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FUTURE NOTES

IRAQI KURDISTAN AND BEYOND: THE EU'S STAKES

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In 2017, Iraq and the wider region saw events that dramatically changed their political and societal realities. The year's monumental events included not only the territorial defeat of the so-called Islamic State but also the Iraqi Kurdistan referendum and the retaking of the disputed areas by Iraqi forces loyal to Baghdad. The effects of those events will be felt in 2018 and beyond and have implications for any actor with stakes in the Middle East. The European Union is one such actor. There are several elements that could push the EU to modify its Iraq policy. If it does so, institution-building and reconciliation between Iraqis, including the Kurds, will be key components. This paper argues that there is room to achieve positive results whose effects could stretch beyond Iraq itself.

WHAT WENT WRONG?

On 25 September 2017, Massoud Barzani, President of the Kurdistan Region of Iraq (KRI), called for an independence referendum for the semi-autonomous region. He had been warned repeatedly by regional and international partners that the referendum would have a destabilizing effect and had been asked to consider postponing or even cancelling it to avoid upheaval. Yet his government went ahead with what is now perceived to have been a major miscalculation. A few weeks after the referendum was passed with an overwhelming majority (over 90 per cent yes votes and a 72 per cent turnout), the KRI had lost up to half the territory it had administered before the referendum, Barzani has tendered his resignation as president of the region and intra-Kurdish political quarrels were on the rise. How did we get here?

Relations between Baghdad and Erbil left little room for dialogue. During the administration of former Iraqi Prime Minister Nouri al-Maliki, government policy was often seen as divisive, promoting sectarian politics and the re-centralization of the state. Likewise, the Kurdistan Regional Government (KRG) disputed Baghdad's sovereignty in respect of natural resources and started exporting oil and gas independently using the Ceyhan pipeline to Turkey. The problem further deteriorated when the KRG occupied the Kirkuk oil fields in 2014, which increased the regional government's financial autonomy. Baghdad responded by cutting off much of the region's budget allocation, which further incentivized the KRG to "go it alone".

Barzani's short-term (mis)calculations. Massoud Barzani's position as president of the KRI was dependent on the consensus of the two historically dominant parties, the Kurdistan Democratic Party (KDP) and Patriotic Union of Kurdistan (PUK). With a weakening of the latter, the political deals that had allowed Barzani's term to be extended twice (each extension lasting two years) through an Act of parliament seemed increasingly unlikely. Thus, one possible reason for the

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timing and the insistence on the referendum, as has been argued by the opposition Gorran party, was the political survival of Massoud Barzani himself.

False impressions of inflated importance swelled Barzani's ambitions. The war against ISIS led to a cavalcade of visits to Erbil by international leaders and diplomats. This was coupled with an intensification of military cooperation and support to Kurdish armed forces by the International Coalition. This gave the KRG and Massoud Barzani the impression that the Kurds were not only indispensable for their Western allies in the war against ISIS, but also that they would not be abandoned in the post-ISIS Iraqi political scene.

Regional actors' interests limited chances of negotiations. Turkey and Iran, two of the most influential actors in Iraqi-KRI relations, were unable, or unwilling to act as brokers between Baghdad and Erbil. Turkey, for its part, was constrained by domestic political realities that limited the ability of the ruling Justice and Development Party (AKP) government to support the position of the KRG. Iran, although a vocal critic of the referendum and having warned the KRG directly of its repercussions, also stood to gain politically from the situation. A weakened KRG, as goes the logic, is a weakened US position within Iraq.

THE EU'S STAKES

The price of regional instability. The past few decades in the region, including the last seven years since the Arab Spring, have seen shifting conflicts in which the outcome has been far from certain. At the time of writing (February 2018), the two actors most involved with contributing to added instability are Saudi Arabia and Iran. As Iran seems to have gained the advantage, with its allies coming out mostly on top in Syria and Iraq, Saudi Arabia, under the *de facto* leadership of Crown Prince Mohammad bin Salman, has signalled it is ready to escalate its position versus Iran. This does not mean that the KRI will become the key battlefield in a new conflict, but it does mean that Iraq could yet again see instability from a renewed Saudi-Iranian engagement in the state, and inherent divisions such that between Erbil and Baghdad could be further exploited.

State failure may add to EU migration issues. The economic crisis in the KRI is unsustainable. Economic stagnation and the KRG's failure to pay out salaries has already resulted in unprecedented protests in the region. One such ended with the deaths of five protestors and the serious injury of dozens more. Even prior to the current crisis, Iraqi Kurds had been leaving the region for Europe in ever increasing numbers. With a collapse in the regional government's ability to pay salaries and promote economic opportunities for its citizens, the migration trend towards Europe is likely to increase. In addition to Kurdish citizens likely to flee the region, the KRI also hosts 1.84 million refugees and internally displaced persons (IDPs) from the rest of Iraq, whose homes are not yet secure enough to move back into. A collapse of the KRG would stop services and funding to the camps currently housing IDPs and refugees and would thus provide many of them with the motivation to leave for safer areas.

The diaspora. Although no reliable figures exist, it has been suggested that 1.5 million Kurds live in the diaspora community in Europe. This community, along with the large diaspora communities of Turks and Arabs living in Europe, has seen tensions rise in tandem with conflict erupting in

their home countries. Considering the high level of politicization of the Kurdish diaspora and past experiences of spill-over of homeland conflicts into the diaspora community in Europe, an escalation of the Iraq–KRI crisis would cause domestic security problems or at best political tensions in European countries hosting Kurdish communities. Tensions among Kurdish and Turkish communities in Sweden at the time of the Kobani crisis illustrate such spill-over.

A fertile ground for violent extremism. The Kurdish conflict has remained a mostly secular affair between successive Iraqi governments and the various parties representing the Kurdish movement. The emergence of Ansar al-Islam in Halabja in 2001 and, more recently, the enrolment of hundreds of Kurds in ISIS in 2014, are worrying developments. The threat posed by Shia militias and the inability of the KRG to protect Kurdish civilians will be used by Kurdish Salafist groups to recruit new members. Just as members of Ansar al-Islam joined the embryo of ISIS prior to the Syrian civil war, a new generation of religious extremists could take root in an area which has been overwhelmingly secular. Additionally, in terms of intelligence cooperation, the KRG and Iraq have been important partners in intelligence sharing and threat reduction. At a time in which ISIS' territorial entity is reducing and foreign fighters are returning, it is imperative to ensure that this free flow of intelligence does not end and jeopardize future security cooperation.

Russia's growing role in the Middle East. In the last decade and particularly since 2015, Russia has been trying to fill the vacuum left by Western powers in the region. Some Europeans are increasingly concerned about this growing influence. Thus, it is worth enquiring what lies behind Moscow's low profile on the Kurdish crisis in Iraq and whether this could change. Syria is still the main priority for Russia, although Moscow also wants to protect relations with Tehran and Baghdad. The Russians may be prepared to engage with Kurdish players in Iraq as they did in Syria. Energy will play an important role as Russian companies have already invested in the KRI. At one point, Moscow might support or even steer a de-escalation attempt. With a history of diplomatic relations in the region, Russia is well positioned to benefit from political openings when they present themselves.

EXPLORING POLICY OPPORTUNITIES

The Erbil–Baghdad crisis has now entered a new stage in which the important actors have understood the need to reduce military tension in the area. Both Baghdad and Erbil have agreed that negotiations must take place to solve outstanding issues. However, there are still many pitfalls in which conflict could re-emerge. Furthermore, the possibility of the total collapse of the KRG could cause more instability in the currently recovering Iraqi state. In accordance with the EU's global strategy, particularly the focus on resilient states and societies, and the EU's recent strategy on Iraq, three points will require further investment:

People to people exchanges. One thing that became clear during the wider Baghdad–Erbil crisis was that there was little communication either between officials in either capital or between Iraqi communities on both sides. The Iraqi Federal Government has no official or non-official channels in which to communicate directly with its Kurdish citizens and likewise the KRG lacks the same capacity though there are some private Kurdish media networks that provide news in the Arabic language. This lack of communication notably increased tension during the recent crisis but has

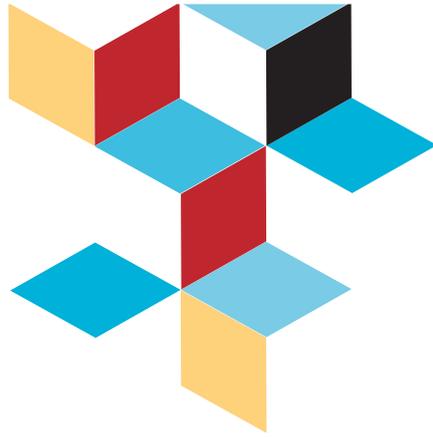
also had the effect of alienating Iraq's ethnic and sectarian components from each other. In this area, the EU can provide all parties with technical assistance to help further communication and understanding among Iraqi components.

Diversity and cohesion. The Baghdad–Erbil crisis, as part of a long-running Arab-Kurdish conflict in Iraq, has done much to damage what were already strained relations and has empowered and popularized sectarian and chauvinist discourses. Yet there are many challenges that could bring Iraqis together: institutional reform, the fight against corruption, environmental issues, youth opportunities, and so forth. Supporting organizations working in the camps and, even more so, helping them in establishing broad territorial and social alliances is one way of increasing Iraq's cohesion while showcasing its diversity.

Technical assistance for political dialogue. What many, including the Iraqi Federal Government and the KRG, have been asking for from international actors has been technical assistance in a wide array of issues connected to solving the current crisis and building on these for future relations between the two. This assistance could take many forms depending on the mechanisms agreed upon by both parties to the negotiations. Providing technical assistance, while necessary in the next stages of reconciliation, is not yet viable as neither side is yet ready to begin political negotiations until scheduled elections on 12 May go ahead. While waiting for the new administration to come into place however, the EU should do all it can to prepare for the implementation of technical assistance.

CLOSING REMARK: INVESTING IN IRAQ BENEFITS THE WIDER REGION

There is room for the EU to actively promote a vision of Iraq in which sectarian and ethnic identities do not dictate the direction of politics and tensions. If successful, positive effects will be seen across the region. In the wider area, ethnic and sectarian tensions have often led to the repression of minorities and open conflict between national or transnational components. If there is a reversal of the current trend of sectarianism in Iraq, lessons could be used to promote peace and cohesion in the immediate region and perhaps even beyond. Becoming a more influential actor in Iraq could also be a pathway for increasing the EU's perceived relevance by key regional players such as Iran, Saudi Arabia and Turkey. Furthermore, as the EU is not willing to take sides on a sectarian line, projecting an image of a non-sectarian player or, even more accurately, of an actor that aims at overcoming sectarian divides, could serve to differentiate the EU from other international actors and could pay off in the long term.



Middle East and North Africa Regional Architecture: Mapping geopolitical shifts, regional order and domestic transformations (MENARA) is a research project that aims to shed light on domestic dynamics and bottom-up perspectives in the Middle East and North Africa amid increasingly volatile and uncertain times.

MENARA maps the driving variables and forces behind these dynamics and poses a single all-encompassing research question: Will the geopolitical future of the region be marked by either centrifugal or centripetal dynamics or a combination of both? In answering this question, the project is articulated around three levels of analysis (domestic, regional and global) and outlines future scenarios for 2025 and 2050. Its final objective is to provide EU Member States policy makers with valuable insights.

MENARA is carried out by a consortium of leading research institutions in the field of international relations, identity and religion politics, history, political sociology, demography, energy, economy, military and environmental studies.



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