

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

**LARRY CRANDALL
EXECUTIVE SUMMARY**

Interviewed by: Larry Plotkin
Initial interview date: September 20, 2004
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Retired USAID officer Larry Crandall pulled two tours in Iraq. Crandall was asked to travel to Iraq following a Foreign Service career throughout which he garnered expertise on war and civil conflict. His experiences include work in Haiti, Afghanistan, and Pakistan. For the two months encompassing the kinetic part of the war, he was involved in preparing plans for the demilitarization, demobilization, and reintegration ("DDR") of Saddam's armed forces and those of the anti-Saddam militias.

Mr. Crandall expressed several reservations with the reconstruction effort. He notes a lack of proper planning and inadequate implementation of existing plans. The latter was largely due to inexperience and became particularly problematic. He stated that the occupation led by Jerry Bremer essentially ignored the DDR plan until it was too late for effective implementation. Bremer lacked the experience to understand the political aspects of demilitarization. This lack of recognition had the result that none of the essential recommendations were undertaken.

Crandall also witnessed planning problems as the prime deputy involved with the \$18,000,000,000 reconstruction program. He found that there was no policy directing the use of the funds and that those responsible lacked the experience necessary for effective implementation. This combination led to a disconnect between quick-start projects and long-term projects.

Crandall raises other issues, including the level of corruption among the Iraqis, the error of the total exclusion of Baathists from the reform process, the reactive mode of the public affairs (Stratcom) office, and the difficulty of recruiting the best officers to serve in Iraq due to security and career concerns. Security concerns have also damaged the ability to use development funds to carry out projects in Iraq.

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Q: . . . September 20th, 2004. My name is Larry Plotkin, and I'm interviewing Larry Crandall as part of the Iraq Experience Project. Good morning, Mr. Crandall. First, let me ask you the basic information: your name, area of specialty, age, education, employer, professional background, Iraq assignment, those kinds of things, just a few minutes of how you got here.

CRANDALL: I'm Larry Crandall. My last assignment in Iraq was as the number two in the \$18,000,000,000 reconstruction program then called the Program Management Office. After the CPA left the scene and the embassy was set up, [it became] the Army Contracting Office, but anyway, it's the reconstruction program for Iraq. Prior to that I was the vice president of a consulting company for six years, and prior to that I was the mission director in Haiti during the turmoil of '94 to '97. Other overseas assignments include Pakistan. During the period that the Soviets were in Afghanistan, I managed a program to help defeat the Soviets. I've served in other conflict areas as well including Afghanistan, etcetera. So in a sense that's who I am. I've focused, I guess, throughout my Foreign Service career on wars and civil conflicts and a lot of things, so that's why I was asked by the Administration to go to Iraq on two occasions, once by the Army to do a study at the outset of the war on how to demobilize and demilitarize the former Saddam forces and spent two months out there, and then subsequent to that I was asked to go out and help manage the reconstruction program, so I did that for nearly six months. At any rate, that in a condensed form is who I am and what I've done.

Q: The two months you spent working with the Army were immediately after the end of the initial conflict?

CRANDALL: It was before, during and after. You might recall the conflict lasted about six weeks, the actual heated part of it, or kinetic part of it. So I went out there before the first shots were fired, and I was based out of Kuwait City but moved back and forth across the border, obviously under heavily armed guard, but at any rate I did that with a retired Army colleague who was also experienced in what the academics call DDR, demilitarization, demobilization and the reintegration of armed forces. So we went out there for a two-month period to make a series of textbook kind of recommendations on how the U.S. government might go about neutralizing the armed forces.

Q: When you left, what was the status of that project?

CRANDALL: When we left Kuwait City after a period of two months, we left Kuwait thinking that the U.S. Army was going to spend a large amount of money in a contracted sense to implement many of the recommendations that we had made. At that same time, Jay Garner, the first head of the reconstruction program out there, retired three-star general, Jay Garner, he was relieved of his duties by the White House, and then a new [head] was brought in, Jerry Bremer. While Jay had a good appreciation for all the recommendations in the report and why it was undertaken, it was something that Bremer was not at all familiar with, the sort of political aspects of how you demilitarize armed forces, and he balked at it and, therefore, the White House balked at it, so none of those recommendations were undertaken. Mind you, those recommendations related not only to the formal security forces under Saddam, but also to the militias like the Badr Brigade and SCIRI and what not. Some months later the Administration realized that a very serious mistake had been made, and that's why the Rand Corporation was invited to come back out there and [try to fix] the whole thing, unfortunately at a very late date, at which time the militias and other forces were getting increasingly well organized against the U.S. Our recommendations were not undertaken, nor were Terry's, for that matter, after six additional months of trying. It was too late basically at that point. In a nutshell that's what it was.

Q: What were the dates of your subsequent assignment on reconstruction?

CRANDALL: On the reconstruction side from January to June of this year.

Q: I can see you've just been back for a couple of months. Well, let me get on to the first of the programmed questions then, and we'll see where that takes us. Describe the nature and status of the economy in the area where you worked.

CRANDALL: Well, the reconstruction program, the \$18,000,000,000 reconstruction program, was meant to help revitalize the entire country. What I found when I first got there was obviously a state of enormously widespread decay. It was very obvious to me and just about everybody else who arrived that Saddam had essentially neglected the infrastructure of the country, and what he had not neglected we had helped either run down or destroy during our two events out there, back in Desert Storm and more recently. So the country was really running on nearly empty economic fumes, if you will. So what I saw was essentially a country with enormous potential wealth but with all the earmarks of a Third World country. That's what I saw, and that's what people continue to see out there every day.

Q: You mentioned the reconstruction fund. What mechanisms did you have to tap into those funds and use those funds?

CRANDALL: The Administration set up under the Pentagon the Program Management Office to manage that \$18,000,000,000. They staffed it at the senior level initially with only active duty or former military officers, and none of these individuals had any experience anywhere under any circumstances with reconstruction. So after some months it was realized that there was little or no experience with this at the office, so they looked around for a former senior officer, who happened to be me, who did have experience in this kind of thing, and I was asked to go out there and lend a hand, an intellectual hand, if you will, helping them understand the complexities of what they were getting into. It wasn't just a matter of fixing a road or fixing an electric plant,

refilling stores or fixing schools; it was a matter of turning the sort of political connective tissue that was offered by the Iraqis to make those many activities politically meaningful. That's what I was basically asked to do.

Q: What kind of Iraqi participation was there, and how did it develop?

CRANDALL: Weak to poor, the Coalition Provisional Authority, weak to poor and a lot of mislinks, I guess I would say.

Q: Do you want to define weak to poor?

CRANDALL: The contacts that we had with the Iraqi government were ones that were either predetermined by the Administration before the conflict began—that is, they were friends of the Administration who in many cases were representatives of various political groups, Chalabi being the most well known, I suppose, in an American public sense—but they were just sort of handpicked Administration people. It's not as though there was any specific criteria other than smiles and friendliness and in many cases the ability to speak English. But many of these people were not well connected with either regional or local communities in Iraq. They were Baghdadis, if you will, in a large majority of the cases, who really couldn't speak much at all for what was going on around the country. They were cosmopolitan in some cases, not all, but not well informed in an Iraqi street sense. It is in that sense that it was weak to poor to nonexistent. It was hard to find in the interim government, at least in my experience, highly informed, politically sensitive folks. They just basically did not exist. The Administration obviously painted a very different picture than what I'm painting for public consumption, but these people were—and I think that now increasingly better understood—not highly representative of the street.

Q: In the course of your time there, was there significant change in the people from the Iraq side who were participating in the process?

CRANDALL: Well, there were changes, but if you mean significant in the sense that they were better, that is, they were better informed, better connected, better representative of general Iraqi interests around the country, the answer would have to be "generally no." There was a new slate that was brought in to represent Allawi and his government, which is the group in power now, but that's not to say that they were terribly different from the first group. I think the increased violence, the lack of ability of Allawi and his government to really connect other than Baghdad or outside Baghdad is well evidenced by [what is occurring].

Q: When you arrived, did you arrive to find a coherent development plan of any kind?

CRANDALL: There was no plan. The first time I became aware of the fact that there was not a plan was in, I guess, January of this year when I went over to the Pentagon for some discussions over there about my first assignment about going to the Army to do this DDR study. I went into Jay Garner's office—this was before he actually left for Kuwait—and on one wall of a large meeting room in Garner's suite of offices was a whole maybe 20 or 25 eight-by-11 pieces of paper pasted to the wall with sort of Economics 101 representations of what you would have to

do to address each and every concern, economic concern, around the country. I looked around and looked at my colleague and said, "Hmmm," and started asking questions of some of the staff who were responsible for those pieces of paper on the wall. Then we began to think these people really don't get it. That was a small representation of the whole staff, to be sure. Then when we went out to Kuwait, by this time Garner's whole staff had been deployed out there to Kuwait Hilton and the beach. I had a chance to meet many if not most of them, and we were absolutely convinced that these people were really not in possession of anything representing a plan at all. So after the kinetic part of the war was over, Garner and his staff moved to Baghdad to the palace there, where the embassy is now located, and they had no plan. Everybody was just running around sort of as individuals doing what they felt was the right thing to do without any sort of, as my lawyer says, intellectual connective tissue or quality connective tissue or strategic connective tissue. It just wasn't there.

Q: Which pretty much answers the next question I was going to ask, which is how the quick-start projects meshed with the longer-term issues, and what you say is that there was no mesh.

CRANDALL: They didn't. To the extent that there was a mesh, it was created in the mind of the speech writers, that is, the people who wrote the speeches for Jerry Bremer, or in his own mind if he made his own speeches, and other senior members of the staff made representations about what was going on there. But in my own view, those representations did not represent reality; they represented make-believe. You couldn't find a strategy document worthy of the name. You couldn't find a policy statement that connected all of these things. You could not find a single individual in the senior staff at CPA who could articulate what the vision was all about, because it did not exist.

Q: Some of the elements, I think, at least in the United States that were talked about a lot in terms of the process were presumably part of some of the quick-start if not meshed. Let me ask you about a couple of those, for example, de-Baathification. Was that something that was going on in any significant way and in a successful way?

CRANDALL: In the eyes of the Iraqi who was put in charge of it, Ahmad Chalabi, I'm sure that he in many cases felt that he was having some success in his undertaking, keeping former or current members of the Baath Party from participating in any way, shape or form in current government affairs, if you will. But we all have to remember that the Baath Party represented a large part of the intelligentsia of the country, a large part of the technocrats of the country, because for over a generation, if you did not participate in some fashion in that party, you could not do anything successful to support yourself and your family. So by undertaking the policy that the Administration did at the outset in putting someone like Chalabi in charge of de-Baathification, we basically removed any real capabilities in continuing to successfully manage our economy or our country. By keeping all the Baathists out, we alienated the vast majority of them forever. Now, mind you, there was a great deal of controversy about de-Baathification within the CPA. The Brits, with a lot more colonial experience, if you will, than we have, understood the folly of that policy and argued vociferously, privately behind the scenes, that it ought to be changed. It took months and months and months of effort on their part, on the part of their diplomats and their senior military officers, to get Bremer to change his mind, but eventually he did and then some Baathists were allowed to participate. But that was a major

mistake. I can't think of very many successes; in fact, none come to mind as sort of successful undertakings. The de-Baathification program, as its successes, may have helped support or bolster the Bush policy in Iraq. There may be some, but I can't think of them.

Q: It's interesting because, having served in Central Europe, there were a lot of us on the American side who understood the necessity of not eliminating everybody who had been a Communist Party member from participation in the new governments, and for the very reasons that you mentioned—an analogy that obviously people weren't tuned in to. What about the subject of sabotage and corruption?

CRANDALL: Corruption was sort of the life-blood of Iraq and has been in living memory of all that made things work, and that hasn't changed very much in my observation, and I don't think it will anytime soon. There are so few economic opportunities in the country that are available to anybody, even since the fall of Saddam, that if you don't participate in the old ways of doing business, that is, what we would term the corrupt ways of doing business, then basically you're disallowing yourself any significant opportunity at supporting yourself and your family, so you have to do these things. Everybody of my acquaintance out there—not to say everybody, but everybody of my acquaintance out there—was either known to be participating in some form or another of corruption or was suspected of doing so if the evidence was not immediately at hand, and I would not exclude anybody of my acquaintance.

Q: Should I clarify that and say "every Iraqi bureaucrat"?

CRANDALL: Of course, there are other stories in the newspaper about others, but, yes, let's just say Iraqis.

Q: If we go back to the pre-war period, one of the [programs] of interest to this survey of people who served there has to do with the UN Oil For Food Program. I don't know how much you may be familiar with it other than what's in the public domain.

CRANDALL: I did not participate in any way, shape or form operationally or in a supervisory sense of that program, so I claim no specific insights nor personal insights. I did have the opportunity to talk to people who did participate, however, be they UN or others, and I can assure you that everybody that I spoke with about it felt that there was extraordinary corruption in that program. As I was leaving, there was some concern expressed by a couple of people that the Administration was sort of dragging its heels on allowing the sort of inspector general type of view of that program to go forth at a pace that would allow any outcome before the election, our own national election issue. Whether that was just self-serving or not I don't know. I just offer that for what it's worth. I don't know whether it's accurate or not.

Q: Were you able to determine the impact of the end of that program, the economy in Iraq?

CRANDALL: Well, it created an extraordinary amount of dependency on the part of Iraqis for "welfarism", if you will, and that is to this day. When you have an extraordinary amount of welfare induced from the outside, in this case by the Oil For Food Program, it's not something you just sort of do away with overnight, as we have learned in our own country here when we try

to do away with various forms of welfare. If you try to do it overnight, you create a lot of headaches for yourself. You have to do it slowly and gradually, incrementally, and with a great deal of care and close supervision. So that's basically what's going to have happen out there now. There still is—I can't say "we" anymore because I'm not directly involved—a great deal of need to provide for a lot of the basic needs [of] large segments of the population. They can't do it for themselves.

Q: I assume that the major source of income for the country in terms of what it generates itself is oil. What has been the impact, at least in the time that you were there, of the various attempts to sabotage the oil production delivery system?

CRANDALL: Two things were going on simultaneously in the first half of the year that I was out there. There were attempts on the part of both the U.S. Army under basically Corps of Engineers auspices to either repair or upgrade various parts of the oil infrastructure out there, and then there, of course, were constant attempts on the part of various insurgent groups to either destroy what the Coalition was doing or destroy what it wasn't doing, that is, other parts of the infrastructure not being focused on by the Administration or by the Coalition but representing easy targets, if you will. The pipelines, long pipelines, were notoriously hard to police and secure, and, of course, we see evidence of that difficulty almost every day in the newspapers when somebody decides to blow something up. So the infrastructure, I actually saw some of it out there; it wasn't my job to go around and become expert on it, but I do have a bit of oil background in my family—one member of my family runs an oil consulting company in Denver—so I know a little bit about it, and what infrastructure I saw was really extraordinarily decrepit and very inefficient and very unrepresentative of the capability of what that country could pump out of the ground, could distribute through pipelines, could refine, etcetera, etcetera. It's really quite pathetic. So the lifeline of the country is oil, but it's very weak and sometimes flat-line, if you will, because things get shut down for a day or two or a week while they're trying to fix this, that or the other. Just last week there was a pipeline blown up in the north which, I think, shut down the vast majority of the oil producing in the country for some period of time, and that can happen almost any given day when insurgents decide they want to do it.

Q: You mentioned the welfarism, the welfare state that was created under the Oil For Food Program. Was there any program by the Coalition and the Iraqi part of the government to try to change the attitude, the passivity, of the people into more sort of aggressive economic activity?

CRANDALL: The \$18,000,000,000 reconstruction program, which I was involved with, meant to do that. Under that program there were some 2,300 hoped-for projects, which would create enormous amounts of employment opportunities and economic stimulation around the country. Unfortunately, because of the very, very, very poor security conditions around the country, it was very difficult, in many cases impossible, to initiate those projects because they were just too dangerous. You read something perhaps in the last few days in the newspapers where the Administration, under recommendations from Ambassador Negroponte, has redirected, I think, three and a half billion to basically security matters in order to hopefully create an improved environment whereby the remainder of the reconstruction money could successfully operate. My own view is that that three and a half billion is a day late and a dollar short, that it's probably not going to be very successful, but I sincerely hope that I'm wrong. So much of the money in the

security programs that we have out there now just goes towards the care and feeding of the contractors who are meant to implement/operate them, if you will. I think we've seen in the case of the various security, it's been the most notable, and certainly the army as well, the new Iraqi army, that they really aren't capable functioning effectively if they're put up against any kind of even half-trained, half well-motivated insurgent force. They tend to cut tail and run; they're just not engaged at all. That's still the case. I see no change in that coming any time soon. There was an article in a newspaper just this morning, either the Washington Post or the New York Times, whichever, saying that the Administration is way behind in staffing the administrative structure of the new Iraqi army. While no mention was made of it, they're also many months behind the initial schedules for training what they refer to as "_____ Iraqi _____". So they're way, way behind the curve in training soldiers; they're way, way behind in providing the administrative oversight structure for them; and, of course, the motivation of many of these soldiers, Iraqi soldiers, and policemen is, in and of itself, highly suspect.

Q: You, of course, obviously saw—it's been seen in the papers—the upswing in the kidnapping and taking of hostages in Iraq, which was obviously going on while you were there as well, and most recently the taking of these two Americans and one Brit from their home. What did you see while you were there, the impact of these kinds of events with the willingness and the ability of contractors in the reconstruction program to accomplish any of their goals?

CRANDALL: When I was in grade school in Denver, Colorado, I remember going through some exercises that were created by our fear of nuclear holocaust and they were referred to as "duck and cover," when children were taught how to duck under their desk and then cover their heads. I went through that many, many times as a young boy in Denver growing up, and I think that is the impact that we have seen of the rapidly deteriorating security situation out there and the kidnappings and beheadings and killings as well. Many contractors will find on an hourly, daily, weekly basis any excuse whatsoever to keep from leaving a very secure zone, be it in the Green Zone or wherever, and in many cases these are legitimate reasons. In other cases they're not; they just simply are afraid. They're not quite sure what they're afraid of on that given day or week or whatever, but they're afraid, so they just don't do it. They don't go out and make things happen. There are some exceptions. As I was leaving, what I saw was a rapid degradation of contractor ability to implement [much] at all.

One contractor, which was considered one of the Administration's most effective contractors out there in bringing local governance capabilities around the country, had to reduce its personnel from the onset of the Fallujah events in March and all the conflict that that then created around the country, had to reduce its expatriate complement from 180 down to 90, and since then people that couldn't leave the country over to Kuwait, where they cooled their heels for about a month and then they were let go. The rest of them were concentrated in the four or five centers around the country, where in many cases they were in garrison and couldn't move around and do very much unless they were in the company of an American military unit that provided overwhelming fire support, if you will. So that contract is now close to being moribund. It just can't function very well.

Q: Is that typical of other analogous contracts?

CRANDALL: This is one of the earliest contracts. These people were out there right at the beginning, began to arrive right at the beginning of the arrival of Jay Garner and his staff in Baghdad. Other contractors were slow to follow, but, of course, there are many out there now. So there are different stages of maturation or degradation, depending upon the contract and the part of the country that that outfit is working in. In the Kurdish-controlled areas it tends to be relatively easier. In the Sunni Triangle, of course, it's highly problematic. In the south, in the sort of Shiite-dominated parts of the country, it's not as easy as working in the north, but it's easier than working in the Sunni Triangle in some cases, depending on the day of the week and the place you happen to be.

Q: How to follow up on that one? The next question here has to do again with the U.S. supplemental appropriations money, and we've talked a lot about that overall. What is the relative percentage of U.S. contractors being brought in, and what is the relative impact of U.S. contractors as against others?

CRANDALL: The Administration decided early on in a memo signed by the Deputy Secretary of Defense, Paul Wolfowitz, that all of the prime contracts would be let to just American firms—I should say the Coalition, the direct members of the Coalition. Of course, we all know that the only real meaningful members of the Coalition are the U.S. and the Brits, so that meant that only the Brits and American companies could successfully bid on its own contracts. What we have out there now are 17 prime contractors. Two of them are Brits, and all the rest are Americans. The size of the contracts—in most cases they're \$1,000,000,000 or \$2,000,000,000 apiece—essentially meant that only large American business interests would be in a position to put together bids. This greatly concerned people who thought this was—and this was vocalized in many meetings—simply feeding the interests of the Republican Party, if you will. I have no evidence to support that. I can tell you that I thought that while I was out there. I heard some of the contractors describe their own relationships to the Administration, and in some cases that bothered me a great deal. I thought those individuals were naive in expressing their contacts, but most of them were, shall we say, quite cheerful about describing their relationships to the Administration, and I think that was due to all of the concern, justifiable concern, there may be about Halliburton and its subsidiary KBR.

Q: How much of the details in terms of numbers—but all of these contractors have the option of subcontracting to all of the others who were excluded by that memo—was very much of that going on at the time?

CRANDALL: All of them were strongly encouraged to bring as many Coalition subcontractor partners into their bids as possible. We did see some of this, not very much, but we did see some of it. There was one instance where a UAE, United Arab Emirates, company was included as a sub, successively included. There was, I believe, a Jordanian, I believe a Dutch company—I'm trying to think of others—British; those are the ones that come to mind for the moment. But I think their participation, at least at the time I left in June, was going to be relatively small. Obviously a large American company, like Fluor, for example....

Q: I'm sorry. Which one?

CRANDALL: Fluor, Fluor Daniels[PH], felt that it was very much in their interests, at least at the time I left, to maintain as much of the business for themselves as possible. All of the primes were also encouraged to bring into their bids, if not initially, at least subsequently, as many Iraqi subs as possible. The difficulty there, of course, is that there were very few genuine Iraqi firms who could really bring much to the table for one of these large American contracts. So what you got then were instances where the interim government players who saw these opportunities as opportunities for themselves or their family or their friends or their cronies were very rapidly standing up various companies almost overnight, if you will, and then parading them to the Coalition and/or the prime contractors as legitimate potential players in these prime contracts. So, again, I left in June and I can't be absolutely sure what has happened to each and every one of these, but we were quite concerned about some of these at the time I left, about their legitimacy.

Q: A lot of them were just front organizations?

CRANDALL: They seemed like front organizations, if not front organization for one of the many sort of overnight-created political parties, than front organizations for single individuals or specific family or whatever. I'm not aware of any case—which is not to say it didn't and doesn't exist—I'm not aware of any case where there was a front organization stood up to benefit, say, somewhat like Moqtad al-Sadr. I don't think that happened, but who knows. It could have.

Q: A person that just comes to mind: Was there any attempt in terms of the reconstruction effort to identify people within the religious institutions of Iraq with whom to cooperate?

CRANDALL: We had very little capability to understand what was going on within either Sunni or Shia or religious institutions. We could identify personalities. I just mentioned one. Sistani[PH] would be another. But that's not to say we understood the institution itself. I don't think we did understand the institutions very well. We might have had good bio-data on somebody like Sistani[PH], but I don't think we really understood his organizational make-up very well. Certainly in the meetings that I attended and the discussions that I participated in, there was very little evidence of that. That's not to say there wasn't an individual here or there who may have that understanding, but it never came to my knowledge ever.

Q: Which brings to mind another question. You mentioned at the beginning of our discussion the lack of appropriate expertise among the Pentagon people who were involved in reconstruction.

CRANDALL: Well motivated, but not highly experienced or not experienced at all. It would be like me trying to take over command of a tank division or something. I know something about supervision, but I don't know anything about tanks. In this case, the military people, retired to active duty, couldn't really understand the basics of reconstruction or economic development, had no clue. They didn't know what to do.

Q: As the military backed off from that and as there was an increase in civilian personnel, either U.S. government or contract, did you see, however late in the day, a marked improvement in levels of appropriate expertise?

CRANDALL: No, what I saw in my months out there was great disdain evidenced by the Pentagon, the Pentagon managers of the reconstruction money, for people who did have this kind of expertise. I was seconded to the Pentagon, so I was, in a sense, one of theirs even though I was not of their experience, if you will. Other organizations, good contractors, AID were disdained if they started talking about these kinds of subjects in meetings which, more often than not, were chaired by either active or retired military personnel. They might be smiled at and listened to but not given serious consideration. There was a lot of lip service for months and months and months, and it created a lot of disillusion on the part of the individuals who were talking serious reconstruction, who were talking serious economic development, and just a lot of head shaking.

Q: When I talked to Terry about the demilitarization project and all of that, one of the things he felt was lacking in terms of the effectiveness of the work and goals being sought was the public diplomacy aspect of it. Why don't you take it from there?

CRANDALL: This was not my particular field of responsibility out there, but I did have the opportunity to witness public diplomacy such as it was. The office that had the primary responsibility for it in Baghdad within the CPA was the so-called Stratcom, the more strategic communications group. There were some 100, I believe, 100 people assigned to that office including a number of extraordinarily junior members of the Administration that were political appointees. In my experience with those particular individuals, I could find no expertise, useful expertise, of any kind evidenced in any way by anyone. That's not to say that there wasn't an individual I didn't meet and an expertise I did not uncover. However, that is my experience. There were a number of military people assigned to the office with, in some cases, good intentions. In some cases they were failed military officers or noncoms who had basically not done well in other assignments, so that had been kind of placed over there to get them out of the way for a period of time.

But, perhaps most importantly, the point I think we have to remember—and this is borne out by facts and history—is that that office was always in a reactive mode. They were always sort of trying to explain why it was that things weren't going well in Fallujah, or why things weren't going well in Najaf, or how it was that Sistani[PH] was so difficult for the Administration and totally unwilling to meet with the Administration in the first place, etcetera. They never had a plan of any substance. That office didn't have the vision, probably because it just didn't have the right people in it, in my view, to undertake the responsibility they met. I remember when it became time to go to what was called transition planning, moving from the CPA to the chief-of-mission operation, there were a set of meetings which I participated in on a daily basis for several months, and I had a chance to get acquainted, better acquainted, with some of the Stratcom leadership in those meetings, and I was awestruck by the superficiality of the insights that they brought to the table, absolutely awestruck.

[END SIDE/END TAPE]

Q: . . . the interview with Larry Crandall on Monday, September 20, 2004. Larry, you were just saying that you went out there with the best of intentions and highest of hopes.

CRANDALL: When I went out there early last year at the outset of the war to do the DDR study for the Army, at that time, while I was concerned that the Administration had shared very much of the evidence about WMD that it could use as its sort of bedrock of legitimacy for taking on Saddam Hussein, I thought, well, they must know what they're talking about, and so let me go out there and do my best to be helpful. So I went out there, and then I began to see how totally constructed the reconstruction staff, the ORHA (Office of Reconstruction and Humanitarian Assistance) staff which Jerry Bremer was responsible for, how poorly staffed it was, and how many internal inconsistencies there were in that staff, and then I began to raise my eyebrows and express mild concerns at the time. I had an opportunity to go back in the first part of this year for several months and sit in on a lot of meetings and read an awful lot of documents and travel around the country extensively, talk to Iraqis and participants in just about every member of our Coalition out there and hear their concerns, and I obviously came to a very different point of view. I no longer support what the Administration used as its bedrock, and I no longer believe that we're doing and have done the right thing out there, but that's another matter.

Q: There's a set of final follow-up questions, if you like, and one, I think, you've largely answered, and that is: What are the successes and failures of your mission out there?

CRANDALL: I would say that, in terms of successes, I was able to sensitize some members of the PMO (Project Management Office) staff, now called the ACO staff, in charge of the \$18,000,000,000 reconstruction, to the need to combine that political connective tissue between Iraqi concerns, wherever they may be around the country, and the activity that we meant to undertake. However, I was unsuccessful at convincing the leadership out there that there was something important in what I had to say. So, I guess overall I was a failure in trying to bring my concerns to the table.

I know it is still true that the reconstruction program out there has very little Iraqi participation. You hardly ever hear members of the Iraqi government talk about it, be it in terms of their support for it, their concern about it, their participation in it, and it's simply because they don't understand it very well. Therefore, they don't know what to say about it and they have very little opportunity to participate in it, because it's basically implemented through American contractors who have little, if any, contact with significant members of the Allawi administration out there or the previous interim government administration. So it is like an island unto itself, if you will, this program, and you don't hear any of the politicians complimenting, in anything other than the most general terms, the U.S. government or the Coalition for its provision of these things. It's just a total separation of interests out there.

Q: There are, of course, still people packing their bags to go out to Iraq following the path that you took, more or less, and I guess the next question is: Who should they be, what should they anticipate, and what are their chances of having any success or impact on the situation?

CRANDALL: Who should they be in . . . ?

Q: In terms of their expertise, all of that sort of thing—not individual names, in other words.

CRANDALL: Well, I think the State Department, for example, has very good intentions in trying to bring experienced, competent officers to a number of positions out there, but I am also well aware that they're having difficulty attracting people to a number of these jobs, if only because of concern for their personal safety. I had an opportunity, of course, to talk to a lot of State officers and other U.S. government officers while I was out there, and every one of them told me either their own personal stories or other stories that they were of people who were doing everything possible to avoid assignments like this. Again, it has a lot to do with security.

In some cases individuals don't want to be involved with something they consider to be a failing, if not failed, policy, which rarely does anybody's career prospects any good, and so they avoid it. In my case, I was already retired and I was asked to come back to service, which I did, and I have no interest in efficiency reports and told them I would not read or sign any efficiency report written on me, etcetera. So in my case it would be enough to go out, but for people who have many years ahead of them it can be quite a different matter. So I think recruiting has become rather problematic. In the case of the CIA out there, before they had to leave the first chief of station they sent out there, and then they had grave, grave difficulty finding a competent individual to go out, and finally ended with somebody not from the DO but from the DI who would have very little field experience, who essentially was an analyst not an operative. That's not to say anything about this individual, but it says something about the experience in general out there. There are many other cases of that as well. Negroponte had not come by that time. He came a week or so, I guess, just after I left. But the DCM had arrived; the new DCM had arrived, and I got a chance to know him. He was the former ambassador to Albania. I believe that was his first ambassadorial assignment, and you have to ask yourself why is it that the State Department made the ambassador to Albania the DCM in Iraq, our largest post, and they took the ambassador in one of our smaller, if not smallest, posts to become the DCM in one of our largest posts. Well, I think it had something to do with recruitment, the difficulty of recruitment.

Q: Looking ahead, what do you see down the road? I know it's in some respects unfair to ask people to predict, but just in terms of your own view.

CRANDALL: Well, my own personal view is a sort of synthesis of my 30 years of overseas experience in the Foreign Service and eight months' direct field involvement in Iraq. It's also influenced by people I have spoken to since I've come back who both represent the reconstruction community, if you will, or economic development community, but also the political community, friends in the State Department, friends in the intelligence community, friends over at DoD, uniformed and non-uniformed personnel. I've attended seminars here, most recently over at the War College at Fort McNair. I've done seminars where I've had a chance to listen to a lot of other people with different experiences, different than mine.

I guess where I come from today is that the war is lost. The Administration is not in a political position to say that the way I have said that, and won't say that because this is a national election year. It seems they will continue to have, since the NIE came out in July with three potential scenarios for Iraq, none of them very wholesome scenarios, all of them very worrisome ones, but when we compare those three scenarios to the sort of public statements of senior Administration officials about how things are going, you begin to wonder what's going on here. When I compare the NIE scenarios, the National Intelligence Estimate scenarios, to conversations,

mostly private conversations that I have had with knowledgeable people, be they in our Administration or the British administration or whatever, I find their statements, their concern about where we are today more in keeping with the NIE without exception. That's not to say there aren't other people out there I don't know about, but their concerns are more like the NIE that the Administration's. I cannot reconcile Administration statements about how things are going out there with anything that I experienced in my involvement; I simply can't do it. It's almost as though the Administration is talking about a country that I've never visited. It's just that simple.

Q: Any other final wrap-up thoughts? I don't suppose there's anything that you can really follow that with.

CRANDALL: Well, I'm not quite sure how your study is going to be used, and I certainly have no knowledge at all of what other people may have said whom you're interviewing, but I hope that the information that you glean from people like me, hopefully others with greater insights than me, can all be sort of wrapped up in a way that can be useful, if not influential, on policymaking. These things have no real value unless they can somehow find their way into the policy thinking, and that's always a bit of a trick and an art form, I know, but it's really something that needs to be done. In my own case, what I've tried to do is talk to friends and neighbors and colleagues at every opportunity about my experience and to try to influence them not to sort of think as I do but at least to open their horizons beyond the ideologies that are represented by the Democratic or Republican candidates when they make their speeches, open their minds up to new ways of thinking. So that's what I'm doing and will continue to do. A lot of it has been on the Internet, some on the phone, some in the living room, at cocktail parties, the usual stuff.

Q: We hope this will have some impact, if not on the immediate problems in Iraq, at least in some future way. You never know with these kinds of things.

CRANDALL: I would add that, while I may have seemed negative, if you will, I'm not normally seen as a negative person, but I have obviously some very deep concerns about our policy in Iraq. I would go back there and serve again, either in a public or a private way, if I thought the policy was going to be permissive, that is, if I thought we were going to make some adjustments, some significant ones, not apologies or excuses or delay tactics or anything like that, but if I thought there was really going to be some significant changes. But in the absence of that, I prefer to stay directly uninvolved but indirectly very involved by trying to inform and influence people.

Q: Thank you, Larry. Let me ask you just one more thing. You know, it was Terry who gave me the lead to you, and I wonder if there are others who you think might be useful for the Iraq Experience Project to try to get to interview.

CRANDALL: I would recommend that you talk to Peter Benedict. Peter was the head of the AID-financed local governance project in Iraq, which in the eyes of many people out there, up until the onset of Fallujah, was probably the most successful contractor-operated, reconstruction-related activity bar none, that fell on hard times when the policy missteps at Fallujah began to

influence, negatively influence, Research Triangle—that's who he works for—Research Triangle's ability to successfully continue their activities out there. Peter is a highly experienced Foreign Service Officer, retired, working on a contract obviously for the local governance project, but at the same time as a PhD-level economist and highly experienced field hand. He has tremendous insights that may be of some value to you.

Q: Is he back here now?

CRANDALL: Yeah. The Research Triangle offices, let's see, is over at 16th and M Streets downtown and you can call RTI there and get a contact for him.

Q: Anything else come to mind?

CRANDALL: Because of the nature of the office that I worked in, most of the people were heel-clicking, salute-type folks who were not given to the kind of intellectual freedom that might be useful for your kind of undertaking. It was that kind of an office, and that's not to say that there weren't exceptions, but they may not be the kind of people who would be useful for your undertaking. So I would recommend you talk to Peter, and Peter will have an idea or two, I'm sure, of people you can talk to as well. I would certainly recommend him.

Q: Good. Thank you very much for your time and for all that you had to say.