

Policy Brief

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Iraq in 2021: Why the status quo will prevail

About the Author



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Eighteen years after the United States and its allies invaded with a promise of democracy, the Iraqi state remains fragmented and unaccountable. Faced with multiple intertwining economic, political, regional and security crises, Baghdad is unable to respond to the basic needs of its citizens. Ideologically and economically bankrupt after years of corruption and misgovernance, the Iraqi state network is relying more on systematic violence, assassinating, arresting, and intimidating civil society activists across the country. While many had hoped that the territorial victory over the Islamic State in 2016 could usher in a new era for Iraq's fledgling democratic project, the reality seems to suggest that the country is once again falling into another conflict cycle, the likes of which have defined post-2003 Iraq and peaked at times such as 2014 when ISIS took over one third of its territory.

Looking at the multitude of today's challenges, many experts and policymakers are concluding that Iraq is on the brink of some form of state collapse. The only hope left is for a small group of liberal reformists within the Iraqi government – namely the Prime Minister, the President, and their teams – to change course. However, Iraq is not headed towards reform. Instead, it remains stuck in cycles of conflict. Splitting the elite into reformists and conservatives cannot sufficiently explain today's political reality, in which all of Iraq's political parties and armed groups operate with impunity. Instead, to understand Iraq requires looking at the elite as a whole – and as part of an interconnected network of politicians, armed groups, businesspeople, and societal leaders. Despite the multiple crises and conflict cycles, this network can muddle through and maintain a semblance of the status quo in the short to medium term. To reinforce state power, this elite will maintain the corrupt ethno-sectarian political system while increasingly resorting to coercion to silence growing voices of dissent.

Today, one of the more frequently cited explanations for collapse is the economic situation. The drop in the price of oil in 2020 coupled with the consequence from COVID-19 related lockdowns forced Iraq's elite to tap into its remaining reserves, steering the country towards potential bankruptcy. Last Autumn, the prime minister decided to devalue the dinar, and was unable to pay public sector salaries – which make up a large majority of Iraqis' salaries.

However, greater structural issues that plague the post-2003 system drive its cycles of conflict. A simple injection of funds through international loans or a spike in oil price that generates greater revenue will not fix this problem.

One of the principal structural issues is Iraq's elite network's use of the public sector as a space to build patronage networks. Ninety percent of job opportunities come from the public sector -- by employing political party members or allies and awarding contracts for profit, the elite continue to cement their influence. This is borne out by the numbers: public sector employment figures jumped from some 850,000 employees in 2003 to 6.5 million employees and retirees on government payroll in 2020. During elections cycles, leaders have often promised jobs in exchange for votes.

For the elite, this process has been a crucial step to acquiring public authority. Employment across the civil service has been politically motivated but has not led to enhancements in service provision. Moreover, each party in the elite network eyes ministries and government agencies as financial opportunities to generate revenue to maintain power and patronage.

To satisfy demands made by the protesters who came out in their thousands to protest

government corruption in 2019 and 2020, the Iraqi government is going after some forms of corruption. However, rather than going after the heart of it, Prime Minister Mustafa al-Kadhimi seeks out the lowest hanging fruit that have weak connectivity to governing political parties and armed groups. While this drive suggests a path towards reform, the risk is that these tactics may distract from, rather than stop, the larger corrupt practices that sustain the elite. They are not lost on the many disillusioned Iraqis, who are losing their belief that the prime minister is willing or able to pursue genuine systemic reform.

Changing demographics further complicate these structural economic issues. Iraq's annual population growth rate is the second highest in the region, at 2.3%. The population is projected to go from 39 million today to 60 million by 2040. The elite are unable to provide the same level of jobs to this growing population, meaning that an increasing portion of the population will be outside its social base. Declining voter turnout after each election, from almost 80 percent in 2005 to barely 20 percent in 2018, reveals this level of disillusionment.

Unable to find jobs or a decent standard of living, more young Iraqis are finding that their voice can only be heard through protests. In October 2019, they marched across cities in southern and central Iraq, calling for an end to the corrupt political system. For the first time in these areas, the elite network resorted to systematic violence, killing over 600 and wounding tens of thousands.

Many of these protests have since been subdued – protest leaders have fled the country, COVID-19 lockdowns have complicated gatherings, and fatigue in the effectiveness of protests has grown. However, the elite network has also learned how to better employ coercion and prevent mobilization. The government has thus far been unwilling and unable to go after any of

the groups – which make up the elite network – that kill on behalf of the state. These groups are both inside and outside formal government.

The inability to go after these agents of violence may be because the political arena is more fragmented than ever. The post-2003 era has witnessed increasing splintering within the ethnic and sect blocs themselves. In 2005, three main lists competed in the election, the United Iraqi Alliance which represented the Shia Islamist parties, the Kurdistan List which represented the Kurdish parties, and the Iraqi List which represented secular and the main Sunni groups. By 2018, however, these big lists had splintered into many competing parts.

This intra-elite competition has even turned violent. In the south, tit-for-tat attacks have featured Sadrist armed groups fighting against other Popular Mobilization Forces (PMF) armed groups. In the Kurdistan Region, a Goran Party MP accused a Kurdistan Democratic Party (KDP) armed actor of stabbing him with a knife. Some look to this intra-elite competition as proof that Iraq is indeed on the brink of some form of collapse, be that civil war or a coup.

However, the past 18 years have taught us that while fragmentation has always existed, the elite network can come together when approaching existential crisis. Events in Nasiriya over the last month reveal this reality. While the city saw protests in October 2019, it also became the stage for infighting between the Sadrists and the PMF and Maliki networks. These networks infiltrated protests, as each side sought to bring down the other. But when the infighting risked escalation, members of the elite intervened, bringing all sides together and reaching a negotiated settlement, which included appointing a new governor.

The U.S.-Iran dispute, which peaked after the Trump administration assassinated Abu Mehdi al-

Muhandis and Qassim Solaimani in January 2020, has led to the proliferation of vanguard armed groups which have a tight-knit leadership but are not embedded in society. These militias threaten not only American and foreign diplomats in Iraq, but also the prime minister and president. These armed groups nonetheless have some connectivity to the Iraqi state network and support from Iran, meaning that they too can cease fire, as they did at the end of 2020.

Much of the international attention on Iraq over the past few years has focused on ISIS. In January 2021, ISIS conducted a bombing inside Baghdad killed over 30 civilians and reminding many that the group was never defeated even if it lost its territory. While the idea of another territorial caliphate is not plausible in the near future, the socio-economic and political challenges addressed in this article are the very roots that give rise to groups like ISIS in the first place.

The elite network has not rebuilt the liberated areas –instead, armed groups and political parties in these areas generate revenue through corruption, not providing services or allowing IDPs to return to their homes. The government even tried to close internally-displaced person (IDP) camps without a clear strategy of where tens of thousands of already marginalized people would go. The situation in these areas is dire, exacerbating the fertile ground for further conflict and potential insurgency.

Today, the loudest voices calling for systemic reform in Iraq are protestors and civil society activists. They were the first to recognize the centrality of the entire elite in corruption and the unlikelihood of change from within this network. Incremental reform – the guiding logic of the prime minister – assumes a linear history, but the story of Iraq since 2003 has been more cyclical. While the Canadian government seeks to pursue reform programming in Iraq, it should therefore

navigate with a clear power mapping of this network and its connectivity. Economic, security, judicial or other reform initiatives can no longer ignore the politics at the core of state power in Iraq.

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