

NOTE

Your press conference which was excellent will have given the necessary 'we stand firm' message. But the fact you had to spell out what should be obvious to people underlines the intensely political nature of the present moment, in the eye of a forthcoming Presidential election. Too many people want us to fail.

There are two problems. The first is the residue of discord over the decision to go into Iraq. People who disagreed are desperate to be proved right. So every difficulty is magnified; every step forward ignored; every setback hailed as failure.

At bottom, this is a disagreement over the nature of the security threat we face. Our opponents don't see this new terrorist threat as qualitatively different from anything else; even after September 11th, after Bali, after Madrid. They don't get the connection between terrorism and WMD. They have worked themselves into a position where they think we are 'provoking' the terrorists rather than them attacking us. Public opinion in Europe is incredibly shaky. Spain, we know about. Berlusconi faces a Prodi onslaught largely based around Iraq. Koizumi was very good over the hostages, but he will have been shaken by Japanese opinion. Britain, if we had a severe outrage, either at home or in Basra, would hold but the foundations would totter. And everywhere opinion is polarised.

This shouldn't unduly surprise us. Re-reading the history of the 1930s, I was struck by how the majority view, even years after Hitler came to power, was that war was unnecessary and terms of compromise could somehow be agreed. Even after Austria, Czechoslovakia, Poland, Holland, Belgium had all been annexed, Roosevelt was forced continually to assure America that they would not enter the War. In other words, what seems so crystal clear now, was fog-ridden at the time.

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The second problem is more immediately serious. It is that, irrespective of the original decision to go into Iraq, people ask of us: do they have a plan for Iraq that will work? Do they know what they are doing?

So the first is an issue of political vision; the second is an issue of practical competence.

In respect of the second, ie Iraq itself, the problem is we are trying to lead Iraq on a path which the majority of its people want to travel on, but with which they are unfamiliar. Meanwhile a minority of extremists and terrorists want to take them back to the ways they are all too familiar with. As ever in such situations, the minority of extremists are prepared to do anything to achieve their goals. The majority are condemned by their very moderation. And we have the

influence of Al-Jazeera and others giving the Iraqis a lopsided view of what is happening. They are playing on what they know to be the conflict in the hearts and minds of many Iraqis: joy at Saddam's departure, a sense of humiliation that outsiders brought it about. The idea that, after Fallujah, after the murder of innocent civilians, we could have stood back and done nothing is absurd: and would itself have sent a disastrous signal of weakness. On the other hand, how we now follow this up is vital: we aren't in our own country: we are in theirs and we need those hearts and minds won back.

I propose the following strategy:

1. we need to "Iraqi-ise" the calming of the Sunnis and the Shia minority around MAS. We need to ensure that MAS is brought out of Najaf alive to be handed over to the Iraqi authorities; with an agreement by him to disband his

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militia. We should continue to use the other Shia clerics and politicians to facilitate this. We believe this can be done. This is the top priority. The moment that is done we are no longer fighting on two fronts.

Fallujah really worries me. On the one hand, as the military will rightly say, we can't let the terrorists think they can get away with it. On the other, they want to push us into a reaction that wins them sympathy and support across Iraq and we don't want Brahimi washing his hands of it. We need to be tough but clear.

We should be seen to do our best to negotiate, using Sunni moderates; even if they fail, they have to try. Any military offensive needs to be careful and every effort taken to avoid civilian casualties and clearly as a response to aggression, not initiating it. But this is a very balanced decision. At the least, there has to be a series of moves designed to show that force is a last resort with diplomacy rejected by unreasonable people. An error here - and the loss of Brahimi - would be very bad.

2. As part of the above, we should have a clear strategy for addressing the grievances of the Sunnis and the MAS supporters in Baghdad. We should make a specific offer to the Sunnis - reach out to their moderate elements; make specific proposals on how they can benefit from reconstruction and the new political process; take further measures to refine our approach to de-Baathification and the former military commanders. In respect of the Shias the problem is more localised. MAS has basic support only in the Baghdad suburb that bears his father's name. It is a pocket of real poverty, poor housing and alienation. We should devise a clear strategy to deal with it and start talking to local leaders to interest them in it.

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I.E. we may end up having to get very tough in both Fallujah and Najaf. But we should only do so once it is clear we have tried every avenue of diplomacy; and when we have put down, visibly, a clear package that should have real support.

3. It follows from this that communicating with the Iraqis is utterly vital. I fear I have to return to my old bugbear! Condi has made heroic efforts to get things moving on the media front and it's a mile better than it was. But, in truth, hostile satellite TV and word of mouth, often through street rumour or mosque, played a central and negative part in the past couple of weeks. My point, simply, is that this issue is not just important; it is crucial. It is at the core of whether we succeed or fail. The whole purpose of the terrorism is to draw sufficient numbers into a fight to produce chaos; and out of chaos, disintegration and a return to local "boss" politics, where the US/UK are seen as occupiers and each measure designed to restore order, seen as repression. Communication is key. We need a wholly more professional and organised response. We can't leave the field to Al Jazeera and Al Arabiya as the satellite channels watched by the people; or fail to use the terrestrial channels adequately.

So, in summary, I see:

- local engagement by Iraqis to sort the Sunni and MAS problems, with Fallujah critical;
- backed by a specific set of offers to deal with grievances;
- backed by an Iraq-wide campaign of communication, led and fronted by Iraqis.

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We need to be closely managing all of the above, at least to get it under way.

4. We need a new UNSCR, which grants us the necessary political and military authority. We want a clear timetable that keeps to 30 June; foresees elections in 2005; and has, in the meantime, a credible cross-community Government. But we should also put in the Resolution measures on human rights and due process so that the Resolution sets out a vision of Iraq as a democratic state that puts our critics on the defensive. We need to manage the issue of the security architecture after 1 July in a way which gives us what we need legally and in operational form, but involves the Iraqis to the greatest extent possible.

We need to start working for this new Resolution soon.

Turning to the wider issue of the disagreement over the threat, your Chairmanship of the G8 could not be more timely. Somehow, we have to get above the daily media carping and lift people's sights and understanding. We have to get people to recognise the basic insight you have given: that, whilst people are not free, whilst they languish under despotic rule or ignorance, or poverty, their condition does not only affect them; it has the potential, especially when combined with this phenomenon of Islamic fundamentalism, to threaten us.

This is undoubtedly the right vision not just for the United States but for the world. It is the only way, ultimately, to tackle Iran or indeed the Palestinian issue. And I find it repellent that people can take to the streets even now to protest at what is happening in Iraq, whose people we are trying to help escape dictatorship; but not a single banner or placard proclaims what is happening in North Korea, when millions live in semi slavery as its meagre wealth is sucked into building nuclear weapons.

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But, at present, our opponents are able to portray the war on terror as either a bid for American domination; a plot to help Israel; or even just an indulgence by trigger-happy idealogues.

We need to find a way of forcing the world to confront the dangers it faces; and to build an agenda capable of consolidating and extending our support.

I propose a political strategy that goes up to the G8 and then beyond with the explicit aim of constructing a broad-based agenda that tackles terrorism, rogue states with WMD and the underlying causes of them.

1. You could state that you want the G8 to issue a communiqué that is more than just the normal tour de horizon; that is a call to action on the central issues facing the world: on terrorism; on WMD; on a new vision for the Middle East; on the MEPP; on poverty and development, particularly in Africa; on inter-faith dialogue between the main religions, and healing the divisions between the Muslim and the non-Muslim world.
2. You should consider - provided that you are sure of the response - asking some of the other leading members of the world community who are not part of the G8, to endorse and discuss this vision. You could even tie it in to Kofi Annan's panel on the United Nations' future, which may be a lot more sensible and tough than might have been feared.
3. We could then at the G8 get further work done on the various questions: counter-terrorism through the United Nations Committee, that could be strengthened and taken forward. MEPP through the quartet; the Greater Middle East through the Arab League etc.

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But my point is very simple: we need to win on the big picture as well as the immediate focus of attention, ie Iraq. We need to present proposals which the rest of the world has to respond to. We need to occupy the high ground and force them to debate it with us. And we need to show that we have the skill and competence to manage this comprehensive agenda.

We should start all of this off at the Friday press conference. We need some clear, bold strokes to give confidence to avoid them just picking over every word or nuance. We will only win through strength backed by persuasion.

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