



Embassy of the Republic of Iraq
Washington, D.C.

National Council on US-Arab Relations

Annual Policymakers Conference - 23 October 2013

Keynote Speech - Ambassador Lukman Faily

Good morning ladies and gentlemen. Allow me to begin by congratulating the National Council on US-Arab Relations for their efforts in organizing this prestigious event, and for their ongoing work to promote greater understanding between the United States and the Arab World. I would also like to express my appreciation to Dr John Duke Anthony and Pat Mancino for giving me the opportunity to offer an Iraqi perspective on the ongoing transformations in the Middle East.

Those of you in the business world will be familiar with SWOT analysis as a tool to evaluate business ventures. As someone who spent most of his career in the private sector before joining the diplomatic world, it occurred to me that in order to adequately address this year's conference theme, namely, "Navigating Arab-US relations", one must not only consider the strengths, weaknesses and opportunities, but also the threats to an enduring relationship between the United States and the Arab world.

This morning, I would like to argue that it is in the vital interests of the United States and the region as a whole, to cooperate and coordinate our efforts much more in order to eliminate a set of common threats.

The Arab Spring has been the key driver of change in the region for nearly three years. No one could have accurately foreseen the transformations that have occurred since protests began in Tunisia, and being able to know where we will be this time next year will also be challenging.

Iraq was the first country in the Middle East to make the transition from dictatorship to democracy, and so we fully understand and support the rights of all people in the Arab world to seek greater freedoms and bring about a more just and equitable standard of living for their families and future generations.

There is no doubt that the popular uprisings have unleashed the dreams and ambitions of millions of people who seek to bring about positive, constructive change on the local, national and regional levels. Having said that, we also share the concerns of many who feel that extremist elements are exploiting and hijacking much of the gains that were achieved by pro-democratic movements.

Finding the right balance in a way that nurtures pluralism and liberty, without inviting terrorism, is the greatest challenge facing not only Iraq, but the region as a whole.

No more is this concern felt than in Syria, which is by all accounts a humanitarian catastrophe. There is no doubting the brutality of the Syrian regime towards its own people. The Baath Party in Syria is not dissimilar to the former regime in Iraq, which was used to crushing popular dissent and was driven by an ideological approach that is totalitarian in nature. We suffered immensely under Baath Party rule, and we



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would not wish such a fate on anyone else.

We also suffered greatly from the Assad government's complicity in supporting terrorist groups who were crossing into Iraq only a few years ago. At the time, we sought to hold the Syrian regime accountable before the UN Security Council for its support of terrorism in Iraq, but this request fell on deaf ears.

When we look at Syria today, a country with which we share a 600km border, we also see an immediate and grave threat to the security of our country. This is why we have not shied away from expressing our concern about the growing threat of terrorist groups linked to Al-Qaeda and affiliates that are associated with the Syrian opposition.

The polarization of the Middle East along ethno-sectarian lines is the latest emerging threat to the region. Iraq knows too well the dangers of sectarianism and the role of external forces in fueling sectarian sentiments, be they media channels, extremist religious scholars, or so-called charities that exploit divisions between communities. Combined with an environment where terrorists are able to operate, this deadly combination has the potential to spark fires that may take years to extinguish.

Sectarianism also poses a major problem for the United States in terms of its efforts to navigate its relations with the Arab world. By pitting Sunnis against Shias, Muslims against Christians, and Arabs against non-Arabs, these forces seek to undermine the social fabric of diverse societies in order to create security vacuums for terrorist organizations to operate in. All Middle Eastern governments should be fully aware that if sectarianism is allowed to fester anywhere in the region, it will spread uncontrollably across borders and eventually come back to bite them.

It is for the very concerns that I have just outlined, that our position on the conflict in Syria has remained clear from day one: we firmly believe that there can be no military solution to ending the violence, and that only diplomatic efforts can bring about a negotiated settlement that may offer any hope of an enduring peace.

We welcome the diplomatic breakthrough recently achieved by Secretary Kerry and Foreign Minister Lavrov with respect to chemical weapons, and we continue to deplore any efforts to supply arms to any party to the conflict. Those efforts, whether aimed at supporting the regime of Bashar Al-Assad, or one of the rebel forces, can only perpetuate the conflict.

Our position on Syria stems from a broader vision for the Middle East, and Iraq's active and arguably pivotal role within it. We are inextricably bound to, and affected by violent change in the region, by virtue of our precarious geography. Iraq sits on ethno-sectarian, political and economic fault lines, so it is in our interest to play a more active role in diffusing regional tensions. The surest way for Iraq to do so is by maintaining an impartial stance within any conflict. Gone are the days when Iraq's foreign policy was dictated by the whims of one individual. Till today, Iraq still pays the price for Saddam Hussein's legacy of destructive wars and aggression towards our neighbors. The new Iraq sees security policy as defensive and



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believes that diplomacy is the most effective way of resolving disputes.

The threat of a nuclear Middle East is also of grave concern to us. While we support the right of all countries in the region to pursue peaceful nuclear power programs as enshrined in the Nuclear Nonproliferation Treaty, we oppose the development of nuclear weapons by any country, as this would seriously degrade the security of all countries in the region.

That is why we have called for Weapons of Mass Destruction Free Zone in the Middle East as a framework to reinforce mutual security and confidence among our neighbors. Last month, Iraq became the 161st country to ratify the Comprehensive Nuclear Test Ban Treaty, and we hope that those countries that have yet to do so will follow suit soon.

Ladies and Gentlemen, it is in Iraq's interests to envisage a Middle East region that overcomes political rivalries with economic interdependence. Fostering trade and commerce, encouraging knowledge-sharing and people exchange, are some of the surest ways to ensure that respect for state sovereignty is upheld by the region as a whole.

Iraq offers endless opportunities for its neighbors and the wider world to forge strong economic ties. GDP grew by 10.2% in 2012, beating China for two years running, and is expected to grow about 9.4% per year for the next four years. This is due largely to Iraq's surge in oil production, which has doubled since 2005, making it OPEC's second largest producer. Foreign direct investment is also on the rise, totaling more than \$55 billion in 2011. FDI is forecast to grow more than 13% in 2013. Arab countries are contributing significantly to our growth in a variety of sectors including construction, healthcare and real estate, but we would like to see much more engagement, in particular from GCC countries as a way to mend broken relations.

The view of the Middle East from Washington may be daunting, and it may be tempting for the United States to take a step back and disengage from such a volatile environment. But this would be a mistake. Not only can the United States play a critical role in helping to combat the threat of terrorism, it can push its allies in the region to do more to tackle the growing threat of sectarianism.

Next week, Prime Minister Maliki will visit Washington and meet with President Obama and other senior officials as part of efforts to set out Iraq's vision for stronger counterterrorism cooperation between our two countries and to share our understanding on key challenges facing the region.

Furthermore, the United States can be a key partner in turning some of these regional threats into opportunities. Take Iraq's population growth as an example. Iraq has one of the highest birth rates in the world. Its population is increasing by approximately one million each year. The state cannot accommodate for the growing labour force and it is up to the private sector to utilize Iraq's young and energetic population to ensure sustainable economic growth over the long term while maintaining low unemployment rates. Iraq needs to move away from over-reliance on oil to generate revenues, and while



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the government has outlined a plan to diversify its economy, it cannot be achieved without foreign expertise and investment. The United States could stand to benefit tremendously if it chooses to expand its partnership with Iraq on the economic front. The groundwork has already been laid out through the Strategic Framework Agreement, which was signed by our two countries in 2008. As we transition toward a market economy, America can provide what our nation needs through trade, not charity and aid.

Let me conclude by stressing that the threats faced by our countries are in no way insurmountable, but only through regional and international collaboration that is based on a clear understanding of each other's interests and needs can we begin to think about creating the right conditions for long-term prosperity and stability for our region.

Thank you.
