

# Engaging Iraqis at the Local Level

## A Ground Truth Interview with Professor Eric Davis

Last year, Professor **Eric Davis** participated in a small delegation that visited the Pentagon to brief top officials on new policy options for Iraq. Eric advocates an economic development strategy for stabilizing Iraq. EPIC caught up with the Professor in his office at Rutgers University, where he teaches political science and directs the University's Center for Middle Eastern Studies. We talked about President Bush's plan for economic development in Iraq and the importance of a bottom-up approach to engage Iraqis at the local level.

**epic:** Tell us your thoughts on the economic dimension of President Bush's current strategy for Iraq.

**Eric:** I think it's a positive sign that American policymakers are finally beginning to address the issue and recognize the importance of economic reconstruction in Iraq. However, there is still not enough sensitivity to what I would call a "bottom-up approach" to economic reconstruction – that is, engaging with Iraqis on a one-to-one basis, creating jobs and other opportunities at the local level.

As an indicator, consider a program called Commanders Emergency Response Program (CERP), which was developed by the U.S. Army in Iraq to confront the rise of the insurgency. Under this program, the army used confiscated funds taken from the former Baathist regime and invested them in areas of increasing violence to put people to work. Not only did CERP create jobs and put money into people's pockets, it also served a very useful community purpose, cleaning up garbage and sewage, paving streets, building health clinics, and providing a number of other services.

The program was also successful in quelling violence because, according to several U.S. Army officers I interviewed, putting people to work during the day meant that they were too tired at night to go out and fight U.S. troops.

Though it became a stop-gap measure, which staved off violence only until the funds dried up, CERP indicates that it is possible to engage in meaningful social and economic reconstruction, even in countries faced with the type of violence that Iraq is experiencing.

**epic:** Provincial Reconstruction Teams (PRTs) have been a hallmark of the President's plan for stabilizing and rebuilding Iraq, and his current strategy expands the program significantly. Do you think these civilian-military units will be effective in rebuilding local Iraqi communities?

**Eric:** I think PRTs are definitely an improvement over the large-scale contracts, which were generated in Washington after the fall of the Baathist regime and which often had relatively little to do with immediate needs on the ground.

As we know from a number of studies conducted throughout Iraq, many of these large-scale programs were either not successfully completed or, oftentimes, subject to insurgent attacks. What I think is most important are hands-on projects that focus on putting people to work and start from the bottom up, while at the same time taking into consideration the larger infrastructure projects that are desperately needed throughout the country.

To be successful, PRT units need to go into areas and conduct assessments of local needs – and not to gauge the needs that PRTs perceive as pressing but those that local Iraqis define as such. By accurately identifying needs – and doing so without manipulation from sectarian leaders, which I believe is relatively easy to control if strong bonds of trust are created between Americans and local residents – PRTs can be effective. We have seen projects, which used American funds but were implemented by Iraqis, in which local residents subse-



Eric Davis is a professor of political science at Rutgers University in New Jersey and a member of the executive committee for Rutgers' Center for Middle Eastern Studies. His work focuses on historical memory and democratization in the Middle East, as well as sectarian identities and democratization. He is the author of *Memories of State: Politics, History and Collective Identity in Modern Iraq* (University of California Press 2005). His next book, *Taking Democracy Seriously in Iraq* (Cambridge University Press), is scheduled for publication in 2007.

quently created their own security infrastructure to protect the completed projects from being undermined by militants. However, if the members of PRTs arrive in a local community with preconceived notions about what its needs are and then decide that rigid models have to be applied and that reconstruction has to proceed according to Washington's predetermined roadmap, then I don't think PRTs will be successful at all. Unfortunately, they will become another example of money wasted and, worse than that, a lost opportunity to really develop the kinds of projects that Iraqis desperately need.

**epic:** One of the newest elements of the President's current Iraq strategy is to "capitalize and execute jobs-producing programs." What are your thoughts on this?

**Eric:** A jobs program in Iraq is needed, that much is certain. The problem is that, given all that has been spent on the Iraq war – a price tag exceeding \$400 billion – a U.S.-funded jobs program will probably not appeal to most American taxpayers.

One of the biggest obstacles facing President Bush is the huge deficit he's run up since coming into office. Because of it, many Americans say that a jobs program is a great idea for Iraq, but we have needs in this country and we can't afford to increase our budgetary deficit any further.

That's why I've always emphasized a jobs program with an international dimension. For example, our oil rich allies such as Saudi Arabia, Kuwait, the United Arab Emirates, and Libya have benefited tremendously from our military, technological, and intelligence support, and right now they are awash in petrol dollars. Because it's in their interest to see a successful, peaceful and stable Iraq, we should encourage them to invest in it, particularly in strengthening Iraq's economy. I suggest that these countries, as well as others – including European nations and Muslim countries like Turkey, Malaysia, and Indonesia – put money into a large fund earmarked for job creation and reconstruction in Iraq.

**epic:** In previous writings, you specified a three-phase plan for economic development in Iraq. How would this international fund fit into that plan?

**Eric:** This fund would inaugurate it. In short, Iraqi development should begin from the bottom up, according to a five-year plan, to immediately engage in job creation, secondly, create community-based projects spearheaded by local and regional leaders and businessmen, and thirdly, develop regional middle-range businesses and service projects.

More specifically, the *first stage* of the plan I am suggesting would immediately create jobs along the lines of what was done in the U.S. as part of the New Deal during the 1930s. At that time, we faced some of the same challenges that Iraqis are facing today, including political violence and high unemployment. To help energize our fledgling economy, President Roosevelt created the National Recovery Administration (NRA), the Works Progress Administration (WPA), and a variety of other programs that put money into people's pockets and gave them some hope in the future – these should be the goals of a jobs program in Iraq. The New Deal initiatives also reduced the attractiveness of radical organizations on both the right and the left. In Iraq, a New Deal-type reconstruction program would have the same effect, namely mitigating violence.

Some may say that such a plan would create only temporary jobs, but even temporary jobs in Iraq are important. For example, recently there was a Hepatitis E outbreak in Sadr City because of raw sewage. Cleaning up sewage and garbage, paving streets, getting schools up and running – all of this is crucial.

During the *second phase* of the reconstruction effort, local leaders and businessmen would become actively involved in communities and work together to help develop labor-intensive, self-sustainable industries and services. This would not only provide services to the communities, but also expand the economic infrastructure which would further add to stability. As we have seen, once Iraqis at the local level become invested in a project, they have an incentive to ensure its success.

One great example of an opportunity for this kind of project is Iraq's temporary housing industry. In an article which appeared last July in *Al-Hayat*, the London-based Arabic newspaper, the author discussed the ancient Iraqi industry of building temporary housing out of woven palm fronds. In the past, such housing was used to escape the mid-day summer heat, or as protection against the sun for people selling drinks or other goods along highways. Now, many Iraqis who have been forced from their homes are going to al-Kadhimiyyah in eastern Baghdad, where this industry is traditionally located, to purchase temporary housing. It is inexpensive, easy to transport, and provides basic protection from the elements, as well as privacy. The article mentioned that there is such demand for these houses that the artisans who make them literally can't find enough young Iraqi workers to help them keep up with demand.

This is a perfect example of the type of labor-intensive project that meets immediate needs on several dimensions. Provid-

"What I think is most important are hands-on projects that focus on putting people back to work and start from the bottom up... Cleaning up sewage, paving streets, getting schools up and running -- all of this is crucial."

ing funds to build houses out of palm fronds may not sound very appealing to a foreign aid agency or NGO, but it is something that meets people's needs, puts them to work, and is self-sustaining. I can think of a whole variety of projects that could be up and running virtually overnight, but they need the protection of local leaders and businessmen who feel invested in them.

The *third and final phase* of this economic strategy focuses on middle-range business and service projects, including oil refineries. This phase should use the model of the Iraqi-American Chamber of Commerce and Industry (IACCI), a non-profit organization aimed at developing business and trade relations between Iraq and the United States. Their focus is on mid-level construction projects, such as sewage and electricity, and they have been successful in implementing many projects in the Shiite south, the Sunni center, and the Kurdish north.

**epic:** Why haven't the Gulf States already contributed funds to invest in a peaceful Iraq?

**Eric:** I think that one of the main concerns is sectarian in nature. I have argued that sectarian identities are mainly identities that are manipulated by elites and political actors, what I refer to as political or sectarian entrepreneurs. I think the elites in Saudi Arabia are very nervous about being seen supporting a government led by Shi'is. Saudi Arabia has a large Shia population in Al-Hasa province, just south of the Iraqi border, which is one of the big oil producing provinces. The Saudis have successfully reigned in that Shia population for a long period of time. If democracy were to succeed in Iraq, it would put more pressure on them to make amends by giving, for example, more power to their Shiite population.

However, I think the alternative to success in Iraq poses even greater risks for Saudi Arabia and other Gulf nations. Ultimately, if U.S. forces withdraw precipitously, al-Anbar province will become a haven for radical Islamist forces, and radical Shiite sectarian militias would gain more power in the south. This would be a much worse scenario for these Gulf countries.

**epic:** What needs to be done to lay the groundwork for this international economic fund? What must happen in Iraq to make countries, NGOs and businesses feel comfortable investing in it?

**Eric:** A system of oversight is very important. To ensure that this fund does not become another source of corruption for people in the Iraqi government, the distribution and oversight would have to be done by trusted Iraqi technocrats, technocrats from the donor countries, and the United Nations Development Programme. With proper oversight and distribution, the international community would be more apt

to invest in Iraq, as it would be understood that this money will not fatten the pockets of Iraqi government officials but be used for important economic development projects.

**epic:** Do you think Iraqis would be willing to withdraw from militias or insurgent groups in order to return to the workforce?

**Eric:** Sophisticated public diplomacy on the part of the Iraqi government will be crucial. The government will need to appeal to Iraqis in these neighborhoods and question the rationale of their involvement in sectarian organizations. Let's remember that sectarian militias and insurgent organizations often provide only sporadic economic return and, of course, there is the chance of being killed. Do you want to be part of a sectarian militia and risk death for little pay, or would you rather be part of new economic projects and earn legitimate, steady income?

Here is where you will see a tremendous threat perceived on the part of the militias and insurgent groups because, in a sense, you are undercutting their social base. That's why engaging local businessmen and community leaders is so important. It demonstrates real, substantive support for alternatives to the status quo.

**epic:** Do you see a relationship between unemployment and stability in Iraq?

**Eric:** Certainly, and I think it's a pretty simple one. In an article that appeared in the December 8, 2006 edition of The Washington Post, Under Secretary of Defense for Economic Planning Paul Brinkley was struck by the high unemployment rate in Iraq of which he apparently had not been aware. He said if the United States had such high unemployment rates, 50 to 60 percent for three years in a row, we would have big problems here, too.

In Iraq, you have large numbers of youth who see no hope in the future, both educated youth graduating from secondary schools or universities and unemployed youth who are migrating to urban areas. Under these circumstances, it doesn't take too much imagination to realize why insurgent groups and sectarian militias have been so successful in developing a large recruitment base among this demographic.

**epic:** What are your thoughts about U.S. Defense Under Secretary Paul Brinkley's plan to rehabilitate Iraq's state-owned enterprises (SOEs)?

**Eric:** In trying to bring a market economy to Iraq, the U.S. made one of its most foolish decisions: firing a considerable portion of the workers from state-owned factories. Those factories should have been kept up and running to keep those

people employed because in firing a couple hundred thousand breadwinners, the U.S. imperiled countless Iraqi families. We probably had a negative impact on hundreds of thousands of Iraqis, who lost their source of income and are now hostile toward the United States.

Having realized this problem, the Bush administration is reopening some of these factories; unfortunately, they are also trying to privatize them. The problem is that if private entrepreneurs or investors buy the factories, the first thing they are going to do is fire a large number of workers. That would essentially put us back in the same boat, even making matters worse because now we'll have people that were fired, brought back to work, and then fired again. This will cause even more resentment among these Iraqis.

So if they start up these factories again and then to try to rush to privatize them, I think the United States will once again be shooting itself in the foot in Iraq. Just as we did under the

New Deal, we have to recognize that, for the short-term, these factories have to be modernized and brought up to higher levels of efficiency very gradually. The main criteria right now should be using these factories to put Iraqis back to work, plain and simple. They should not be considered a tempting a source of quick revenue for the current al-Maliki government.

**epic:** Under President Bush's current economic plan and jobs program, how long would it take for Iraq's economy to become stable?

**Eric:** If Iraq's economy achieves any sort of real growth and stability, it will be despite President Bush's plan. Until you deal with the issue of the current huge unemployment, nothing is going to really change. There will still be violence, the interdiction of goods, continued oil theft and smuggling, and the destruction of electric lines and oil pipelines. Unless you take the issue of unemployment seriously, I don't see the Iraqi economy turning itself around for a long time to come.

---

**THE EPIC GROUND TRUTH INTERVIEWS** is a unique series of interviews with Iraqis, aid workers, returning soldiers, and others who have lived, worked or served in Iraq. By offering perspectives about Iraq that can only be gained from being there, EPIC hopes these interviews will inspire meaningful policy change and citizen action in support of a better future for all Iraqis. To learn more about The Ground Truth, contact EPIC project coordinator Daphne Watkins at [dwatkins@epic-usa.org](mailto:dwatkins@epic-usa.org). To subscribe, visit <http://www.epic-usa.org>

**The Education for Peace in Iraq Center (EPIC)** works to end armed conflict, defend human rights, and build support for democracy and development in Iraq through educational programs, research and policy change. Founded in 1998, we work closely with non-governmental and government agencies, aid workers, Iraqis and a member network of more than 30,000 concerned citizens across the United States.

**epic**

Education for Peace in Iraq Center • 1101 Pennsylvania Ave SE • Washington, DC 20003  
tel. (202) 543-6176 • fax (202) 543-0725 • [info@epic-usa.org](mailto:info@epic-usa.org) • [www.epic-usa.org](http://www.epic-usa.org)