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Dear David,

Iraq: Contingency Planning

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... I enclose a copy of two notes (agreed with MOD), which the PUS and Nigel Sheinwald commissioned, looking at what happens if elections in January are postponed for anything more than a short period i.e. we are knocked off plan A. The first note looks at a possible Plan B if elections are postponed for six months. The second focuses on the serious consequences we could face if, for either security or political reasons, MNF had to draw down prematurely before Iraqi Security Forces were capable of maintaining security themselves. MOD are doing some detailed work on exit strategies and how to mitigate the risks to a scenario of this sort, so our note is more analytical than prescriptive.

The conclusions of both papers are sobering and underline the importance of doing everything we can to stick to plan A. We will be reviewing what more we can do. Initial recommendations, which Ministers may wish to discuss at next week's Ministerial are that we:

a. Minimise the risk of UN disengagement by working closely with the UN Secretariat on a constructive approach.

Looking at the longer term we need to keep open the option of greater UN ownership of the Iraq agenda, not least as a cover to developing wider international involvement. In the short term, therefore, we need to bind the UN into the political process beyond its technical support for elections. This will include giving it a genuine role on, for example, Sunni outreach. Given Allawi's experience of UN involvement over Najaf in August, this will need careful handling (see b. below). With the IIG, US and UN we should promote the idea of regular trilateral and quadrilateral political discussions in Baghdad (Allawi, Qazi, Negroponte and Chaplin) and occasional meetings in New York, where most of the doubters reside and where we should use the effective new Iraqi Permanent Representative Samir Sumaidy (former Interior Minister). The instinct of those in the UN remains that elections in current circumstances would provide an unrepresentative government, which (as we saw in the case of the National Conference) is a short step away from recommending their postponement.

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b. Ensure – with the IIG, US and UN– adequate Sunni outreach.

We plan to work on Iraq's neighbours to support Allawi's efforts to detach former Ba'athists from the insurgency and persuade them to run for elections. Allawi told us in London that he was hoping to arrange a conference of former Ba'athists in Amman in October. We will be lobbying the neighbours to use their influence with Sunni leaders to support these efforts, work which will need to continue through to the planned international conference at Sharm Ash-Sheikh on 23 November.

We also need to tackle US and IIG antipathy to UN advice in this area, whether from Ashraf Qazi or Lakhdar Brahimi. The prevailing UN view is that we and the IIG have been making inadequate efforts to reach out and are too focused on military as opposed to political solutions, a prejudice likely to be reinforced by current and planned military operations in Sunni areas. We need to encourage Allawi to keep the UN closely informed of his efforts and seek their assistance where possible through a constructive relationship with Ashraf Qazi. Brahimi, , remains an influential voice in New York, although not a particularly helpful one and much of his information is out of date. We should do our best to keep Brahimi informed and encourage someone in the IIG, perhaps Foreign Minister Zebari, to talk to him regularly. Given his contacts, Brahimi could help with Sunni outreach and handling of the neighbours in the run up to the Sharm Ash-Sheikh conference.

c. Minimise the risk of UN withdrawal by ensuring their security is a top priority.

We are engaged in a close dialogue with the UN, US and potential inner and middle ring contributors.

d. Mitigate Iraqi and international opposition to the continued presence of the MNF.

One idea, touched on in the Plan B paper, is that Allawi should aim to take the sting out of nationalists' and Sunni rejectionists' grievances that the MNF (US presence) represents indefinite occupation by a different name, a point the UN have also been pressing. To avoid premature draw-down of MNF, any plan would have to be carefully worked out to be linked to progress in developing ISF capability, demobilisation of militias, and continued improvement in the security situation so that if one party reneged on the agreement they would attract the blame for holding up the process. We must avoid specifying an unconditional end date. But if Allawi were able to make an announcement in November about eventual MNF draw-down as expected ISF capability increased, it could help him

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with Sunni outreach, with his electoral prospects and to create a positive mood at Sharm Ash-Sheikh. We will work with MOD on a joint paper as a basis for discussion with the US - and then with Allawi.

e. Minimise the risk of Sistani withdrawing his support or pressing for amendments to the electoral process.

We will continue to lobby the IIG, UN and Independent Electoral Commission (IECI) on the importance of direct contacts with Sistani to counter the misleading advice he is fed by the Shia Islamist parties and avoid the use of often unreliable intermediaries.

f. Sell the importance of maintaining the January timetable to Iraqis and the international community.

Within Iraq, it is for the IECI and UN to lead on publicity and education programmes. We are in close contact with them and will help bilaterally – October is a crucial month. Particularly important will be creating a sense of excitement among the electorate and getting across the message that disrupting voter registration and the vote itself will be self-defeating and result in a reduction in Sunni representation in the Assembly that drafts Iraq's permanent constitution. Internationally, we need to continue to stress the importance of keeping the January timetable, pressing the message that progress on the political process and elections are essential to improving security.

All this will complement current work on core objectives like accelerating the pace of Iraqiisation; speeding up reconstruction; strengthening Allawi's office; lobbying MNF partners to maintain their contributions through 2005; and work towards a debt deal by the end of the year.

Given the obvious sensitivities, these papers should only have a limited distribution. I am therefore copying this letter to Mike Naworinsky (MOD) and PS/"C" and [redacted] (Cabinet Office) only.

(Kara Owen)
Private Secretary

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IRAQ: CONTINGENCY PLANNING

A. ELECTIONS POSTPONED FOR LONG PERIOD

Scenarios

1. We have previously assessed that a short postponement of elections, for technical reasons, on UN advice and to a fixed date, would be difficult but manageable. This note looks at what happens if there is a longer delay. There are a number of possible scenarios:

a. Allawi fails to persuade any serious former Ba'athists to participate in the elections. ISF/MNF fail to make inroads into the insurgency or the operation against Fallujah backfires and Sunni leaders declare a boycott of the elections. The UN declares that elections in January are not possible because of the security situation or because they will produce an unrepresentative government and recommends a postponement of at least six months. Shia (Sistani) and Kurds press for elections to take place.

b. As in a, but Sistani agrees elections should be postponed. This is more easily manageable.

c. UN withdraws following another serious attack on UN staff, but does not declare against elections.

OPTIONS

2. In any of these scenarios, we in theory have the option of pressing ahead with elections organised by the IECI, with the NGO IFES, supported by experts from MNF countries, providing the international component. Previously we have concluded that partial elections on time would be better than no elections. If the UN had had to withdraw for security reasons, but had not advised against elections (scenario c), we might be able to pull this off – turn out at 60-70%, including 15 of the 18 provinces,

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and an Allawi-led moderate non-sectarian list with sufficient Sunni representatives would probably be considered satisfactory by a majority of Iraqis.

3. However, proceeding with elections in the face of UN advice to postpone would be politically and practically difficult. Key Iraqis might not come on board, particularly Sunnis, contributing to a Shia and Kurdish dominated assembly. Sistani would probably be very unhappy about the lack of UN endorsement. The Arabs and Turks would not endorse the result. The pan-Arab media would dismiss the elected government as illegitimate. The Syrians might step up support for the insurgents. Internationally, we would lose the qualified support of the French, Russians, and Germans we gained through SCR 1546. Some coalition partners (e.g. the Dutch, Danes and Japanese) would be uneasy about proceeding against UN advice, and might draw down troops (or withdraw altogether).

4. We therefore need to consider how to react in the event a postponement of elections. Assuming continued close co-ordination with the UN, we should have some advance notice. The key elements of any plan should be announced at the same time as the postponement decision and, depending on circumstances, might include:

Statement by Allawi

- Allawi would seize the initiative, confirm he is committed to elections, but wants to use the six month interregnum to pursue a "political solution to the insurgency" for which he would welcome the assistance of the UN, the international community and, above all, the neighbours. He (and the UN) would need to arrange an explicit statement of support from Sistani.

Outreach to Sunnis

- Allawi, with intermediaries like Qazi and the neighbours, would pursue a dialogue with the Sunni leadership. although complemented by overt political and economic outreach programmes in the Sunni areas. If successful, at the end of the six month period or negotiations, the process

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might climax with the holding of a "National Reconciliation Conference" comprising representatives from all over the country, including all the Sunni areas to agree on a modified political process and a new date for elections. An event of this sort would need very careful management if it were to avoid the mistakes of the July National Conference, which was not inclusive and in the end proved divisive. It should not be announced until key elements of the Sunni leadership had committed themselves. We would need the UN and neighbours to lean heavily on their contacts.

Cabinet Reshuffle

- The shift to Plan B might be accompanied by a Cabinet reshuffle, which would allow Allawi to bring in new personalities with the goal of reassuring the Sunnis he is serious (e.g. by bringing in a Ba'athist), but also reassure Sistani (e.g. by bringing in a moderate Islamist) and the Kurds. There would probably need to be some sort of internal 'big tent' event at the beginning of the process to endorse the change – a specially convened meeting of the Interim National Council, perhaps, with additional representatives from the Provinces and key local and tribal leaders (this would be separate from the National Reconciliation Conference which would be a broader event and be contingent on success with Sunni outreach). We would want to encourage Allawi to give the UN a role in this event as a way of encouraging their support, particularly given their role in selecting the Interim Government.

MNF-I Presence

- To address the nationalists' and Sunni rejectionists' grievance that the MNF (US presence) is indefinite occupation by a different name, Allawi would announce plans for a phased withdrawal of the MNF-I in 2005. To avoid premature draw-down of MNF, any plan would have to be carefully worked out and include linkage to progress in developing ISF capability, demobilisation of militias, and continued improvement in the security situation, so that if one party reneged on the agreement they would attract the blame for holding up the process e.g. if the Sunni leadership adopted an ambivalent position on violence or the Badr Corps refused to disarm.

International Endorsement

- Broader international support will be necessary, probably in the form of a new SCR to endorse the shift from the timetable in SCR 1546. (It may be that, by the time of the Sharm Ash-Sheikh International Conference on 23 November we have already received an inkling of this scenario – in which case we may have to prepare the ground there).
5. There are formidable, self-evident **problems and risks** with this scenario:
- It is not at all clear that Plan B will have the desired impact on the insurgency. A timetable for MNF-I withdrawal could be seen as cutting and running. The insurgents may conclude they are winning and respond to a postponement of elections by stepping up their campaign leading to a further postponement of elections; some may enter into political discussions as a tactical ploy, believing that early withdrawal of MNF may strengthen their long-term plans, allow them to join the political process and take over once MNF depart, leaving behind weak ISF.
 - This plan is at odds with current US thinking on tackling the insurgency, which is currently focused on mounting a major military operation in Fallujah before the January elections. The US Administration will be fixated on the US elections until 2 November and not be able to focus on contingency planning. A re-elected Bush Administration would be reluctant to accept postponement.
 - Implicit in any understanding acceptable to the insurgents (and UN and neighbours) would be that US and UK step back politically as well as militarily. This would be a hard sell to the US, where a shift to Plan B would be seen as a victory for the UN and French/Russians. At least the US elections would be out of the way. An incoming Kerry Administration would welcome greater international involvement, but would not want to leave itself vulnerable to charges it was ceding ground to the UN or Europeans.

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- There would be significant domestic ramifications in the UK.
- Any decision to postpone elections would be extremely unpopular in the Kurdish and Shia areas, where many people do not care about Sunni under-representation. The religious Shia have always suspected that we do not want to hold elections at all. We could lose their support and consent. The Kurds may lose faith in the national process; Kurdish separatist feeling could be strengthened. Any postponement, then, would have to be on the advice of the UN, endorsed in a new SCR and presented as a response to the security situation. Qazi (and Brahimi) would have to take the lead role in selling their decision to Ayatollah Sistani and the Kurds. Allawi, too, would need to agree the idea with Sistani, who would be exposed to Shia Islamist whisperings that the IIG are trying to cling on to power at any cost.
- One way of softening the blow to the Kurds and Shia would be to proceed with provincial elections in those provinces where security permits. This would tap into the grass-roots demand for elections and maintain a degree of momentum on the broader political process. We could look at giving the top candidates in each province a national role e.g. as members of the Interim National Council, to help correct some of the deficiencies in the current Council. The UN could be invited to nominate new representatives from those Sunni provinces where elections are not held.

Conclusion

6. An unappealing contingency plan in almost all respects, underlining the importance of doing everything we can to hold to Plan A, or, if there is to be a delay in elections, arguing the case for a short delay, on UN advice, to a fixed date.

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IRAQ: CONTINGENCY PLANNING

B. DETERIORATING SECURITY SITUATION MAKES IT IMPOSSIBLE FOR MNF-I TO FULFIL THEIR MANDATE: PREMATURE DRAW- DOWN OF MNF

1. The insurgents do not have the military capability to force the US to withdraw, although they could intimidate some coalition partners into leaving. The more significant risk is that the insurgents create conditions in which MNF, or elements of MNF, have to be drawn down before Iraqi Security Forces are capable of taking their place. There are two obvious scenarios:
 - a. Limited loss of coalition forces. With elections postponed, domestic opposition to Iraq policy in MNF countries grows leading to withdrawal of important contributors (e.g. Japan) or failure to renew their commitment (e.g. the Dutch in March 05). The US and UK have to make up the numbers, increasing our exposure, but still allowing us to complete Iraqiisation in something like the present time-scale.
 - b. The more significant risk, on which this note concentrates, is that the political environment in which the MNF operates changes after the January elections with the emergence of a strong troops-out faction in the Transitional National Assembly. If in a majority, they could call for an immediate withdrawal of MNF. More likely is that they form a vociferous nationalist minority which would constrain a pro-MNF government's willingness to rely on MNF - this is already a factor in Allawi's handling of Fallujah. The MNF could lose consent and the Iraqi government popular support.
2. In the second of these cases a security vacuum could emerge as MNF are effectively confined to barracks with ISF unable to play their role. Central government would attempt to maintain progress on Iraqiisation but regional, ethnic and confessional loyalties would be stronger than nationalist and centralist sentiments.

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There is a real risk that a weak central government, while it might retain the loyalty of some ISF, would have severely limited reach and be dependent on US/UK political and military support for its survival, exacerbating all the problems outlined above. Others would seek to fill the security vacuum. In the Sunni triangle it would be the insurgents; in the Kurdish and Shia areas the established militias, like the Peshmerga, Badr Corps or Jaish Al-Mahdi; other parts of the country (e.g. Maysan and Dhi Qar) would be dominated by criminals or tribes (or both).

3. If this trend were not halted Iraq could over time, Lebanon-like, split into a number of regions – Kurdish, Sunni and perhaps more than one Shia canton - dominated by local confessional governments, underpinned by powerful militias, with each relying on a regional backer or two. In the South, the Shia might declare ownership of the oil fields

In the worst case scenario, Iraq would disintegrate into civil war.

4. The wider strategic consequences of a worst-case scenario like this would be appalling:

- Iraq would become a long-term source of instability in the region, with the neighbours being locked into proxy wars and in some cases possibly deploying ground forces to protect their interests.
- Iraq could become a permanent base for Al-Qaida and Sunni Islamic terrorism, further destabilising Saudi Arabia.
- Jihadist elements would declare victory and be strengthened, with significant implications for the Global War on Terrorism and the prospects for the Arab-Israeli conflict.
- Prospects for reform in the Arab world could be set back a decade.

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- Having seen the US fail, an increasingly self-confident Iran steps up efforts to become the major regional power, accelerates its nuclear programme, and triggers a regional arms race.
- Instability causes oil prices to rise further.

5. Once triggered, it could prove hard to stop a course of events like this.

Under SCR 1546, if the Transitional National Government asks us to leave, we would, in theory, have no choice but to. A Transitional Iraqi Government might seek to replace or dilute a US-dominated MNF with Islamic or non-aligned country contingents, but in an insecure environment it is unlikely that other countries with the right quality troops (e.g. the French or Russians) would be willing to fill the gap. Even in the unlikely event that a capable Arab/Islamic force could be pulled together, as has been mooted, its deployment could exacerbate internal rivalries.

Conclusion

6. We are a long way from the sort of doomsday scenario. An Allawi led coalition would strongly resist any suggestion that MNF should draw-down prematurely. Even if the elections resulted in a troops out majority in the Transitional National, many Iraqis, including nationalists, would understand the risks of an overnight withdrawal of MNF. There would be room for negotiation and they would have to factor in the views of neighbours and the international community about a possible security vacuum. We could mitigate the risk of a downward spiral by:

- negotiating with the Transitional Government a phased withdrawal of MNF to give us time to develop Iraqi Security capacity;
- converting the mandate of MNF into solely a training mission; this would need to be negotiated with the Transitional Government and endorsed by the Security Council look to; the Transitional Government might look to reduce sensitivities about US/UK dominance by seeking to widen the base of participation in the

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training. Other training programmes might be relocated overseas, using the Jordan Police academy model as a way of reducing the visible presence of foreign troops.

7. MOD are currently engaged in detailed work on an exit strategy and how to mitigate these risks. Maintaining and accelerating work on Iraqi-isation is the key to minimising the risk of a security vacuum.

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