



Highlights of [GAO-06-697T](#), a testimony before the Subcommittee on National Security, Emerging Threats, and International Relations; Committee on Government Reform, House of Representatives

Why GAO Did This Study

The United States, along with coalition partners and various international organizations, has undertaken a challenging and costly effort to stabilize and rebuild Iraq following multiple wars and decades of neglect by the former regime. This enormous effort is taking place in an unstable security environment, concurrent with Iraqi efforts to transition to its first permanent government.

In November 2005, the President issued the National Strategy for Victory in Iraq. According to the strategy, victory will be achieved when Iraq is peaceful, united, stable, secure, well integrated into the international community, and a full partner in the global war on terror.

In this testimony, GAO discusses the key challenges that the United States, international community, and Iraq face in rebuilding and stabilizing Iraq.

This statement is based on four reports GAO has issued to the Congress since July 2005 and recent trips to Iraq. Since July 2005, GAO issued reports on (1) the status of funding and reconstruction efforts in Iraq, the progress achieved, and challenges faced in rebuilding Iraq's infrastructure; (2) U.S. efforts in the water and sanitation sector; and (3) U.S. assistance for the January 2005 Iraqi elections, and (4) U.S. efforts to stabilize the security situation in Iraq (a classified report).

www.gao.gov/cgi-bin/getrpt?GAO-06-697T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Joseph A. Christoff at (202) 512-8979 or christoffj@gao.gov.

REBUILDING IRAQ

Governance, Security, Reconstruction, and Financing Challenges

What GAO Found

The war in Iraq will not be won by the military alone. Iraq's future requires strong Iraqi leadership, sustained U.S. commitment, and a reengaged international community.

The United States, Iraq, and its partners have made some progress in stabilizing and rebuilding Iraq. Iraqis have voted in increasing numbers, with over 12 million casting votes in the December 2005 election. Over the past year, the number of security forces that the coalition has trained and equipped has increased from about 142,000 to about 242,000. Finally, the United States has completed or has underway about 500 water, oil, and electricity reconstruction projects.

However, this progress is tempered by the overwhelming challenges the coalition faces. First, sectarian divisions delayed the formation of a permanent government and created a political vacuum. Recent events provide some hope that a new government will be formed in the near future. Once formed, the new government will confront the enormous tasks of strengthening government institutions, disbanding the militias, resolving disputes over internal boundaries and oil revenues, addressing corruption, and delivering results to the Iraqi people. Of particular importance is providing the Iraqis with the training and technical assistance needed to run their national and provincial governments. A transparent and accountable government can reduce corruption and deliver results to the Iraqi people.

Second, the security environment continues to be a concern as insurgents demonstrate the ability to recruit, supply, and attack coalition and Iraqi security forces. From 2004 to 2005, attacks against the coalition, Iraqis, and infrastructure increased 23 percent. Since the bombing of a Samarra mosque in February 2006, Iraqis have become increasingly concerned that civil war may break out. The poor security situation in much of Iraq has impeded the development of an inclusive Iraqi government and effective Iraqi security forces.

Third, higher than expected security costs, funding reallocations, and inadequate maintenance have impeded U.S. reconstruction efforts. As of March 2006, oil and electricity production were below pre-war levels and reconstruction goals for oil, electricity, and water had not been met. Iraq produced 2.6 million barrels of oil per day before the war; in 2005, production averaged 2.1 million barrels per day. Production levels alone do not measure the impact of reconstruction efforts. While U.S. efforts have helped Iraq produce more clean water, 60 percent is lost due to leakage and contamination. Continued focus on developing outcome measures is critical to ensure that reconstruction efforts are making a difference in the lives of the Iraqi people.