

Toby Dodge, Who's Winning Now? *The World Today*, March 2001

How is it that two American Presidents have left the White House while President Saddam Hussain is still in power in Iraq? The recent bombing of Baghdad have done little but focused attention on the lack of international consensus and the failure of sanctions. The Iraqi government has outmanoeuvred Washington and left it with few options.

It is an irony that cannot have escaped George W Bush and his incoming foreign policy team that the most intractable international problem they face has been bequeathed to them by his father's administration. Indeed many of the leading foreign policy staff appointed by the new president gained their reputation whilst dealing with Iraq for Bush senior. But as the new foreign policy appointees take up their posts and begin the policy review process, the way forward on Iraq is far from clear. Despite a decade of military action and swinging economic sanctions, President Saddam Hussein is still very much in power. Indeed it can be argued that his government is stronger and more defiant now than at any time since the start of hostilities just ten years ago.

Faced with this foreign policy impasse the American administration's new ideas for dealing with Iraq appear to be surprisingly limited. In effect three possible options have been suggested: re-energising sanctions, threatening renewed military action and increasing the funding for the Iraqi opposition. All these have already been tried and have failed to unseat or unduly influence the Baghdad regime.

## **GOALS IN SIGHT**

The apparent shortage of innovative thinking towards Baghdad is rooted in how the Iraqi leadership is seen. Saddam has been continually characterised as 'irrational' only yielding to international pressure when faced with massive military retaliation. But this same 'irrational rogue regime' has for ten years constantly outmanoeuvred the United States. Through effective diplomacy Iraq has undermined and all but broken the Gulf War coalition and the international consensus that underpinned it. The regime in Baghdad in highlighting the humanitarian suffering of its population has transformed the international debate about sanctions. It has shifted the main issue from the elimination of weapons of mass destruction to the cost of sanctions on the people of Iraq. Far from being irrational, Iraqi diplomacy has made great progress towards its ultimate foreign policy goals, removing sanctions whilst guaranteeing regime survival. A new policy towards Iraq may be more

successful if it understands the rationality and diplomatic skill of the leadership. By negotiating with Baghdad, by setting clear objectives and offering unambiguous incentives for compliance, the international community could achieve more in the next year than it has in the past.

### **TERMINAL DECLINE**

The absolute stalemate between Iraq and the international community has lasted for at least two years and benefits no one. The Iraqi population has been impoverished and the country's infrastructure progressively decimated. Since international inspectors left in 1998 there has been no movement towards the stated goal of the international community - ridding Iraq of the capacity to produce weapons of mass destruction. The core of Anglo-American policy is the continued economic and diplomatic isolation of the country through sanctions. These were maintained in the aftermath of the Gulf War, it was stated by the victorious coalition, to force Iraq to give up its weapons of mass destruction. However, their effectiveness and legitimacy is in rapid and possibly terminal decline. Under the terms of successive UN oil-for-food resolutions, Iraq has grown to be the third largest oil producer in OPEC and the sixth largest exporter of oil to the US. But it is the import and export of goods outside the sanctions regulations that is ending its economic isolation.

### **SMUGGLING**

The weakness of the sanctions regime has been highlighted by the recent Anglo-American bombing of Baghdad. The fact that Iraq has improved its air defences to such an extent as to justify military action points to how ineffective the current international blockage has become. In the last five years the smuggling of oil from Iraq has also grown dramatically. For geo-political reasons the international community has tolerated the large amount of oil trucked from Iraq into Turkey. But sanctions have been further undermined by the opening of the Syrian-Iraqi pipeline in November last year, pumping up to 150,000 barrels a day outside UN control.

Iraq's latest calculated defiance of sanctions has been to levy a surcharge on every barrel of oil exported under UN regulations. The UN recently admitted that it couldn't prosecute companies that have agreed to pay this money straight into Baghdad controlled bank accounts. Added to this it is now estimated that 100,000 barrels a day of oil are smuggled by ship down the Shatt al Arab waterway and into the Gulf. In effect the growth of illicit

exports means the regime in Baghdad independently gains \$1 billion a year to spend how it likes, irrespective of UN sanctions.

Baghdad has also successfully challenged its diplomatic isolation. The recent arrival of numerous 'humanitarian' flights has been the most obvious sign of renewed links with the outside world. But Iraq has gradually been re-establishing its diplomatic ties with states in the Middle East and non-western world. This was manifest last November when Venezuelan President Hugo Chavez became the first head of state to visit Baghdad since the Gulf War.

The reasons for the decline in Iraq's economic and diplomatic isolation are not hard to find. As The New York Times influential columnist Thomas Friedman has argued 'America has lost the propaganda war with Saddam.' It is a powerful sign of that government's astute diplomacy and even its skills in media management that the blame for the suffering of the Iraqi people has been placed at the door of the United Nations and Anglo-American determination to keep sanctions in place.

As the Egyptian Foreign Minister, Amr Musa, stated at the World Economic Forum at Davos in February, public opinion in the Arab world has turned 180 degrees. Governments in the region and increasingly in the wider world feel unable to justify the continuation of sanctions in their current form.

## **REGIME CHANGE**

For the last ten years Iraq's relations with the international community have been an extended exercise in coercive diplomacy. The overt aim of current sanctions is to force Baghdad to allow UN weapons inspectors back into the country. As the new American Secretary of State, Colin Powell, reiterated recently 'I think we have to keep reminding everyone this is an arms control problem.' But for coercive diplomacy to succeed, the demands made of the targeted government need to be precise, limited and deliverable. The problem that still dominates policy towards Iraq is the extent and nature of the results sanctions were designed to produce. Throughout the last ten years and once again during the recent US Presidential elections, it has been made abundantly clear - especially to Baghdad - that the ultimate aim of US policy has been regime change in Iraq. It is clear to President Saddam Hussein and his government that they have no incentive to cooperate with the UN.

As Raad Alkadiri argues in a recent article (Iraq: the dilemma of sanctions and confrontation, in Rosemary Hollis (ed), *Managing New Developments in the Gulf*, Royal Institute of International Affairs, London, 2000), by 1997

Saddam was convinced 'once and for all that, irrespective of the kind sentiments of Iraq's 'friends' in the Security Council, nothing could overturn US and British support for sanctions while he remains in power.' It was this realisation that led to the end of the weapons inspections, Operation Desert Fox and the current impasse between the UN and Baghdad. If the United Nations and specifically Britain and America want to salvage something concrete from ten years of sanctions, there has to be a change of approach. With President Bush as committed as his two predecessors to Saddam's overthrow, Iraq sees little to gain from any concessions it makes. On top of this, the economic sanctions and diplomatic isolation that were designed to 'keep Iraq in its box' are rapidly unravelling. For Iraq there must be a strong temptation to sit tight while the sanctions regime collapses around it.

## **HELPFUL RESOLUTION**

This is the situation that confronts UN Secretary General Kofi Annan as he attempts to restart negotiations over weapons inspections. On one side he has an intransigent Iraq with seemingly little incentive to enter into meaningful talks. On the other, he has the United States with a foreign policy committed to regime change in Iraq, but no realistic plans about how to achieve this. But fortunately there is a basis from which Kofi Annan can work towards a settlement that would provide both sides with part of what they desire.

The United Nations Security Council passed Resolution 1284 in December 1999 after many months of negotiations. Although it is a deeply ambiguous document, suffering in numerous redraftings before it was agreeable to all concerned, it does by implication recognise that movement towards curtailing weapons of mass destruction capacity can only be achieved with the Baghdad government's cooperation. It also sets out a mechanism for delivering the tangible results Iraq requires - the lifting of sanctions - in return for that cooperation.

The resolution has also added a more realistic tone to debates about what renewed weapons inspections can achieve. It states that sanctions would be suspended when 'progress' has been made towards disarmament and not when 'full' completion had been obtained.

Baghdad's reaction to the Resolution highlighted the duality of its diplomacy. On one level regime spokes-people like Deputy Foreign Minister Nizar Hamdoon rejected anything less than a complete and unconditional lifting of sanctions. The Resolution was condemned as a retrograde step

because it calls for the suspension of sanctions and not their complete removal. But on another level Deputy Prime Minister Tariq Aziz has been keen to emphasise that if a major reduction in the scope and nature of sanctions was a definite possibility, then renewed weapons inspections were a valid quid pro quo.

Interestingly, progress on negotiations around this issue has been hindered by Washington's unwillingness to offer such terms. As in the past, the Iraqis feel they are being offered very little in return for the resumption of arms inspections.

Iraqi foreign policy is rational and clearly driven by two goals: the lifting of sanctions and the ultimate survival of the regime. Its skilful management of public relations has turned the tables on the original members of the Gulf War coalition and seriously, perhaps terminally, undermined sanctions. If the international community is serious about disarmament then it has to offer to lift sanctions in return for letting the inspectors back in. Anything less will not bring the Iraqi's to the table. However unpalatable this may be to those in Washington and elsewhere it is the only way progress can be made.

The very real alternative is the slow but steady undermining of the sanctions regime by smuggling. The hope of Secretary of State Powell that sanctions can somehow be 're-energised' is far fetched in the present climate. There is simply not the international will to reinforce a policy that has in the last ten years lost its original legitimacy.

*-The RIETI editorial department is responsible for this article.*