What GAO Found

Since GAO last reported in September 2007, on the status of the 18 Iraqi benchmarks, the number of enemy attacks in Iraq has declined. While political reconciliation will take time, Iraq has not yet advanced key legislation on equitably sharing oil revenues and holding provincial elections. In addition, sectarian influences within Iraqi ministries continue while militia influences divide the loyalties of Iraqi security forces.

U.S. efforts lack strategies with clear purpose, scope, roles, and performance measures. The U.S. strategy for victory in Iraq partially identifies the agencies responsible for implementing key aspects of the strategy and does not fully address how the United States would integrate its goals with those of the Iraqis and the international community. U.S. efforts to develop Iraqi ministry capability lack an overall strategy, no lead agency provides overall direction, and U.S. priorities have been subject to numerous changes. The weaknesses in U.S. strategic planning are compounded by the Iraqi government’s lack of integrated strategic planning in its critical energy sector.

The U.S. strategy assumed that the Iraqis and international community would help finance Iraq’s reconstruction. However, the Iraqi government has limited capacity to spend reconstruction funds. For example, Iraq allocated $10 billion of its revenues for capital projects and reconstruction in 2007. However, a large portion of this amount is unlikely to be spent, as ministries had spent only 24 percent of their capital budgets through mid-July 2007. Iraq has proposed spending only $4 billion for capital projects in 2008, a significant reduction from 2007. The international community has pledged $15.6 billion for reconstruction efforts in Iraq, but about $11 billion of this is in the form of loans.

What GAO Recommends

GAO reports have recommended that the Administration, in conjunction with the Iraqi government, develop clear and complete strategic plans for overall and sector specific efforts in Iraq. The agencies generally agreed on the importance of having clear strategies but provided various comments on how best to implement these strategies.

To view the full product, including the scope and methodology, click on GAO-08-231T. For more information, contact Joseph A. Christoff at (202) 512-8979 or christoffj@gao.gov.