Evening “Topical Session” on Saturday 25th October 2003

IRAQ

Chaired by Peter Sutherland
European Chairman
The Trilateral Commission

Speakers:

Adnan Pachachi
Member and Vice Chairman
Governing Council of Iraq
Baghdad

Marek Belka
Chairman
Council for International Coordination
Coalition Provisional Authority
Baghdad

(From a tape transcript with slight editing; Biographies of the Speakers are attached)
Peter Sutherland opened the evening’s event by a tribute to Sergio Vieira de Mello who was a great friend of the Trilateral Commission and had indeed been invited to come to Porto. The tragedy and circumstances of his loss should be referred to. Sergio represented the very best in public service and the circumstances of his death were not merely a tragedy for Iraq but also a tragedy for the world, and represented an assault on the values that sustain the civilised society in which we all hope to live. The Chairman thereupon welcomed the Speakers underlining the urgency of addressing one of the world’s most important topics. In addition, both Speakers also represent this public service of Sergio Vieira de Mello with Adnan Pachachi as a most distinguished, patriotic and courageous Iraqi citizen. Both Speakers came to Porto following the October 23-24 International Donor’s Conference on the Reconstruction of Iraq held in Madrid.

Adnan Pachachi, in his opening remarks, stressed the importance of the just held Madrid Conference: US$ 33 billion were pledged – more than expected but less than Iraq’s needs which are enormous. The problems are great. We hope that the funds will be delivered soon and not delayed. We are also very anxious that there be total transparency, good accounting and good auditing. A Delegation from the Governing Council came to Madrid to present detailed papers to the Conference on Iraq’s needs and a timetable to satisfy these needs. Two important aspects need prior consideration.

First is the question of security. Iraq is faced by three security problems i.e. three “sources” of insecurity. First are the petty “usual” crimes (stealing, murdering, molesting of women…) which are being dealt with quite satisfactorily with the increased Police force in Iraq. On the whole, the situation in the cities especially Baghdad has improved notably. Another source of violence is revenge killing. As we know, many parts of Iraq have tribal values. So, when someone is killed, and the Americans have killed some people in the various parts of Iraq, then the relatives of those killed feel it their duty to seek revenge by killing an American.

But by far the most important source of insecurity is this unholy alliance between the remnants of the defunct regime and some Al Qaeda infiltrators from various neighbouring countries: they feel to be engaged in a Holy War against the Iraqi State, and they have chosen
Iraq to be a battlefield of this war because they find it more suitable to target Americans since 130,000 troops are present in my country. This is a very serious problem which must be dealt with and we feel in the Governing Council of Iraq that perhaps Iraqis should be given the major task and role in combating this type of terrorism. But, we also realise that our Police forces are not yet in sufficient numbers and still require training and equipment and therefore it is inevitable that outside help should be given. We welcomed the possibility of a UN multinational force to be deployed in certain parts of Iraq. But our preference is for Iraqis to shoulder this responsibility. We do not exclude our acceptance of foreign troops to come to Iraq for a very short period of time until the situation is stabilised, but we insist that no foreign troops should come into Iraq without the express approval of the Iraqi Governing Council. This is what makes the Turkish government think twice about sending its troops to Iraq.

The second important topic that we are trying to address is what I may call the constitutional or political process. In essence, what we are trying to do is to establish a viable democracy in Iraq founded on the Rule of Law and the guaranteeing of the respect for Human Rights i.e. a civil society in which the equality of all citizens is respected, whatever their ethnic origin, religious beliefs or confessional affiliations. This is not an easy task and we realise that the road ahead is difficult and dangerous but we are starting -- maybe with uncertain steps -- to reach that goal.

When the UN Security Council adopted Resolution 1483 on May 2nd, there was one very important element which legitimised the presence of foreign troops as “occupying troops” in accordance with the relevant provisions of international law, The Hague and Geneva Conventions. This Resolution also gave the Coalition Authority (primarily the Americans and the British) the right to administer the country and also to control the finances. When that Resolution was adopted, all the Iraqi political groups were rather dismayed because they did not want an occupation of Iraq: they had hoped for liberation. In this context, may I say now that without American military intervention the regime of Saddam Hussein would still be with us today. This is something that the Iraqi people know, appreciate and will not forget.

But still, we had hoped and proposed that immediately after the war, the Secretary General of the United Nations would appoint a Special Representative to oversee the transition of Iraq towards a viable democracy by convening a constitutional conference and appointing an interim government for this task. But now we have this situation. From the very first day that
this UNSC Resolution was adopted, we had extensive, intensive and continuous discussions with the United States, mainly through their Representative in Baghdad, Ambassador Paul Bremer. The original idea was to have an “Iraqi Advisory Council”: we said “no”. Whatever Iraqi body is going to be established, it has to have executive and administrative responsibilities. Fortunately, the Americans realised that what we were asking is proper and correct and gradually they accepted an interim administration with responsibilities. Discussions were continued on how to expand these responsibilities as well as on how to create the interim administration. Here, I must say that Sergio Vieira de Mello played a crucial role. Sergio was most helpful, meeting with me several times in Baghdad as well as other political figures and travelling around the country trying to persuade people to act with one voice and to make their demands clear and reasonable. As a result of his efforts and ours and -- in all fairness to Ambassador Bremer who went out of his way to accommodate us, the result of these intensive and extensive consultations among Iraqis decided to establish a “Governing Council” of twenty five members broadly representative of Iraqi society.

Almost immediately afterwards -- thanks to the efforts of Sergio and Kofi Annan and of Spanish Foreign Minister Ana Palacio who held the Presidency of the Security Council in July – we wanted to assert that Iraq’s sovereignty did not disappear and that the Iraqi State did not wither away. We wanted to give a very strong manifestation of this sovereignty by going to the United Nations. I had the privilege of leading a delegation to the Security Council and spoke as a representative of the Iraqi Governing Council addressing the United Nations’ Security Council on July 22nd. We kept up our efforts to assert full rights to sovereignty and the freedom to manage our internal affairs. We were told at that time “why were we in such a hurry? Be patient… Germany did not have a Foreign Ministry until four years after the end of World War II…” We explained that Iraq was in a different situation because the State still exists and what really happened in Iraq was that just a regime was toppled. Here, Sergio again went around the various Arab countries to persuade the Arab governments to accept the Governing Council to occupy the seat of Iraq in the Arab League. This was done and we sent a Foreign Minister, who happens to be a Kurd (a message to the world that Iraq does not pay attention to ethnic or religious differences), as by then the Council had appointed twenty-five Ministers. The next obstacle was to gain acceptance in the United Nations’ General Assembly. Here again, we were able to accomplish this task. The Iraqi delegation spoke before the General Assembly and was treated on an equal level with all other UN member states.
So, the last few months were really focused on the question of sovereignty.

Then came UNSC Resolution 1511. Before this Resolution, the United States had proposed a draft resolution. I had the opportunity to go to Geneva and speak to State Secretary Colin Powell and the four other Foreign Ministers of the P 5, and also to meet the German Foreign Minister in Berlin, where we presented our point of view that the sovereignty of the Iraqi State should be vested in the Governing Council. There was some initial resistance to that proposal -- even opposition from the United States, but we presented a revised draft which says that much. Eventually, they accepted the idea i.e. Resolution 1511 adopted on October 16th whereby the Governing Council and its Ministers embody the sovereignty of the Iraqi State. What is the exact meaning of “embody”? It can be interpreted in different ways, but it was the best definition for now.

Following that UNSC Resolution, we are to present by December 15th a timetable and a programme for the Constitution. In Madrid, I announced and confirmed that the Governing Council accepted this deadline: this obligation will be fulfilled. Of course, it is not possible to know whether we can keep up with this timetable because the drafting of a Constitution is not an easy matter. After all, if we want to have a Federal Constitution, we have to look at various models of Federal Constitutions all around the world and have something suitable for Iraq. In passing, we have recognised from the very beginning of the Iraqi State that the Kurds are a distinct and different nationality, different from the majority of Iraqis who are Arabs. Because of their distinct nationality, we recognise that the Kurds should have certain rights and a certain status within the Iraqi State. The Kurds realised that their best guarantee is to remain within the Iraqi State because, if they opted for independence, they would not be in a position to protect themselves from some neighbouring countries that are dead against the creation of an independent Kurdish state.

Certain ideas are now floating around such as it is not a good idea to be too hasty in drafting a constitution that we would have to change soon thereafter. At present, the best that can be done would be have an “interim constitution” which would regulate the machinery of government during this period and give precious time to look at all the options for a permanent constitution. Another matter – frankly speaking – are the fundamentalist religious groups in Iraq who are well organised and who have national resources while the majority of
Iraqis who are secular in outlook are still fragmented and disorganised. It is therefore in the interest of all concerned to delay the passing of a permanent constitution but have an interim constitution to regulate the affairs of the government.

Furthermore, the UNSC Resolution did not mention an “elected” government: it spoke of a “representative” government internationally recognised. So the current idea is to expand the Governing Council from its present 25 membership to 100 to then fold into a legislative organ electing from among its members a provisional government that will carry international sovereignty. We made clear in Washington and in New York when meeting Secretary Powell and NSA Rice and leaders of the U.S. Congress that there was absolutely no contradiction between having a “provisional” government and sovereignty. France after the war had a Provisional Government (GPRF) for almost two to three years until the Fourth Republic came into existence. During that period, France had a fully sovereign government and became a founding member of the United Nations and entered into treaty obligations with third countries.

We were then told that if we are going to receive complete sovereignty and absolute control of the affairs of the country, then it will be difficult for Congress to adopt the US$ 20 billion proposal presented by the President for the reconstruction of Iraq: Members would insist that these funds be under absolute control of the U.S. We explained that there was no problem with this approach: Iraq can have a sovereign government and enter into an agreement with any other country for both the sending of troops to help us and for economic assistance. We emphasised the fact that we want to have a partnership of equals, not subservience. Many of these points were taking into account when finally Resolution 1511 was adopted by the Security Council.

Iraq has still a long road ahead. You cannot imagine here the harm that was done to my country: three devastating wars, twelve years of rigorous sanctions and thirty-five years of oppression unsurpassed in its genocidal brutality. The legacy is heavy and what we hope is that the Iraqi people will be given the opportunity for redemption after all those years of suffering and pain. We shall persevere, we shall continue, we shall not flinch or waiver, we shall not, cannot and dare not fail.
Marek Belka opened his comments by highlighting that he would be concentrating fully on the economic reconstruction of Iraq. What did we find in Iraq? What type of economic problem do we face? Is it a war-destroyed country? Is it a “third world” or “transition” country? It is a little bit of everything but very untypical?

War-destroyed, certainly, but not the last war: Iraq was destroyed by many wars. A “poor” country, but a country which twenty-five years ago had a national income per capita equal to Australia! Nowadays, statisticians would say it is closer to Congo. To some extent, Iraq is a “transition” country: the economy we found is helplessly distorted with completely unrealistic price structures, controlled by the state (not so much collectivised) and dilapidated in important segments of its infrastructure.

What are the strengths of Iraq? Not only oil resources but also 26 million people which had a well-educated and sophisticated education system second to none in the region a few decades ago: the saying goes that books in the Middle East are written in Egypt, printed in Lebanon but read in Iraq! Iraq also possesses water resources and a good geographic location: it thus has many strengths. But, we must remember that oil can be more frequently a curse than a blessing. Looking around, you have rentier states like Kuwait, bankrupt rentier states like Saudi Arabia or countries like Algeria whose main exports is not oil and gas but young men and women. So, Iraq with its oil riches has many pitfalls to avoid.

What does Iraq need? Firstly it requires reforms to create a business climate conducive to domestic entrepreneurs and foreign investors. Iraq needs money for reconstruction including the oil industry. Iraq needs opening to the world and a very generous solution to its foreign debt. Coming from Madrid, many good things happened at the International Donors Conference. As far as money is concerned, US$ 33 billion at least were pledged with US$ 26 billion immediately available in grants, including those from America. The number of countries pledging different forms of assistance rose to 73. A private sector conference was also held in Madrid attended by more than 300 business leaders from 46 countries: there is immense interest in Iraq when looking at the turnout for the most important tenders opened recently especially in the trade sector where some 38 international financial institutions accepted to basically ‘make losses’. As far as cell phone licences are concerned, companies
from all the world came to Iraq: happily, three GSM technology-based consortia were given licences and originated from the Middle East.

Some 14,000 reconstruction projects – big and small – have already been completed irrespective of the difficult security situation. Electricity production is at the pre-war level which is still too little to satisfy the needs; oil production is at two million barrels a day and some new economic regulations have been implemented.

But, economic policy is going to change. My task so far was to prepare the Madrid Conference from the Baghdad side. I am now taking on a new position which used to be called “Economic Policy Director” but, in reality, I am to become the chief advisor to the Iraqi government on economic policy.

Here lies the problem of sovereignty: Dr. Pachachi looks at sovereignty from a political angle. From an economic point of view, we have a process of either “creeping” sovereignty or “galloping” sovereignty. No economic decision nowadays is and will be made in Iraq without the participation and consent of Iraqi Ministers and the Governing Council. However, I do not know what it will bode for Iraq’s sovereignty reflected in the future UNSC Resolutions.

The Chairman then opened the discussion period with the Members:

Pierre Lellouche was, firstly, extremely impressed by Adnan Pachachi’s presentation and put forward a blunt question about his own country, France: what is the view of the Iraqi people on the position taken by France (adding Germany). On France, what do the Iraqi people think about this position and what would they hope that it does now?

Adnan Pachachi responded by saying he had a chance to speak to the head of the French delegation to the Madrid Conference. It will be difficult for France to make a contribution until there is a fully sovereign government in Iraq. We are trying to achieve this goal and hope that as the situation evolves and when the situation becomes clearer regarding the needs in Iraq, I have a feeling that France would probably change its position. We don’t want to
antagonise France: we need all the friends in the world and can’t afford to make enemies now! Of course, there was some disappointment on the French, German and Russian positions, but one of their Foreign Ministers – Igor Ivanov -- told me in New York that his country was against the war from the very beginning. But the war has taken place and the situation is different today: it is in Russia’s interest – economic likewise -- that Iraq be a stable and prosperous country. I have a feeling that these three countries would perhaps change to some extent their position as the situation changes on the ground in Iraq.

Mario Vargas Llosa, when recently in Iraq, was told by many peoples from different political and religious denominations that they were convinced that Iranians or more precisely the conservative part of the government in Iran was playing a very important role in anti-American terrorism in Iraq. They thought that this part of the Iranian government was convinced that they were the next target of the U.S. and that they had decided to start a war right away in Iraq by sending commandos with weapons and different resources to fuel this terrorism. The question: has the Governing Council any proof of this to be true?

Another more general question: the Governing Council of Iraq is certainly aware of the magnitude of the popular demonstrations against the military intervention in Iraq often fuelled by ideology and anti-Americanism. But many demonstrators, in Spain and Britain included, are sincerely convinced that the U.S. had no right to decide by themselves that Saddam Hussein should be dispossessed and acting consequently as they did. How would the Governing Council of Iraq reply to these well-intentioned demonstrators and convince them it was defending the Iraqi sovereignty and the right to resolve Iraq’s own problems?

On the second question, Adnan Pachachi stressed that the Iraqis are not too greatly concerned about the difference of opinion going on in Europe and in the United States on the “legitimacy” of the war and whether there were any valid reasons to go to war against Saddam Hussein. The question of what is a “weapon of mass destruction”, the alleged terrorist relationships between the defunct regime and some of these groups do not concern us: what concerns us is the result. Whatever the motivations of the Americans or the British were, what is important for us is the result: saving Iraq from this odious regime. Therefore, we don’t want to go into this discussion on the justification of this war. For Iraq, the result is very important.
Regarding Iran’s mention, this we have heard in the past and received reports but also many other neighbouring countries are trying to intervene in the internal affairs of Iraq. This has been going on for years and years, even before Saddam, since the very beginning of the Iraqi State. We remain watchful and if the situation goes beyond a certain limit, then some action will have to be taken. The Iranians have sent a delegation to Baghdad in fact the first country to send such a delegation, to discuss matters of mutual interest. Their Foreign Minister in Madrid said that Iran was prepared to (strangely!) contribute to the reconstruction of Iraq by allowing pilgrims to travel to the Shia holy sites in Iraq where it is spending millions of dollars: these proposals are not seriously considered! One of the motives of Iran is to keep the Americans busy in Iraq so that it will be spared any outright intervention. The same has been said about Syria. In our part of the world, the conspiratorial theories of history are very popular.

For Dominique Moïsi, there are many Americans within the Administration who start to be self-critical and one of the elements is to say: we have fallen prey to the error made by Saddam Hussein when he invaded Iran in 1980 or when Israel invaded Lebanon in 1982. We have listened too much to the Iraqis in exile who were right in telling us that the Iraqi army would collapse; we were wrong in the assessment of the Iraqi society and the difficulties to rebuild a society after a war. Question: what is your reaction?

Adnan Panachi stressed that it was probably true that the exiled Iraqis gave a rosy picture about post-war Iraq, but not all -- including himself. I warned the Americans that the regime is going to collapse swifter than they expected and that therefore the U.S. had to be ready to fill the power vacuum that will occur after the fall of the regime. Unfortunately, no such preparedness was there. As a result, there was a period of almost two weeks of lawlessness and complete anarchy in the country. Those two weeks have really coloured the vision of the Iraqis of the American military intervention. The Iraqis have not yet overcome the feeling of frustration and disappointment that, after the fall of Saddam, they were struck by killing, burning and looting: the Americans were blamed. It is true that the U.S. soldiers were trained for combat missions but not for policing or peaceful demonstrations. They were “trigger happy”: at the slightest provocation or imagined provocation, they shot to kill. As a result, heavy civilian casualties incurred. Recent criticisms have been mounted that the Americans have not given account on these civilian casualties since the end of the war was proclaimed on
May 1st. This has unfortunately affected the whole perception of the Iraqis for the American military intervention which will take some time to overcome.

François Bujon de l’Estang expressed the feeling of many of his French fellow citizens in expressing his very warmest wishes to Dr. Pachachi and to the Governing Council for establishing this transition to democracy. The question is linked to the dangers of rushing into a constitution and on the ideas floating around i.e. a two-stage process with an interim constitution. UNSC Resolution 1511 also asks the Governing Council to introduce a draft calendar for organising a general election in Iraq. Do you intend to link this election with the interim or with the final constitution, and if it is the second solution, are you not afraid that the additional delay could play into the hands of some fundamentalist forces in particular in the South?

As said beforehand by Adnan Pachachi, the Governing Council will present this timetable and comply with the request of the security Council. On the interim constitution, this will be discussed but we have no time available. Further, several things have to be done before a constitutional conference can be held: firstly, a reliable population census must be set up; an electoral law has to be drafted; electoral registers need to be drafted; the judicial system must be overhauled so that it can guarantee honesty and integrity of the elections; the Iraqi people must be given time and chance to become involved in the whole political activities like the formation of political parties -- at present, there are many groups but a law is required to regulate the formation of political parties to become responsible parties, not just two or three calling themselves as such; we must make sure of the freedom of the press which there is at present… One thing, in spite of all the frustration and uncertainty, which stands out today: for the first time in so many years, the Iraqi people are free to say what they want and to express themselves. Newspapers attack the Governing Council: this is what democracy is all about and the Iraqis are learning. Democracy is not an easy system but it can be learned by practice. We have great hopes about the expatriate Iraqis: millions have been living in Western Europe and in America. They have witnessed democracy at first hand and have been part of the democratic process. If a sufficient number returned to Iraq, they would invigorate a democratic process in the country.
Lord Gilbert also saluted Dr. Pachachi for his courage in facing dangers every hour and every day that those in public life in less tormented countries can barely imagine. A question on the development of the Iraqi criminal justice system because, on top of all the political dangers, we were well aware of the fact that the jails were opened for the most unpleasant members of your society who were released onto the streets. Are you accepting the sentences that the Saddam Hussein regime and will you find putting these people back into jail in order to complete uncompleted sentences? Do you have to wait until they have committed other offences? Do you have the resources to do what you want to do in this respect and can you give us some feel on the size of the problem that you see when you may finally deal with it?

Adnan Pachachi responded: Saddam Hussein did release all the criminals from jail and we are still trying to round them up. The reason why there has been a crime wave in Baghdad or in other big cities is that these criminals found themselves free to go about their crimes within a proliferation of weapons in the country, yet another problem. Saddam Hussein distributed weapons everywhere, so we have millions of Kalashnikovs used in practically every household including sometimes grenades. This is a major job but, as said beforehand, the situation is improving. Regarding the judicial system, under the Penal Code of Saddam Hussein, 212 offences were punishable by death – almost surrealistic! Thanks to the CPA, the death penalty has been banned but a lot of voices are being raised today in Iraq that some criminals of the former regime who have killed and tortured thousands of people should be held accountable. This matter is being currently discussed among ourselves within the Governing Council.

Peter Sutherland then concluded this session: the Trilateral Commission has been privileged this evening. It has been a remarkable occasion. Both Dr. Pachachi and Ambassador Belka were warmly thanked for their presence in Porto.
BIOGRAPHIES OF THE SPEAKERS

Adnan PACHACHI

Adnan Pachachi was elected a Member -- among the nine-member Presidency -- and the Vice-President of the Transitional Governing Council of Iraq in Baghdad, to chair the Governing Council in January 2004. A Baghdadi citizen, he graduated in Political Science from Georgetown University in Washington, D.C. in 1949. He joined the Iraqi Foreign Service from 1944 to 1969 and was appointed Ambassador to the United Nations in 1960-65 and in 1967-69, Minister of State for Foreign Affairs in 1965-66 and Minister of Foreign Affairs in 1966-67. Later, within the United Arab Emirates, he was named Minister of State of the Government of Abu Dhabi in 1971-74, Member of the Executive Council (Cabinet) of Abu Dhabi in 1974-92, and Personal Representative of the Head of State of the UAE in 1974-1993. He retired in 1993. Since retirement, he has been deeply involved in Iraqi opposition and post-war politics. Ambassador Pachachi has written many articles and spoken on many occasions. In 2003 he founded the Independent Iraqi Democrats Group.

Marek BELKA

Marek Belka was nominated in June 2003 Ambassador-at-Large and Chairman of the Council for International Coordination in charge of the reconstruction of Iraq within the Coalition Provisional Authority (CPA) in Baghdad. Ambassador Belka will take the post of Director for Economic Policy in the CPA as of November 1st, 2003 with the task of chief economic adviser to the government of Iraq.

Before assuming his responsibilities in Iraq, Marek Belka was Professor of Economics at the University of Lodz and at the Institute of Economics of the Polish Academy of Sciences in Warsaw from which he was Director from 1993 to 1996 and Senior Advisor on Central and Eastern Europe at the Representative office in Poland of JPMorgan Chase Bank. Dr. Belka was Deputy Prime Minister & Minister of Finance of Poland in 1997 and in 2001-2002. He was Chief Economic Advisor to the President of Poland in 1996-97 and in 1998-2001. Vice-Chairman of the Council of Socio-Economic Strategy of the Council of Ministers of Poland in 1994-97, Professor Belka was Advisor and Consultant to the World Bank and IFC in 1990-96 and Advisor to the Prime Minister of Albania in 1997-2001. A board member of several companies and Director of the Polish-American Freedom Foundation, Professor Belka is the author of various books and articles on macroeconomic theory and policy, history of economic thought and economics of transition. He was educated in economics and received a M.A. and a Ph. D. from the University of Lodz and followed post-graduate studies at Columbia University and University of Chicago. Marek Belka is a founding and current member of the Polish Group of the Trilateral Commission.