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U.S.-Arab Relations at a Crossroads: What Paths Forward?

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“IRAQ-U.S. RELATIONS: A VIEW FROM BAGHDAD”

Speaker:

H.E. Ambassador Lukman Faily – Ambassador of Iraq to the United States; former Ambassador of Iraq to Japan.

Remarks as delivered.

[Dr. John Duke Anthony] Ladies and gentlemen, you heard yesterday several passing remarks pertaining to Iraq. And they came from every different direction almost imaginable. At least four or five spoke about how in terms of what the United States did to Iraq starting on March 19, 2003, and a price is still being paid, internally, neighborly, beyond Iraq and the region as a whole. So that was just one aspect of it.

Then people spoke about how it had emboldened Iran and implicitly and explicitly that Tehran now has the best government in Baghdad in modern history. There were others who were explicit in that the United States invaded Iraq and Iran won.

I'm preparing the ambassador for some of the heat here.

Fourthly there were those who spoke at some length about the militias of Iran and their role either directly or indirectly in taking on the fight to ISIS, to Daesh. And then there were yet additional commentaries from the energy section about what might happen when, not just Iran's oil comes back onto the market in larger supply will that have a depressant effect on what has already in the past year has already been a series of depressant effects on the price of oil.

But when Iraq's oil comes back up to a level to which it is capable and to what extent if at all is it true that Iraq's reserves are the second largest in the world. Some would say would rival those of Saudi Arabia.

These are just five aspects, Mr. Ambassador. Now our ambassador is here for the long term and he is also a long distance runner. You might not know that. He participates in marathons, not necessarily to win, although that would be nice, but to remain fit and to be an example. And he is fit and he is an example.

He presented his credentials after 2013 and for the three years prior to that he was Iraq's ambassador to Japan. Prior to that he was an ambassador in the ministry of foreign affairs in Iraq. For nearly 20 years he lived outside Iraq as did so many during the long regime and regimen and rule of the realm of Saddam Hussein, where he got his masters in business administration from the University of Manchester and was involved in two Fortune 100 companies including one owned by Hewlett Packard whose former CEO is an illustrious, only serious female candidate among the Republican party hopefuls for their party's nomination for the presidency.

Please join me in welcoming Ambassador Lukman Faily.

[Ambassador Lukman Faily] [Greetings in Arabic] Good morning, ladies and gentlemen. Your Excellencies. Doctor Anthony. Let me first thank you for your kind introduction and also thank you for you guys for coming over here for this week's 24th annual policymaking conference.

I have been asked to discuss the state of relationship between Iraq and the United States and I will also address this issue in the context in the theme of this year's conference, which relates to the way forward, or the path forward.

Much like the broader Middle East the Iraqi-US relationship is at a crossroad and the path forward begins with our military and security cooperation to defeat Daesh or as his Excellency called it yesterday, His Highness, he called it Faesh, which is the right word for it.

Our cooperation must continue to be swift so that we can achieve our broader, long-term goals of a unified, a secure and a democratic Iraq within a safe and stable Middle East. During my few years as ambassador to this country I have found that here in Washington there are two schools of thought about how the United States can best achieve its objectives and pursue its own interests within Iraq and the region.

The first, collectively in my view, is that the United States should bolster its engagement within Iraq. Understand that our common interest, our common enemies and common values will inevitably increase the cooperation between our two countries. As the U.S. and Iraq work ever closely together, Iraq will emerge as a stronger, more self-reliant partner. And other actors will find their roles diminished.

In contrast the second school of thought believes that American support to Iraq should be reduced in order to coerce into Iraq rebuilding its dependency on actors that are in competition with the United States. I firmly believe that this second approach is fated to fail because in geo-politics as in physics vacuums will always be filled by others. Vacuums will be filled by others.

At this particular moment Iraq is on the front lines of the fight against the best funded, best equipped and best organized trans-national terrorist organization on earth. We are not in a position to take half-measures, and we are not in a position to turn away potential allies. With each passing day, Daesh kills, tortures, more of our innocent people. Among them are those who are targeted by car bombs in the busy markets and streets across Iraq. And those who are held hostage and subjugated to medieval rules that have no resemblance to Islam in any way, shape or form.

So we welcome whatever help we can get that degrades Daesh's ability to inflict harm to our people provided that it complements, not hinders our existing efforts. The struggle against Daesh is humanity's struggle and we must not allow regional and international disagreements to divide or delay us in this endeavor.

Now let me be clear. The United States is our military, economical and diplomatic partner of choice. And there is a clear path for the United States to broaden and strengthen its cooperation with our country.

First, step up your efforts to defeat Daesh. To those who still entertain the thought that there is no containment to Daesh that is not a policy that we could ever live with. We must defeat Daesh and we must do it together.

And second, increase your investment in rebuilding our unified, secure and democratic Iraq as a cornerstone of a peaceful and prosperous Middle East that will never again give rise to violent extremists so powerful that they threaten our region and the globe.

In that spirit let me address our full range of challenges from the military to the security fronts to the political, social and economical horizons.

On the military and security fronts there are currently two key battles that are being waged in the fight against Daesh in Iraq. In the northern province of Salehadin, the town of Bayji is strategic in many ways. Situated roughly 130 miles north of Baghdad on the main road to Mosul within the province Ninevah, Bayji is a major industrial center with the largest oil refinery in Iraq.

More than a year, for more than a year this terrain has been closely contested. Iraqi security forces have paid a heavy price defending the refinery. But as I speak before you today, security forces backed by volunteer fighters are making encouraging and significant gains that could mark another major milestone in our effort to liberate Mosul within the Ninevah Province.

To the west of Baghdad Iraqi forces have surrounded the city of Ramadi, the provisional capital of Al Anbar. Some 6,000 local tribal volunteers that joined the popular mobilization force have been trained by US and Iraqi forces and are fighting alongside Iraqi army, federal and local police. Together these troops are gradually edging closer toward the center of the city and US air support has been vital throughout these operations.

As our counterattack against Daesh reaches a crucial point now it is time for the US-led coalition and the broader international communities to double their effort. We are fighting Daesh on behalf of the world under difficult financial circumstances. With world oil prices hovering around 50 dollars a barrel while part of our country is still occupied by terrorists and our government is bearing the burden of assisting more than three million, three million displaced persons.

The financial burden of our defense budget has been immense. In September alone the Iraqi government purchased more than two and a half million rounds of ammunition from the United States through the FMS program in addition to armored Humvees, ambulances and mine resistant vehicles.

Our soldiers are sacrificing their lives and limbs in the struggle against the transnational terrorists. Would it be unreasonable if our international partners

contribute the bullets and other hardware that are so sorely needed by our fighters on the ground.

Let me address an important recurring theme or issue. Some people prefer the characters... Some people prefer to characterize the rise of Daesh in Iraq as merely a symptom of our country's domestic problems. This is conveniently over-simplified narrative, over-simplified narrative. It overlooks the fact that Daesh is a global phenomenon. Its international financial and recruitment networks in addition to its sick ideology have been recognized by the United Nations Security Council's Resolutions. Both Resolution 2170 from August of last year and 2199 from February this year bind all member states under Chapter 7 of the UN Charter to meet their obligations in tackling this global menace.

In other words Iraq can do its part but there are key external factors beyond Iraq's control that require concentrated efforts and actions by the international community and specifically by our own neighbors. We know that extremist, sectarian ideologies have been openly propagated in parts of the Muslim world and it must not be tolerated any longer.

Coalition members from the North American and Europe must also continue to work with our neighbors to halt the influx of foreign fighters into Iraq. Together we can and must make sure that the terrorist crimes, which take us back to the most barbaric eras in human history, must not yield payoff through keystrokes of 21st century technology.

The struggle that we must wage will be won not only on the battlefields and not only through the screening centers in airports across the world, and not only through technology and cyberspace. We must also defeat Daesh on the political, ideological, economical and diplomatic fronts.

Progress on these fronts is also part of the path forward that we are talking about today during this conference. Because terrorism appeals to those who are filled with hatred not hope we all need to work together to counter the dangerous messages that Daesh disseminates and to solve the social and economical problems that can be conducive to violent extremism.

To return to the observation with which I framed this talk. There are two schools of thought about how the US can best advance its agenda. Some strategists call for increased engagement with Iraq. Others call for tactical calls for withdrawal even at crucial points of our common struggle.

Since I addressed this annual conference last year, Iraq has been reforming its government and economical systems and our progress points toward the importance of America and all our allies working together with our people and elected leaders.

Understanding that for all our difficulties and differences Iraqis want to move forward together as one country. Iraqis want to move forward together as one country.

And for the past year our government has been adopting reforms that will strengthen us in the struggle against Daesh from the battlefield to the home front. This was apparent during what could have been polarizing protests this summer in Baghdad and other cities. Those of you who looked at the photographs of these protestors must have been impressed as I was by the sea of Iraqi flags.

These demonstrators were patriotic and peaceful. And our government responded by respecting their rights and making sure to hear their voice and their views and to be known to all. Throughout the demonstrations the security forces were deployed to protect the protestors rather than suppress them.

In several cities on many days the police were distributing bottles of water to the protestors. These iconic images bring home a basic and inescapable truth. Iraqis do not want a revolution that overturns the democratic system that we have been building together since 2003. Iraqis want reform that will strengthen the unity of our country, the inclusiveness of our democracy and the effectiveness of a government that is not hamstrung by sectarianism or by corruption.

This new dynamic between the citizens and their government represent a paradigm shift that is emblematic of the new Iraq. If you ever speak to anyone who questions whether life was better under Saddam Hussein just ask them how the security apparatus would have responded to even a suspicion of dissent. Make no mistake even in the midst of troubled wars and troubled economy; Iraqis and Iraq together are moving forward.

After barely a year in office and after three elections and the peaceful transition of power, Prime Minister Abadi's government is doing something that governments elsewhere have difficulty doing, streamlining itself. We are eliminating costly ceremonial positions and divisive sectarian quotas. We are decentralizing decision making to the provisional level so that local communities can decide where the resources are best suited for.

And we are also addressing the fiscal crisis that are worsened by bloated bureaucracy and over reliance on oil prices and oil revenue.

Together these reforms will make our society more democratic, more stable and more secure. Democracy enhances stability, and stability enhances security. Yes, there are those who are saying we must choose between democracy on one hand and stability and security on the other, but that is the false choice that we must move way beyond.

Iraq also cannot achieve stability and security in isolation from our neighbors. We are resolving our relations with our neighbor countries throughout the Middle East. We are restoring our relations with other countries in the Middle East through the framework of mutual respect for sovereignty and a concerted effort to explore deeper economical and security ties.

As we move forward national and regional reconciliations and reconstructions the US and other coalition countries can continue to help us to stabilize Iraq and assist us in facilitating the safe return of IDPs to their liberated homes and towns.

You can provide us with the technical assistance and streamline our government, combatting corruption, improving our public services and improving our infrastructure and you can provide us with help and investment in rebuilding our highways, housing projects and schools and others.

Let me thank you the United States for all effort you have done so far and will do in the future to help our democratic system. Iraqis and Americans have shed blood together in the defense of our common values. That is not something that should be taken lightly.

The relationship that was forged through those difficult years were enduring and no matter how hard some time to dismiss Iraqi democracy as a failed project, the sacrifices that were made by our two countries in pursuit of these ideals will continue to shape the path that Iraq chooses to take for generations to come.

My American and international friends, let me be clear I have given you a view from Baghdad. Our journey to this moment has been rocky to say the least. But our path to the future leads forward and upward. And we want to work this together for the sake of our country, for the sake of our region and for the better world which we all need to work together moving forward.

Thank you again for allowing me to share my thoughts with you today.

[Anthony] We have eight minutes for some questions. And the ones that were provided to me are the following and please feel free to comment on any of them, combine them. You don't have to do them in any order either.

Who purchases the oil and how do they do it, that ISIS has come to control here and there?

Among the foreign fighters how would you rank the top three countries in terms of the numbers or the percentage of fighters that they've been sending? For example, we read often that tiny Tunisia, tiny in comparison to other countries, has 8,000 or more fighters that have gone to Syria and presumably some to Iraq as well. So how might Iraq rank them?

No mention of the impact on Iraq if any, the nuclear agreement between the five UN Security Council countries – United States, Great Britain, France, Russia and China. What impact if any?

The United States has not exactly been the Olympic champion of welcoming the Iraqi displaced people or external refugees. People here forget that Syria took in 1.3 million Iraqis and after three years of the US invasion something fewer than 30,000 Iraqis seem to have made it into the United States, where the bureaucracy, visa system, security checks and the like. Jordan took 400, to 500 some say even as many as 700,000.

And how do you assess the Supreme Leader next door saying that Iran has every intent to continue its revolution and when it looks west you're the nearest one where its impact has been largest, massive, pervasive, more so than perhaps elsewhere?

How would you estimate the Iraqi-US Business Council? At one time, during the time of Saddam Hussein there were more than 50 members of that council, last time I checked there were fewer than 15 and the numbers seem to be going down to 10.

How would you educate us on these kinds of questions? And one last one. How would you respond to the criteria of countries being admitted to the United Nations being they must demonstrate their national sovereignty, political independence and territorial integrity?

A country that could not protect its airspace would be questionably sovereign nationally. And one that has foreign militias fighting on its soil would be questionable concerning its political independence, and one that has the northern part of the country, the Kurdish areas pretty much autonomous-plus, questioning the extent of their territorial integrity.

Or in terms of the American Constitution. The United States is a government for four reasons in terms of the Constitution, to provide domestic safety for its people, to provide external defense for its people, to enhance the standard of living or the material wellbeing for its people and to administer for its people a civil system of justice.

How would you educate us on any of these thorny, difficult, controversial questions?

[Faily] And how long do I have?

[Anthony] A day and a half.

[Faily] Always challenging to hear Doctor Anthony's questions. Intellectually, politically, as an ambassador. I'm not troubled with it, but soul-searching I would say.

Key issues.. I think there were seven or eight topics and I will go through them. Involving the ISIS fight. For us we need to have a [] approach to it. Where if it's smuggling religious artifacts then it need to be stopped. If is smuggling oil or other materials then it needs to be stopped. If it's human trafficking it needs to be stopped.

This is where we talk about cooperation from others. When we talk about oil, which is an international product it is not easy to transport, and obviously something for which there is a clear demand, customer base for it as well. So it won't be purchased by private owners; it's usually purchased by countries, refineries and so forth.

So to that question that we have been raising there are UN Security Council Resolutions, which talk about that but to us the key question that we have here, do we want to coexist with ISIS as an ideology, a theme, an organization? Iraqis certainly don't want to.

We may be inefficient in how we do it. But we certainly would not want to coexist with it. So those who talk about it contextually, or ideologically as an issue we would say it's more than an ideology. We have people being enslaved, Yazidis. We have others who do not adhere to this sick ideology are threatened physically. So to that effect any method of suppressing, degrading ISIS' ability to finance and to arm, to jihadis going in need to be challenged. And here we say this challenge is for others not just for Iraq. It is a key question.

For some reason, and I will make a comparison. It's not a controversial comparison but I think it is a good example. The Taliban was tolerated in Afghanistan. Some countries supported it. Some countries ideologically based it. And we see the result of Afghanistan after a decade plus and we see what was the heritage of the Taliban.

Don't let ISIS be a copycat of that. Don't let countries in the region support it or tolerate it for scoring small points here and there. And this is the point that we have been saying. Our going to Russia and other support is based on that. Don't let us, don't corner us so that we need to go elsewhere. The United States and the coalition is the strong base that we are choosing. But at the same time do not allow ISIS to purchase oil or smuggle their artifacts to Europe or elsewhere. That to us is a sign of weakness; let's call it weak cohesion of the international community. And that's where we question this.

The foreign fighters and the demography that Doctor Anthony asked about. It is strange in one way. We have people from Chechnya. We have people from China and from Europe and the United States and others. For example the Chinese are good at one level, they are not the suicide bombers. We've got some from North Africa that are the suicide bombers. Very few Iraqis are suicide bombers if you look at the numbers.

However, what we say is that why do you allow, give them [] visa, or other type of visa or no restrictions on visa, let's put it this way as well. Their inaction is inaction. And in facilitating them coming in to Syria and then into Iraq. To us that is a crime against humanity. Countries should not allow their young ones to go there. Certainly we are saying that when they are finished in Iraq and they will still be in one piece they will go back home and they will create havoc back home.

This is something, which cannot be exported, nor should they want them to be imported there to the country later. So it's important to...the demography is not in the sense of who has the highest, I would say the demography is different in the sense of what actions are they doing.

Suicide bombers or engineers or bomb makers or so on. And this is where their expertise comes in as well. And by the way, in ISIS, Syria versus Iraq is different. The majority of the command and control in Iraq are Iraqis, Baathists only, used to be part of the Baath party. In Syria it is different. However, the lieutenants and captains are usually from overseas. And those who have shown signs of weakening and going back have been executed as well. So there is terrorism going on inside a terrorist organization.

In relation to nuclear P5+1. To us and we have been clear on it, we support the basic of reducing tensions in the region. Whatever methods are required. It's important that Iran is not isolated because we think it's an important country in the region, but at the same time it's important that all countries feel not threatened by an ideological revolution, which we talked about as well.

We believe a country's sovereignty needs to be respected but at the same time no double standard should be faced whether it is Iran or it is others as well. I think a bit of soul searching is required by the international community, including Iran.

For us, Iran is a neighbor as much as Canada and Mexico are to you. You have your own challenges, different challenges with Canada and Mexico. For us Iran is our neighbor. We share strategic concerns in relation to ISIS. ISIS has made a threat to the religious sites of Iraq, which is to the Iranians of strategic interest as much as to Muslims, Mecca and Jerusalem, or Quds is of strategic interest. So to that effect we understand it but at the same time we have been clear that whatever support that has been provided by Iran we have been picky, what we choose.

And we certainly have made clear to the Iranians, to the Americans, to the Russians and to others, don't pick your fights in Iraq. Because the threats are too big, the stability of Iraq is too important to the region and the globe. So that's what we've been basing on.

We are new to the politics of this type of cooperation. Yes. Nobody's denying that. But Iraq is one of those countries that strong relationships with Iran and the United

States and we are not compromising on both because we think we need both and we hope both appreciate each other at least on the Iraqi turf.

I think the Iranian revolution exportation we talked about before. We appreciate our neighbor. We also understand that they want to have a regional geo-political role. That's for them and for others to challenge. For us it is important that all the efforts are in the fight against ISIS. We see that as an existential threat to us and to the region.

Your definition regarding countries and the integrity of countries and so on. What we say is that Iraq is not a new country just being put together. Iraq is one of the oldest civilizations in the world. It has gone through transformations, post First World War, change of systems from a kingdom to a republic and so on. So don't deal with a country and dismiss its existence and say let's reshape it, let's redo it.

There are certain facts on the ground, which you cannot dismiss. And that's to do with the people, heritage, history, cohesion, tribal system and others as well. We have no single tribe in Iraq, which is only Sunni or Shia, mixed. We have no single province in Iraq which is only dominated with one demography whether they are Kurds, Sunni, Arab Shia and so on. It's mixed. That's how we want it. That's how we have lived it. That's how we will move forward together.

However, since 2003 there has been a new social contract we're trying to relook at how we can work with each other with others as well. Nobody is denying that. Nobody is saying that we are in full harmony. But at the same time nobody in Iraq is saying that we need to divide the country.

That's what we hear from outside. And even when we talk about the Kurdish question – I am a Kurd myself – I would say that the Iraqi Constitution allows for it. They have voted it. If I remember 95% of the Kurds voted for the Constitution when it took place in 2005. So we have that.

We are talking about decentralization a new formula in the region. Yes. It's not a democratic region. Yes. But that's our position and that's how we will move forward.

I think that was most of the questions. Forgive me if I missed a question, nothing intentional.

[Anthony] The one about American investment. Companies, corporation, investment.

[Faily] It has gone through a transition for a number of reasons. In 2011 American troops left. Some of the companies, the US companies' felt they did not have the security they were seeking for, and the opportunities they were seeking for. Now since then there have been issues, primarily with Daesh and ISIS and as far as I know investment in the region itself has been reduced, not just Iraq.

It is important for us as players in the region to make sure that we provide the right environment for the investors, security provisions, legislations and others. At the moment the majority of the corporations are based on security and energy sectors. There are some transportation projects moving on, Boeing planes and so on. It's not to the level I want.

Obviously as an ambassador I'd rather do commerce than anything else rather than politics. But at the same time I know that the realities on the ground and we think at this moment that if we get the right relationship, next focus on what's the common threat, the common interest I think the economical development will become a natural development of that relationship.

Thank you.

[**Anthony**] Thank you, Mr. Ambassador. You have masters in business administration and you don't get an incomplete in terms of masters of diplomatic administration.

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