

spotlight europe

2010/03 – March 2010

Elections in Iraq: The impact on U.S.-EU cooperation

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2010 is a crucial year for Iraq. The number of attacks significantly dropped, yet the threat of terrorism and civil war remains. Despite diverging interests and opinions, the U.S. and the EU have to intensify cooperation. Only coordinated civil aid will enable Iraq to become a stable country.

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The parliamentary elections on 7 March 2010

About 17 million Iraqis are entitled to vote in the parliamentary elections on 7 March, the third such vote since the overthrow of the Saddam Hussein regime. The Iraqi parliament has important powers. It elects the country's president and is required to approve candidates, proposed by the president, for prime minister and other cabinet-level positions.

From among almost 300 political groups, six electoral alliances have the greatest chance of carving up the 325 parliamentary seats. Interestingly, Sunnis are involved in electoral alliances dominated by Shia and vice versa. This is

a continuation of a trend seen in the 2009 provincial elections, in which Iraqis no longer voted primarily on the basis of religious and ethnic identity, but opted for candidates who propagated nationalist and secular goals.

After the overthrow of the Baath dictatorship in 2003, the electorate, without any kind of democratic tradition to fall back on, took its bearings to a large extent from its ethnic and religious identities. Sunnis did not go to the polls in the first parliamentary elections in January 2005. The civil war raged, and al-Qaeda continued to mount attacks until 2008, when Sunni tribes finally engaged in power-sharing, and the American and Iraqi combat groups reduced the level of violence. What 30 million Iraqis now want is peace, order, education, healthcare, social security and economic progress.

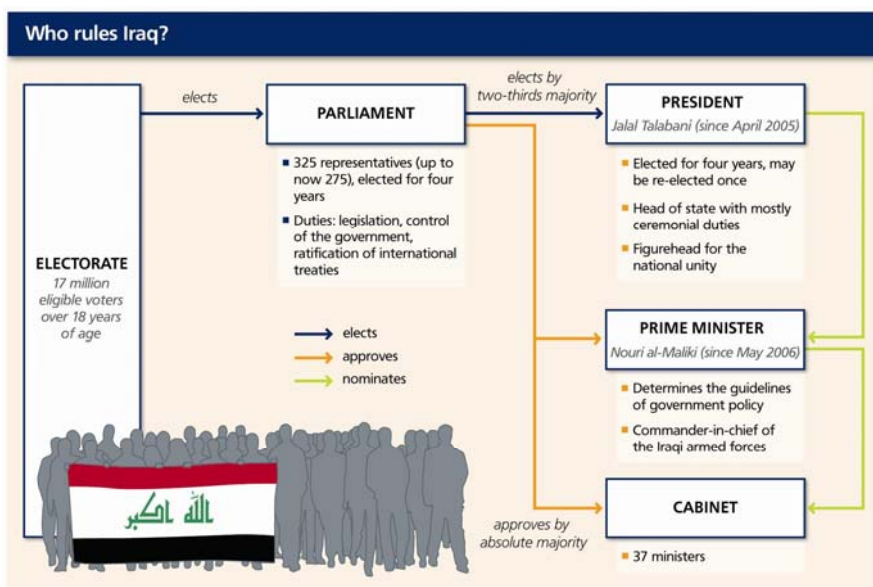
Prime Minister Nouri al-Maliki seems to embody such preferences most convincingly. Even if his electoral alliance, “State of Law”, is believed to have the greatest chances of winning, the result is also expected to be a fragmented one. If al-Maliki takes the lead, he will as in the past be searching for coalition partners. Will the Kurdish alliance again be the only “kingmaker”?

reaching into the summer. Compromise between the federalist Kurdish north and the central government in Baghdad on the distribution of oil revenues and the political location of the cities of Kirkuk and Mosul will be especially difficult to strike. And a smouldering dispute between the two Muslim denominations on integrating Sunni “awakening councils” and militias into the Shia-dominated state

police and army remains, even if the idea of “Shiastan” in southern Iraq does not.

Corruption can only partially resolve these political disputes. If strife among parties and parliament makes enacting legislation impossible, the prime minister could be accorded greater powers. At the same time, “al-Qaeda in Iraq” and the remaining pro-violence Saddamists and jihadists could be biding their time to exploit party differences by mounting attacks that fit into the overall context of their respective destabilization strategies.

The political risks go hand in hand with enormous economic potential. Demand is great everywhere in Iraq for investment in all walks of life and in every sector of the economy. There is a ubiquitous need for repairs, reconstruction and new building projects, and by 2014 the state intends to invest €70 billion. The potential for foreign involvement is immense; Iraq is the world’s third-largest



II

Is Iraq heading in the right direction?

The political situation suggests long and complicated coalition negotiations

producer of oil and gas and has a population of people eager to work and to make something out of their lives. The wish to cooperate not only with American but also increasingly with European companies is great but serious economic reforms will be needed in 2010 to secure foreign investors.

In addition to all these issues, more than two million internally displaced persons and almost two million Iraqis who fled to Syria and Jordan during the civil war are waiting to go home. This is another problem to be resolved.

Everything now depends on whether Iraq's policymakers and administrators can handle these challenges with less corruption and greater professionalism, whether legislatures can enact a national agreement on oil revenue and implement effective investment protection, and whether a police force and an army trusted by all sectors of society can continue to stabilize and secure the country. A higher level of security and political stability will increase the willingness of foreign companies to be on the ground with their own staff.

Trade and commerce are flourishing in the north due to good security and stability in the three Kurdish provinces, Dohuk, Arbil and Sulaimaniya. Turkish companies are crucial to this dynamism. And entrepreneurs from Baghdad or Basra often meet Western partners in Arbil.

However, that could easily change if members of the Kurdish Peshmerga and the Iraqi army start fighting in the contested area around Mosul and Kirkuk. U.S. soldiers, acting as a buffer and conducting joint patrols with Iraqi security forces, are currently preventing such an escalation scenario between the authorities in Baghdad and the regional government of Iraqi Kurdistan.

III

U.S. priorities: withdraw troops and help Iraq stand on its own two feet

International activities in Iraq continue to be dominated by the U.S., which is currently focusing on relinquishing its combat role and attempting "to facilitate the transition to a stable, sovereign and self-reliant Iraq," as Secretary of State Hillary Clinton stated to Congress in May 2009. In June the U.S. moved its troops out of Iraqi cities. By August 2009 all multinational combat troops had left Iraq. And by December the U.S. had already withdrawn 30,000 of its troops, leaving only about 97,000 in the country. The U.S. plans to chop that number in half again in the next six months. More importantly, the nature of the U.S. military mission has changed, currently concentrating on providing support for Iraqi forces in security operations and implementing training programs. In fact, the U.S. will soon rename its military mission to "Operation Dawn", indicating a new day in Iraq.

Despite the changing nature of the task, the U.S. remains staunchly committed to Iraq. Washington will not cut and run. It considers maintaining stability in Iraq to be crucial. Afghanistan and Iran may now top the agenda for urgent foreign-policy issues, but Iraq has certainly not disappeared from the radar. American troops will continue to pack up and go home over the next year, but the U.S. will continue to commit considerable resources and will watch developments carefully. Vice-President Joseph Biden personally oversees policy on Iraq. Senior Defense Department officials still discuss the situation daily. At the State Department, oversight lies with Secretary of State Hillary Clinton's deputy. The Obama administration may be increasing resources for the war in Afghanistan, but it knows that neglecting Iraq could turn it

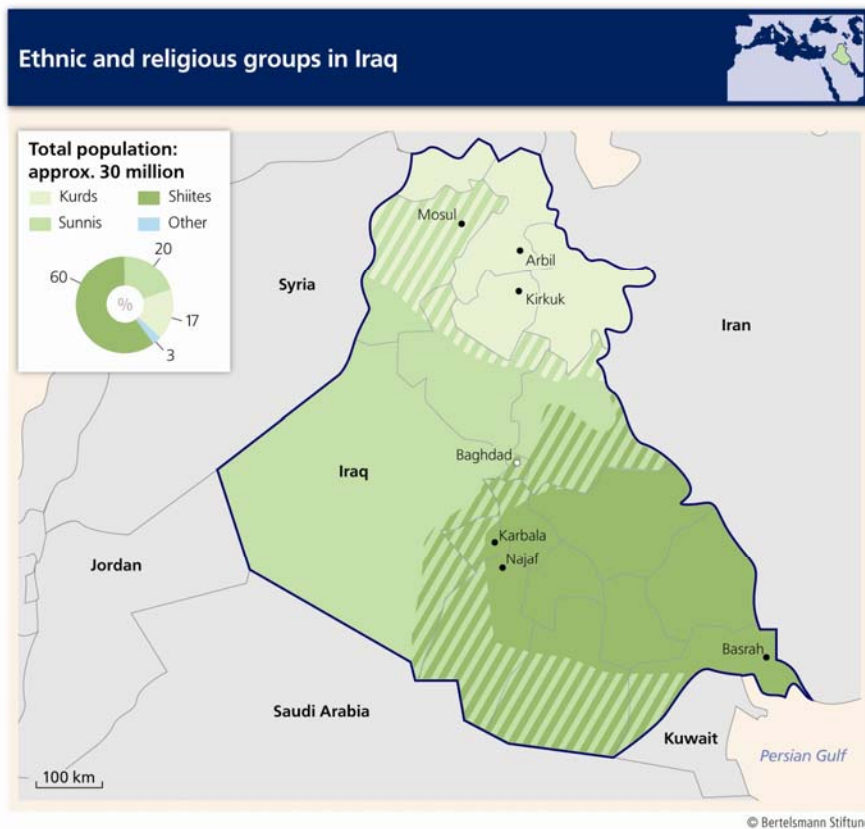
once again into a conflict zone. Washington also needs stability in Iraq to withdraw American troops and transfer them to Afghanistan in the course of the year.

Third: The U.S. has committed another \$100 million for programs designed to assist the return and re-integration of refugees and displaced persons.

Fourth: Finally, in the light of the sensitive nature of the Iraqi political landscape and the possibility of a renewed outbreak of violence, the U.S. intends to devote much diplomatic energy in 2010 to resolving political disputes.

The transition details will constitute the real task in 2010. For example, simply transferring the responsibility for large police-training programs from the U.S. military to the State Department

will require significant time and management.



The strategy for 2010 centres on transition. The U.S. has authorized another \$480 million this year for various civilian projects in Iraq. U.S. aid will concentrate on four areas:

First: Iraq's ministries need additional training and capacity development. For this reason there will be increased U.S. aid for training a more professional and transparent bureaucracy.

Second: Iraq's economy needs more foreign direct investment. Washington has emphasized that Iraqis must pursue their own economic reform agenda. However, the U.S. will continue to press for progress in this area and will intensify the U.S.-Iraq Dialogue on Economic Cooperation.

IV

Europe in Iraq: developing a specifically low-profile role

Iraq has been a topic to avoid in Europe since 2003. Countries that contributed troops faced tough criticism at home. Others refused to become involved in combat operations in Iraq and made little or no contribution to the civilian side. No EU-wide consensus ever existed. However, the situation has now changed. EU member-states in general and the EU in particular have been carefully expanding their programs for Iraq. As time passed

the EU overcame its internal divisions. It has opened an office in Baghdad and authorized the EUJUST LEX rule-of-law mission. Since 2005 it has trained almost 3,000 high-ranking Iraqi police officers and criminal justice and prison staff to promote the rule of law and respect for human rights. Since 2009 courses have also been held in Iraq itself. Hitherto all this has cost €35 million. EUJUST LEX has unintentionally not only developed into a showcase program for and in Iraq, but has become a lighthouse project for pan-European rule-of-law capacity-building abroad.

Since 2003 the European Union has also provided more than €1 billion for humanitarian first aid, education, healthcare and the elections – and this excludes member-state bilateral aid programs. 150,000 Iraqis have also found refuge in Europe.

Brussels and Baghdad have signed a memorandum of understanding on energy cooperation because they wish to link the Iraqi oil and gas fields to the European supply network. In 2010 the EU intends to place its political dialogue and trade and economic relations with Baghdad on a broader basis with a partnership and cooperation agreement (PCA).

The growing pan-European involvement in Iraq should not blind U.S. to the fact that as a result of the latter's economic potential the European member states have become involved not as a common actor but as competitors defending the interests of their national companies.

In political and economic terms Germany and France, which refused to participate in the Iraq war, have begun to mend fences with Baghdad since 2009. Their trade and foreign ministers have visited the Iraqi capital, as has President Nicolas Sarkozy, and Arbil. Germany and France regularly host Iraq investment and business forums. Berlin has opened representative offices in Baghdad and Arbil. The German Chamber

of Trade, the German Foreign Office and the Goethe Institute have set up a training program for young Iraqis. German and Iraqi universities have started to exchange students and research students.

However, opinion polls throughout Europe show that the public remains unenthusiastic about doing business in Iraq. For this reason European involvement will probably remain restricted and targeted. But there are other reasons, too. The EU and its member-states are still overstretched and find it difficult to comply with their new civilian pledges for Afghanistan. Budgets are even tighter in 2010 than they were only a few years ago. And there is much interest in ongoing involvement in North Africa, the Middle East and the Gulf Cooperation Council (GCC).

V

So what can the U.S. and the EU do together?

The Iraq war led to acrimonious disputes among old allies. Although the passage of time has healed some of these wounds, neither side really wants to discuss the Iraq issue. The Americans believe that it is useless to talk to the Europeans about Iraq, and the Europeans are unwilling to contribute much more to what they consider to be an American project. On both sides of the Atlantic, albeit for different reasons, domestic audiences are not interested in high-profile projects in Iraq. Governments are all also confronted with limited resources, especially due to the campaign in Afghanistan.

But Americans and Europeans have conducted identical risk analyses of Iraq's future, and they have identical interests in Iraq. Both want Iraq to be an undivided, unitary and stable state that maintains good relations with its neighbours. And as the focus in Iraq changes in 2010 from military to civilian efforts, the time is ripe

for new U.S.-European collaboration. The civilian work that Iraq needs corresponds neatly to European expertise. There are unique, value-added contributions that the EU and European member states can bring to the table, even with limited money and personnel.

The UN mission in Iraq can help, but its role is limited. Further UN tasks would require far more personnel, which is unrealistic for the time being. If the U.S., EU and European states want to collaborate more closely, they will have to do so directly through their embassies on-the-ground. Coordination should be driven by efficiency, with each side concentrating on what they are best at. Areas could include:

- *Donor communication and coordination:* The EU Commission in Europe and the United Nations should focus on coordinating bilateral and multilateral programs with the U.S. to avoid duplication.

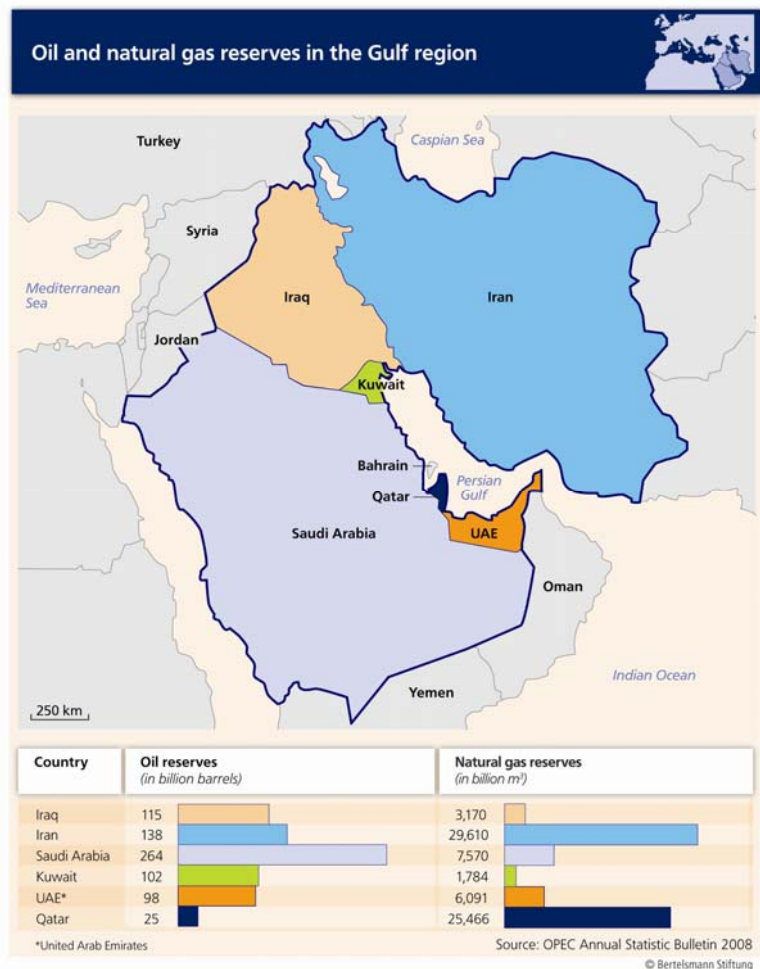
- *Capacity building:* Training programs for the Iraqi civil service, the police and the army are speeding up. This is a top U.S. priority and Europe has practical expertise that can be helpful. It is a perfect issue for collaboration.

- *Rule of law:* The EU could spearhead attempts to reform the judicial system by expanding its EUJUST LEX mission. It is already preparing to ramp up with in-country programs. The U.S. and EU should divide efforts. For example, EUJUST LEX could also support efforts to strengthen Iraq's Interior Ministry, especially since

the U.S. cannot provide a comparable model. The Interior Ministry is crucial since it is responsible for the police force and the integration of the various militias.

- *Symbolism is important:* Prime Minister al-Maliki has already visited the institutions in Brussels to demonstrate Iraq's interest in the EU. The significance of the partnership and cooperation agreement could be underlined if EU Commission President José Manuel Barroso were to travel to Iraq to sign the formal agreement.

- *Political convincing:* The newly elected politicians in the parliament and the government must quickly make some far-reaching decisions, for example on the oil act, Kirkuk, the integration of militias, and



de-baathification. The U.S. will continue talking to the Iraqis at the highest levels

about these issues. However, it is important that Americans, Europeans, and the UN make an explicit effort to speak the same language in their talks with local politicians. In this context, many Europeans wish for a stronger political role of the UN special representative. At any rate, the Iraqis should hear a consistent message from the international community on the urgent decisions ahead.

- *Border police:* To improve security, Americans and Europeans could provide additional training for border police and customs agents along the Iraqi-Syrian and Iraqi-Saudi borders.

- *Regional water management:* The EU could invite Iraq, Turkey, Syria and Iran to talks about joint and more efficient use of scarce water reserves.

- *Regional diplomacy:* Although the Iranian nuclear and missile program and the Iran-Saudi Arabia dispute cast a shadow over the region, Iraq will in the medium term again make its influence felt as a regional power between the two. A sub-regional system for cooperation and

security in the Gulf region could defuse the forthcoming and foreseeable tensions among the three powers. Suggestions for this are, in fact, emerging from the smaller Gulf states. It is an idea that, in talks with India, Russia and China, the West should promote.

The regional dimension shows that the West can put forward certain proposals, but it cannot do everything itself. Iraq's neighbours will have a key role in the country's quest for security and stability. Both Europe and the U.S. need stability in Iraq. A new push for trans-Atlantic coordination in Iraq could make a real difference in the critical civilian mission ahead.

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For Further Reading:

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