

**CONGRESSIONAL TESTIMONY
DELIVERED BY**

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**BEFORE THE
COMMITTEE ON GOVERNMENT REFORM,
SUBCOMMITTEE ON NATIONAL SECURITY, EMERGING THREATS AND
INTERNATIONAL RELATIONS**

**HUMANITARIAN ASSISTANCE FOLLOWING MILITARY OPERATIONS:
OVERCOMING BARRIERS—PART II**

JULY 18, 2003

I. INTRODUCTION

Mr. Chairman and members of the committee, my name is Patrick Carey, and I am CARE's Senior Vice President for Program. Thank you for inviting CARE back to testify in this second round of hearings on overcoming barriers to the effective delivery of humanitarian assistance following military operations in Iraq.

In May, CARE delivered testimony to this committee in which we identified the restoration of law and order as the most pressing priority in Iraq. In addition, we urged that priority be accorded to a handful of other essential tasks, namely the restoration of electricity, water supply, waste treatment and other essential public services, prevention of a complete collapse of Iraq's fragile health system, and the immediate payment of salaries of essential government employees. *Our assessment today remains largely unchanged, and it has been confirmed by that of the new 25-member Iraqi governing council, whose statement after its first meeting on July 13 identified its priorities as "security and the resumption of services."*

We also testified at some length on the lessons the U.S. Government should learn from recent experience in Afghanistan. These include the need to quickly address the security vacuum that results from regime change, the need to mobilize resources for a sustained, multi-year reconstruction effort, the importance of establishing an international framework to enlisting the broadest possible participation of other countries, and the need for a quick transition to full civilian control of relief and reconstruction efforts.

Today, I will focus on what progress has been made in the critical tasks identified by both CARE and General Garner in May. *As much as I would like to be able to report that the situation has improved dramatically over the last two months, such an assessment can simply not be borne out by the facts on the ground.* Based on my own observations from a recent visit to Baghdad, as well as extensive input from my CARE colleagues in Iraq, I would like to use this testimony to identify some of the key barriers impeding relief and reconstruction efforts in Iraq and recommend actions that could be taken by the U.S. Government, as the occupying power, to overcome them.

II. INADEQUATE PROGRESS IN PRIORITY TASKS

In his May 13 testimony, General Garner identified 11 "essential tasks" for success in Iraq and indicated that substantial progress in all these areas would be made by mid-July. While CARE is not in a position to comment in detail on all of these priorities, I can provide you the latest first-hand assessment from my colleagues in Iraq on progress in four key areas: security; restoration of basic services in Baghdad; payment of civil servant salaries; and the prevention of disease outbreaks.

A. Security

Insecurity is not confined to Baghdad, but is instead widespread, and this instability has a highly detrimental impact on the efforts of NGOs to effectively deliver assistance. The nature of the security threat has changed in the past month, and CARE has to carefully monitor these developments and adjust our operations accordingly. Murders and carjackings are still common. There is less looting, but there is also a feeling that this is primarily due to the fact that relatively little of value remains to be looted. In the case of one primary health care center being assisted by CARE in Baghdad, clinic staff asked us not to provide high-protein biscuits for malnourished children, for fear that such supplies would attract looters. Instead, they asked CARE to improve clinic security by installing security gates and repairing doors, windows and locks; meanwhile, children are being sent home hungry.

The continuing high level of insecurity in Iraq, first and foremost, has a very negative impact on the lives of ordinary Iraqis, who are afraid to venture out of their homes at night, resume economic activities, and send their children back to school. Our colleagues in Iraq report that the current security situation is having a particularly negative impact on women's and girls' freedom of movement, thereby reducing their ability to participate in education and employment, due to fears of kidnap and assault.

The current insecurity also represents a high risk to humanitarian workers, including possible injury or death due to bombings, cross fire, banditry, carjackings and looting. *While most recent attacks have targeted Coalition forces, CARE is increasingly concerned about the potential for attacks against humanitarian agencies and other "soft targets."* Recent attacks on Iraqi civilians working to restore electricity are a very worrying sign in this regard. I would also draw your attention to a statement issued last week by the World Food Program, indicating an alarming rise over the past month in security incidents—including shootings, looting of storage facilities and attacks on trucks bringing food into southern Iraq— affecting its food aid operations in Iraq.

Insecurity is currently hampering CARE's operations in Iraq in a number of ways. After two CARE vehicles were stolen at gunpoint, we had to temporarily stop using our own vehicles and rely on taxis, limiting staff mobility to undertake assessments and visit project sites. We have recently returned CARE's vehicles to service, but only after painting them a vivid shade of green to deter carjackers. Due to poor security, we have also limited the number of international staff assigned to Baghdad and required those remaining to wear flak jackets and travel by convoy to and from work each day. CARE's Iraqi staff travel to most parts of the country, but they take precautions such as traveling in unmarked vehicles and only during daylight hours. In areas such as Diyala, CARE partner organizations are unable to visit some project sites due to security concerns.

In May, CARE testified that "establishing security throughout Iraq must be priority number one of the U.S. Government, and the assets required to accomplish this objective should be deployed immediately." *Acceptable levels of security have yet to be*

established, and the longer this situation persists, the greater the risk to the success of the overall mission of rebuilding Iraq in the wake of regime change.

B. Essential Public Services

The goal of restoring basic services in Baghdad to pre-war levels has clearly not been achieved. Indeed, the trend in the last month has been going in the wrong direction. Restoring a reliable supply of electricity is most critical, since, water and waste treatment facilities, hospitals and factories all depend on it. My colleagues in Baghdad report that, since June 23, electricity shortages in Baghdad have been severe. In many parts of the city, there was no electricity at all for a 72-hour period. Since then, many people have had power for only two hours per day. For NGOs providing humanitarian assistance, the lack of basic services draws valuable resources into expensive stop-gap measures like back-up generators, and increases the need for interventions such as water tankering that would be not be necessary if electricity were restored to pre-war levels.

Clearly, this trend must be quickly reversed, a task that is now all the more challenging due to targeted attacks on electricity and other utilities by elements opposed to the U.S. presence in Iraq. The inability of the Office of the Coalition Provisional Authority (OCPA) to deliver reliable supplies of electricity at a time when temperatures in Baghdad routinely exceed 115°F feeds a climate of public anxiety and dissatisfaction. Importantly, the lack of basic utilities also compounds the security problem in Baghdad, as the unlit streets of the city are conducive to the operations of increasingly organized criminal gangs. Three months after the end of the war, there is still no functioning phone system in Baghdad, and this also greatly increases the security risks for humanitarian agencies.

Water supply problems in Baghdad have also increased since June 23, due to electricity shortages. None of Baghdad's three sewage treatment plants, designed to handle just 30% of the city's sewage, are currently functioning. As a result, all raw sewage is currently being discharged directly into the Tigris River. In the water and sanitation sector, concerted efforts are being made by a range of actors, including the OCPA, UNICEF, the International Red Cross, CARE and private contractors such as Bechtel, to work with the Iraqi General Corporation of Water and Sewage (GCWS) to restore adequate services. After 12 years of degradation of the basic water and sanitation infrastructure, there is an enormous amount of work to be done. In addition, the offices of the GCWS were thoroughly looted after the war; and just three weeks ago, newly supplied computers were again stolen. CARE has extensive experience in water and sanitation, and this sector is currently a major focus of our work in Iraq, with significant funding from the U.S. Government's Office of Foreign Disaster Assistance (OFDA). Under the first phase of this OFDA grant, CARE will undertake repairs of 21 water and sanitation systems in 14 governorates of Iraq. (For further details on CARE's current programs in Iraq, please refer to the two documents attached to this testimony.)

Rightly or wrongly, Iraqis are beginning to compare Coalition efforts to restore basic services to those of the Iraqi Government following the 1991 Gulf War. Despite

more direct damage to infrastructure as a result of bombing in 1991, the Saddam Hussein regime is remembered for having restored electricity and water supplies to pre-war levels within six weeks. Loosely translated, the Iraqi Government's slogan at the time was "To hell with the impossible." Although current efforts must repair even more dilapidated infrastructure, and do so in a context in which some elements of Iraqi society are violently resisting U.S.-led efforts, it is now critical that the Coalition Provisional Authority be seen by the Iraqi people to be accomplishing "the impossible."

C. Paying Civil Servant Salaries

Regular payment of civil servant salaries is essential to the restoration of vital public services, the importance of which has been highlighted above. It is also important because the government was the biggest employer in pre-war Iraq; payment of civil servant salaries is thus essential to getting money flowing in the Iraqi economy again.

The latest information that we have from the field is that, while some progress has been made in disbursing salaries, the goal of catching up on all such payments by June 30 has not been achieved. In May, a one-time \$20 payment to all civil servants, excluding the military, was made. Payment of May/June salaries was reported to have commenced in mid-June. Some 70% of government employees report having been paid at least once, but some have received no payments at all. One example is the staff of the Iraq National Spinal Centre, an institution assisted by CARE. Although it is not a hospital for the military, its budget falls under the Ministry of Defense, rather than the Ministry of Health. Its staff returned soon after the end of the bombing to find the hospital and their apartments looted. Although they have cleaned the hospital themselves and returned it to service with CARE's support, they had yet to receive any salaries as of two weeks ago.

Efforts to pay civil servants have been complicated by a number of factors, including a shortage of Iraqi dinars and significant fluctuations in exchange rates. Due to problems with the recently-issued 10,000 Iraqi dinar notes, the Provisional Authority decided to pay May/June salaries in U.S. dollars. At the time that this decision was made, one U.S. dollar equaled 2,000 Iraqi dinars; since then, the rate has declined to 1,400 Iraqi dinars, significantly reducing the purchasing power of these salary payments. We hope that the recent decision by the Coalition Authority to issue a new Iraqi currency in October will address some of these problems. In addition, the initial salary scale introduced by OCPA's predecessor, ORHA, was based solely on years of seniority, with the result that a very senior manager can be paid the same or less than a much lower level staff with equal or greater years of service.

Finally, the implementation of de-Baathification has resulted in the complete disbanding of the security forces, Ministry of Information, and other parts of the government most closely associated with Sadaam Hussein. This process has contributed to increased anxiety in the short-run, as ex-soldiers take to the street to demand some means of supporting their families. The OCPA has recently announced plans to form an Iraqi army of 40,000. In the interim, a payment of between \$US 50-150 per month will be

made to 235,000 previous members of the armed forces. This will exclude members of the special forces and republican guards.

We urge the Office of the Coalition Provisional Authority to accord high priority to the regular payment of the salaries of government services. Doing so will improve service delivery, contribute to re-starting the Iraqi economy, and increase the ordinary Iraqi's sense that things are returning to normal. At this time, it is much better to err on the side of paying out too much, rather than too little, in salaries.

D. Preventing Disease Outbreaks

The risk of cholera and other disease outbreaks in Iraq remains high, particularly during the very hot summer months. According to the World Health Organization's recently established sentinel surveillance system, diarrheal diseases now represent 22% of all medical consultations—a three-fold increase on last year's figures. UNICEF is now bringing emergency supplies of chlorine into the country for water treatment, and CARE and the International Red Cross have completed emergency repairs of over 60 water installations. USAID and OCPA are now becoming more involved in plans to upgrade the sewage treatment system due to the high risk of sewage-related diseases affecting not only the city of Baghdad but the millions of Iraqis who obtain their drinking water from the lower Tigris River; however, these plans will take at least 12-18 months to implement. In the near-term, as work progresses on water and sanitation, attention must be turned to the health care system to prevent the spread of diseases to epidemic levels. Here, progress is slow as a result of the collapse of the central health systems and the Ministry of Health. WHO, and a handful of NGOs, including CARE, are helping restore Iraqi capacity to manage disease outbreaks, including establishing a rudimentary surveillance system and rehabilitating laboratory testing facilities in key centers. Also, some progress has been made in re-establishing immunization programs, although the reliability of the cold chain remains problematic in some areas due to irregular electrical supplies. *Water, sanitation, and the revitalization of the health care system should continue to be accorded very high priority in the short-to-medium-term.*

III. IDENTIFYING AND OVERCOMING KEY BARRIERS

Far and away, the main problems confronting both ordinary Iraqis— and the humanitarian organizations trying to assist them— are the continuing absence of security and the slow progress in restoring electricity, water, communications and other essential public services. CARE urges the U.S. Government to focus its efforts and resources on fixing these problems, deferring other tasks to later if necessary. *Restoring a sense of normalcy in the lives of ordinary Iraqis through quickly improving security and the delivery of basic services is the essential first step in building the new Iraq.*

CARE's current program in Iraq is very much focused on the restoration of essential water, sanitation and health services. These efforts are being funded by a range of donors, including the U.S. Government (Office of Foreign Disaster Assistance), the

Australian, Canadian, Norwegian, Swedish, Swiss, and UK governments, the European Union, and private supporters in the United States and other countries. In May, after careful consideration, CARE declined to submit a proposal in response to a USAID RFA for the “Community Action Program (CAP).” The primary basis for this decision was the assessment of our colleagues on the ground in Iraq that conditions remained too volatile for this sort of program and that our focus should remain on the restoration of basic services. I would, however, like to note for the record that CARE did also have concerns with a number of the proposed “substantial involvement” clauses of the CAP cooperative agreement, including those allowing USAID to “redirect activities in response to changes in the political situation” and disallow project implementation in “areas restricted by civil-military authorities.” These clauses potentially called into question the ability of CARE as a humanitarian NGO to operate in a manner consistent with the principles of independence and impartiality. Subsequently, some of our sister agencies that did submit proposals have had to negotiate with USAID on other provisions of the CAP agreement, including proposed restrictions on NGO contacts with the media. Such restrictions would have been unprecedented and, in our opinion, entirely inappropriate, so we are pleased to hear that language has been negotiated that will not compromise the freedom of NGOs to speak to the media.

Beyond the obvious priorities of restoring security and essential public services, and to some extent underlying many of the problems encountered to date in reconstruction efforts, there are other, more conceptual barriers that need to be overcome. CARE urges the Office of the Coalition Provisional Authority, and the U.S. Government as a whole, to address the following weaknesses in its approach to date:

- **Poor engagement with average Iraqi people**—In part due to the high level of security surrounding the Office of the Coalition Provisional Authority, it is almost impossible for average Iraqis to present their concerns to the *de facto* government. The symbolism of Paul Bremer, working from one of Saddam Hussein’s heavily fortified palaces, is not lost on the Iraqi people. While some political interest groups are being engaged in development processes, ordinary Iraqis feel disconnected, with very little understanding of what is happening in their country. Increased communications and engagement with ordinary Iraqis would improve reconstruction efforts and give Iraqis a greater sense of ownership in the process. Even for established humanitarian organizations like CARE, access to the OCPA compound is extremely difficult. Last month, CARE had a pre-arranged meeting with an OCPA official, and my colleagues were refused entry three times before being finally granted entry two hours later. Ordinary Iraqis wait outside with virtually no hope of access. The Coalition Provisional Authority must find creative solutions for increased engagement with the Iraqi people.
- **Ineffective interface between the Coalition Provisional Authority and humanitarian organizations**—As already indicated, access to the OCPA is difficult even for established NGOs like CARE. In this context, the provision of humanitarian assistance by NGOs is inhibited by lack of information on the

Authority's plans, policies and activities, confusion over what permissions are required to operate, and difficulty contacting the Authority to share information or present concerns. To give a concrete example, I would cite the problems experienced by NGOs in trying to deal with those responsible for health in the OCPA. Since the fall of Baghdad, the OCPA has promulgated numerous policies that have a major impact on the Iraqi health care system, including payment of fees, staffing decisions, and distribution of drugs from central warehouses. Over a period of several weeks, the NGO community in Baghdad sought a meeting at least five times with the newly appointed head of health in the OCPA before having any success. The NGO community has now had one meeting with the person concerned, but there is a need for much greater dialogue on critical health sector issues. Paul Bremer and his lieutenants in the OCPA should ensure that problems of this sort do not persist.

- **Inadequate understanding of how Iraq's pre-war government structures functioned**—Prior to the war, Iraq was internationally isolated and few outsiders had a real understanding of how the country worked. Despite the oppressive nature of the regime, health, electricity, water and other basic services did function, even if they declined under post-Gulf War sanctions. In general, Iraq's basic services were organized in a highly centralized manner. In such a system, you cannot expect the body to continue to function if the head is cut off, and that is what has happened in most Iraqi ministries. To use the water sector as an example, the General Corporation of Water and Sewage at the central level had all responsibility for planning, system design, procurement, central stores, budgeting and staff allocations. Directorates of Water at the governorate level only had responsibility for operations and maintenance. A failure to understand and work with established structures and procedures has led to increased confusion, undermining efforts to achieve the goal of delivering safe water supplies. We see similar problems in the Health sector, where the Health Ministry remains in turmoil and without clear leadership following the removal of all Director Generals from the Ministry under the de-Baathification policy. The current disarray in government ministries is a serious impediment to providing humanitarian assistance and to promoting the rapid re-establishment of basic services. Restoring the functioning of these institutions is critical in the short-term, while efforts to decentralize some of their functions can be considered at a later date.

IV. CONCLUSION

Nothing would make me happier than to be able to testify here today that the situation in Iraq has dramatically improved since CARE last testified before this committee in May. Unfortunately, based on my own personal observations and the best assessment of my CARE colleagues on the ground, I cannot do that. *It is not,*

however, too late to turn the situation around and to set Iraq firmly on a path that can deliver a better life for its 24 million long-suffering people.

For this to happen, the U.S. Government must first effectively fulfill its responsibilities as an occupying power to restore law and order and provide for the food, health and basic needs of the Iraqi people. Once these essential tasks are accomplished, the Coalition Provisional Authority can and should turn its attention to the many other tasks that will be tackled as a part of the long-term effort to rebuild Iraq politically and economically. As President Bush publicly acknowledged last week, the United States now faces “a massive and long-term undertaking” in rebuilding Iraq. In order to improve its performance, the Coalition Authority should look for ways to engage more effectively with ordinary Iraqis, coordinate more effectively with NGOs and other humanitarian organizations, and deepen its understanding of the context in which it is operating.

Thank you for giving CARE the opportunity of testifying before you today.