

# Report to Congress on the Situation in Iraq

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Mr. Chairman, Ranking Member, Members of the Committee, thank you for the opportunity to provide an update on the security situation in Iraq and to discuss the recommendations I recently provided to my chain of command.

Since Ambassador Crocker and I appeared before you seven months ago, there has been significant but uneven security progress in Iraq. Since September, levels of violence and civilian deaths have been reduced substantially, Al Qaeda-Iraq and a number of other extremist elements have been dealt serious blows, the capabilities of Iraqi Security Force elements have grown, and there has been noteworthy involvement of local Iraqis in local security. Nonetheless, the situation in certain areas is still unsatisfactory and innumerable challenges remain. Moreover, as events in the past two weeks have reminded us and as I have repeatedly cautioned, the progress made since last spring is fragile and reversible. Still, security in Iraq is better than it was when Ambassador Crocker and I reported to you last September, and it is significantly better than it was 15 months ago when Iraq was on the brink of civil war and the decision was made to deploy additional US forces to Iraq.

A number of factors have contributed to the progress that has been made. First, of course, has been the impact of increased numbers of Coalition and Iraqi Forces. You are well aware of the U.S. surge. Less recognized is that Iraq has also conducted a surge, adding well over 100,000 additional soldiers and police to the ranks of its security forces in 2007 and slowly increasing its capability to deploy and employ these forces.

A second factor has been the employment of Coalition and Iraqi Forces in the conduct of counterinsurgency operations across the country, deployed together to safeguard the Iraqi people, to pursue Al Qaeda-Iraq, to combat criminals and militia extremists, to foster local reconciliation, and to enable political and economic progress.

Another important factor has been the attitudinal shift among certain elements of the Iraqi population. Since the first Sunni “Awakening” in late 2006, Sunni communities in Iraq increasingly have rejected AQI’s indiscriminate violence and extremist ideology. These communities also recognized that they could not share in Iraq’s bounty if they didn’t participate in the political arena. Over time, Awakenings have prompted tens of thousands of Iraqis—some, former insurgents—to contribute to local security as so-called “Sons of Iraq.” With their assistance and with relentless pursuit of Al Qaeda-Iraq, the threat posed by AQI—while still lethal and substantial—has been reduced significantly.

The recent flare-up in Basrah, southern Iraq, and Baghdad underscored the importance of the ceasefire declared by Moqtada al-Sadr last fall as another factor in the overall reduction in violence. Recently, of course, some militia elements became active again. Though a Sadr stand-down order resolved the situation to a degree, the flare-up also highlighted the destructive role Iran has played in funding, training, arming, and directing the so-called Special Groups and generated renewed concern about Iran in the minds of many Iraqi leaders. Unchecked, the Special Groups pose the greatest long-term threat to the viability of a democratic Iraq.

As we look to the future, our task together with our Iraqi partners will be to build on the progress achieved and to deal with the many challenges that remain. I do believe that we can do this while continuing the ongoing drawdown of the surge forces.

### The Nature of the Conflict

In September, I described the fundamental nature of the conflict in Iraq as a competition among ethnic and sectarian communities for power and resources. This competition continues, influenced heavily by outside actors, and its resolution remains the key to producing long-term stability in Iraq.

Various elements push Iraq's ethno-sectarian competition toward violence. Terrorists, insurgents, militia extremists, and criminal gangs pose significant threats. Al Qaeda's senior leaders, who still view Iraq as the central front in their global strategy, send funding, direction, and foreign fighters to Iraq. Actions by neighboring states compound Iraq's challenges. Syria has taken some steps to reduce the flow of foreign fighters through its territory, but not enough to shut down the key network that supports AQI. And Iran has fueled the violence in a particularly damaging way, through its lethal support to the Special Groups. Finally, insufficient Iraqi governmental capacity, lingering sectarian mistrust, and corruption add to Iraq's problems.

These challenges and recent weeks' violence notwithstanding, Iraq's ethno-sectarian competition in many areas is now taking place more through debate and less through violence. In fact, the recent escalation of violence in Baghdad and southern Iraq was dealt with temporarily, at least, by most parties acknowledging that the rational way ahead is political dialogue rather than street fighting.

### Current Situation and Trends

As I stated at the outset, though Iraq obviously remains a violent country, we do see progress in the security arena.

As this chart [Slide 1] illustrates, for nearly six months, security incidents have been at a level not seen since early-to-mid-2005, though the level did spike in recent weeks as a result of the violence in Basrah and Baghdad. The level of incidents has, however, begun to turn down again, though the period ahead will be a sensitive one.

As our primary mission is to help protect the population, we closely monitor the number of Iraqi civilians killed due to violence. As this chart [Slide 2] reflects, civilian deaths have decreased over the past year to a level not seen since the February 2006 Samarra Mosque bombing that set off the cycle of sectarian violence that tore the very fabric of Iraqi society in 2006 and early 2007. This chart also reflects our increasing use of Iraqi-provided reports, with the top line reflecting Coalition and Iraqi data and the bottom line reflecting Coalition-confirmed data only. No matter which data is used, civilian deaths due to violence have been reduced significantly, though more work clearly needs to be done.

Ethno-sectarian violence is a particular concern in Iraq, as it is a cancer that continues to spread if left unchecked. As the box on the bottom left of this chart [Slide 3] shows, the number of deaths due to ethno-sectarian violence has fallen since we testified last September. A big factor has been the reduction of ethno-sectarian violence in Baghdad, density plots for which are shown

in the boxes depicting Iraq's capital over time. Some of this decrease is, to be sure, due to sectarian hardening of certain Baghdad neighborhoods; however, that is only a partial explanation as countless sectarian fault lines and numerous mixed neighborhoods still exist in Baghdad and elsewhere. In fact, Coalition and Iraqi Forces have focused along the fault lines to reduce the violence and enable Sunni and Shia leaders to begin the long process of healing in their local communities.

As this next chart [Slide 4] shows, even though the number of high profile attacks increased in March as AQI lashed out, the current level of such attacks remains far below its height a year ago. Moreover, as we have helped improve security and focused on enemy networks, we have seen a decrease in the effectiveness of such attacks. The number of deaths due to ethno-sectarian violence, in particular, has remained relatively low, illustrating the enemy's inability to date to re-ignite the cycle of ethno-sectarian violence.

The emergence of Iraqi volunteers helping to secure their local communities has been an important development. As this chart [Slide 5] depicts, there are now over 91,000 Sons of Iraq—Shia as well as Sunni—under contract to help Coalition and Iraqi Forces protect their neighborhoods and secure infrastructure and roads. These volunteers have contributed significantly in various areas, and the savings in vehicles not lost because of reduced violence—not to mention the priceless lives saved—have far outweighed the cost of their monthly contracts.

Sons of Iraq have also contributed to the discovery of improvised explosive devices and weapons and explosives caches. As this next chart [Slide 6] shows, in fact, we have already found more caches in 2008 than we found in all of 2006. Given the importance of the Sons of Iraq, we are working closely with the Iraqi Government to transition them into the Iraqi Security Forces or other forms of employment, and over 21,000 have already been accepted into the Police or Army or other government jobs. This process has been slow, but it is taking place, and we will continue to monitor it carefully.

Al Qaeda also recognizes the significance of the Sons of Iraq, and AQI elements have targeted them repeatedly. However, these attacks—in addition to AQI's use of women, children, and the handicapped as suicide bombers—have further alienated AQI from the Iraqi people. And the tenacious pursuit of AQI, together with AQI's loss of local support in many areas, has substantially reduced its capability, numbers, and freedom of movement. This chart [Slide 7] displays the cumulative effect of the effort against AQI and its insurgent allies. As you can see, we have reduced considerably the areas in which AQI enjoys support and sanctuary, though there clearly is more to be done.

Having noted that progress, AQI is still capable of lethal attacks, and we must maintain relentless pressure on the organization, on the networks outside Iraq that support it, and on the resource flows that sustain it. This chart [Slide 8] lays out the comprehensive strategy that we, the Iraqis, and our interagency and international partners are employing to reduce what AQI needs. As you can see, defeating Al Qaeda in Iraq requires not just actions by our elite counter-terrorist forces, but also major operations by Coalition and Iraqi conventional forces, a sophisticated intelligence effort, political reconciliation, economic and social programs, information operations initiatives, diplomatic activity, the employment of counterinsurgency principles in detainee operations, and many other actions. Related to this effort, I applaud Congress' support for additional intelligence,

surveillance, and reconnaissance assets in the upcoming Supplemental, as ISR is vital to the success of our operations in Iraq and elsewhere.

As we combat AQI, we must remember that doing so not only reduces a major source of instability in Iraq; it also weakens an organization that Al Qaeda's senior leaders view as a tool to spread its influence and foment regional instability. Usama bin Ladin and Ayman al-Zawahiri have consistently advocated exploiting the situation in Iraq, and we have also seen AQI involved in destabilizing activities in the wider Mid-east region.

Together with the Iraqi Security Forces, we have also focused on the Special Groups. These elements are funded, trained, armed, and directed by Iran's Qods Force, with help from Lebanese Hezbollah. It was these groups that launched Iranian rockets and mortar rounds at Iraq's seat of government two weeks ago, causing loss of innocent life and fear in the capital, and requiring Iraqi and Coalition actions in response. Iraqi and Coalition leaders have repeatedly noted their desire that Iran live up to promises made by President Ahmedinajad and other senior Iranian leaders to stop their support for the Special Groups. However, nefarious activities by the Qods Force have continued, and Iraqi leaders now clearly recognize the threat they pose to Iraq. We should all watch Iranian actions closely in the weeks and months ahead, as they will show the kind of relationship Iran wishes to have with its neighbor and the character of future Iranian involvement in Iraq.

#### Iraqi Security Forces

The Iraqi Security Forces have continued to develop since September, and we have transferred responsibilities to Iraqi Forces as their capabilities and the conditions on the ground have permitted. Currently, as this chart [Slide 9] shows, half of Iraq's 18 provinces are under provincial Iraqi control. Many of these provinces—not just the successful provinces in the Kurdish Regional Government area, but also a number of southern provinces—have done well. Challenges have emerged in some others, including, of course, Basrah. Nonetheless, this process will continue, and we expect Anbar and Qadisiyah Provinces to transition in the months ahead.

Iraqi Forces have grown significantly since September, and over 540,000 individuals now serve in the Iraqi Security Forces. The number of combat battalions capable of taking the lead in operations, albeit with some Coalition support, has grown to well over 100 [Slide 10]. These units are bearing an increasing share of the burden, as evidenced by the fact that Iraqi Security Force losses have recently been three times our own. We will, of course, conduct careful after action reviews with our Iraqi partners in the wake of recent operations, as there were units and leaders found wanting in some cases, and some of our assessments may be downgraded as a result. Nonetheless, the performance of many units was solid, especially once they got their footing and gained a degree of confidence, and certain Iraqi elements proved quite capable.

Underpinning the advances of the past year have been improvements in Iraq's security institutions. An increasingly robust Iraqi-run training base enabled the Iraqi Security Forces to grow by over 133,000 soldiers and police over the past 16 months. And the still-expanding training base is expected to generate an additional 50,000 Iraqi soldiers and 16 Army and Special Operations battalions throughout the rest of 2008, along with over 23,000 police and 8 National Police battalions.

Additionally, Iraq's security ministries are steadily improving their ability to execute their budgets. As this chart [Slide 11] shows, in 2007, as in 2006, Iraq's security ministries spent more on their forces than the United States provided through the Iraqi Security Forces Fund (ISFF). We anticipate that Iraq will spend over \$8 billion on security this year and \$11 billion next year, and this projection enabled us recently to reduce significantly our Iraqi Security Forces Fund request for fiscal year 2009 from \$5.1 billion to \$2.8 billion.

While improved, Iraqi Security Forces are not yet ready to defend Iraq or maintain security throughout the country on their own. Recent operations in Basrah highlight improvements in the ability of the Iraqi Security Forces to deploy substantial numbers of units, supplies, and replacements on very short notice; they certainly could not have deployed a division's worth of Army and Police units on such short notice a year ago. On the other hand, the recent operations also underscored the considerable work still to be done in the areas of logistics, force enablers, staff development, and command and control.

We also continue to help Iraq through the U.S. Foreign Military Sales program. As of March 2008, the Iraqi government has purchased over \$2 billion worth of equipment and services of American origin through FMS. Since September, and with your encouragement of the organizations in the FMS process, delivery has improved as the FMS system has strived to support urgent wartime requirements. On a related note, I would ask that Congress consider restoring funding for the International Military Education and Training Program, which supports education for mid- and senior-level Iraqi military and civilian leaders and is an important component of the development of the leaders Iraq will need in the future.

### Upcoming Challenges

While security has improved in many areas and the Iraqi Security Forces are shouldering more of the load, the situation in Iraq remains exceedingly complex and challenging. Iraq could face a resurgence of AQI or additional Shia groups could violate Moqtada al-Sadr's cease-fire order and return to violence. External actors, like Iran, could stoke violence within Iraq, and actions by other neighbors could undermine the security situation as well.

Other challenges result, paradoxically, from improved security, which has provided opportunities for political and economic progress and improved services at the local, provincial, and national levels. But the improvements have also created expectations that progress will continue. In the coming months, Iraq's leaders must strengthen governmental capacity, execute budgets, pass additional legislation, conduct provincial elections, carry out a census, determine the status of disputed territories, and resettle internally displaced persons and refugees. These tasks would challenge any government, much less a still developing government tested by war.

The Commander's Emergency Response Program, the State Department's Quick Response Fund, and USAID programs enable us to help Iraq deal with its challenges. To that end, I respectfully ask that you provide us by June the additional CERP funds requested in the Supplemental. These funds have an enormous impact. As I noted earlier, the salaries paid to the Sons of Iraq alone cost far less than the cost savings in vehicles not lost due to the enhanced security in local communities. Encouragingly, the Iraqi government recently allocated \$300 million for us to manage as "Iraqi CERP" to perform projects for their people, while building their own capacity to do so. The Iraqi government has also committed \$163 million to gradually assume Sons of Iraq contracts, \$510 million for small business loans, and \$196 million for a

Joint Training, Education, and Reintegration Program. The Iraqi government pledges to provide more as they execute the budget passed two months ago. Nonetheless, it is hugely important to have our resources continue, even as Iraqi funding begins to outstrip ours.

### Recommendations

Last month I provided my chain of command recommendations for the way ahead in Iraq. During that process, I noted the objective of retaining and building on our hard-fought security gains while we draw down to the pre-surge level of 15 brigade combat teams. I emphasized the need to continue work with our Iraqi partners to secure the population and to transition responsibilities to the Iraqis as quickly as conditions permit, but without jeopardizing the security gains that have been made.

As in September, my recommendations are informed by operational and strategic considerations. The operational considerations include recognition that:

- the military surge has achieved progress, but that the progress is reversible;
- Iraqi Security Forces have strengthened their capabilities but still must grow further;
- the provincial elections in the fall, refugee returns, detainee releases, and efforts to resolve provincial boundary disputes and Article 140 issues will be very challenging;
- the transition of Sons of Iraq into the Iraqi Security Forces or other pursuits will require time and careful monitoring;
- withdrawing too many forces too quickly could jeopardize the progress of the past year; and
- performing the necessary tasks in Iraq will require sizable conventional forces as well as special operations forces and advisor teams.

The strategic considerations include recognition that:

- the strain on the US military, especially on its ground forces, has been considerable;
- a number of the security challenges inside Iraq are also related to significant regional and global threats; and
- a failed state in Iraq would pose serious consequences for the greater fight against Al Qaeda, for regional stability, for the already existing humanitarian crisis in Iraq, and for the effort to counter malign Iranian influence.

After weighing these factors, I recommended to my chain of command that we continue the drawdown of the surge combat forces and that, upon the withdrawal of the last surge brigade combat team in July, we undertake a 45-day period of consolidation and evaluation. At the end of that period, we will commence a process of assessment to examine the conditions on the ground and, over time, determine when we can make recommendations for further reductions. This process will be continuous, with recommendations for further reductions made as conditions permit. This approach does not allow establishment of a set withdrawal timetable; however, it does provide the flexibility those of us on the ground need to preserve the still fragile security gains our troopers have fought so hard and sacrificed so much to achieve.

With this approach, the security achievements of 2007 and early 2008 can form a foundation for the gradual establishment of sustainable security in Iraq. This is not only important to the 27 million citizens of Iraq; it is also vitally important to those in the Gulf region, to the citizens of the United States, and to the global community. It clearly is in our national interest to help Iraq prevent the resurgence of Al Qaeda in the heart of the Arab world, to help Iraq resist Iranian

encroachment on its sovereignty, to avoid renewed ethno-sectarian violence that could spill over Iraq's borders and make the existing refugee crisis even worse, and to enable Iraq to expand its role in the regional and global economies.

### Closing Comments

In closing, I want to comment briefly on those serving our Nation in Iraq. We have asked a great deal of them and of their families, and they have made enormous sacrifices. My keen personal awareness of the strain on them and on the force as a whole has been an important factor in my recommendations.

The Congress, the Executive Branch, and our fellow citizens have done an enormous amount to support our troopers and their loved ones, and all of us are grateful for that. Nothing means more to those in harm's way than the knowledge that their country appreciates their sacrifices and those of their families.

Indeed, all Americans should take great pride in the men and women serving our Nation in Iraq and in the courage, determination, resilience, and initiative they demonstrate each and every day. It remains the greatest of honors to soldier with them.

Thank you very much.