border crossings along the borders with Iran and Turkey and at the port of Umm Qasr in southern Basrah province. According to the report, Iraq imported \$21 billion worth of non-oil goods in 2019, including food, electronic items, and natural gas. Customs duties on these imports were intended to supplement the Iraqi government’s oil revenues. However, political parties and militias control land and sea ports of entry and redirect many of these funds to their coffers. The report found that Iran-linked militias that intimidate Iraqi government officials are the prime beneficiaries of corruption at the border ports.

An August 3, 2021 report to Congress by the Lead Inspector General (LIG) on Operation Inherent Resolve reinforces these warnings:²

On April 21, the COI issued 8 arrest warrants and 50 summons for former government officials, including a member of parliament, a minister, and a ministry undersecretary, according to a media report... On June 8, the COI arrested former officials on charges of corruption, abuse of executive authority, and misuse of public funds. Those arrested included the former Babil governor, two former bank directors, a former presidential

advisor, a former Kirkuk provincial council chairman and a former council member, the president of the Northern Technical University in Ninewa, the director of the Distribution Section of the Petroleum Products Distribution company, and the director-general of the Provincial Investment Authority in Dhi Qar province.

In a paper released in late April, a member of the Iraq Britain Business Council described the effects of widespread corruption in Iraq. According to research cited in the paper, at least 22 percent of Iraqis pay a bribe annually, petty corruption is widespread, and jobs and opportunities are lost because of work not performed and investments not made because of corruption. The paper also said that corruption in Iraq extends from the top to the bottom of official Iraq. Since 2003, Ministers of Defense, Trade, Electricity, Oil, and Interior have been investigated for corruption, and several have fled the country with hundreds of millions of dollars.

In late May, the UN Development Program Iraq, partnering with the European Union Mission in Iraq, announced a 4-year, \$18 million initiative to fight corruption and improve transparency in Iraq's private sector. The initiative will cover all of Iraq, including the Iraqi Kurdistan Region. It will require coordination between dozens of government agencies, which could be a major challenge, according to a media report.

The World Bank governance indicators shown in **Figure One** are highly negative and show a remarkable lack of progress over time. Transparency International ranks Iraq as the 21st most corrupt country in the world, and the Fragile State Index ranks it as the 20th most fragile country out of 179 rated – with a major decline since 2017.

Many Iraqis fully understand the need for reform, including Prime Minister al-Kadhimi, but sectarian, ethnic, and regional divisions and factionalism present critical challenges – including serious differences between the central government and the Kurdistan Regional Government (KRG). In theory, Iraqi is to hold an election in October 2021 that could change this situation and create a stronger and more unified government. In practice, the success of such an election is far from clear. As a recent report from the U.S. Lead Inspector General notes, the election may not be held, may make Iraq's divisions worse, or simply lead to a new mix of leaders that remain divided and ineffective.

The elections do seem likely to take place. An August 3, 2021 report to Congress by the Lead Inspector General (LIG) on Operation Inherent Resolve reports that:³

Despite the protests and threat of boycotts, the Iraqi government continued to prepare for the upcoming parliamentary elections. On April 12, Iraq President Barham Salih signed a decree confirming the October 10 election date and acknowledged the decision taken by the Iraqi Parliament to dissolve itself by October 7, which is required before early elections can be held. He also called on all state institutions to fulfill the necessary requirements for conducting the elections. The DoS reported that preparations for elections continued and assessed that the vote would take place as scheduled, despite some legal challenges to the electoral law.

Iraq's economic crisis is, however, leading to increasing popular discontent, and Iran has deliberately compounded these problems in an effort to increase its influence and level of control. Furthermore, it poses another threat to Iraq's ability to conduct fair and meaningful election in October 2021:⁴

Iran-aligned militia groups continued to intimidate nationalist political groups to try to stop them from challenging pro-Iran political groups in upcoming elections. The DoS said that these groups have been involved in the many assassinations of political activists aligned with the protest movement...The DoS said the government needs to convince Iraqi activists that those who commit violence will be held to account; however, repeated statements by the Prime Minister that the government is investigating the violence no longer convince activists and Iraqis have derided the statements on social media.

Jeanine Hennis-Plasschaert, the Special Representative of the Secretary General and Head of the United Nations Assistance Mission for Iraq (UNAMI), in remarks before the UN Security Council on May 11, said that security forces perpetrated violence and persecution against protestors with “rampant impunity.” The

DoS reported that it met regularly during the quarter with Iraqi government leadership to emphasize support for Iraqi efforts to uphold the rule of law, while reminding interlocutors that the world is watching to see whether the Iraqi government can hold accountable those who have attacked Iraqis exercising their rights to freedom of expression and peaceful assembly.

In response to the violence and overall instability, 21 political parties associated with the antigovernment protest movement (known as the Tishreen movement) stated that they will withdraw from the October elections.³⁹⁶ Media reporting predicted the parties would not fare well in the national elections, so their withdrawal is likely to have a limited effect on the election results, though additional withdrawals could undermine public perception about the legitimacy of the vote. The DoS said many other protest movement parties and activists continue to urge everyone to participate in the elections.

U.S. security policy needs to recognize that Iraq faces political and economic pressures as well as threats from Iran that are as serious as its security ones, and it must make some allowance for this in shaping its future security relations with Iraq.⁵

Figure One: World Bank Ratings of Iraqi Governance



Source: “Iraq Governance,” World Bank, <https://info.worldbank.org/governance/wgi/Home/Reports>.

The Military Challenges

Iraq faces equal challenges in building up effective military forces that can go beyond a focused anti-terrorism capability in limiting outside pressure from Iran, Syria, and Turkey and deterring any outside military threats. Iraqi forces are comparatively large and well-equipped – *on paper*. Iraq has a nominal military force that the International Institute for Strategic Studies (IISS) estimates has some 193,000 personnel (180,000 army; 3,000 Navy; 1,000 Marines; 5,000 air force; and 5,000 air defense – plus some 36,000 Federal Police; a 12,000 personnel Territorial Interdiction Force; and some 100,000-130,000 Popular Mobilization Forces – including the Badr Organisation; Kataib Hizbullah; Kataib Imam Ali; and Kataib Sayyid al-Shuhada).

Yet, only a few Iraqi Army units like its special forces, Counter Terrorism Service, and rangers are actually effective by regional standards. Reporting by the U.S. Lead Inspector General (LIG) and other sources shows that the Iraqi Army and Air Force have major problems in fire support, intelligence, and operating complex weapons and aircraft as well as sustaining and maintaining them.⁶ These problems include key systems like its F-16 fighters and M1AI tanks.

Here, the U.S. and other Coalition states play a critical role in train and assist efforts to help Iraq develop truly effective military forces, although such efforts have been focused largely on defeating ISIS and their role is limited in size. The details of these efforts are classified, but the LIG report to Congress for the first quarter of 2021 notes that:⁷

The Coalition supports many elements within the ISF—including the Iraqi Army and Air Force, the Counterterrorism Service (CTS), and the Kurdish Peshmerga—and the Iraqi Ministry of Defense. CJTF-OIR primarily advises and enables the ISF and the Kurdish Peshmerga at two centralized command centers: the Joint Operations Command–Iraq (JOC-I) in Baghdad and the Kurdish Coordination Center in Erbil. CJTF-OIR supports partner forces from four locations in Iraq: Union III and the Baghdad Diplomatic Support Center in Baghdad, the al-Asad Air Base in Anbar province, and Erbil Air Base in the Iraqi Kurdistan Region. Advisement efforts are designed to enhance the skills that the ISF requires to build an independent military and execute independent operations against ISIS.

... The Military Advisor Group (MAG), a directorate of CJTF-OIR, provides centralized advising to nine regionally located ISF Operations Commands and the primary ISF staff of the JOC-I in Baghdad.²³⁷ CJTF-OIR said that the JOC-I has liaison officers from each component of the Iraqi Army, the Iraqi Army Aviation Command, the Iraqi Air Force, Federal Police, and the Border Guard Forces. However, the JOC-I does not maintain liaison officers from the Popular Mobilization Forces (PMF) and the Tribal Mobilization Forces, since the Coalition is prohibited from working with those elements. The MAG is responsible for providing operational-level advising to the ISF in Baghdad and to elements of the Kurdish Peshmerga that the Coalition partners within the Kurdistan Coordination Center in Erbil.

CJTF-OIR said that, as in previous quarters, the MAG did not provide training to tactical ISF units or accompany them on operations against ISIS this quarter. Instead, the MAG continued to provide daily on-site advice to the ISF, including seminars on subjects requested by the ISF such as intelligence, surveillance, and reconnaissance (ISR), strikes, and marketing, which is taught to enable information operations personnel to “control the narrative,” CJTF-OIR said. Coalition subject-matter experts based in the JOC-I advised the ISF on using Iraqi capabilities, prioritizing resources, and developing plans to execute operations to defeat ISIS.

The unclassified version of the spring 2021 LIG report does note advances in the performance of the best Iraqi Army units in the equivalent of counterinsurgency warfare, but it does not address many of the problems that remain in the overall mix of Iraqi forces – or that still exist to some extent in elite Iraqi units – other than that “gaps continued to exist in the ISF’s ability to carry out surface-to-surface fire support operations, effective logistic efforts, prolonged sustainment and

maintenance of their combat equipment, and intelligence, surveillance, and reconnaissance (IS&R) efforts.”

It also notes that Iraq’s government forces do not partner with the Kurdish Pesh Merga forces, and that Coalition advisors “no longer partner with the ISF’s newest special operations unit, the Ministry of Defense’s Special Forces Command (or “al-Qwat Khasah” in Arabic), and therefore does not have insight into their operations and capabilities. However, USCENTCOM said it continues to provide support through Title 22 Security Cooperation funding. A year ago, USCENTCOM said that this command, a specialized light infantry unit modeled on the U.S. Army Rangers, demonstrated little initiative to fill tactical training courses or ability to train its own forces.”

The report mentions, but does not really describe, the limits in “Iraq’s aerial capabilities to independently support ISF counter-ISIS operations and ensure long-term sustainability of Iraq’s fleet of fixed-wing and rotary-wing aircraft.” These do, however, include “maturing the Iraqi Air Force’s ability to use its multirole F-16 fighters for airstrikes and enhancing the Iraqi Air Force and Iraqi Army Aviation Command’s ISR capabilities to minimize and eventually replace the need for Coalition aircraft,” and in “dynamic targeting in urgent or unplanned situations.”

The bulk of Iraq’s weapons are aging or battle worn Russian systems whose operational status and/or combat endurance is uncertain. It no longer has an operational land-based air and missile defense systems.

The LIG report for the second quarter of 2021 provide additional insights into the role that the U.S. intends to play in Iraq once its combat forces have withdrawn. It states that:⁸

The United States and Iraq reaffirmed their determination to strengthen the strategic relationship during the final session of the Strategic Dialogue. The delegations of the Republic of Iraq, led by Dr. Fuad Hussein, Iraq’s Minister of Foreign Affairs, and the United States of America, led by Secretary of State Antony J. Blinken, cochaired the final session of the Strategic Dialogue, initiated on June 11, 2020. The Iraqi delegation also included representatives of the Kurdistan Regional Government. The discussions covered regional stability, public health, climate change, energy independence, humanitarian aid, human rights, and economic cooperation, among other issues.

The delegations decided, following recent technical talks, that the security relationship will fully transition to a training, advising, assisting, and intelligence-sharing role, and that there will be no U.S. forces with a combat role in Iraq by December 31, 2021. The United States intends to continue its support for the ISF and the Peshmerga, to build their capacity to deal with future threats. Press sources estimated the number of noncombatant troops remaining in Iraq to provide advise and assist support to Iraq’s security forces will remain at approximately 2,500, the current level. Prime Minister al-Kadhimi said, according to a media report, that Iraq is moving toward self-sufficiency, although Iraqi officials acknowledged that they still need support from the U.S. and Coalition forces for training and advisory tasks.

It notes that “the security relationship will fully transition to a training, advising, assisting, and intelligence-sharing role, and that there will be no U.S. forces with a combat role in Iraq by December 31, 2021.” It also states, however, that:⁹

“The United States intends to continue its support for the ISF and the Peshmerga, to build their capacity to deal with future threats. Press sources estimated the number of noncombatant troops remaining in Iraq to provide advise and assist support to Iraq’s security forces will remain at approximately 2,500, the current level. Prime Minister al-Kadhimi said, according to a media report, that Iraq is moving toward self-sufficiency, although Iraqi officials acknowledged that they still need support from the U.S. and Coalition forces for training and advisory tasks.”

It politely states that some aspects of the U.S. relations with Iraqi commanders have changed:¹⁰

... the Coalition’s Military Advisory Group (MAG) continued to provide operational-level advice to ISF leadership at the JOC-I in Baghdad. CJTF-OIR reported that subject-matter experts advised the ISF across warfighting functions, including intelligence, operations, fires support, and sustainment.²¹⁴ MAG advisors also advised the ISF on the use of organic Iraqi capabilities, prioritizing resources, and developing plans to execute operations against ISIS.

CJTF-OIR reported that the JOC-I improved its ability to rely on its own command and control structures. As a result, during the quarter the JOC-I reduced the number of operational command liaison officers that had been stationed at headquarters to assist with communication between the two teams. Instead, the JOC-I communicated directly with the ISF’s regional operational commands. The MAG formally decommissioned its corresponding operational commands advisor teams on June 30. CJTF-OIR said that the liaisons and advisor teams were implemented as temporary “bridging” measures while CJTF-OIR transitioned from the operational-level support executed by Task Force-Iraq to the centralized advising now executed by the MAG.

CJTF-OIR reported that it did not experience any decrease in operational tempo or effectiveness due to the reduced number of Iraqi liaison officers or the termination of the corresponding Coalition advisors, and described the relationship between the MAG and the JOC-I as “very strong.”...JOC-I leaders occasionally met with PMF and Tribal Mobilization Forces (TMF) personnel to maintain awareness of each other’s operations. CJTF-OIR said that the PMF and TMF... do not maintain liaison officers at ISF headquarters in Baghdad because U.S. and Coalition personnel are prohibited from coordinating directly with PMF and TMF personnel.²¹⁹ Iraqi operational command staff occasionally met with PMF operations planners and coordinated directly with regional PMF counterparts.²²⁰ However, CJTF-OIR said that the JOC-I leadership does not advertise these meetings or invite Coalition members to participate. CJTF-OIR reported that the absence of PMF and TMF liaison officers did not impact operations against ISIS.

The LIG report for the second quarter of 2021 did describe some areas where Iraqi military and other security forces were making some progress as well as some examples of cooperation between Iraqi and Pesh Merga forces, but only in the context of dealing with the remnants of ISIS. It did not address any aspect of the capability of the Iraqi government’s and Pesh Merga forces to deter or defend against the combat forces of Iran, Syria, or Turkey. It also continued to note many areas where Iraqi forces still needed aid as well as train and assist support in dealing with ISIS:¹¹

“ISF operations occurred primarily during daylight hours while ISIS fighters operated under cover of darkness to limit their exposure

... while the ISF have shown the capability to conduct their own ISR and airstrikes using F-16s and AC/RC-208s, ISF commanders continued to request Coalition support with ISR throughout the quarter...

While CJTF-OIR reported that the ISF’s ability to conduct joint combined arms operations improved, the ISF did not provide feedback to the Coalition on ISF execution of combined arms operations involving infantry, armor, and artillery... CJTF-OIR reported that the ISF “displays a limited ability to secure its border with Syria.” This limitation hinders the ISF and allows ISIS fighters and affiliated family members to slip across the border from Syria into Iraq in small groups.

The DIA reported that ISIS often exploits security gaps along the border to create facilitation and smuggling routes. CJTF-OIR said that family members often arrive in Iraq prior to adult male fighters to establish “bed down locations” and help move fighters to ISIS’s geographic strongholds.

...Iraqi militias that operate largely outside of Iraq’s security structure continued to complicate efforts to secure the border. The DIA reported that as of June, the PMF likely maintained positions on the Iraq-Syria border, despite Iraqi government efforts in 2020 to reduce the militias’ presence. PMF militias largely control Iraq’s border with Iran; the militias informally control a number of border entry points and threaten state officials seeking to rein in their activities, the DIA said

CJTF-OIR reported that during the quarter, Coalition advisors provided training and advising to the CTS to improve the service’s targeting of ISIS and operational capabilities. Coalition advisors focused on enhancing the organic intelligence capabilities of the CTS, strengthening coordination between adjacent units within the ISF, and providing oversight and feedback on the conduct of operations against ISIS. CJTF-OIR said that its

advisors regularly conducted basic training courses with the CTS to reinforce infantry tactics at the battalion level. CJTF-OIR also provided larger-scale training events that focused on extending the CTS’s operational reach across its areas of operation. At the institutional level, Coalition advisors sought to establish sustainable training programs to provide the CTS brigades with uniformly trained specialists, while Coalition ISR assets sought to support CTS tactical operations.

...CJTF-OIR reported that ISF intelligence officers still struggled to collect, analyze, and target at the tactical and operational levels due to the lack of a mechanism to prioritize ISR support. CJTF-OIR also stated that intelligence fusion is lacking between ISF bases, operational commands, service components, echelons of command, and with national agencies. The Coalition continued to interface with ISF intelligence during the quarter to improve its capabilities. CJTF-OIR said that its coordination included starting weekly analytic exchanges with Iraq’s seven core national intelligence agencies as well as instructing introductory and intermediate courses on target development, ISR collections, and analysis.

While the LIG report put a favorable spin on progress in the Iraq Air Force, it noted that:¹²

During the quarter, the MAG’s air advisors continued to work toward increasing the ISF’s use of its own ISR and strike platforms. To further develop Iraq’s aerial capabilities, the objectives of the MAG’s fire support and intelligence advisors this quarter included supporting the creation of an ISF targeting cell, encouraging the creation of a strike cell within the JOC-I, and reinforcing the link between the JOC-I intelligence director and the air cell to implement ISR priorities.

CJTF-OIR reported that the Iraqi Air Enterprise, comprising fixed-wing aircraft from the Iraqi Air Force and rotary-wing aircraft from the Iraqi Army Aviation Command, remained capable of conducting strikes during the quarter. CJTF-OIR acknowledged that there have been “no appreciable changes” to the Iraqi Air Enterprise’s capabilities from the previous quarter, but highlighted progress with the Iraqi Air Force’s ability to coordinate with the CTS to conduct air strikes.

According to CJTF-OIR, the total mission capable rate of Iraq’s fleet of 206 aircraft remained steady at about 50 percent overall this quarter. While the availability of aircraft coded for training decreased from 89 percent to 72 percent, mission availability of aircraft coded for combat remained steady at about 43 percent. By comparison, the U.S. Air Force maintained an overall mission capable rate of 70 percent in FY 2019.

...Lockheed Martin contractors supporting Iraq’s F-16 program again departed Balad Air Base during the quarter due to the deteriorating security environment. Some contractors had only recently returned after threats last quarter caused a similar evacuation.

...the Iraqi Air Force demonstrated “marked improvement” in using its own reconnaissance and fire support capabilities to perform air strikes, according to CJTF- OIR. Iraqi C-208s and KA-350s ISR aircraft continue to fly reconnaissance sorties in support of Iraqi Air Force strikes. However, the effort to create dynamic strike capabilities in coordination with CTS instead produced only deliberate strike capabilities due to the level of authorization required for Iraqi strike missions. A dynamic strike capability would allow the Iraqi Air Force to conduct precision strikes in urgent unplanned situations, including for close air support of ground forces in combat or targets of opportunity, while deliberate strikes largely involve preplanned strikes on specific targets...

...CJTF-OIR said that Iraqi Air Force units operating Russian-made Su-25 attack aircraft have also been eager to work with the CTS ITACs. While Iraqi Su-25s are not capable of delivering precision-guided munitions, the added volume of training has accelerated the CTS ITAC’s ability to complete their training. The CTS ITACs are the only ISF ground units CJTF-OIR is tracking with a requirement for close air support training.

... CJTF-OIR reported that the ISF remains dependent on Coalition ISR for aerial surveillance and targeting, but that the MAG’s air advisors continued to encourage the Iraqi Air Force to conduct ISR sorties with their assets in order to gain experience and confidence. ³¹¹ CJTF- OIR said that while the Iraqi Air Force’s manned King Air 350 and C-208 ISR aircraft routinely fly and are capable platforms, they have limited persistence capability and are much louder than Coalition ISR platforms.

The same report also makes it clear that Iraq has remained dependent on U.S. airpower for dealing with ISIS, and that the current U.S. FY2022 budget request will make major cuts in the funding

for U.S. support of Iraq forces. The data on U.S. aid budgets are far from clear, but the report does warn that major cuts are taking place:¹³

In May, the DoD Comptroller released the DoD’s budget request for FY 2022. In what the request describes as a “significant budgetary reform.” The budget did not separate Overseas _Contingency Operation funding from regular “base” funding for the DoD, as had been the case in previous fiscal years. Instead funding for OIR (Operation Freedoms Sentinel) and other overseas operations was moved to the base budget, labeled as “direct war costs.” The budget request—which still requires approval by Congress—allocates less funding for OIR compared to previous years, citing decreased training and equipment costs.

For FY 2022, the Administration requested \$5.4 billion for OIR Direct War Costs, based on an assumed troop level in Iraq and Syria of 3,400 personnel. The request includes \$522 million for CTEF, including \$345 million for Iraq and \$177 million for Syria. From FY 2021 to FY 2022, the DoD request for Iraq training and equipping support under CTEF decreased by more than 90 percent, from \$282 million to \$20 million. This reflects the continued shift in Coalition direct support to partner force operations from the tactical to operational level. The request included \$240 million in funding for Peshmerga stipends for FY 2022 to enable the continued readiness of vetted units, and assist in maintaining pressure against ISIS within the region.

Media sources also indicate there will be cuts in U.S., European, and other outside training and support personnel and elements – including some aspects of equipment and weapons aid – although the scale of such cuts is unclear. If true, this would make cuts in the U.S. effort even more important.

The role of NATO in training Iraqi forces gets little media attention, but NATO has played an important role and could be even more important in the future for shaping a multilateral train and assist effort after U.S. combat forces leave. The LIG report notes that:¹⁴

CJTF-OIR reported that its staff worked with NATO Mission Iraq (NMI) staff throughout the quarter to further develop arrangements for sharing logistic and life-support capabilities. The arrangements include the development of standing coordination between the command teams from each organization. Additionally, CJTF-OIR said that both organizations continued to analyze each other’s respective missions to differentiate roles and responsibilities for advising Iraqi government ministries and the ISF.

According to CJTF-OIR, NMI is committed to increasing its presence in Iraq over the coming year, and is planning accordingly. In February, NATO expressed a willingness to incrementally expand NMI from 500 personnel to as many as 4,000 personnel at the request of the Iraqi government. NATO said that the expansion would include advisory and training activities beyond the greater Baghdad area. NATO has been present in Iraq in some capacity since 2004. It established NMI following a summit in Brussels in July 2018 at the request from the Iraqi government to scale up training and advising efforts.

While both CJTF-OIR and NMI provide training and advice to the ISF, their missions remain distinct. CJTF-OIR reported previously that it provides operational- and strategic- level advising and mentoring to the ISF through the MAG and focuses on achieving the defeat of ISIS. NMI is a ministerial-level institutional development mission that provides training and advice at the institutional level and is focused on building capable Iraqi security ministries.

According to a media report, Iraqi Prime Minister Mustafa al-Kadhimi reiterated in June that Iraq seeks support in the areas of training and institutional development, support to military colleges, expansion of police training programs, and specialized weapons skills training. During a meeting with NATO representatives, the prime minister stated that the Iraqi government no longer requires foreign combat troop support, the report said.

Iraq may well need sustained security aid because of its own economic crisis and politics that sometimes favor the Popular Mobilization Forces over funding the Iraqi government and Pesh Merga forces. Iraqi ability to spend its recent defense budgets effectively and with only limited waste and corruption – budgets reported as \$9.9 billion for 2019 and \$10.3 billion in 2021 – is

unclear, and the LIG report for the second quarter of 2021 warns that Iraq’s economic crisis and internal political divisions are having a major impact on Iraq’s security budget.¹⁵

The DIA reported that under the new national budget passed by the Iraqi government in early April 2021, the Iraqi Ministry of Defense’s budget will decrease by about 26 percent after adjusting for inflation, to \$4.7 billion. Other security institutions also saw inflation- adjusted budget decreases, while the budget of the Popular Mobilization Commission (PMC), which governs the PMF militias, increased by 17 percent. The DIA assessed that the increases to the PMC budget—which has emerged as a rival to the Ministry of Defense—probably will bolster its influence and political power. Additionally, the Iraq security budget provides for a newly apportioned line item referred to as the Military Industrialization Corporation.

However, the DIA said that the Iraqi government applied deep cuts to procurement for the Ministry of Defense, Ministry of Interior, and PMC. The DIA warned that reduced procurement jeopardizes Iraq’s national security because the ISF are chronically underfunded, lack spare parts to maintain equipment, and lack funds to train and recruit adequate personnel. To overcome budget shortages to fund maintenance programs and training, Iraq is turning to non-U.S. defense partners such as Pakistan.

More generally, it is critical to note that none of the open source reporting on the security dialogues between Iraq and the U.S., or LIG and other official reports on U.S. security ties to Iraq, address any aspect of the future requirements for U.S. train and assist support to Iraqi forces to deal with ISIS, and they make no mention of the threat from Iran or the potential future threat from Turkey or Syria. It does not discuss the future role that the U.S. train and assist efforts in Jordan will play or the future interaction between the U.S. military and train and assist efforts to Kurdish and Arab forces in Eastern Syria and Iraq.

There already is nothing theoretical about the security threat from Iran. As the LIG report makes clear in depth in its section dealing with *Iran Aligned Militias Escalate Attacks with Armed UAVs*, *Military Attacks Continue to Affect OIR Mission*, and *Iran-Aligned Militia Expand Attacks on Iraq’s Regional Neighbors*.

Iraq also presents a far better opportunity to create a strong security force than Afghanistan. Iraqi forces were once the most effective and modern military forces in the Gulf at the end of the Iran-Iraq War in 1988, and they have made real recent progress. The problems Iraqi forces face in regaining their effectiveness are far more matters of reorganization, modernization, and effective force planning than any of the far deeper problems in education, the capability to deal with modern technology, and limits in advanced training that crippled the development of Afghan forces. They do, however, need more effective political leadership, and at least three to five years of aid and outside train and assist support to become fully effective in defeating the remnants of ISIS and creating an effective deterrent and defense capability to deal with Iran, Syria, and Turkey.

The Economic Challenges

Iraq has a long record of wasting its oil wealth, overspending on an inefficient government sector, and operating with one of the most expensive and ineffective state industrial sectors in the world. It is now experiencing a major economic and development crisis, compounded by Covid-19. The World Bank *Overview* of the problems in the Iraqi economy does indicate Iraq has plans for reform, but its current estimates are highly negative, and Iraq’s plan have rarely led to Iraqi realities in the past:¹⁶

The volatility of oil prices and the impact of the pandemic have both amplified Iraq’s economic woes, reversing two years of steady recovery. These twin shocks have also deepened existing economic and social fragilities, adding to public grievances that existed pre-COVID-19. The Government of Iraq’s (GoI’s) ability to provide a stimulus package for an economy highly dependent on oil exports for growth and revenue has

been limited by this absence of fiscal space. As a result, the country has experienced the largest contraction of its economy since 2003.

Indeed, Iraq’s GDP posted a sharp contraction of 10.4% in 2020. Growth was stymied by depressed global demand for oil and Iraq’s adherence to OPEC+ production cuts. Its non-oil economy has undergone a 9% contraction, with religious tourism and the service sectors suffering the most from COVID-induced lockdowns. But weak domestic demand and cheaper imported goods have kept inflation pressures low, with headline inflation only edging up to 0.6% in 2020.

... The key challenge for Iraq will be to move ahead with its White Paper reforms amidst recovery in international oil markets, and to maintain a sustainable macroeconomic framework. Even with oil prices passing the US\$60 a barrel mark, Iraq will need to take action to rebuild its fiscal space by cutting distortionary, inefficient spending; boosting domestic revenue mobilization; and strengthening the medium-term orientation of macroeconomic policies. Failure to narrow its twin deficits (fiscal and current account) and halt the rapid build-up of government debt will divert more resources away from productive investment and chip away at foreign exchange reserves and the economy’s resilience to shocks. Other priorities include limiting COVID-19 and ensuring a quick rollout of vaccines.

The same is true of estimates by the Economist Intelligence Unit (EIU):¹⁷

- Iraq’s economy is entirely dependent on its hydrocarbons industry, which accounts for more than two thirds of output. The industry sector—especially gas and electricity—remains underdeveloped and will be the main investment attraction in 2021-25.
- Iraq will face extreme political instability in 2021. Factional violence will increase in frequency in the run-up to the parliamentary election, which is scheduled for October, and anti-government protests will grow as socioeconomic conditions deteriorate.
- Initially, economic policy will focus on offsetting disruptions caused by the coronavirus (Covid-19) pandemic. Multilateral financial assistance will drive these efforts, but poor compliance with the conditions attached is likely to delay disbursement schedules.
- Iraq is among the most oil-reliant economies in the region. The Economist Intelligence Unit expects that economic performance and the fiscal and current-account balances are highly exposed to another sustained slump in oil prices (which we expect in 2024-25).

The human impact of these problems, the rising discontent of the Iraqi people, and the interaction of economic problems with those in governance and security are illustrated all too clearly by the following case example:¹⁸

The DoS reported that Iraq continued to suffer from shortages of electricity and water during the quarter. Public dissatisfaction with these issues typically increases during the hot summer months.⁴¹⁴ According to media reports, on June 28, Electricity Minister Majid Mahdi Hantush resigned following public and political pressure over repeated power outages throughout Iraq. At the time, temperatures in Iraq’s southern provinces averaged 122 degrees Fahrenheit, and power blackouts were frequent, resulting in a curtailment of working hours because of the extreme heat. As of the end of the quarter, Basrah province, where protests have taken place during past summers because of electricity blackouts, was preparing for power-related demonstrations unless power was restored.

At the end of the quarter, electricity towers and lines came under attack—possibly by ISIS, according to media reports—resulting in blackouts throughout Iraq. The prime minister’s office issued a statement on June 28 suggesting that parties in addition to ISIS may be responsible for the attacks in an effort to undercut the government’s efforts to increase electricity to Iraq’s during the hot summer months, according to a media report. The attacks disabled power lines in Ninewa, Kirkuk, Diyala, and Babil provinces, just as temperatures were reaching the highest levels of the year in the central and southern provinces. Blackouts in those areas lasted as long as 20 hours per day. Blackouts have also been caused by the inability of the electricity grid to support demand. In response, Prime Minister al-Kadhimi announced the formation of a committee to support the Ministry of Electricity in order to “strongly confront all kinds of interference with power systems.”

The CIA estimates youth unemployment at 26%, but the real number may be above 30%. The CIA World Factbook analysis is dated, but it summarizes the state of the Iraqi economy as follows:

Iraq is making slow progress enacting laws and developing the institutions needed to implement economic policy, and political reforms are still needed to assuage investors' concerns regarding the uncertain business climate. The Government of Iraq is eager to attract additional foreign direct investment, but it faces a number of obstacles, including a tenuous political system and concerns about security and societal stability. Rampant corruption, outdated infrastructure, insufficient essential services, skilled labor shortages, and antiquated commercial laws stifle investment and continue to constrain growth of private, nonoil sectors. Under the Iraqi constitution, some competencies relevant to the overall investment climate are either shared by the federal government and the regions or are devolved entirely to local governments. Investment in the IKR operates within the framework of the Kurdistan Region Investment Law (Law 4 of 2006) and the Kurdistan Board of Investment, which is designed to provide incentives to help economic development in areas under the authority of the KRG.

Inflation has remained under control since 2006. However, Iraqi leaders remain hard-pressed to translate macroeconomic gains into an improved standard of living for the Iraqi populace. Unemployment remains a problem throughout the country despite a bloated public sector. Overregulation has made it difficult for Iraqi citizens and foreign investors to start new businesses. Corruption and lack of economic reforms - such as restructuring banks and developing the private sector - have inhibited the growth of the private sector.

Here, the scale of Iraq's problems cannot be measured in terms of conventional economic indicators, and its petroleum revenues have so far been used largely to buy time through various subsidies, government spending programs, and inflated employment in the government and state sector. Iraq desperately needs realistic economic reform and development plans that address its internal divisions and tensions, the development losses from decades of crisis and war, the uncertain impact of Covid-19, and growing environmental and water challenges.

Iraq must also address the legacy of past conflicts and economic crisis. The scale of this legacy is indicated by estimates that 4.1 million Iraqis need humanitarian assistance and support in transitioning to stable employment, 2.4 million more are in acute need, 1.2 million are still internally displaced, 4.9 million more are still adjusting to having been displaced in the past, and Iraq now supports some 246,000 Syrian refugees.

To put these numbers in context, Iraq also must deal with continuing population pressure. The International Data Base of the U.S. Census Bureau estimates that Iraq's current population is 39.7 million. This is an increase from only 5.2 million in 1950 to 22.8 million in 2000, and it is projected to rise to 47.1 million as early as 2030 and to 63.1 million in 2050.¹⁹

These are critical structural challenges that are all too common in the developing world. Ignoring them, making optimistic estimates and claims, and separating economic aid and development planning from the realities of the problems in governance and security can only be a recipe for more crises, extremism, and conflict.

Shaping U.S. Aid to Meet Both Iraqi and U.S. Needs

The U.S. cannot solve Iraq's problems in governance, security, and economics. It can, however, offer aid to Iraq in all these areas. It can work with other donors and Arab States, and it can make aid conditional on Iraqi progress in creating more unified, effective, and honest governance. The odds of success will still be uncertain under these conditions, but U.S. strategic partnerships must be based on a realistic assessment of risks. Americans need to understand that Iraq's problems are equally serious as many other existing strategic partnerships. The U.S. operates in a world with

many fragile or failed states, and global power must deal with the world as it is, not with the world Americans would like it to be.

Focusing on a Strong and Independent Iraq

First, U.S. must focus its aid efforts on creating a strong and independent Iraq – and not on trying to create a strategic partner linked to some security structure that serves U.S. security interests and directly confronts Iran. This is the only way an Iraqi government can gather broad enough popular and factional political support for such a partnership if it is possible at all.

The U.S. might still offer some kind of contingency support as a deterrent to Iranian or other outside intervention, but any near-term security and economic aid effort must clearly be directed at aiding Iraq. There simply is no viable Iraqi political base for making Iraq a direct U.S. military or security partner. The Iraqi people must see that the aid will really help them, will create a stronger and more independent country, and will help Iraq deter and avoid war – rather than move it towards yet another conflict.

This approach to aid is the most practical posture in serving both Iraqi and U.S. national interests. An independent Iraq, with potential aid from the outside in a real emergency, will do the most to deter pressure from Iran, Turkey, and Syria. It will do the most to move Iraq towards unity and the most to stimulate aid from other donors. A stronger Iraq can still potentially benefit from aid from nations like Jordan, Egypt, and Saudi Arabia – while helping protect them by containing both Iran and the resurgent Syria that seems likely to emerge if Assad finally removes the remaining threat he faces from Idlib. A stronger and more united Iraq is also the best way to counter the remnants of ISIS and some new extremist threat, and it is far less provocative than a U.S. or other outside military combat presence.

Requiring Iraq to Create Meaningful Plans to Use Aid effectively and Honestly

The Iraqi government must show that it is strong enough – and capable enough – to create realistic plans for security and economic aid as well as any aid effort to develop stronger governance. Iraq must demonstrate that it is at least willing to try to help itself and has the institutional basis to do so, not only in terms of creating detailed plans, but in terms of setting clear deadlines for reviews, updates on progress, effectiveness reports, and publicly transparent reporting.

Setting broad goals, promising reforms, and creating ambitious, unfocused anti-corruption efforts without such efforts has repeatedly proved to be a waste of time and money. Imposing plans from the outside, relying on donor conferences, holding large international meetings, and assigning responsibility to commands or aid coordinators without such transparency has been equally ineffective. No country can afford to substitute political and public relations spin for actual progress, and no donor can be successful if it tolerates or supports such efforts.

Moreover, Iraqis must see that military and civil aid will benefit all Iraqis regardless of ethnicity, sect, or region. Iraqis will often have to accept the fact that no aid effort can solve every problem or help every Iraqi, but they have every right to demand that aid is not only transparent but clearly balances the nation’s conflicting interests and meets valid national priorities. So, for that matter do donor nations.

This is not only true of security aid, it is true of economic and civil aid. One of the great defects of IMF, World Bank, UN and far too many other civil aid efforts is that they treat nations as if they

were united and as if increases in GDP alone help to deal with their divisions and conflicting interests. There is no nation in the Middle East that is so unified that this could be a valid approach, and Iraq and the other nations that need aid are generally the most divided and the ones that need to explain and demonstrate the most on how each major faction benefits.

Moreover, those in the Iraqi military and civil service should take a lead role in drafting such plans, and they should clearly buy into the proposed uses of aid. Outside advisors can help, but letting outsiders plans dominate the execution of aid has produced little lasting success.

Making Aid Conditional with Reporting in Annual Reviews, Reports, and Ongoing Transparency

Making aid conditional and transparent is another key step. Showing the Iraqi public that the aid is present and how well it is used is a key step. But, clearly defined and fully enforced conditionality is critical. Cutting off aid when Iraqi officials and officers are ineffective or corrupt – and naming names – is equally important. Corrupt officials and contractors must publicly suffer. They also should be the subject of donor pressure as well. International public exposure and denying them – and their families – visas and transit privileges are possible ways to deal with the worst cases of corruption and waste.

It is also clear that some form of independent auditor and review will be necessary. If there is any clear lesson from the history of aid, it is that no one should audit or judge themselves.

Taking a Coalition and International Approach

Where possible, the U.S. should also seek to make aid a coalition or international effort. This is an uncertain recommendation, given the dismal failure of UNAMA as an aid coordinator in Afghanistan and the difficulty in getting some form of coherent international action.

However, NATO has set a much more positive example, and the U.S. should at least consider making NATO the core of the security train and assistance effort and creating a Coalition broad enough to demonstrate that the U.S. is seeking to aid Iraq and not dominate it. The World Bank has also been far more successful in planning and managing economic aid when it relies on active country teams rather than its standard GDP growth approach to far more complex national challenges.

At a minimum, bringing in advisors and experts from other countries and creating informal bodies to coordinate aid may offer many of the same benefits.

Iraq and the Broader Challenges in the Region

No one can guarantee that the U.S. can succeed in Iraq or minimize the risk in providing aid. The last twenty years of optimism and spin have offered enough illusions for the rest of the twenty-first century. At the same time, the U.S. should not extend aid on the basis it has in the past. It can set conditions that will both help make aid more acceptable to Iraqis and more effective. If it succeeds, there will be a solid case for taking the right kind of risk in trying to create the right kind of strategic partnership.

Iraq is also only one case where the U.S. must try to develop better strategic partnership in the Middle East. The U.S. faces many other threats in the region where it will need to use its resources wisely. While the U.S. has recently focused on ISIS and the fight against terrorism in Iraq, the threat of Iranian dominance of part or all of Iraq has always been at least as important over the last

decade, and terrorism and extremism have always been a symptom of the region’s growing problems, rather than the disease.

Unless the U.S. can create a new form of strategic partnership with Iraq, it is Iran that will be the real winner of the long U.S. fight against Islamic extremists and ISIS from 2005 to the present. It already has been the key factor in driving U.S. combat forces out of Iraq, and it has major influence over Iraqi politics, governance, PMFs, and many Shi’ite groups. No outcome of the Joint Comprehensive Plan of Action (JCPOA) nuclear agreement will end the threat posed by Iran – which will at best include far more effective precision-guided strike systems, air and missile defenses, and stronger forces for irregular naval warfare in the Gulf.

The overall security situation in the region also affects both Iraqi security and stability as well as U.S. strategic interests. As noted earlier, the U.S. needs to look beyond Taiwan, the South China Sea, and the Pacific. It needs to carefully examine the overall trends in Middle Eastern security and stability.

The shattered ruins of governance and development in Lebanon have made the Hezbollah even more powerful in relative terms. Assad’s Syria will present a growing threat if pro-Assad forces can take control of the Idlib enclave. Turkish ambitions and instability continue to grow in ways that affect both Syria and Iraq. Yemen will at best remain an unstable mess and possibly remain at war. Russia and China will pose a growing threat in terms of presence and arms sales – and the risk of some conflict in the Pacific affecting the Indian Ocean and the Gulf will continue to grow.

These security issues will reshape the entire security structure of the Middle East over the next few years, and they are only part of the story. Three countries – Saudi Arabia, the UAE, and Qatar may continue to have enough petroleum export revenues to buy their way out of the combined impact of massive population growth and failed development efforts. As the Arab Development Reports have warned repeatedly since the early 1980s and as the failed popular uprisings that created the Arab Spring have shown, this is a region where far too many states failed their peoples before a global Covid-19 crisis made their problems far worse.

Almost all of the rest – including Morocco, Algeria, Libya, Egypt, Gaza, the West Bank, Jordan, Kuwait, Bahrain, Oman, and Yemen – face massive challenges in creating an effective structure of governance, political stability, meeting the economic needs of all their peoples, dealing with massive changes in demographics caused by hyper-urbanization, and creating enough real jobs to usefully employ the young men and women entering their labor force.

Most states in the region have serious ethnic, sectarian, regional, and tribal divisions as well as inequities; massive problems in corruption; and major barriers or disincentives that limit outside investment. Many deal with legitimate popular protests and opposition through repression, corruption, nepotism, and factionalism that cripple many aspects of governance – and also increase political tension and violence. They also breed terrorist and extremist movements and ideologies – often turning failed governance, repression, and internal divisions into self-inflicted wounds.

Denial has done nothing to reduce these problems, and, as has been stated earlier, neither the United States nor any combination of outside powers can save a nation that will not help itself. Worse, failed aid efforts often simply provide forms of limited popular relief that only buy time for such problems to grow worse – failing to provide any long-term future for those they aid on a temporary basis.

Seen from this perspective, Iraq is a warning to the United States, Iraqis, and the world. Focusing on terrorism and regional threats, at best, treats the symptoms and not the disease. The Middle East already is approaching a state of near permanent crisis. Iraq is only one part of this crisis, but it is also a symbol of region-wide problems that cannot be left to fester. The real issue is not today's limited conflicts and crises, it is the underlying structure of far too many states, and the right kind of strategic U.S.-Iraqi partnership – one based on seeking a solid structure for longer-term Iraqi civil and military security and stability – could at least be a beginning.

Annex A: Joint Statement on the U.S.-Iraq Strategic Dialogue

Media Note

Office of the Spokesperson

July 26, 2021

The text of the following statement was released by the Governments of the United States of America and the Republic of Iraq.

Begin Text:

The delegations of the Republic of Iraq, led by Dr. Fuad Hussein, Iraq’s Minister of Foreign Affairs, and the United States of America, led by Secretary of State Antony J. Blinken, co-chaired the final session of the Strategic Dialogue, initiated on June 11, 2020, in accordance with the 2008 Strategic Framework Agreement for a Relationship of Friendship and Cooperation between the United States of America and the Republic of Iraq (SFA). The Iraqi delegation also included representatives of the Kurdistan Regional Government.

The two sides reaffirmed the importance of these discussions, which focused on strengthening the long-term strategic partnership defined by the SFA and on key issues of mutual concern: regional stability, public health, climate change, energy efficiency, energy independence, humanitarian aid, human rights, economic cooperation, and cultural and educational exchanges, among other issues. Iraq provided a detailed accounting of its efforts to promote the safe and voluntary return of internally displaced persons to their home regions, and the United States pledged its continued support in this regard.

The two delegations reaffirmed the principles agreed upon in the SFA. The United States reaffirmed its respect for Iraq’s sovereignty and laws and pledged to continue providing the resources Iraq needs to preserve its territorial integrity. The Government of Iraq reaffirmed its commitment to protect Coalition personnel advising and enabling the Iraqi Security Forces (ISF) and reasserted its position that all Coalition Forces are in Iraq at its invitation. The two delegations also emphasized that the bases hosting U.S. and other Coalition personnel are Iraqi bases and are operating per existing Iraqi laws; they are not U.S. or Coalition bases, and the presence of international personnel in Iraq is solely in support of the Government of Iraq’s fight against ISIS. The delegations decided, following recent technical talks, that the security relationship will fully transition to a training, advising, assisting, and intelligence-sharing role, and that there will be no U.S. forces with a combat role in Iraq by December 31, 2021. The United States intends to continue its support for the ISF, including the Peshmerga, to build their capacity to deal with future threats.

The two delegations confirmed their commitment to the protection of human rights and fundamental freedoms, including freedom of the press, through strict adherence to due process of law, national constitutions, and their respective international human rights obligations and commitments. Both sides confirmed that free and fair elections will strengthen Iraq’s sovereignty, democracy, and development. The Iraqi side provided a detailed account of its plans to promote voter participation and ensure the safety of voters, candidates, poll workers, local monitors, civil society groups, and international observers. Both delegations stated their appreciation for the international community’s support, expressed through UN Security Council Resolution 2576 (2021) and concurred that the presence of both a UN Assistance Mission for Iraq (UNAMI) monitoring team and EU observation mission represents a good-faith effort by the international

community to support the call of the Iraqi people and the Iraqi government for free and fair elections in October. Iraq welcomed long-running U.S. support for UNAMI, and recent U.S. financial contributions to UNAMI’s electoral-assistance, including for its election monitoring team.

Both sides intend to pursue cooperation in working with international organizations and through intergovernmental processes, including the 26th Conference of the Parties of the United Nations Framework Convention on Climate Change, to be held in Glasgow this fall. The United States expressed its support for Iraq’s effort to promote economic reform and enhance regional integration, in particular through energy projects with Jordan and the GCC Interconnection Authority.

The two delegations reaffirmed their determination to preserve and strengthen the strategic relationship, across the full spectrum of bilateral issues, for the sake of their respective national interests and their shared interest in regional stability. The United States and Iraq confirmed that they would resume their discussions through the various coordinating committees enumerated in the SFA.

¹ For example, see *Operation Inherent Resolve, Report to the U.S. Congress, January 1, 2021- March 31, 2021*.

² *Operation Inherent Resolve, Report to the U.S. Congress, April 1, 2021- June 30, 2021*.

³ *Operation Inherent Resolve, Report to the U.S. Congress, April 1, 2021- June 30, 2021*.

⁴ *Operation Inherent Resolve, Report to the U.S. Congress, April 1, 2021- June 30, 2021*.

⁵ *Operation Inherent Resolve, Report to the U.S. Congress, April 1, 2021- June 30, 2021*.

⁶ See *Operation Inherent Resolve, Report to the U.S. Congress, January 1, 2021- March 31, 2021*.

⁷ See *Operation Inherent Resolve, Report to the U.S. Congress, January 1, 2021- March 31, 2021*.

⁸ *Operation Inherent Resolve, Report to the U.S. Congress, April 1, 2021- June 30, 2021*.

⁹ *Operation Inherent Resolve, Report to the U.S. Congress, April 1, 2021- June 30, 2021*.

¹⁰ *Operation Inherent Resolve, Report to the U.S. Congress, April 1, 2021- June 30, 2021*.

¹¹ *Operation Inherent Resolve, Report to the U.S. Congress, April 1, 2021- June 30, 2021*.

¹² *Operation Inherent Resolve, Report to the U.S. Congress, April 1, 2021- June 30, 2021*.

¹³ *Operation Inherent Resolve, Report to the U.S. Congress, April 1, 2021- June 30, 2021*.

¹⁴ *Operation Inherent Resolve, Report to the U.S. Congress, April 1, 2021- June 30, 2021*.

¹⁵ *Operation Inherent Resolve, Report to the U.S. Congress, April 1, 2021- June 30, 2021*.

¹⁶ “Iraq Overview,” The World Bank, April 5, 2021, <https://www.worldbank.org/en/country/iraq/overview>.

¹⁷ “Iraq Country Report,” *Economic Intelligence Unit*, June 24, 2021.

¹⁸ *Operation Inherent Resolve, Report to the U.S. Congress, April 1, 2021- June 30, 2021*.

¹⁹ U.S. Census Bureau, *International Data Base*, https://www.census.gov/data-tools/demo/idb/#/country?YR_ANIM=2021&FIPS_SINGLE=IZ.