

Conditions in Iraq Are Worse Than a Year Ago

by Hussein Askary

As Iraqis prepare to go into another horribly hot Summer, literally and politically, many people are losing hope, or desperately express a paradoxical longing for the days of Saddam's dictatorship. At least—some would say—then there was enough drinking water, electricity for air conditioning, and security. Today, there is very little water to drink, no electricity, and a lot of death. What could be worse than a military dictatorship? It is what the Iraqis live under today. Iraq, ironically, is being invaded by mobile phones, used computers, and satellite television receivers; but, there is no electricity to run these devices. So much for the post-industrial information age.

This all could have been prevented, if the Bush-Administration's neo-conservatives, and their executioners in Iraq, had been stopped immediately after the occupation. If the Iraqi army, police, security, and vital economic institutions had not been destroyed by the U.S. occupation's administration, the situation in Iraq would have been much better. There is still a slim chance of reversing that, with the implementation of ideas proposed in this publication by American Presidential candidate Lyndon LaRouche, for restoring vital pre-war Iraqi institutions, and starting a genuine cooperation among the United States, the people of Iraq, and the nations of the region. The curious thing about Iraqis is that they are always optimistic, and still under these conditions, believe that tomorrow is going to be better than today. They have gone through a lot of horrors throughout their history, and could still manage to survive the current one, and come out of it stronger. But whether that happens will be determined by the battle which is taking place in the United States itself, not in Iraq.

Living Conditions

With temperatures rising to 45-48° Celsius (113-118° Fahrenheit) from late June through early September, the lack of enough water, and electricity for air conditioning and food storage, is a matter of life and death, especially for children and the elderly. Electricity now comes to the households in most parts of Iraq in three-hour intervals several times a day. The power generation capacity is as low today as it was one year ago, as power stations are barely functioning and need a great deal of improvement and development, and none of that was done for more than a year under the occupation. Also, due to the totally chaotic security situation, oil and gas pipelines feeding these stations are frequently attacked by militants, putting the stations out of work for days.

Many of the members of the former Iraqi Governing Council have fled "liberated" Iraq left to go to Britain, where they used to live before the invasion. Almost all of them keep their families in Britain. Their justification is that the living and security conditions in Iraq are unbearable! Most of the much-touted sums of \$18 billion in reconstruction contracts pledged to the Iraqi interim government are just ink on paper. Barely \$1.5 to 2 billion has been allocated for contracts directed to simply repairing some of the damage caused by the war. To their credit, the one job accomplished under the occupation authorities is the painting of schools. All Iraqi schools shine on the outside, but you wouldn't send your kids *inside* these schools. According to Iraqi sources, the greatest amount of money paid for contracts in Iraq this year was directed to "security companies" to the tune of \$400 million. There was \$2 billion allocated last September for power generation and transmission, but many of these projects were not even started. There was only one major project in that area, consisting of building high-capacity power lines from Al-Kut to Amara and Nasiriyah in southern Iraq. Two months after the project was finished, all equipment, poles, and wires were dismantled and sold as scrap metal. The lack of security, caused by the occupation's decision to dismantle the Iraqi army and security forces, has turned the country into a playground for organized criminal groups capable of dismantling the nation's infrastructure and selling it as scrap outside the country.

The only improvement made in the health-care and education sectors, is not related to improving the logistics, but to increasing the salaries of employees to keep these two sectors running. However, Iraq's relatively advanced health and education sector is based on improvements, and new purchases of equipment and technologies. The salaries of other "public sector" employees were also increased from \$60-100 per month to about \$200-300. However, even this caused a problem, because the ever more market-based prices of commodities increased proportionally with the increase of the income. Now, if you look at the fact that 70-80% of the population is unemployed or retired with a salary of only \$60 per month, then you realize that is more of a curse than a blessing.

Another strange phenomenon is the incredible rise in real estate prices. The prices of homes and land lots have increased to surrealistic levels. In Baghdad, real estate prices are now approaching those of Western Europe. The speculation was triggered by the inflow of funds from outside the country, both from Iraqis living in exile, but more dangerously from foreign real-estate companies connected to the new Iraqi leadership working with the U.S.-British occupation. This rise also means that many Iraqis, who have lived as secure tenants, will now be forced to leave their homes, or pay everything they earn for rent.

The Oil Sector

Iraq's economic backbone, the petroleum production and export sector, is in shambles. Official statistics claim that

Iraq's export of crude oil from the southern and northern terminals, is about 1.7 million barrels per day, and some times near 2 million. This is simply a lie. The production could indeed potentially reach that daily level every now and then, but that is not the annual average. There are no official records publicly presented, on how much oil was produced and exported. There are only crude numbers.

Furthermore, the lack of security in the country has made the export pipelines, stretched for hundreds of kilometers to the south and the north of the country, easy targets for the forces resisting the occupation. It is becoming increasingly evident that the militants opposing the U.S. occupation are using that as part of their strategy. Only in June, as the international prices of oil skyrocketed, several attacks totally stopped Iraqi oil exports. On June 15, militants blew up a portion of a pipeline carrying oil south of Basra, interrupting oil exports. The same day, Ghazi Talabani, the security chief of Iraq's oil fields around Kirkuk (in the North), was assassinated. Another attack occurred just after midnight. Officials with the state-run Southern Oil Company predicted it would take at least a week to repair the pipelines. The officials pointed out that oil supply had come to a halt through Iraq's southern export route. Iraq's southern pipeline has been the main export artery since the U.S. invasion of Iraq. The attacks followed two other explosions on June 14 along pipelines in the Faw Peninsula, near Basra.

The Political Situation

On June 1, a new Iraqi interim government was installed by the occupation alliance, in cooperation with the UN envoy to Iraq, Lakhdar Brahimi. On June 30, this government is supposed to take over the sovereignty of the country, replacing the Coalition Provisional Authority of Paul Bremer, and its puppet Iraqi Governing Council (see *EIR*, June 11). On June 8, the United Nations Security Council voted unanimously for Resolution 1546, a U.S.-British proposal that formally ends the occupation of Iraq on June 30, and authorizes U.S.-led troops to keep the peace. The Security Council endorsed a "sovereign interim government" in Iraq after weeks of negotiations, and a last-minute addition by the U.S. and Britain on military policy, which France and Germany had demanded. The resolution attempts to pave the way for democracy by giving a timetable for elections—not later than Jan. 31, 2005. It puts Iraq in charge of its oil income, and calls for the UN to help with elections, a constitution, and other tasks. Control of the 160,000 U.S.-led troops was the most contentious issue, for which the resolution authorized a multinational force under American command to "use all necessary measures" to prevent violence. The resolution, formally, gives the Iraqi interim government the right to order U.S. troops to leave at any time and makes clear that the mandate of the international force would expire by the end of January 2006. But, the controlled Iraqi interim government intends to "ask" the occupation forces to stay in Iraq "to help secure the country."

"The UN resolution on Iraq is not a serious attempt to solve the problem in Iraq, or the region," said Lyndon LaRouche in commenting on the resolution. Its primary purpose is to attempt to solve the conflict between Europe and the United States—at least prevent an increase in instability between the U.S. and Europe, so that the financial collapse can be postponed until after the November election in the United States, LaRouche said. "Not until the Iraqis have established a representative government of their own, can they set up a legitimate process through which to form a new Constitution. Until then, the 1958 Constitution is it," LaRouche stressed.

There is one major political force in Iraq who converges on the thinking of LaRouche: Iraq's leading Shia spiritual leader, Ayatollah Ali al-Sistani. Al-Sistani has openly stated that he considers all forms of government, laws, regulations, and constitutions established under the occupation as illegal, null and void. Although he has not emphasized the issue of the 1958 Constitution, he insists on holding elections whereby a legitimate Iraqi national congress is elected to start discussions of a permanent constitution and forming a truly sovereign government, without the presence of the occupation.

Al-Sistani has proven that he is a true representative of the Iraqi people, not of the interim government or the IGC, and that what he says—until the establishment of a legitimate government—would be as effective as the law. He does not consider his role as a political leader, but as the guardian of the natural rights of the Iraqi people until a real leadership is available.

He has accepted the current Iraqi interim government until the day of elections planned for Jan. 25, 2005, but, with reservations. A statement issued by him on June 2 stated, "it is hoped that the new government will prove itself able to shoulder the enormous tasks before it." The statement urged that the new government lobby vigorously at the UN to remove "all traces" of the occupation, and that it is limited because it does not have "the legitimacy of elections," and it doesn't represent "in an acceptable manner all segments of Iraqi society and political forces."

Al-Sistani also influenced UN Resolution 1546. He issued an open letter to the chairman and members of the United Nations Security Council on June 7, warning them that the inclusion, or even mention in any new UNSC resolu-

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tion, of the Transitional Administrative Law (TAL) would lead to “dangerous consequences.” The TAL, drafted under the occupation and its influence, is regarded by some as a new “constitution” to be included in discussions of the permanent constitution after the interim period. Al-Sistani’s message read: “We have been informed that there are those who are attempting to mention the so-called ‘Transitional Administrative Law’ in the new UNSC resolution concerning Iraq, in order to give it international legitimacy. This ‘Law’ was drafted by a non-elected council under the occupation and through direct influence from it, and it would bind the national congress that will be elected in the beginning of the next year to establish the permanent constitution of Iraq. This matter is in contrast to all laws, and is rejected by most members of the Iraqi people. Therefore, any attempt to give legitimacy to this ‘Law’ through mentioning it in the international resolution would be regarded as an act against the Iraqi people, and would be a foreboding of dangerous consequences.”

The TAL included major changes in the Iraqi social and political structure, dividing the country into a federation of ethnic or religious regions, and giving the Kurds an independent status and veto on future Iraqi constitutional deliberations. News wires reported that al-Sistani’s warning was taken into consideration in the final draft of the resolution of the Security Council, and therefore the TAL was not mentioned in the UN resolution.

Meanwhile, the Kurdish leaders were protesting against this move. The two major Kurdish leaders, Masoud Barzani and Jalal Talabani, issued an open message to the Security Council, warning that if the TAL was not regarded as a valid constitution with the special Kurdish rights in it being acknowledged, they would withdraw their representatives from the Iraqi provisional government. They also said that this “would put in jeopardy the fate of the Kurdish people” and that “it was this law that kept the Kurds recently within a unified, federal and parliamentary Iraq.” Eventually, the Kurdish leaders withdrew their threat, but the rift, and suspicions, will remain in the coming months between the Kurdish minority leaders and the other ethnic and religious groups in the country.

The illusion that the new Iraqi government, the new UN resolution, and promises of elections would calm the situation down until the U.S. elections in November, was shattered by a series of suicide attacks in Baghdad and other cities, killing scores of Iraqis and “foreign contractors” working for the CPA. A number of effective attacks were also launched against U.S. forces, killing several soldiers. Clashes also resumed between followers of Shia cleric Muqtada Al-Sadr and U.S. troops, in spite of the cease-fire agreement reached a few days earlier.

Unless reason prevails, this Summer will prove to be the hottest ever, both in Baghdad and Washington.

Based on first-hand reports from Iraq.

European Parliament

Voters Oust Incumbents, Reject EU Austerity

by Rainer Apel

The elections for the European Parliament on June 13 led to a drastic loss of votes for the governing parties in all 25 member countries except Slovakia, as a result of increasing discontent among voters with the budget-cutting policies of governments, in line with the European Union’s Maastricht Treaty rules. (See box for Lyndon H. LaRouche’s call: “Back to Sovereignty!”) In only 5 out of the 25 member countries of the EU, was voter turnout above 50%. Among the leading, most-populated countries, turnout in Britain was 38%, France 43%, Germany 43%, Spain 46%. In some countries, voter turnout was drastically below the 50% mark: 28% in the Czech Republic and in Slovenia, 20% in Poland, and a mere 16% in Slovakia.

The fact that voter turnout was so low especially in the eastern and southeastern European countries, which joined the EU as new members on May 1, shows how much opposition there still is to the Maastricht conception of Europe, in which national sovereignty is obliterated and the continent is ruled by a supranational government, answerable to the central bankers and financiers. In Poland, where the Socialist-led transition government of Marek Belka, which has been in power since May 2, will fail to get a parliamentary majority for approval, early elections in August or September are certain to push the Socialists into the status of a mini-party, whereas the conservatives and nationalists are expected to make big gains.

But if conservatives are on the rise in Poland, they were voted down in France, Italy, Portugal, and Denmark. The socialists and social democrats lost massively in Germany, Britain, and the Czech Republic. The European Parliament elections were thus essentially a vote of no-confidence against the incumbent governments, irrespective of the political color of the governing parties. In Britain, the governing Labour Party received, with 22.6%, its worst Euro-Parliament election result ever (see accompanying article), whereas the Social Democrats of Germany, coming out of the elections with almost a third less votes than in the last European elections in 1999, had, with 21.5%, their worst result in any type of election since the foundation of the Federal Republic of Germany in 1949. It cannot be ruled out that in numerous member countries, for example Britain, France, Italy, and Germany, incumbent governments will not last through the Autumn.

The conservative parties showed a net increase of voter