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**SECRETARY OF DEFENSE**  
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Date: JUL 19 2010

JUN 19 2003

MEMORANDUM FOR JERRY BREMER

FROM: Donald H. Rumsfeld

SUBJECT: Response to your "should we pay the ex-military" proposal

I agree with the need to address the unemployment situation among Iraq's ex-military personnel. The longer we wait to address this problem the more susceptible they will become for recruitment by organized crime and/or Baathist elements.

I believe your first option -- "paying them on a continuing basis an amount less than what they would have received had they retired" -- is preferable to the other options. Payments distributed in this manner reduce the incentives for former military personnel to engage in anti-coalition activities.

This option should buy us time for former military personnel to reintegrate into Iraqi society. However, the preferred option is to hire them to do real work that is needed in Iraq—police, border guards, oil industry protection, trash removal, construction, etc.



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SC *am*  
15 June 2003  
*CPA Memo*

To: SecDef  
From: Ambassador Bremer  
Subject: Should we pay the ex-military?

We have been studying the problems that the disbanded Iraqi armed forces pose to force protection, general security, and law and order. When we dissolved the MOD and the old armed forces, we dismissed their employees. That has left some 230,000 officers and NCOs unemployed. At the time of dissolution, we decided to continue to pay pensions to widows and disabled and also to officers who had retired prior to April 16, 2003, and, consistent with the basic de-Baathification edict, we made clear we would not pay anything to those in the top four party ranks, who turn out to number about 9000. That still leaves tens of thousands, some of whom have been demonstrating in cities around Iraq protesting their not having been paid. This discontent among a respected group with training in weapons and with networks of contacts and loyalties presents a significant threat.

Virtually all above the rank of LTC, and about half those below, would have been eligible to retire under the regime's laws. The issue is how, if at all, they should be paid. There are essentially three options: (1) pay on a continuing basis an amount not too much short of what they would have received had they retired; (2) make a single termination payment; and (3) defer the issue until there is an Iraqi body that can at least share in the decision.

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The military commanders here strongly favor the first course, because they believe it would forestall an increasingly vocal and violent opposition from the former military that threatens to become a grave danger to both our troops and our mission but could be reclaimed by such payments. Paying the necessary amounts would, however, mean a big disparity between what the military and civil service retirees get, with heavy pressures for very expensive equalization of benefits. The second option is what the dissolution order contemplated, but one-time payments would be far less likely to calm military protests . The third option forces the Iraqis to share in a hard decision, with long-term implications, but it leaves the issue a continuing source of controversy with an increasingly impatient group of officers which will pose a further risk to our troops here-- and may accelerate the debate over how the IIA will participate in decisions that affect security.

I would welcome your guidance during our call Monday afternoon, since I intend to raise the issue at this Thursday's Political Committee meeting. I will seek to get their sense of how a decision for any of the three options would be received by the general public and affect the attitudes of former military and how the emerging political leadership would view a decision to defer the issue until the IIA can participate.

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