United States Institute of Peace
Association for Diplomatic Studies and Training
Iraq Experience Project

TERRY CALLAHAN
EXECUTIVE SUMMARY

Interviewed by: Phil Wilcox
Initial interview date: August 5, 2004

U.S. Army Reserve Colonel in Iraq, age 52. 29 yrs in Army and Reserve. Exec, Eastman Kodak, Inc. In Iraq 3/03-1/04. 3/03 Baghdad, Dep. Brigade Cmdr for Civ Action, 5th Corps; 6/03 CPA COS in charge of reconstruction for 7 northern governates.

Power, schools, water, road infrastructure had decayed, heavy damage from war and more from looting in Baghdad, especially of govt. facilities, much less in north. Collateral war damage is inevitable, since Iraqis target US forces from civilian areas. Troops must defend themselves. First duty is protection of our forces, not museums, zoos. Criticism that we should have done more is uninformed. "Critics were not there."

Advance briefings on reconstruction problems were limited. Heaviest focus was assessing combat conditions, anticipated refugee problem, which we overestimated. Ultimately, assessments and planning for reconstruction required on-the-ground surveys. We failed to organize and act during early window of security to jump start reconstruction. Growing insecurity became huge constraint to progress. But more US forces would have created "more US targets." Should have involved Iraqis earlier in security

$35m from seized assets used for quick projects, based on local commanders' surveys. Accountability was loose, compared to appropriated money that came later. Money too little, or later, too much for absorption. We often "threw money" at problems. Too little long-range development strategy, e.g., built schools but did not plan for education. Commanders focused ad hoc on immediate "targets." Corruption was common, but some tolerance needed. Iraqi counterparts often chosen for influence, not ability.

No coherent overall post-conflict plan. US needs more military and civilian expertise for non-conventional, not combat crises, i.e.,"winning hearts and minds." Current military focus on security not enough. U.S. approach was too often "top down" and "do it the American way," culturally insensitive, lacked understanding of our own limitations. Should have involved Iraqis earlier in both security and reconstruction. DeBaathification not selective enough, heavy handed. Dismantling Army a mistake.

US staffing of mixed quality. Too many mismatches. Inadequate cultural, language expertise. Leanne Saunders, State, and others excellent linguists or experts, but some State and other people were misfits. Contract personnel were least qualified. Four-month tours too short. Regular US Army biased, doesn't use Reserve adequately. CPA

Civilian-military coordination confusing. Lines of authority unclear. CPA seldom offered policy guidance to field; poor coordination. Funding and policy poorly coordinated

Big projects by Bechtel implemented very slowly because of its culture, and lack of security. But securing all these projects would have diverted forces from war effort. Bechtel should not have handled intermediate, small projects like schools. Bechtel, Army Civil Action, Corps of Engineers badly coordinated, too much overlap.

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CALLAHAN: My name is Terry Callahan. At the time I was in Iraq, I was a colonel in the U.S. Army Reserve, Civil Affairs. I was 52 years old. My education consists of an undergraduate Bachelor of Sciences degree from the U.S. Military Academy at West Point, a graduate degree in Human Resources Management from Pepperdine University, a masters in Business Administration from the Rochester Institute of Technology and 'm a graduate of the National War College.

Currently I am employed, and was employed before I was sent to Iraq, by the Eastman Kodak company as a regional sales manager and as president of a subsidiary of Kodak. I spent 29 years in the Army and the Army Reserve. I have no specific training for the job I did in Iraq.

Initially, I was assigned as the deputy commander for the 308 Civil Affairs Brigade, and we went into Iraq in early April, 2003. I served three months as the deputy commander for the brigade supporting Fifth Corps in Baghdad, and subsequently was assigned to the Coalition Provisional Authority as the chief of staff for CPA North, a region that encompassed the seven northern governorates of Iraq. My primary focus was in the reconstruction effort and, to some limited degree, in governance and security, but only as security pertained to local security of each of the CPA's sites, and governance in terms of helping to manage the various State Department staff, who were responsible for governance issues in the region.

Q: Could you give us a picture of the economy in the area for which you were responsible? What was the impact of the war or of previous neglect during the Saddam Hussein years? Was there any looting?

CALLAHAN: In my 11 months in Iraq, I was in different locations. And each location had a difference in its economic status. I was first in Baghdad during the first three months. There had been a considerable amount of neglect there. As we went north from Kuwait, we observed that road infrastructure, telecommunications, and power generation were in fairly sad shape, quite apart from the impact of the war. Schools, and water purification facilities, which I was most interested in and most engaged in, were in bad shape in many places.

With regard to looting, one of the projects in which we got involved was in Baghdad, the museum. The National Museum of Iraq in Baghdad had some flooding and there were

people taking images out of there, art work and everything else. We had a crew of Civil Affairs officers and enlisted folks go in and help recover those pieces of art, both from looted areas and from the museum itself to try to protect it and provide treatment because some of it had been heavily damaged by water as a result of some of the coalition activity.

Q: Did you – before you went in, did you have good information on the conditions that you would confront when you got there, or did you have to learn it on arrival?

CALLAHAN: We spent some time in Kuwait with Fifth Corps, understanding the combat situation, but what we didn't have good clarity on was the situation with the civil government and just civilians in general. When we initially started this whole project, we focused on the problem of displaced civilians and plans for moving civilians out of the way of battle, if you will, and keeping them in their homes.

We had a number of programs on the books, but when we got to Iraq, we discovered that we had greatly overestimated that number of displaced persons. There were hardly any people who were moving from one part of the country to another, because of the Coalition military activity and the activity of the regime forces and we did not have to use the plans we had made for maintaining displaced persons in civilian camps. So that was different from what we anticipated.

Q: And I take it that was a reasonable expectation because the U.S. had expected much more combat that would have led to departure of civilians. Was that the calculation?

CALLAHAN: Right. We found, not only was there not as much combat as we had expected, but that some Iraqis, certainly those in the north, were downright friendly.

In fact, I talked to a captain on my way up north – I was in An Nasiriyah – and he was a company commander in the 82nd Airborne there. He was missing some of his troops because Iraqis had been inviting them to their homes for tea and for snacks and so on. So the Iraqis were inviting his soldiers in for refreshments, in I would guess it would be typically Iraqi neighborly style. The company commander observed that to greet your "enemy" in such a way was really unprecedented.

Q: Were you responsible for reconstruction activities in Baghdad or only in the northern governorates, and was there difference between the level of destruction in Baghdad and the northern areas from the war or the aftermath?

CALLAHAN: In the Baghdad area where we worked and in the north up near Balad the schools had been affected. In fact, many of the facilities, whether schools or power plants or water treatment plants or power plants or government buildings, were all affected in one way or another by the war. Government buildings, especially, were partially destroyed or had pieces of them in some way or another destroyed, either by the departing Iraqi forces or by Americans coming in.

The schools in Baghdad were vacant and had been neglected, and there a lot of evidence of wanton destruction. In the areas around Baghdad and where we were there were munitions hidden in schools, clinics, and other places in an effort to conceal them.

The north was controlled by the Kurdish folks in the three northern Kurdish governorates. The Kurds had been protected, obviously, by the no-fly-zone over the past 12 years. And so in that area, there was not much combat damage at all. If anything, the damage was limited to damage that had been inflicted on the Kurdish area facilities by the Iraqi regime before the no-fly zone was in place. And some of that had just been not rebuilt or refurbished.

In Mosul, which was in the Nineveh governorate, there was a considerable amount of fighting that caused the destruction of many of the government buildings and schools, or at least partial destruction of those. But for the most part, conditions were much better in the north than in Baghdad.

Q: Terry, the coalition forces, using more precise weapons, made a real effort to avoid civilian targets and collateral casualties. Once you got there, had those weapons proved themselves, or was there some disappointment that there had been unexpected strikes on non-strategic, civilian areas.

CALLAHAN: Actually, I never sat on a targeting board, but I do know something about this from just witnessing and watching what was going on. We stayed in Baghdad. I was quartered at a placed called the Iraqi Arabian horse farm, owned by Qusay Hussein, one of the sons. There was one air strike against a bridge that connected the mainland to a small island, on which a large palace was built. This bridge was cut, because it had all of the telecommunications and power resources flowing through it into the main compound of the palace.

The bridge was completely severed by a single bomb. It was a pretty precise hit, and I saw no noticeable collateral damage.

There was some collateral damage from some of the larger weapons. On a smaller scale, when you have individual soldiers firing various individual and crew-served weapons, sometimes you do hit the wrong things. I saw evidence of that as well. Or, you shoot where people are shooting at you, causing collateral damage, for example, to a school or a mosque. Soldiers do not have the luxury of avoiding such damage if they are being shot at from such places.

Q: Tell me a little about the structure and the chain of command for managing reconstruction.

CALLAHAN: Initially when we were in Baghdad, the Civil Affairs folks were the ones who were kind of leading the effort in reconstruction and trying to assess needs. Our job in Civil Affairs was to make some thorough assessments of various parts of the infrastructure, whether schools or water treatment facilities or power grids. So, we had a

number of battalions in the area, working with the 101st, the First ID (Infantry Division) and the First Armored Division, assessing all of these structures and facilities. Civil Affairs officers were in charge of these tasks, at least from where I sat, and I was a Civil Affairs officer. I don't know for sure what was in the overall plan for reconstruction, although I sat on meetings where we were trying to figure out what to do.

Q: So your responsibility was schools, power and health? Those were your targets?

CALLAHAN: Our primary focus was on rebuilding the infrastructure to support life, - clean water, sewage treatment and those kinds of things. Our secondary focus was on reconstructing schools and government buildings. And there was a hierarchy there, following sort of just the normal hierarchy of need. The needs for survival came first, and then other tasks to help society improve itself.

Q: Before our forces went in, were they armed with some information about infrastructure, the Iraqi power and water, education public infrastructure system, or did you have to discover that on arrival?

CALLAHAN: Prior to my departure, we spent some time at University of Chicago, speaking with experts there, including Iraqis and people who had been to Iraq at various times, at the School for Middle Eastern Studies. So we knew something about what was going on there and about Iraq's infrastructure. We had some idea of their output capacity for electricity, for example.

We also knew, based on information from UN and elsewhere that parts of the infrastructure had been pretty much neglected. A good example is an asphalt plant up near Mosul that had been out of production, I think, since 1987, but they still had 400 employees who were getting paid. We suspected that the plant was being used to disguise smuggling oil out of the country. It looked like an asphalt plant but wasn't producing anything.

Q: In a future deployment of this kind, in retrospect, should we have dug deeper and tried harder to get this kind of information in advance, or was it in the nature of the situation that you had to be there to really understand it.

CALLAHAN: Given the very closed nature of society, it would have been difficult to obtain a great deal more information than we had. Also, it was difficult to know what to believe, because many people, even UN people, would provide information to support their own agendas and needs. But, in terms of many of the parts of the country that I visited, you almost had to be there to assess the situation. You can take a picture from way up high and see a school, but you can't see, for example, that it's completely destroyed on the inside.

Q: Did you and your fellow Civil Affairs officers have enough staff to get on the job immediately? There's the perception here in the press that coalition forces, weren't prepared for the looting and the destruction, and didn't have either the plans or the

personnel to provide physical protection in those early weeks. What is your comment on that?

CALLAHAN: Well, I think it's very easy for the press and others who weren't there to say we should have been protecting all of these national assets of Iraq when we were getting shot at by the very people who owned them. I think it's a little bit disingenuous for someone to say that without having been there.

Furthermore, there are times when, for example, the museum in Mosul, I witnessed that locals caused damage before the coalition forces arrived. Our first job was to secure the area, and our second job was to attend to other problems, like making sure the museum is safe. The zoo is another good example. We had people really critical of us about our treatment of the zoo animals there, or lack of treatment of the zoo animals.

My instinct is human life first, then we worry about the zoos. I think the priorities that we had were valid ones. And one could say, yes, we should have paid more attention to the museums, but, again, when bullets are coming your way, it's a less important matter to you. So I think the press and the public who believe that we should have done more, I think they're – well, quite simply, they weren't there.

Q: Did you have funds available immediately to start and complete work on schools and hospitals and power, other infrastructure? I understand some of the units had their own quick-disbursing funds that they could use without a lot of red tape.

CALLAHAN: Right, and this was especially true when I was up in Irbil, in the northern governorates. Each of the combatant commanders, division commanders, had a discretionary fund, and it was in the tens of millions of dollars in some cases. The Coalition Provisional Authority had $15 million initially to distribute. This was all money that had been seized, as I understood it. It wasn't appropriated funds, or supplemental appropriation funds.

We used these funds for projects identified by Civil Affairs assessments and combat commander assessments and staff assessments of various pieces of the infrastructure, including things like soccer fields and museums. Cost estimates were typically provided by local Iraqi contractors.

And one of your questions here is about corruption, and I'll just relate a real quick story about this. There was an expectation that you had to pay to get a contract. I was asked by an Iraqi "What do you charge, what do I have to pay to get the contract? And I said, "Well, you don't have to pay anything to get the contract, you have to come in with the lowest bid, or a reasonable bid." Some of these things that we call corrupt are normal in Iraqi society.

Q: Yes.

CALLAHAN: But, back to the question of finances, we did have monies, and those were

refreshed occasionally. We had $15 million to begin with, and then we got 20 million, then another 20 million towards the end. As we got closer and closer to my departure in March, and as we began looking at the end date for CPA's active participation in Iraq in July, this money came in greater amounts, and we had to spend it much faster.

So we went from some construction projects, which took a longer time, to some projects where we were purchasing capital goods, if you will, for cities or towns or for other government agencies. An example is buying police cars and fire engines, which you could buy in a big lump and get them fairly quickly, whereas a project to buy a community center might take three months. And there might have been a requirement that the money had to be spent within 90 days. If it took 90 days to 100 days to build the thing, you'd run outside the time window.

Q: Were the funds that the division commanders had for these quick-reaction projects also from seized funds, or was that something that was budgeted for in advance?

CALLAHAN: As I understood it, some of it was from seized funds. Later on it came from the appropriated funds. I think after September/October last year, it came from – whenever the appropriation had provided, since there were much more stringent requirements for spending the money.

An example might be, if we had a school, my regional coordinator, who was a former colonel who served in Iraq in 1991 in Operation Provide Comfort, would say "I want to spend $10,000 here;" pretty much like writing a check in a checkbook. And he'd get someone to tell him yes, contractually they could do it, and they would do it.

When we started using appropriated funds, we had Air Force contracting officers – and we were required to get a certain number of bids. We had to go through a formal bidding process. We let them bid and then the work could start. So it was a lot more stringent, a lot more due diligence was done for projects after the appropriated funds appeared.

Q: Do you think that the rules and the system struck the right balance between meeting the need quickly and the accountability and guarding against corruption? Or was there too much caution, too many safeguards built in?

CALLAHAN: Initially, I think there were not enough safeguards built in. As I understand it, one of the divisions in our area – and there were two, 101st and First ID – overspent their allocation by about $20 million. You see, what they anticipated was every month they were going to get so much money. The money stopped after one month and wasn't refreshed.

So, they were committing to contract projects and made promises to contractors that they would get paid, saying "We'll commit to do that project. You go ahead and start work, Mr. Contractor, and we'll pay you when we get the money." Well, the fact of the matter was, CPA cut off certain kinds of money at a certain point and said you no longer have any money.

Now, funds were later made available, but some of these division commanders got in a bit of a bind – or one of them, anyway – by overextending the amount of funding that he had.

Q: Was there a kind of dual motive in spending money to meet basic human needs and get the system back up and running as well a desire to gain support from the Iraqi public through this kind of reconstruction activity?

CALLAHAN: Oh, absolutely. And I think one of the best examples of that was a program called the jobs creation program set up by CPA Baghdad in which they identified very specifically areas where they wanted to introduce the program first and spent a lot of money, one of which was the Sunni Triangle, where we wanted to put in place a number of jobs. The projects were jointly identified by the Civil Affairs folks, the normal military, and the locals. They were projects that you could throw cheap labor at, cleaning the streets, picking up trash, moving things, erasing graffiti and so on.

So, that was clearly aimed at getting people off the streets, doing some work, making a little bit of money so they could buy things and improving their life. And it was also aimed at, frankly, starting this process of getting people used to working. So you were building sort of a piece of a civil society over there by making sure people understood you've got to get up and work. You can't just live off the graft and corruption of the previous regime. And, also, we'd say, "Hey, look at what we've done," because this was advertised fairly heavily throughout the region I was in.

We had very good success up in the Kurdish region because they were very organized, very good at doing these things, and it was fairly heavily advertised and touted. The downside of this thing was that people came to expect these jobs would exist. So it was a short-term, three-month project that really needed to turn into a longer-term project, and eventually it did, but initially it didn't. There were some downside effects of doing all of these kinds of things.

For example, we had a project in Baghdad called Operation Neighborhood Clean-Up or some such thing. We had Civil Affairs guys and MPs and others out cleaning up the garbage in towns, and in some of the suburbs and small neighborhoods in Baghdad.

As our front loaders were loading up the garbage and suddenly a few people started getting really irritated. We asked, "Why are you so angry, we're cleaning up your garbage?" Well, as it turns out, the garbage fed the goats, and the goats provided meat. So everybody down to the consumer was kind of irritated that now you're taking away the source of meat from me. I have to go further down the road, now it's going to cost me more.

So, see, there's some of these unintended consequences, you know, like no good deed goes unpunished, right?

Q: Overall, was funding adequate to the task? I suppose the need was infinite, but did you feel that funds were flowing at an adequate rate to do what was essential?

CALLAHAN: Yes, in some cases, the funds were there in more than adequate amounts because we had a problem with absorption. If someone says, in a small region the size of one-third of Iraq, you have $20 million to spend on projects and you have 30 days to define where those projects are, you can't do this properly. For example, we had trouble in some cases finding enough contractors to do the work in the timeframe allotted.

So there was a bit of a problem there of absorption. Initially we had a problem with not having enough money. We had to do some due diligence. We'd take a look at all the projects, we'd prioritize the projects and say these top 10 meet these priority needs. And these others, like fixing the museum or getting a soccer stadium are sub-secondary. And then, as we finished the first set of needs, then we'd go down and re-rank them and have another set of priorities and we'd go after those with the money that we had.

So it depends on the time of the involvement that you're talking about. But at one point, we had not enough. At others, we had what I believe was the timing was just bad. We had more money than we could throw at the problem, which then breeds corruption.

Q: Tell me a little bit more about the contracting process for appropriated funds. That was a more elaborate process. And, again, there is a notion here in the press that that money didn't disperse quickly enough because of the stringent contracting requirements.

CALLAHAN: Well, you may be talking about some very large contracting requirements like the ones carried out by Bechtel for bridges and large infrastructure.

Q: That's right, I am.

CALLAHAN: And then there are some smaller ones, I think, that really – big projects help, I guess, a lot of people in a large area sometimes. But sometimes big projects don't help many people at all, except the contractor.

In terms of Bechtel, I think there were some issues there that prevented Bechtel – at least, they claimed there were - that prevented them from acting more quickly, chief among them being security. The Bechtel folks are civilians. They're not going to go in and start to build a bridge where they're getting fired at. And if the U.S. military provides security for every construction site, then what happens is they are no longer operationally viable in terms of taking the battle to the enemy.

They're sitting in a place and the enemy comes to them all the time, and that's kind of a dangerous scenario. I am not personally familiar with how Bechtel got a contract. That happened before the war, I'm sure.

Q: But on the smaller projects that you were working ...

CALLAHAN: We were running $1 million, $0.5 million, $2 million projects. I guess another good example here is a cement plant in Sulaymaniyah. We needed about $2.5 million, and CPA was going to put up $1.5m. The government of the PUK (Patriotic Union of Kurdistan) was going to put up another million, and the Japanese government was going to help us. And it was a negotiation with CPA and the Japanese and the PUK and everybody had some dissimilar interests. And then there was a German company who had built a cement plant in the first place 25 or 30 years ago.

So the process of getting money to make that plant operational was only part of the task. We also had to find the right parts to fit in this old cement factory. They were operating at 50 percent capacity. We wanted to get them up to 85 percent capacity, but we had to replace one of the production units.

Thirty years ago, technology was different, and we could not retrofit the plant quickly enough. So there were problems like this elsewhere. But in terms of the more local projects in the under $500,000 category, such as community centers and water treatment plants, we were able fairly quickly, once we had done the assessment, to get projects going.

Now, there were a lot of water treatment facilities that weren't fixed, because, again, it was a matter of getting the right piece of equipment in there and so on to retrofit or to make the facility operational.

Q: Was there – let's talk about your Iraqi counterparts and how they fit into the assessment, contracting process. How did you identify them in the first place? How did you make sure you got good people, and did you consult with any Iraqi leaders, formally or informally, about choosing projects?

CALLAHAN: Well, I would say certainly that's true in the Kurdish region. And I believe, and I'm certainly sure, it's true up in Mosul. And I'm fairly sure it was that way in the southern half of our region, in Diyala and Salah ad Din, in those two provinces. But I would say that in the Kurdish region in particular, the Kurdish Democratic Party, the KDP, which was a combination of the PUK and the Kurds' Regional Government, the KRG, the combination of the Kurdish Democratic Party and the Patriotic Union of Kurdistan, the two major parties, they really did a good job of identifying an agenda for reconstruction.

I had a number of folks who worked with principally the minister of municipalities. And I worked with the minister, but others worked with the various other ministries to essentially identify projects. They helped us identify projects, and we would go out and assess the viability of a project. And then working together with them and the local contractors, invite bids, and then receive the bids and choose a contractor. And then they would go about effecting the project.

That was a very cooperative process, where we worked hand in hand with the locals. In Mosul, the 101st Airborne was very, very good at working with the local governor, and

one could suspect the governor's motives with all of this money flowing. And, again, what is corrupt in our society may not be corrupt in theirs. So you hire all your relatives and your friends and your brothers and everybody else to do the jobs.

Q: Is General Petraeus the commander of the 101st?

CALLAHAN: Right, and he had a fairly heavy hand over this whole thing. He had the carrot of all this money, but he had a big stick, and the 101st was a big unit up in a fairly small area up there. While they had a large area, they didn't have to worry about the Kurdish region much at all. They had a company or two in the Kurdish region; that was about it. The rest of the division was in Nineveh province, trying to keep things calm there.

In the lower half of the region, in Diyala and Salah ad Din, and the city of Kirkuk, it was a little bit more problematic in terms of involving the local folks, because especially in Kirkuk, you had the Turkmen, the Kurds and Arabs, all competing for the same amount of money to forward their own interests and to improve their own areas and living conditions for their own folks.

Q: Did you, in choosing projects and letting contracts, have to take into account the ethnic complexity and was that a factor in contracting?

CALLAHAN: I think it very much was. I didn't get too involved in contracting in Kirkuk or places south, on the periphery there. I was most involved in the north. But, certainly in Kirkuk, and in the Salah ad Din, Diyala provinces, you had to be aware more of tribal affiliations. A good example is guarding oil pipelines, or providing security for areas. You had to be very careful about who you hired in a certain area, because traditionally, Saddam Hussein might say, "Well, this area for security belongs to this tribal group, and over here is this tribal group." If you tried to cross those lines, your project was doomed to failure.

Q: Did local leaders in areas which had been controlled by Saddam Hussein come forward and introduce themselves as tribal or local leaders, offering to help? And how did you sort out who the important and capable people were?

CALLAHAN: In the beginning they were not coming to us with their arms open saying, "We're here to help." It was with their hand out, saying, "What can you give me?" The perception was that America was going to come there and solve all their problems in 30 days or less and then go away. And it doesn't work that way.

I think that, in my view, the Arabs that I worked with were less industrious than the Kurds. In that sense, then, they were less inclined to assist in their own redevelopment and reconstruction. Identifying those people was problematic because the people who were in power during Saddam's time were still in power when we arrived. In Salah ad Din, for example, the governor of Salah ad Din was a fellow who we appointed.

He was a member of a family, whose name I can't remember, that had been pretty much persecuted by the regime and the regime had attempted to assassinate him at one point along the line. But, just because this person had been an enemy of Saddam Hussein, doesn't mean he's any less corrupt or that he is capable.

In many cases, these fellows – the governor of Salah ad Din, the governor of Mosul – or the mayor, I forget – of Mosul, were pretty much into big-time cronyism. So picking these leaders was more of, "OK, who's the strongest guy in the room, and do I feel I can trust him? Or, at least if I can't trust him, can I keep him within my grasp?" And so I think that was part of the way that this interaction with local officials, and who you interacted with, came about.

I know up in 101st, up in Mosul, one of the first things that they did was gather together all of the tribes and tried to get some representation from every group in Mosul, and there were many of them. There were Arabs and Kurds and Chaldean Christians and their tribal chiefs of various numbers and responsibilities. We sat them all in a room and said, "OK, you're going to come out of here and you're going to have a city council by the time this is all over, and we're going to force democracy on you." This is how I saw it.

So these leaders picked amongst themselves who would be the leaders and interfaces at that time. And so, again, it was a function of the relative power of each rather than their skills, because many of these folks in power were not skilled in running a government at all. Witness the initial budget configurations that were submitted by many of the governorates and the towns. Outside the Kurdish areas, I mean, they were just a joke. They didn't know how to do it.

Q: What was the relationship between you and your civic affairs staff in the CPA and the Civil Affairs units in the forces out in the hinterlands? What was the division of responsibility? How much autonomy did they have, and what did you learn from this process?

CALLAHAN: As a Civil Affairs officer, I was one of five in the CPA North. OK, I had four other people that I worked with. Actually, I'm sorry, there were seven of us, Civil Affairs officers. And I had some regular Army officers and Marines and so on and we all worked together. What we had was a pocketbook. We had money to disburse. We didn't have enough assets to identify all of the facilities that needed help.

We went out to and we engaged with the local commanders. And the local commanders would oftentimes send their Civil Affairs representative because that's what they did – their Civil Affairs staff officer. I think you've already talked to a Civil Affairs staff officer.

Q: Bob Bishop

CALLAHAN: Right, Bishop was a Civil Affairs officer. He was a Civil Affairs staff officer for the 101st. And he was also the battalion commander. So we engaged with his

people. We engaged with people from the First ID and the 173rd. And the 404 Civil Affairs Battalion, which was in the Kurdish region, covering the Kurdish region only, we'd have a meeting, let's say, every week. And representatives from each of those, both Civil Affairs and non-Civil Affairs people would come in and we would then talk about projects. What projects do we have going on? What do you want to see? How much money do we have? How much money do you have? And try to de-conflict those areas where the combatant commander had projects going on, we had projects going on, and maybe some NGOs (non-governmental organizations) had projects going on.

All three of us didn't want to fix the same school, for example. We wanted to make sure that we weren't covering over each other. So we had these meetings where we de-conflicted that. And then when new projects came up for which one or the other of us didn't have any funds, somebody would commit to taking the project on or say I can't handle it right now.

So the relationship that the CPA had with the Civil Affairs units and the combatant commanders was a cooperative effort, and sometimes a coordination effort. We also had people who understood more about the politics and interactions amongst the folks in that region. We had people who were experts in Iraq.

We had a woman – Leanne Saunders - who was our political adviser. She had worked with the Kurds for five or six years and knew them very well, and she was an Arabic speaker. So she understood the interaction and the interplay. When commanders were fighting over who would help somebody, she could help de-conflict that.

It didn't happen very often, because of boundaries in the military. A commander isn't going to cross his boundary unless he coordinates with somebody else, usually. So that was fairly well understood. It was when we had some of these disputed areas, where the Kurds, for example, down in Kirkuk, in areas down in that part of the country, would dispute whether they should be getting help from us or from somebody else.

Q: From your observation, did we have the right mix of warfighters and Civil Affairs officers? And having gone through this experience, what mix of forces would be optimal in a similar effort, the next time?

CALLAHAN: I don't know. I think that these proportions are interesting, because we had more Civil Affairs folks than the combatant commanders were actually using, in my view. I think some of us, initially, the 308 Civil Affairs Brigade, and we were 100-and-some-odd people strong, were not effectively used by the Fifth Corps.

We weren't looking at these overarching views. Let's just take the dimension of education, for example. The corps commander should have challenged us to understand the education system in his area of responsibility, and we would have done that by tapping into the Civil Affairs battalions and units out in the field to understand that and bring together a cohesive program to cover education. Not just rebuilding the infrastructure, but rebuilding the education system. And that wasn't done in my view.

Q: Was that because of the pressing need for military engagements, or because of some sort of doctrinal conflict between the warfighters and the civic affairs officers?

CALLAHAN: Well, I don't think there was necessarily a conflict. I think there were competing interests between the Civil Affairs people and the combatant commanders. And, in fact, there was also the difference in philosophy towards these kinds of activities.

I sat on what was called a targeting board for civilian reconstruction projects when I was in the brigade in Baghdad. A targeting board, as you know, usually defines military targets, you fire them up, and they get destroyed. But they were using this targeting board concept to say, "OK, that school needs to be fixed, or that civic center needs to be repaired, or that water plant needs to be repaired and so on."

And there was some, I guess, anxiety, as I felt it, amongst these combatant commanders when they said, "There's a target, go after it," and then three days later, the thing wasn't built. There was a little anxiety and a little angst going on there, because military commanders are used to saying, "That's the target, go get it." And when they say, "Go get it," that means, usually, destroy it. So a target would be gone in a flash of a big explosion.

I'm a former artillery officer, so I know. When you apply that same line of thinking to reconstruction projects, it doesn't clearly translate, and the timelines are much longer and the needs are much different. In my view, there was no coherent plan put together for the post-conflict scenario.

People would say there was, but I would argue that, given the way that we spent our money and the disjointed methods that were used there in many cases, we just kind of stumbled in and learned as we went, and people found the places where they needed the money most, where they needed the effort most, and they did it there.

Q: So a lot of the best work was done by innovation, quick-thinking, smart people right on the ground who did what was necessary.

CALLAHAN: Right. And I think the 173rd Brigade did it very well in Kirkuk. They're a combat brigade. They went in, they secured the area. It was a very problematic area, as I said, because it had three distinct ethnic groups fighting amongst each other for control. But the brigade commander there put in motion an organization that sort of overlaid his own combat organization. He had a team of people who worked in finance, and he had a team of people who worked in governance, and these were people who had some experience in that, or degrees in it. And they were the regular military folks.

For example, the finance officer, very good guy, worked with some of the budgeting issues in Kirkuk with the local government. So he had these teams of people, team finance and team governance and team reconstruction, that he focused on those kinds of rebuilding efforts. And so he did a very nice job of that, but that's not something, I'm

sure, that they went in with.

Q: This is just a product of his own intuition and smarts?

CALLAHAN: Sure, yes.

Q: But in the future, should our officers, across the board, be trained in a more systematic way so that we can structure and plan ahead of time where we have the deployments in failed states or regime-change operations or peacekeeping or what have you?

CALLAHAN: Yes, it's easy to look back at this one and say, yes, it would have been nice to have that happen. But, in the next war, one never knows. We may be involved in combat more, or it may be we just walk in and everyone says, "Hey, take us to your leader, where's the money, let's get going." One never knows how that will happen. But I do believe that in the current world environment and what I believe will be the future world of this type of activity, you're going to need more people who understand the noncombatant, non-conventional challenges, such as winning the hearts and minds of people, while maintaining security at the same time. I think there were some who believe, and I share some of this belief, that the combatant commanders worry only about security.

One of our big failures was that we did not involve the Iraqis soon enough and broadly in the reconstruction of their own country, and in the security of their own country. I would consistently get lectured when I would visit the prime minister of the KDP or the KRG. He would say, "We should be providing that kind of security for you guys, not the military," when something would happen down south of us.

We never had anything really bad occur, except a few explosions, one very bad one in Irbil. But we weren't subject to the same level of aggression. In fact, I would say compared to the south, and in Mosul, there was no aggression in the Kurdish region against coalition forces, that I saw.

Q: Was our slowness in involving them a product of our expectation that we would be there, in charge, for much longer than we ultimately were? And did the process of local involvement and participation accelerate once the July 1st deadline was announced?

CALLAHAN: I think your assessment is pretty much right on. Initially, I think there were some other factors and dimensions that play into that, one of which was de-Baathification. You go into, for example, in Mosul, the university. You fire all the teachers, all the professors, who are a certain level in the Baath Party. Well, it turns out that most of them, in order just to keep their jobs, had to be at that level. So the fact that a person was a Baathist was not an indication that he endorsed the methods and the processes and the methodology of the Baathist Party, or the ideology of the Baathist Party. Many of them did it for purely economic reasons.

Another good example is the military, the army, because Mosul is one of the centers of military learning and military prowess. They're very proud of their army in Mosul, and the generals who have served from Mosul, many of them high up in the military. But they are also Baathists, so you fire all of these guys. These were the people who were in charge, and many of them are Iraqis. They're not Baathists, they're not puppets of the regime, they are Iraqis first. And when you tear away the layer of the regime, you open up these people to flourish in a more positive way.

Now, how you identify who is a hardcore Baathist from one who is a Baathist in name only is a problem.

Q: Well, Terry, had we tried harder, or had we looked for people who knew more about the Baath structure, we might have avoided this error ahead of time. Is that true, or once again, was this information just simply unavailable until we got there and discovered that a lot of essential people were Baathists not by choice but by necessity?

CALLAHAN: Well, I think the information was probably there. We didn't have many experts on Iraq, first of all, going in, so much of this was learned once we got into the country. As I learned when I was in Chicago at the University of Chicago, a certain set of experts visit a certain area and then they sort of grow their impression of the whole country out of their own experience in a smaller area.

Q: Right.

CALLAHAN: So you had to be careful about that; but I don't think even Ambassador Bremer truly had a real good understanding. Now, you can be briefed, but 15 bullet points on a PowerPoint isn't learning the beliefs and the mannerisms and the customs and the traditions of the country. It's just getting an overview. For example: some of the people aren't Baathists, some of them are. You've got to be careful about choosing the ones that are.

And I don't know what approach could have been used. Certainly, as we moved on, there was an easing of the restrictions on Baathists. And as more of these folks became identified with a positive change, and moving in a positive direction, they were reinstated or were given a conditional reinstatement.

Q: It must have been hard as hell, though, to distinguish the good guys from the bad guys. And you would have to have some advice and help from trusted Iraqis to do that.

CALLAHAN: Therein lies the rub. How do you find that one trusted Iraqi to give an opinion about the next one, and so on and so forth. I worked with many Assyrian Christians and learned that their opinions were tainted by what their experiences were with Kurds, for example. "Never trust a Kurd" was their mantra. Well, I found many very trustworthy Kurds when I worked there.

Everybody is the sum of their experiences and beliefs, and one person is trustworthy in a

particular manner and another is not.

Q: Let's talk about language expertise. Did you find the lack of Arab language skills in our forces and in our civilian staffing a big problem?

CALLAHAN: I did not. I had a number of interpreters who were locals. I had an Assyrian interpreter. I had a Kurdish interpreter and I had an Arabic interpreter. And, in fact, sometimes it was the same person, doing all three.

Q: Were they locals or were they expatriates who had come back?

CALLAHAN: Well, they were a combination. Some were locals, some were expats who had returned, and we had a few people who had been to language school. Their language was Arabic, in particular, in the south. One interesting anecdote is we had a guy from the Air Force who was a native Arabic speaker from Lebanon. He was assigned to us, and he was assigned to Irbil as a linguist, but he spoke Arabic. And Irbil is a Kurdish city. Nobody – well, not nobody, but most people don't speak Arabic. They speak Kurdish.

So you know what I said to the guys down in CPA Baghdad, I said, "No, this is not too helpful to me." And so we ended up reassigning him down to Kirkuk, where he could use his Arabic skills. But, again, there were sometimes personnel mismatches where we had a number of people who just did not fit the bill. Many of those were contracted help.

Q: Tell me about the qualifications of the civilians with whom you worked, and what lessons were learned in staffing the operation?

CALLAHAN: Among the Iraqis, in the south and in Mosul, I found that there were many qualified – what did they call them, now? Administrators. They were the civil servants, civil servant types, very good at what they did; they were really kind of noncommittal in terms of Baathist, non-Baathist, that kind of thing. They wanted to make their money, go home, have a good dinner, that kind of thing.

But at the upper levels, the decision making levels, the leader levels in those areas, the experience was not of management, or traditional management. It was management by fear, intimidation, payoffs and that kind of thing. And I'll say that's what I witnessed. I don't know if that was in general, but I know that there were many cases where I saw that occur.

In the Kurdish areas, the people had a lot of experience in government. Many of them, the deputy prime minister, a fellow named Sami Abdul Rahman ...

Q: What about the American staff? Let's turn to the Americans and the way people were selected, the length of their tours, their training, or lack thereof.

CALLAHAN: Yes, I had a number of State Department people come in who were put in

positions called governorate coordinators. They were in charge of a particular governorate, manning the office of CPA in that governorate. I found that some of them were very skilled. We had a couple of Arabic speakers. They were very good at dealing with people of different cultures, and were able to ingratiate themselves with the locals, because they were helping to rebuild it.

There were others, however, who just in my view didn't seem to get it. They were more concerned…. I mean, I had guys actually coming to me and asking to me about getting a green Land Rover rather than a black Chevy Suburban because he didn't like it, or didn't like the way the wallpaper and the carpet matched.

Q: These are State Department people?

CALLAHAN: State Department people. I had a guy who just decided he was going to go to Turkey. And he wasn't concerned about security going from where he was to Turkey, but was concerned about coming up to visit me, which was halfway between him and Turkey. So, when he was on vacation, it was cool, but when he wasn't, then he wanted all this security.

We had some very dedicated people from USAID (United States Agency for International Development) and other agencies, the Agriculture Department, who were just very hardworking folks who had credentials in those areas. Our displaced civilians person, our refugee person, the guy who was our agricultural specialist – he brought in a staff of people who were experts. One guy was a pig and tobacco farmer in North Carolina who just knew a world about getting into the dirt and helping people with farming issues.

We had an Italian guy who was brought in for governance. He didn't know which way to turn. We had to kind of direct his agenda.

So, there were a lot of mismatching of skills with need. And I think part of that was because we just needed bodies. On the operational side of the house, I wanted Civil Affairs officers, or officers who had experience as plans and operations officers. I mean, I could always put those guys to work, because they would work with nothing to get something.

Q: Were most of them Reservists?

CALLAHAN: No, we had a number of Reservists, but we had a lot of folks who were not. We had some Marines who had come in to do a six-month tour in CPA and then leave. I had two majors who set up the governorate coordinator – the governorate sites in each of the governorates by themselves. They went out, the scouted the area, they found the place, they coordinated for security, they did all that work.

And then the State Department guy comes in and says, "I don't want this, I don't want that." It was bizarre sometimes. But on the other side, we had some Army guys whom I

had to replace as well, because they just didn't seem to fit.

We were most disappointed in the level of skill that our contracted help had. We had some very good guys, mostly IT guys. The geeks would come over, and we wanted the system up and running, they would get it up and running fast. We wanted something designed, they would do it.

But on the operations side, CPA operations was staffed by contracted help. And I had some guys who I had to relieve just within the first two weeks. I told a guy, "I can't use you," because I couldn't understand him. He was Colombian, I think, former U.S. military. He brought a very, very strong résumé in project management, but he couldn't figure out how to manage projects.

And again, I think it's because they just wanted people. OK, we've got a contractor. CPA North needs three people. I need two at management, project management experience, I need a medic. The medic's pretty hard to fake, but the two contract management people, this guy, he says he did some projects, so that must be a management guy.

Q: Some of the people we've interviewed said that they learned a lot from people from the other coalition forces, especially the British. Tell me about working with the foreign elements there, and in this kind of operation, should we have or could we have drawn more heavily on foreign expertise? In the beginning, there were some restrictions on contracting. I'm not sure what became of that.

CALLAHAN: My own experience with other foreign nationals is somewhat limited, but by and large, they were all very good. As I said, the woman for whom I worked eventually is named Leanne Saunders. She's in the diplomatic corps, I guess – what do they call it, the foreign service?

Q: Yes.

CALLAHAN: And she had worked in the region for a number of years prior to the war, and worked with the Kurds, and had in fact worked to solidify or to unify the two parties into one, negotiating with them and so on. So she brought a wealth of experience and insight into the region. And she was also a native Arabic speaker and had studied thoroughly the area, so she knew what she was doing when she was in there.

We had a governorate coordinator who was British, a very good guy. He would roll up his sleeves and just get in and live in a tent. He had no problem with that. He was just concerned about security, as we all were, especially since he was in Kirkuk. I also worked with some British security guys who were contract security and some Fijians and so on, and they were all very proficient and good at what they did.

There was only one British guy who I didn't really appreciate too much, because he just didn't know his job. I think it wasn't his fault. He was just put in there. Again, some of these folks didn't work out because if you're a financial analyst you're not going to be put

into agriculture and make a big name for yourself.

Q: The tours were sometimes very short. Was that a problem?

CALLAHAN: Yes, especially with the contracting officers. The Air Force contracting officer tour was about four months, 120 days. We'd just start ramping up and we'd get a guy who was pretty much on top of the game and then all of a sudden we'd have to start and rebuild again.

Now, for us, that was a kind of two-edged sword. On the one hand, one of the contracting officers we had was just very argumentative and was a strictly here's the book, we go by the book and you can't do anything outside the book. And that restricted our movement to some degree with regard to contracting. And then when we got another contracting officer who was more pliant, still within the confines of the rules, but was more pliant and sought solutions rather than roadblocks, so we actually benefited from that. But when he left, we were back to square one again.

So, I think that that was a problem. Another one was that we had a lot of the key people leaving at the same time, which was understandable, because the war started on a certain date and everybody came in on that date, then a lot of folks left. The Civil Affairs folks had a one-year tour of duty. But the other services, the Navy guys, contract officers from the Navy and from the Marines, were there for six months. Just when we were getting used to operating with them, they'd leave.

Q: What was the mix of Reservists in the civic affairs military community? What was the mix between Reservists and career personnel?

CALLAHAN: Civil Affairs officers?

Q: Civil Affairs, yes.

CALLAHAN: All Civil Affairs officers except one battalion are Reservists.

Q: I see. That's by design, is it?

CALLAHAN: Right, right. It makes sense. I had a school principal who was my education officer. I had a veterinarian who was my veterinary officer.

Q: Sure, but they train and they have the professional skills that are needed for Civil Affairs. Is that the right approach?

CALLAHAN: I think it is, because you train an infantry officer to be an infantry officer, and occasionally they go outside the gates and they mingle with the population. But when you have a civilian who was a banking expert and knows banks, as we had in Iraq, he knew exactly what to do. We were trying to set up a central banking facility in the town of Tikrit, and satellite banks around it.

Now, it takes a special combat officer, infantry or armor or combat arms guy, to be proficient at that skill and then be an expert in either banking or agriculture management or any civilian field.

Q: But, among senior officers, career officers, there is a need for them to understand and appreciate the need for Civil Affairs and their unique expertise, too. Is that part of the training for the most senior officers?

CALLAHAN: I think sometimes there's a feeling -- we're kind of overcoming it a little bit, but not entirely -- that there's a Reserve Army and then there's the active Army, and while they say we're one Army it's more lip service than anything else. When it comes time to choosing, an active Army officer will choose an active Army officer, regardless of skill set, in many cases.

So what we were faced with is proving our worth, and therein lay part of the rub in Baghdad. We were never given the opportunity to prove our worth because the corps G5 had his opinion, based on his experience, which was administrative and combat command experience. So we were left kind of out in the cold and had to figure out how we fit into this guy's stream of thought.

Q: Was Ambassador Bremer much involved in Civil Affairs, and did you work autonomously, or did you rely heavily on guidance, instruction from Jerry Bremer?

CALLAHAN: Well, I only met Ambassador Bremer a few times when he came up to Irbil to speak with Massoud Barzani, the president of the KDP. But other than that, I really had no involvement with him. But the effects of the policies and processes in Baghdad kind of led us to act somewhat autonomously. The regional director, the regional coordinator, while he reported to Ambassador Bremer, had no direct supervisory line authority, over the governorate coordinators.

We were one region; we had seven governorates. The only power we had over the regional coordinators was that of the purse. We had money that they could use. So the regional coordinators reported directly to Bremer. The governorate coordinators, seven of them in our region, reported directly to Bremer.

After a while, you could tell it was getting a little bit contentious, because the governorate coordinators would report things to the various agencies in Baghdad without telling us, the region. And we'd get kind of blindsided, and that would make our regional coordinator go berserk. So, the CPA Baghdad involvement in our affairs, to my view, was limited to asking us for information, and then it would just kind of go into this hole. It was one of the problems we had.

Q: In looking back, you would have preferred a more dispersed, autonomous system where you and other governorate and regional coordinators would have more autonomy?

CALLAHAN: I think we had a considerable amount of autonomy. What we needed was decisions on direction. A good example is do we pay the former military people or not? And if we pay them, do we pay the pensioners as well? This issue centered on the Kurds and the displaced people who by force of the Arabization program of Saddam Hussein were pushed out of their homes.

And then the Kurds would come back to reclaim their properties at the office of reclamation. How do we get that thing going? We were told that we had a budget, and we had to hire people and all that, but we never saw it. It was kind of like Congress dictating to the states, "You will do these things. We're not going give you any money. We're not going to give you any people. But you'll do them."

And that was another issue that was, I think, of a contentious nature between Baghdad central and its governorates and so on. You got directed to do things, but you didn't always get the resources in a timely manner to do them.

Q: Do you have any thoughts about the merits of having a civilian in charge of the CPA in Baghdad? Or should we have had a military man as the head of the CPA, or is that not a factor?

CALLAHAN: I don't think it's as relevant as it might be, but if you put a military guy in there, then by nature of the military system, that person has to assume command authority over somebody. And who is that? Ambassador Bremer had authority over all the forces in Iraq. I mean, I have no doubt that he did. He has that authority; but then there's the highest Army authority -- Sanchez's authority -- over the corps commanders and so on, and it was sometimes difficult to sort out who the hell was in charge of what. And I think that created some of the problems.

If, for example, General John Petraeus didn't like a decision or didn't think it was happening fast enough, he would just make a decision to go ahead and do some things. I'm convinced he didn't do that out of any need to make himself look good. I think he did it out of genuine concern for the expeditious nature that was needed to implement some of these programs. And if Baghdad didn't act fast enough and he had the money, then he would do it.

Q: Did you ever need guidance from Washington or from CENTCOM (Central Command), and was that something that you were concerned about, or did you find that those of you who were working in the regions simply looked to Baghdad for your guidance?

CALLAHAN: No, the only place we could look was to Baghdad because Bremer was the boss and you did what he said.

Going back to dealing with the problem between Kurds and Arabs, the relationship is a contentious one. The Kurds are afraid that they'll be subsumed by the Arabs in the

government.

And we kept seeing a vacillation back and forth – first, we're going to have an 18-governorate model, then we're going to have some autonomy, then we're going to have the Kurdish region and the Sunni region and the Shia region. And it was just this going back and forth and back and forth, and it was eating us up, because we were spending a lot of time going back to the Kurdish leadership an explaining to them, OK, here's what we think's happening now.

Leanne Saunders was very much in tune with what was going on there and was instrumental in making sure that the nerves of the Kurds were kept calm.

Q: Let's go back to broader issues. Were you there when the supplemental funds began to flow?

CALLAHAN: Yes.

Q: And you mentioned the 20 million dollar tranche that you relied upon. Tell me about the supplemental, what you saw from where you were, and whether you were able to use some of those funds. Did they flow freely?

CALLAHAN: As I mentioned earlier, they did start to flow very freely. In fact, as I said earlier, almost too freely because in many cases we did not have the ability to absorb all that money into the economy at the times that we were given to put it in there. And we had to be more diligent in how we managed that money, and the accountability for it was greater, as one would expect. It was just a different way to operate, and once you got used to it, it was OK.

Q: Were there major, big infrastructure projects in the north, in the oilfields or otherwise, that were handled by the big foreign contractors?

CALLAHAN: Yes, the most noticeable of which was Bechtel. There were two projects in which I was familiar. One was this project to rehabilitate over 600 schools, and they had a "hub and spoke" kind of progress, where they'd identify an area of concern and then try to fix all the schools in that area. And, in fact, that never really did work out too well, but I'm not sure why. A number of reasons were cited, one of which was security. Another was the problem of getting the number of contractors together; and then there was the number of people in Bechtel that were available to do the job.

One of the things that I saw occur was that the Civil Affairs guys, the combat guys, would have done an assessment. And then those assessments were sitting somewhere in a database and Bechtel would come in and they'd want to do an assessment of a facility. And then the Corps of Engineers may come in and do an assessment. So you had all of these people assessing, and that slowed the projects down.

There were a couple of bridges that Bechtel was supposed to have been involved with,

one of which was on a road between Irbil and Mosul. And it was one of these where they were the prime contractor, and they subcontracted. One of the companies was right down the road from where I lived. It built the concrete beams used to construct the bridges and the abutments. And they were involved in a number of those kinds of projects.

And those were very slow in coming, and I think it was just that, again, Bechtel is a large company. They had to get on the ground, figure out where they were, and then send all the reports they have to send back. And then they would try to run a business in Iraq like you'd run it in England or the U.S., and you can't do that. Well, I won't say you can't. You can do it, but doing it there, at that time, was not really gaining us any favor. There were high expectations among the Iraqi population to get something done, and Bechtel was saying, "But we have to go through these 15 steps." Then the Iraqis just throw up their hands and say, "Well, this is just like Saddam."

Q: Was there any alternative to bringing in large foreign contractors for big, sophisticated projects?

CALLAHAN: When you say big, sophisticated projects and you're talking about large, major, national infrastructure projects like a power grid, I think that's what you need to do. You need to have somebody who knows how to do it. But the guys that I worked with knew how to build a bridge. Here's $1.5 million to build this bridge, and they knew how to build it. They didn't need Bechtel to oversee it and take its cut.

So, the things that affect people very closely are the things you need to pay attention to. That's what the on the ground Civil Affairs guys and the combatant commanders and their troops did, and some of the USAID people. They were concerned with that level.

And then there's this upper level that has to be concerned with what should the highway infrastructure look like? That's a question that should be for Bechtel, not whether you build that $1.5 million bridge over there.

Q: Was the security situation a big constraint in going forward with reconstruction?

CALLAHAN: Yes.

Q: And in the best of all worlds, should we have had more forces there to look after security, thereby accelerating the reconstruction?

CALLAHAN: Yes, I think there was a – if you want, there was a kind of a sine curve effect. In the beginning, there was a lot of security, mainly because there weren't so many people fighting back. So, the area, in and of itself, was inherently secure.

At that point, we didn't have our act together well enough to take advantage of it, I don't think, with regards to the monies and so on. We had money available, but we were still out there doing assessments and sometimes we were overlapping work, and so on.

So when the security was fairly decent, in the beginning, we didn't know how to conduct business as well as we should have. And that is a learned set of skills.

Q: Right.

CALLAHAN: How do you conduct business in Iraq when you've never been there? Well, you go and you learn how. Then, as the security situation started to deteriorate, reconstruction halted in many cases. We had Corps of Engineers guys who couldn't go out and do assessments in Mosul because they were getting shot at. They were grounded in some cases. We had USAID people like one guy who was really a great "gung ho" go-getter who wanted to be out there all the time, but he was told by his people, "Don't go, because we don't want you to assess."

Name one NGO, the non-governmental organizations, that wanted to be up there, and I'll give you $50. They didn't really want to be up there. They wanted to be where it was safe, either in the Kurdish region – everyone wanted to be in the Kurdish region – or they wanted to be sitting in the Green Zone in Baghdad, talking about what they were going to do.

So I think security definitely had an effect on the speed with which we interacted, certainly in the time after security started to become an issue.

Q: I also asked if had we had put more forces in there, what would the effect have been?

CALLAHAN: I think that there would have been probably just as much fighting, with more forces being more targets to some of these folks that are fanatics. I was told a number of times by the locals, "You should have involved us sooner, more robustly, in the process of securing the country – the police officers, the military. You shouldn't have fired everybody in the military. Find out who to keep and keep them."

A lot of these folks you can buy. Buy their loyalty for $15, $20 a month and make sure that you keep on top of what you're paying them so that the enemy isn't paying them more, that's one way to approach it. But there were genuinely good people there who wanted to get the job done who were not involved in the attacks because they were Iraqis. This was their country. And I think sometimes we forgot that.

Q: And on the subject of the army, was there any structure left to the army when the U.S. made the decision to disband it, or was it inevitable that the Iraqi army would not be quickly reconstituted and engaged in security?

CALLAHAN: Well, it's hard to say. My own personal opinion is the Iraqi army was defeated and the guys left their post, and they no longer existed as an army after about April. But could we have rebuilt it faster than we did? Yes, I think we could have, but again, that is conjecture on my part. I don't have any expertise in what it takes to build an army.

Q: But your point is that often American forces became a magnet for attacks, and that better security would have been accomplished by having Iraqi forces do the job if they had been available?

CALLAHAN: That's the opinion of the many, many Iraqis with whom I spoke, yes. I guess it's really not my opinion so much as I am echoing what I was told. And I've got to believe that if the people there are telling me it's true, then there has to be some truth to it.

Q: Was the insecurity – it's complicated, I know – but could you distinguish between thuggery, crime, and banditry, on the one hand, and, on the other, political insurgents who were motivated by ethnic or nationalistic reasons and alien terrorists who came into Iraq?

CALLAHAN: I really can't speak with any authority, but I do know that in Mosul, there were these Saddam Fedayeen who came in. I remember I could go into Mosul when we first got there in April, May, and sit in a restaurant and have dinner with my flak vest on. But now, I wouldn't want to go into Mosul and do that.

The Saddam Fedayeen came in, reportedly with 500 or 600 people and started to incite activities that were anti-Iraqi government, anti-U.S. and anti-coalition forces. So those were just former regimists who wanted to go back to the glory days.

Over in Sulaymaniyah, we had the Ansar al-Islam, and those were Kurds of fundamentalist faith, fighting against us and against the Kurds there in Sulaymaniyah, blowing up folks and so on. And so that was a force of fanatic Islamists who were Kurds. And I do know that in Ba'quba, we had folks who were civilians injured and killed by car bombs that were set off by folks who were identified as outside influences, mostly Iranian, as I recall. But this is just recounting what I heard. I don't have any way to appraise the Ansar al-Islam.

Q: Based on our experience, should we have started more rapid training, standing up of Iraqi security forces by building the police or the army, or should we have done them both simultaneously?

CALLAHAN: Well, I think simultaneously, because if you want to separate the state from military control, you need to have a civilian police force. Just like we do, the Pace Comitatus Act. You need to separate the military from the civilian police force.

The military does one thing. They protect borders, they protect from incursions by outside forces and so on. The police do all the internal work, and that way you separate those elements; you get them used to that idea right up front, that the military is not a police force. And you have those two separate lines.

Plus, the military, the guys I spoke to in Iraq, were very proud people. They were proud of their military heritage, albeit not so proud sometimes of the deeds they've done. But there is a group among them who are very good and Iraqi nationalists who don't want us

there, but they don't want to be ruled by a fundamentalist government. They don't want to be seen as second class citizens in the Arab world.

Given that pride and desire to serve the country, I think you could tap into that, but how do you identify those people, I don't know. And how do you separate those from the guys who say they're that way but want to wreak havoc?

Q: Were you aware of something called the Iraqi Civil Defense Corps?

CALLAHAN: Up in the Kurdish region, we had the ICDC up there. There was a training facility not too far from where I lived, near the town of Irbil. And I attended a couple of graduations of the ICDC battalions there. So I'm familiar with them. I saw them provide protective services when we had a representative from the UN coming to visit us and we needed a lot of security, and they participated in that as security forces.

But these were Kurds who were part of ICDC. And the Kurds wouldn't have trusted Arabs to do that; so they got their own. But my only familiarity with ICDC was some of those brief moments. And then there was a protection service for installation protection.

I don't know how they were used subsequent to my departure, but that's what I saw at the time. The ICDC were used in roadblocks. They'd be manning the roadblocks that I went through in Irbil and surrounding towns.

Q: Did you see, or did you observe foreign contract security personnel? Were they a big factor in the country?

CALLAHAN: Yes, in my view, sometimes too big. My most telling story is when we were in Irbil. I lived in a hotel called the Khanzad. And we had a security force of 202 Kurds, provided by the prime minister under the direction of one of his relatives, I guess.

Those 202 Kurds cost me $6,000 a month, and they fed themselves, they provided security for the site. We had Triple Canopy come in as one of the contractors. And they were hiring the Kurds to do this job. I think it cost us $5 million, $4.8 million?

Then they had a personal protection team and they had 13 or 14 of those people, and bulletproof Mercedes-Benz and all this. Now, I don't begrudge security for the top people in the region, but to the tune of almost $5 million a year – I think was taking advantage of a situation.

Q: Well, we hired these people and paid them these lavish wages because there were not enough Iraqi security personnel or Americans to do the job. Is that a sound conclusion?

CALLAHAN: Well, my conclusion, in the Kurdish north, is that the Kurds would have taken care of us. We could have hired Kurds for one-tenth the price, and it would have been a better security force. In fact, we kept the Kurds. Triple Canopy kept the Kurds on staff. They hired the local guys there. But you couldn't do that in some places like

Kirkuk, or Mosul. Kurds would get pissed off if an American got hurt. The Arabs in the south and in Kirkuk would say "Oh well, just another casualty of war."

Plus, there are internecine rivalries there that prohibit you from hiring. You couldn't just hire one, from one group, you'd have to hire a representative sample from every group to make it – and then it wouldn't be effective, because they'd fight amongst themselves, I would guess.

But for security forces, we had Gurkha retirees providing security for some of our team houses in the governorates, and then we ended up getting Fijians, I think, in Ba'quba. Or at least that was the plan, to get Fijians in Ba'quba to provide site security. But it was at a big, big price tag.

Q: Do you have any other observations on security? We might turn to governance. We have a unique challenge in Iraq to restore security, reconstruct the country and build new institutions. From your vantage point in Civil Affairs, did you watch the governance operation and how that went, and what are your observations?

CALLAHAN: I did watch it, and it was very interesting to see the various methods that the division commanders would employ. Over in Mosul, for example, as I said, "We're going to gather all you guys together in a room and you're not leaving until you put your ballot in a box that says who's going to be your mayor or your governor and then your deputy governor or deputy mayor and so on." And that worked to some degree.

But then when we pull out our forces, what happens to that government structure? I don't really know.

I think sometimes we got a little heavy handed in our pursuit. We were like the benevolent dictator, you know, "This is for your own good, so do it. This is democracy and this is the way we do it in the U.S., so it's got to be good for you guys."

I know it was more sophisticated than that, believe me, but to an outsider looking in, that's what it looked like, a lot of it. And I'm sure, as I talked to Iraqis, that some of them were a little bit embarrassed and a little bit miffed at the heavy handedness with which sometimes we tried to impose our beliefs on them.

Q: Did you have a sense that the Iraqis were so unaccustomed to democracy that it was unrealistic to expect democratic systems to evolve there anytime soon?

CALLAHAN: Well, I think that's true because even local officials would look up to whoever the Americans were in that area, to make a decision. And I have to exempt the Kurds from this again, because they knew exactly what they wanted, and sometimes they'd look to us for decisions, but it was mostly for things that they'd asked us about earlier.

But the way I viewed it was they were not accustomed to making decisions, because

many of those decisions had been made for them, in Mosul and in the southern part of the region that I was in. So they would look to the military commander, or they would look to the CPA folks or somebody in a position of authority on the coalition side to make the decision and say here's what you've got to do.

I think it was partly just a function of that's how they were accustomed to operating. They were told what to do all the time, and then on the other side, many of these folks just did not have the experience in any sense of how to govern, even a town. How to set up a city council was a big issue. And I had a guy working in my brigade, his name was Joe Rice, who wrote, essentially, a handbook. He's a mayor of a town in Colorado. He wrote a handbook on setting up a city council. How do you run a city? With a city council.

Q: Is there kind of an intermediate process of creating laws and courts that can be done more quickly than developing democratic habits and practices? And were we much involved in developing legal institutions?

CALLAHAN: Oh, yes. In fact, I worked fairly closely with the JAG (Judge Advocate General) officers from the 101st and from the 173rd. They did it. I just said, "There's a group of lawyers here in Irbil who want to develop a relationship with the lawyers in Mosul, and what they want to do is talk about the various aspects of the criminal justice system in Iraq and how they can change the system of criminal adjudication or that kind of judicial processes in Iraq." What do they need to do? It was a lawyers' union, essentially, is what it was.

So the guys in 101st, the judge advocates there, they sat down with these folks. They started to do lectures and they brought guest lecturers from other parts of the country to get a judiciary more knowledgeable about their own laws, and then talk about how to do this in a democratic environment.

Q: Do you think that elections will give the Iraqi provisional government greater authority? The winners in such an election, will that create the kind of legitimacy that an Iraqi government needs to govern and maintain security?

CALLAHAN: I am hopeful for that, but what I believe is going to happen is that the vote's going to go along these ethnic lines, the Sunni, the Shia and the Kurds. And it's going to be a great balancing act. I think the leaders, the prime minister, the president, those guys who are elected have to look at the broader view, being inclusive, without being forced to. One of the things in the Governing Council is that we have to have so many Kurds, we have to have so many Sunni and so many Shia and so many Assyrian Christians, and so many tribal representatives.

That's not the way democracy works. And I think the way the Iraqis view democracy is that in a democracy my voice needs to be heard, and I have to get what I want all the time, because this is democracy. Everybody in a democracy gets what they want. I would spend countless hours, explaining to students especially, you don't get what you

want in democracy, you get something less than what you want usually. But what happens is it works out better for the whole. I don't think Iraqis understand this, and I don't think that elections are going to force this into them.

Q: You fear there'll be a kind of winner-take-all attitude if one community prevails?

CALLAHAN: Yes, I mean, that's my view.

Terry, could you sort of sum up, if you'd like – you've made a lot of very valuable points and judgments. But is there something you missed or some sort of general conclusions you'd like to draw about the approach that we have taken thus far in Iraq? What it tells us about what we need to do in the future as we are likely to be involved in other conflicts, not identical, but big and complicated challenges? What things stick out in your mind as the important lessons we learned, or should have learned?

CALLAHAN: Primarily, because I've traveled in a number of countries and lived and worked in many places in the world that are considered third world countries, and then in the industrialized countries as well, I think there appears to be an American inability to accept a point of view of another national. I kept hearing words like, "what they're doing just isn't logical."

If you don't think in another country's sense of logic, then it won't be logical. And I don't know how you teach that to people. I don't know how you inculcate into the leaders of the military or others, even into State Department folks, that there's a vantage point by which the folks you've just conquered view the world, and you're not going to change that vantage point by trying to overlay yours on top of it.

There's some level of acceptance you have to take, and it has to be taken on faith that it's going to work out, that you accept that viewpoint and then work from there, not necessarily changing the viewpoint, but using whatever means you have to get them to the effect you want.

Sometimes we care too much about what people think, and not enough about what they've done, and I think one of the weaknesses or one of the fallacies here in this whole exercise with Iraq is that we went in with the mindset that we're going to make a democracy, and by God we're going to do it. Americans are very good at doing a task, but the interplay of all of the other dimensions of this one task make it more daunting than it originally seemed to be. So there's that.

I certainly agree with Colin Powell that you go after this thing wholeheartedly, that you go in with as much power as you can muster and then, from that position of absolute power, you back away fairly quickly, understanding all of these issues that have to do with the cultural perspective of the people with whom you are dealing.

And then there's this whole notion that you can be the hero today and the goat tomorrow. I don't know how you overcome that. I'm in the sales business, and I try to under-

promise and over-deliver. And Americans don't want to do that. We're coming to bring you water, we're coming to bring you new schools and all this stuff. And we're not all powerful in that regard.

So, sometimes I think we set expectations in these countries and amongst our own people that this is what we're going to do. And it may be politically expedient to do at the time, but then, as we now witness, it's coming back to haunt us, both domestically and internationally.

Q: You've had a career in business. Do you have any comments about how a competent and legitimate business community can emerge out of the troubled past of a society like Iraq's? And that's not something the U.S. has focused on, but Iraq, do they have the capability to create general entrepreneurship?

CALLAHAN: There are many, many entrepreneurs in Iraq. Anybody there who sets up a pop stand, and there are many of those, selling bananas, those are entrepreneurs. You just have to scale it up a little bit. I think education is a big key to this thing, and business education is a big key to it, and teaching people how to conduct business.

In Kirkuk, one of the guys in the 173rd and in the 404th Civil Affairs Brigade set up a business council in Kirkuk and, working with some of the business leaders there, set up this council to set up banking facilities so that you could actually conduct business without cash. It was a big deal there. You had to pay cash for everything. There was no transfer, no electronic transfer of funds.

So setting up the small business councils, and there was one in Irbil where I lived, is a good idea. I visited with them in an area we called the free trade zone of Irbil. I don't know how that really got started, but talking about how to conduct business and working with some of these folks is a good policy. We could have mentors or consultants, for lack of a better term, to help share ideas, not do it for them, but share ideas of how things can be done and how to start businesses, how to manage businesses, how to grow businesses, and do it legitimately. There is a need in Iraq to teach people that you can do business without hurting people and without stealing from them.

Q: Terry, that was a terrific interview, and I thank you for giving so generously of your time and your thoughts. It's very valuable..

CALLAHAN: Thank you.

Q: Thank you also for your service out there, in a very difficult, challenging situation. There are two options for using this oral interview. The interview will be used as part of a bunch of these by the U.S. Institute of Peace to create papers on lessons learned in these three areas.

CALLAHAN: Sure.

Q: We would also like to take the oral interview and put it in an archive run by the American – Association for Diplomatic Studies and Training, which is a huge oral history archive. You have the option of either doing that or not. It's your choice. And that goes into the Georgetown University Library.

CALLAHAN: I have no objection.