

# MIDDLE EAST PROGRAM

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### **Iraq Ten Years Later: A Different Country in a Different Region**

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the maelstrom of the increasingly sectarian politics of the region. Together, domestic and external factors call into question, once again, whether the country can survive as a unified entity. Under the present conditions, the debates about the intervention that caused so much angst in the United States are increasingly irrelevant to understanding Iraq. The question now is where Iraq is headed and

Ten years after the U.S. invasion to overthrow Saddam Hussein, Iraq remains a deeply troubled country, rent by internal dissensions and caught in

what impact the country's possible disintegration would have on the region. The U.S. intervention is history.

Iraq is now being shaped by forces over which the United States has limited influence and certainly no control: the increasing authoritarianism of the Nouri al-Maliki government and its sectarian nature, underlined by the close relations with Iran and Bashar al-Assad's Syria; the resentment of the Sunni population, which enjoys neither the benefits of economic growth nor the advantages of autonomy; the growing self-assertiveness of Kurdistan, bolstered by major oil discoveries; and the turmoil in the region, which provides each Iraqi faction with external allies and support.

## About the Middle East Program

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The Middle East Program was launched in February 1998 in light of increased U.S. engagement in the region and the profound changes sweeping across many Middle Eastern states. In addition to spotlighting day-to-day issues, the Program concentrates on long-term economic, social, and political developments, as well as relations with the United States.

The Middle East Program draws on domestic and foreign regional experts for its meetings, conferences, and occasional papers. Conferences and meetings assess the policy implications of all aspects of developments within the region and individual states; the Middle East's role in the international arena; American interests in the region; the threat of terrorism; arms proliferation; and strategic threats to and from the regional states.

The Program pays special attention to the role of women, youth, civil society institutions, Islam, and democratic and autocratic tendencies. In addition, the Middle East Program hosts meetings on cultural issues, including contemporary art and literature in the region.

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## The New Maliki

Maliki became prime minister of Iraq in 2006, as the weak compromise candidate whose ability to lead the country and hold it together the United States doubted. At the time of the 2010 elections, he appeared to have become a strong leader and was supported by Washington in his long battle to remain prime minister. By 2013, Maliki was no longer a strong leader but had become an authoritarian one, had placed Iraq firmly in the Iranian camp, was backing Assad in Syria, and was moving toward confrontation with other political parties, with the Kurdistan Regional Government (KRG), and with the increasingly militant Sunni opposition. Whether Maliki's goal was to further enhance his own power and become a new dictator, as his detractors claimed, or he was simply trying to do what he thought necessary to maintain the unity of the country, as his supporters saw it, the result of his policies was that the country was increasingly divided. And while Maliki's personal power within the government was growing, his control over the country appeared to be slipping.

Maliki's success in retaining his position after the 2010 election was not achieved easily. It took the competing political parties nine months to reach a power-sharing agreement that distributed government positions among Shi'as, Sunnis, and Kurds as well as across major political parties. Maliki's State of Law coalition did not even control the plurality of parliamentary seats, having been beaten by a two-seat margin by Sunni-supported Iraqiya. Creative interpretations of the constitution by Maliki's allies and a power-sharing agreement negotiated with the help of the Kurdish parties eventually swung the balance of power in Maliki's favor.

Having secured his position, Maliki systematically started whittling down the power-sharing agreement. He refused to accept rival parties' nominees for ministerial posts allocated to them, particularly defense and interior, and kept those ministries in his own hands for a protracted period. He reneged on a promise to create a powerful advisory council dealing with security issues, which Iraqiya's leader Ayad Allawi was supposed to head in exchange for giving up the fight to become prime minister. Maliki also sought greater control over the provincial councils, particularly the Sunni-controlled ones. He maneuvered to convince members of other parties, particularly Iraqiya, to jump ship and join the State of Law coalition instead. At the same time, he continued to consolidate his control over the military by promoting officers loyal to himself.

To stop Maliki's rise, in the spring of 2012 his rivals sought to engineer a vote of no confidence against him and his cabinet in the Council of Representatives (COR). The effort was spearheaded by KRG President Massoud Barzani, top Sunni leaders including Vice President Saleh al-Mutlaq and COR Speaker Osama al-Nujaifi, and by the perennial Shi'as dissident Muqtada al-Sadr. However, repeated efforts failed because Jalal Talabani, president of Iraq and a rival of Barzani within Kurdistan, refused to call the vote. Eventually, after Talabani was incapacitated by a stroke in December 2012, the Council of Representatives managed to adopt a weaker measure to curtail Maliki's growing power. On January 26, it passed a law imposing a two-term limit on the so called "three presidencies"—the state presidency, already subjected to a two-term limit by the constitution; the "presidency" of the parliament, in other words the speaker's position; and the "presidency" of the government, or the post of prime minister. The law could be struck down by a constitutional court that has consistently ruled in favor of Maliki's position. In any case, it would not come into effect until the next election, which should normally take place in 2015.

In the meantime, Maliki had succeeded in establishing his control over all executive agencies, including those the constitution had designed to be independent. The Council of Representatives functioned, and Speaker al-Nujaifi remained a determined adversary, but it had proven unable to stem Maliki's growing power. The prime minister also held sway over the military. Resistance to his rise was continuing but it had become openly sectarian and was moving outside the realm of the formal political process mandated by the constitution. Sunnis turned to the streets and to violence. Kurds focused on strengthening the autonomy of Kurdistan and developing the oil resources that could eventually make independence possible. Having won the battle for control over the country's institutions, Maliki appeared to be facing a more difficult battle for control of the country.

## Sunni Resistance

On December 20, 2012, ten bodyguards of Finance Minister Rafia al-Issawi, a Sunni, were accused of terrorist acts and arrested—or kidnapped by militias, according a statement released by the minister. This was a tactic Maliki had used

earlier. In December 2011, immediately after the last U.S. troops departed Iraq, the government issued arrest orders against then Vice President Tariq al-Hashemi, also a Sunni, on the ground that he had used his bodyguards as an anti-Shi'a militia. He avoided arrest by fleeing to Kurdistan and later to Turkey, where he remains in exile after being sentenced to death twice, in September and again in November 2012.

The arrest of al-Issawi's bodyguards triggered demonstrations through the predominantly Sunni provinces, particularly Anbar Province, bringing to a head long-simmering discontent and the sense of marginalization. Originally, protesters sought the release of the bodyguards, but demands soon escalated to include the release of other political prisoners and a halt to the government's de-Ba'athification program Sunnis believe is directed against them. Some protesters have gone as far as demanding the formation of a Sunni region enjoying the same degree of autonomy as Kurdistan and comprising the provinces with a large Sunni population. Demonstrations have not abated, and they are not Arab Spring-type affairs, bringing together a broad cross-section of the population to denounce authoritarianism and demand dignity and democracy. Iraq had experienced such protests briefly in early 2011, but they never gained momentum. The protests that started in late 2012 are openly sectarian, pitting Sunnis against what they see as the Shi'a-dominated Maliki government.

In March, Minister al-Issawi resigned from the cabinet in solidarity with the Sunni protesters. His example was followed a few days later by Minister of Agriculture Ezzalدين al-Dawla, also a Sunni. With protests continuing, terrorist acts perpetrated by groups suspected of being affiliated with al-Qaeda on the rise, and Sunni opposition calling for the overthrow of the Syrian regime Maliki supports, Maliki's success in reducing Sunni influence in the government was looking increasingly like a pyrrhic victory.

## Oil Bonanza and Confrontation in Kurdistan

Maliki's growing control of Iraqi institutions has created resentment in Kurdistan as well. Contrary to what is happening in Sunni regions, however, the tension is manifested above all in the relations between the KRG and the Baghdad government, rather than at the level of popular demonstrations or terrorist violence. There is no love lost between the

Kurds and the rest of Iraq—polls have shown repeatedly that most Kurds would like their region to become independent, while the Kurdish leadership has exercised caution and restraint in this regard. Nevertheless, as Maliki seeks to increase his power and to limit the power of the KRG, the possibility of confrontation has increased. It will likely increase even more as Kurdistan develops its own oil and gas industry, thus acquiring the means of becoming financially independent of the central government.


Four issues divide the KRG from Maliki. The first, which Kurds share with all Iraqis that are not part of the State of Law coalition, is anger at the way in which Maliki has been pushing other parties out of the governing alliance, violating the "Erbil Agreement" negotiated in 2011 that made possible the formation of the government. The KRG's participation in the efforts to withdraw confidence from the Maliki cabinet is related to this issue.

But for Kurdistan this is not the most important problem—by and large the Kurds have safeguarded their positions in the central government, including the presidency. The crucial issues are the absence of an agreement on the exploitation of oil and gas in Kurdistan even as oil companies are discovering new fields; the relationship between the Iraqi defense forces and Kurdistan's own *peshmerga*, the region's militia; and the status of Kirkuk.

Conflict between Kurdistan and the central government concerning the exploitation of hydrocarbons is rooted in the ambiguity of the 2005 constitution, which states quite clearly that all revenue from oil and gas should be paid to the central government, which will then apportion it among regions or provinces. However, it is extremely vague about whether Kurdistan is entitled to sign new contracts for the exploitation of oil and gas fields on its own territory. The KRG insists it has that right; the central government claims all contracts must be signed by Baghdad. Even at the height of its influence, the United States could not get the two sides to agree on a hydrocarbon law, and the issue remains unresolved to this day.

Lack of clarity has not deterred the KRG from moving aggressively to open up new oil and gas fields, offering foreign partners generous production-sharing contracts that compare quite favorably with the conditions offered by the Baghdad government. Initially, only small oil companies took the risk of operating in the uncharted legal waters of Kurdistan, but the situation changed rapidly as new finds proved extremely





promising. Furthermore, both security and the business climate in Kurdistan improved rapidly, making it easier to operate there than elsewhere in Iraq.

According to OPEC figures, Kurdistan has 43.7 billion barrels of proven oil reserves, and an additional 25.5 billion of unproven reserves, much less than the rest of Iraq but still considerable. By the end of 2012, some 40 companies operated in Kurdistan, including ExxonMobil, Chevron, Total, and Gazprom. Baghdad has threatened to terminate existing contracts of international oil companies that sign deals with the KRG, but this has not been a deterrent so far. Indeed, the KRG is so confident that major oil companies want to operate in Kurdistan that it has announced the intention to reduce the number of companies doing business in the region, easing out small operators and focusing instead on deals with major companies.

The central government has retaliated by withholding payment to oil companies operating in Kurdistan. Even when oil companies sign agreements with Erbil, all revenue from the sale of hydrocarbons goes to the central government—the constitution is clear on this point—and the government in turn pays oil companies. Baghdad has been withholding payments. Oil companies operating in Kurdistan claimed in December 2012 that they were owed some \$1.5 billion. The situation is not likely to ease soon. In a deliberately provocative gesture by the Maliki government, the budget law approved by the Council of Representatives on March 7 only includes \$648 million for payment to oil contractors in Kurdistan, which would only cover one-sixth of what is needed. Nevertheless, oil companies are still signing deals with Erbil.

Despite its willingness to defy the central government openly, the KRG cannot sell its oil independently on the international market, at least not on a large scale, because pipelines go through territory controlled by Baghdad. Some oil is being smuggled into Iran by truck, but most importantly at the beginning of January, Kurdistan started trucking crude oil from the Taq Taq oil field, controlled by the Anglo-Turkish company Genel Energy, directly to the Turkish port of Mersin. Trucking is not the long-term solution, however. Erbil is considering building entirely on its territory a 75-kilometer pipeline from Taq Taq to the Turkish border, where it would join the pipeline from Kirkuk that crosses territory controlled by Baghdad. Genel Energy has declared it is ready to finance the project estimated to cost \$150 million.

The real obstacle remains the politics of the project and its implications for both Kurdistan and Turkey. A direct pipeline to the Turkish border would potentially free Kurdistan from its financial dependence on Baghdad. Two big questions loom, however: is Kurdistan ready to take a step which would de facto amount to a declaration of independence, with all the domestic and international consequences independence would entail? And would Turkey allow it? Ankara's position on the once-unthinkable idea of an independent Kurdistan has been evolving rapidly in the last ten years. Turkey has accepted the autonomy of Kurdistan, and Turkish businessmen have invested heavily there. But initially Turkey also sought to maintain good relations with Baghdad, in keeping with the stated policy of maintaining good relations with all neighbors. Nevertheless, relations between Ankara and Baghdad have deteriorated, with relations between the two countries enmeshed with the international politics of the Syrian crisis. Signals coming from Turkey on the issue of a Kurdistan-Turkey pipeline are at this point extremely opaque. A report circulating in late February that Turkey has declared that it would not allow the pipeline to be built without Baghdad's consent was neither confirmed nor denied by the Turkish government.

Maliki has responded harshly to Kurdish defiance on the oil issue, as seen by the paucity of funds allocated in the budget to compensate the oil companies. Indeed, neither side appears willing to compromise. Increasing the probability of violence, since last summer Maliki has also confronted the KRG by deploying more Iraqi troops around Kirkuk and seeking to integrate the *peshmerga* more closely into the Iraqi Security Forces (ISF).

The issue of the *peshmerga*, a Kurdish militia developed while Kurds were fighting Saddam Hussein and that turned into a Kurdish army controlled by the KRG, was bound to become a flash point between Baghdad and Erbil. The constitution states clearly that regions have the right to maintain their own militia and in any case, with the old Iraqi army dissolved and the new one still in the process of being built, Maliki was in no position initially to take on the Kurdish militias. As a result, the *peshmerga* remained de facto an autonomous force under KRG control. Maliki also de facto accepted the Kurdish claim that only the *peshmerga* would be deployed in Kurdistan.

As the ISF became better organized and Maliki grew more confident of his control over it, he moved to reduce

the autonomy of the *peshmerga*. In April 2010, he declared four *peshmerga* brigades part of the ISF. This meant that the brigades could receive training by the U.S. military as well as funding from the central government. Fearing integration would lead it to lose control over the *peshmerga*, the KRG did not allow more units to be integrated in the ISF.

A crisis between the two armed forces was bound to develop. It did so in late 2012. In September, the Iraqi military established the new Dijla Operations Command, provocatively locating its headquarters in Kirkuk, where the *peshmerga* also has a command post. The KRG responded to the deployment of ISF troops in the disputed territory by increasing the *peshmerga* presence there. Maliki retaliated by withholding from the 2013 budget all funding for the training of *peshmerga* units and making clear that the funding would only be restored if the *peshmerga* placed itself under the jurisdiction of Baghdad—a demand he knew full well the KRG would never accept. He also declared that the KRG's insistence that only the *peshmerga* could operate in Kurdistan was unconstitutional.

With neither side willing to back off on any of the issues dividing the KRG and the central government, the unity of Iraq hung very much in the balance in early 2013.

## The Impact of Regional Politics

The outcome of the confrontation of the Shi'a-dominated Maliki government on one side and the Syrian opposition and the KRG on the other is not taking place in a vacuum. The outcome in fact depends as much on what will happen in the region as on the internal dynamics of Iraq. Maliki has shown a great deal of political dexterity so far in imposing himself as Iraq's new strongman domestically, but he has no control over regional events. Internationally, the Iraqi central government after the U.S. withdrawal is weak and isolated, affected by events outside the country's borders but unable to affect them.


Iran is Maliki's only external supporter—the Assad regime in Syria, which he is backing, is certainly no asset for Iraq. After courting both Iran and the United States at the time of the 2010 elections, Maliki eventually chose the Iranian camp. He plays the Shi'a card inside the country and backs Iran in its policy toward Syria. He is openly hostile to the Syrian

rebels, whom he portrays as Sunnis backed by foreign jihadists, and he has been unresponsive to U.S. pressure to thwart weapon transfers from Iran to the Assad regime through its airspace.

It is open to debate whether Maliki ever had any choice but to side with Iran after the withdrawal of U.S. troops. Sunni Arab regimes, particularly in the Gulf, always regarded him with suspicion because he is Shi'a, and they never welcomed him back in the Arab world—Iraq's participation in Arab League meetings has been purely formal. But this is now a moot point. Whether or not Maliki would have been accepted by Sunni Arab regimes in 2010 if he had taken his distance from Tehran, he will not be accepted now.

Even Turkey, which after the overthrow of Saddam Hussein was convinced that it could maintain good relations with the government in Baghdad while also building strong political and above all economic ties to Kurdistan, appears to have given up on Maliki. Baghdad and Ankara differ on Syria and differ on Kurdistan, with Turkey allowing oil to be trucked to its ports and keeping silent on whether it will accept a direct pipeline from Kurdistan to Turkey. Thus, Maliki is now isolated in a region that defines him as pro-Iranian and pro-Shi'a, a pawn in Tehran's game in the region. And it is difficult to imagine he could turn again for external support to the United States, particularly under the Obama administration with its reluctance to become deeply involved in the increasingly messy politics of the Middle East.

Like the central government, Kurdistan also has few options in terms of its external alliances. In a region of highly-centralized, authoritarian regimes, an autonomous region is an aberration and an independent Kurdistan would not be welcomed by any country. The United States strongly opposes the weakening of Iraqi unity, although it is unlikely to do anything in practice. Syria, Iran, and Turkey, with their Kurdish minorities, have always been hostile to Kurdish autonomy in Iraq. Turkey, as discussed before, has changed its approach, and this is likely to continue now that Ankara is trying to negotiate a solution to its domestic Kurdish problem. So far, the KRG has tried not to provoke Syria and Iran and has kept its distance from Kurdish minorities in those countries. With the weakening of the Assad regime, however, Kurdistan can no longer maintain its distance from Syrian Kurds. Assad has essentially lost control over the north of Syria, including the Kurdish areas, and this affects Iraqi Kurdistan. The challenge has been particularly severe



for Kurdish President Massoud Barzani, whose Kurdistan Democratic Party controls the northern part of the region close to Syria. There are refugees flocking across the border that need to be taken care of. Most importantly, there are Syrian Kurds fighting against Assad seeking support. In mid-2012, Barzani acknowledged that Kurdistan was providing training for Syrian Kurds, mostly deserters from the Syrian army. The new regional dynamics, in other words, is making it impossible to compartmentalize the problems of Kurds in each country, although there have been no dramatic developments so far.

For Sunnis in Iraq, war in Syria has created at least the hope, and perhaps the actual possibility, of a change in their present situation. Sunnis so far have been the major losers in the transitions. Shi'a got power, Kurds achieved autonomy, but Sunnis received very little. They have little influence in the central government, having lost all major political battles with Maliki. And neither the increasing violence nor the peaceful demonstrations have brought about change. The collapse of the Syrian regime could give Iraqi Sunnis allies across the border, because in the end Sunnis will hold the most power in Syria. But who specifically will exercise power, and how, is extremely uncertain. Syria could turn into a mosaic of city-states dominated by rival militias, as happened in Libya. It might come under the sway of the radical Islamist groups that appear to have the upper hand in the fighting at present. Or, in a happier scenario, it might manage to avoid catastrophe and set up some sort of unity government to hold the country together. All alternatives have implications for Iraqi Sunnis, who will be most directly affected—whether positively or negatively, it is too hard to tell.

Iraq, let alone of the entire region. Iraq is today a deeply divided, unstable country, whose future as a single, let alone cohesive, entity is uncertain at best. And the region is more dangerous than ever, changing in ways that are still difficult to understand.

The Bush administration had predicted that its intervention in Iraq would lead to the emergence of a new Middle East. Ten years later, the Middle East has indeed become a very different region and the transformation is continuing. But it is not the Middle East the United States envisaged, and it is being shaped by forces beyond the control of the United States.

## Ten Years Later

The United States intervened in Iraq ten years ago under two assumptions: first, that Saddam Hussein was a threat that needed to be eliminated; and second, that the United States could reconstruct Iraq into a friendlier and less dangerous country that would also make the entire region less dangerous.

The first assumption is still being debated in the United States, although it has become largely irrelevant at this point, because the invasion took place and its consequences are irreversible. The second assumption was clearly wrong. The United States was unable to control the reconstruction of



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