



Task Force to Improve Business and Stability Operations in Iraq

NDIA Panel Discussion

Gerry Brown
Director, Business Revitalization
Gerald.brown@osd.mil
703-607-3554



Task Force Mission and Purpose

Task Force Mission: Evaluate DoD business enterprise processes and associated systems in Iraq affecting contracting, logistics, fund distribution, financial management and align to the theater commanders goals for reconstruction and economic development.

Industrial Revitalization Initiative Purpose: To facilitate the reemployment of the Iraqi people, by restarting public and private industrial enterprises via direct contracting of goods, reestablishment of intra-Iraq demand, and connections to global supply relations with U.S. and international industry.

Aligning to Warfighter Needs



- “We need to put the angry young men to
- work. One of the key hindrances to us
- establishing stability in Iraq is the inability
- to get the economy going. A relatively
- small decrease in unemployment would
- have a very serious effect on the level of
- sectarian killing going on.”



- LTG Peter Chiarelli, former Commanding General of MNC-I*



Task Force for Business and Stability Operations – Iraq

Scope of Economic Development Effort

Partner	Direct Investment / Privatization	Launched investment management team, targeting multi-\$B in direct investment from private equity, financial institutions, regional investors. Sponsor conferences in region generating direct investment in KRG and Iraq in excess of \$1B to date. Privatizing SOE's – first bids in process in support of MIM.
JCC I/A	Market Demand Establishment & Restoration/DOD Contracting	Recreating intra-Iraq demand among factories, negotiating regional and global supply agreements, joint ventures. Goal of \$100M in demand in 2008. Establishing call center in Irbil, creating customer service model for region.
JCC I/A	Industrial Capacity Restoration	Restarting / restoring production to Iraqi industrial base. 17 factories restarted, 30 in process. Crosses industrial sectors.
USAID	Agricultural Revitalization	Team Borlaug of Texas A & M has had a team on the ground in Iraq working directly with farmers across Iraq on agricultural revitalization
Treasury, USAID	Banking & Financial Systems	Leveraging DOD contracts with Iraqi firms to force transition to automated private banking. Creating consortium of private banks and international financial institutions to automate financial transactions.
C6, DISA, DOS	Communications Infrastructure	Completed analysis of Iraqi communications infrastructure, leveraging DOD spend to light fiberoptic circuits, creating secure foundation for financial and business transactions.

Bottom Line: TFBSO is pursuing a comprehensive economic restoration plan that leverages our spending to drive market behavior.



Extended Task Force Achievements

- Attracted large companies such as Daimler/Mercedes, Cummins, Caterpillar and GM to Iraq, with more on the way
- Helped drive \$200 million per month to Iraqi businesses under Iraqi First
- Restarted over 30 state owned enterprises, re-employing tens of thousands of workers
- Strengthened Iraqi private banking sector, and created consortium which issues Mastercards
- Facilitated privatization of Iraqi SOEs
- Improved GOI budget and execution capabilities, leading to multibillion dollar procurements from Boeing, GE and others



Truck Test

Connect the dots for these articles:

1. NY Times – bomb blasts in Baghdad underscore tension between Sunni fighters and the government
2. NY Times – “Military budget reflects a shift in US strategy”
3. National Defense “Army’s Truck Troubles – after the war, do we toss them or fix them?”
4. NY Times, “American Seeks Bonds to Islam, Obama Insists” (in Turkey)



You should:

1. Start POMing for money to reset/recap HMMWVs
2. Plan the mother of all lifts to bring this stuff back to CONUS
3. Start putting together your proposal to set up an American run, TCN staffed reset center in Dubai
4. Print out the disposal regs for some light bedtime reading
5. Start thinking about how you could bring your expertise, Iraqi partners and external funding together to re-employ SOIs, build Iraqi capability and save USG money and lives



If you're a DoD Logistician...

Opportunity

- Seat at the big table
- You've got the required skill sets
 - Business knowledge
 - Links to US enterprise
 - Supply chain experience
- Stability ops economic development will improve logistics performance
- This is going to be a military function, so learn this stuff and you're employable for life

Challenge

- A lot of what you know is wrong, and we're going to need to unlearn it (or at add a whole new way of thinking)
- You'll need to do your day job while doing stability logistics
- The Empire is going to strike back. Be prepared for conflict, irregular warfare and personal attacks. And that's just from the DoD. The time you'll spend outside the wire will be easy by comparison



If you're a contractor...

Opportunity

- New opportunity set
- Understanding of the military and conflict areas will help you be successful, and is invaluable to commanders on the ground
- This is yours to lose over the traditional economic development guys

Challenge

- DoD is changing the rules on you
- New talk, old walk
- HOW will become more important than WHAT
- No good deed will go unpunished

Stability ops is the only way we're going to win these wars



Questions?