

# In the eye of the storm?

## (In)stability in Western Iraqi Kurdistan

CRU Report

Erwin van Veen  
al-Hamzeh al-Shadeedi



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# Abstract

Iraqi Kurdistan has done well for itself in recent decades by carving out a largely autonomous region free of most governance and security interference from Baghdad. The alliance of convenience between the two pre-eminent Kurdish parties – the Kurdistan Democratic Party (KDP) and the Patriotic Union of Kurdistan (PUK) – effectively seized a number of opportunities to consolidate and expand Iraqi Kurdistan, such as the international no-fly zone (1991), the US intervention (2003), the crafting of a new constitution for Iraq (2005) and, arguably, even the rise of the Islamic State (IS) (2014).

Yet, the Kurdistan Region of Iraq (KRI) also faces a triple crisis. Politically, this includes the exclusive and increasingly repressive rule of the KDP and PUK in a context of mediocre governance, as well as strained relations between Erbil, the capital of Iraqi Kurdistan, and Baghdad over the disputed territories. Economically, it includes a general downturn combined with serious financial disputes with Baghdad. Socially, it includes deteriorating popular satisfaction with the quality of rule and life in Kurdistan.

In this context, this report analyses four factors that could create (in)stability in western Iraqi Kurdistan in the near to medium term: 1) geopolitical tensions; 2) further clashes over the disputed territories; 3) growing dissatisfaction with the KDP and 4) protracted displacement. On balance, it does not consider the risk of immediate crisis or violence as being very high, but the report does note that many elements are in place that could easily trigger violent incidents with the potential of escalation or build momentum for violent crisis in the medium term. For each factor, the report proposes restraining factors, developments to monitor and trigger events.

While international influence on the domestic politics of Iraqi Kurdistan is limited, coupling an offer of international (UN) mediation to facilitate resolution of the disputed territories with the development, or strengthening, of a dedicated fund that can rapidly initiate the reconstruction of the Greater Mosul area (including some of the disputed territories) would be a valuable intervention to further the peaceful development of Iraqi Kurdistan.

# Acknowledgement

The report is part of Clingendael's Levant research program that analyses hybrid security organizations – armed groups that simultaneously compete and cooperate with the state – in Syria and Iraq in the context of Iranian, Turkish and Saudi foreign policy. More about this program, including its publications to date, can be found here:

<https://www.clingendael.org/research-program/levant>

The present report is based on analysis of open online sources in both English and Arabic, including media reporting, analyses produced by think tanks and academic writings.

The authors are grateful to Edith Szanto (American University of Iraq, Sulaymaniyah), Nancy Ezzeddine and Floor El Kamouni-Janssen (both with the Clingendael Institute) for their review of this report which was made possible in part through support from the Association of Dutch municipalities (VNG). Its contents remain the responsibility of the authors.

# Introduction

Iraqi Kurdistan offers a puzzling mix of stability and turmoil that reflects the political uncertainty of state formation efforts in the 21<sup>st</sup> century. The region has arguably done well for itself over recent decades, despite being caught between ambiguous US-support, the rigidity of the contemporary state system and a difficult geographical and geopolitical situation. However, darker clouds are gathering on the horizon, which makes it doubtful whether this trend can be continued.

On the one hand, since the early 1990s an Iraqi Kurdish proto-state has steadily become a successful reality in reflection of the shared Kurdish identity of 15–20 per cent of Iraq's population, a dynamic sociopolitical culture, and the search for alternative governance solutions in the face of longstanding marginalisation and repression by successive governments in Baghdad. The Iraqi Kurds' ongoing statebuilding project has been effective due to a number of structural factors. These include: the foreign security guarantee in the form of the no-fly zone established in 1991; increasing revenues from oil and trade in the 1990s/2000s; and the alliance of convenience between the two main Kurdish parties – the Kurdistan Democratic Party (KDP) and the Patriotic Union of Kurdistan (PUK) (see Figure 1).<sup>1</sup> Even though full Kurdish independence is currently not on the cards after the botched referendum of September 2017, there seems to be a general consensus among Iraqi political elites that the Kurds must be adequately included in Iraq's political settlement.<sup>2</sup>

On the other hand, the Kurdish civil war (1994–1998), the region's economic troubles due to payment dispute(s) with Baghdad, the downturn in oil prices, its growing economic dependence on Turkey, the fight against the Islamic State (IS) (2014–2017), and its rapid loss of the disputed territories (2017) show the region's vulnerabilities. Moreover, former President Barzani's long rule (2005–2017), growing popular demonstrations against the KDP and PUK, and recent electoral violence by both parties (2018) suggest that Kurdish

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1 Jüde, J., 'Contesting borders? The formation of Iraqi Kurdistan's de facto state', *International Affairs*, 93:4, 2017.

2 Renad, M. and S. Aldouri, *Gamble by the Kurds*, London: Chatham House, 2017/18. For example, Prime Minister Al-Abadi declared on 25 April 2018 in Sulaymaniyyah that 'Iraq will not reach stability and development without cooperation between Kurds and Arabs.' He further added that 'Arabs and Kurds are equal citizens of one country.' See: <http://www.rudaw.net/arabic/kurdistan/250420185> (consulted 24 May 2018). The referendum was an unofficial vote for independence among Iraq's Kurds called by former President Barzani.

homogeneity is weaker than it might appear, party political rule more disputed, and governing institutions far from mature.<sup>3</sup>

Today, this mix makes for an autonomous Kurdish region that faces a triple crisis – political, social and economic/financial – and yet is bound to persist.<sup>4</sup> The purpose of this report is to identify and analyse key factors that are likely to influence the (in)stability of the western part of Iraqi Kurdistan in the near future. Long considered core KDP territory, this part of Iraqi Kurdistan has become increasingly vulnerable in many different regards over the past few years and forms a useful case study of some of the wider tensions that Iraqi Kurdistan faces. On the basis of a preliminary canvassing of (de)stabilising factors, the report analyses four issues: a) geopolitical tensions; b) the disputed territories; c) popular dissatisfaction with the KDP; and, d) protracted displacement. It also develops indicators for monitoring these factors and concludes with short policy recommendations.

### Box 1 Key facts on western Iraqi Kurdistan

In ethnic-administrative terms, western Iraqi Kurdistan consists mainly of Dohuk governorate. Politically, it could also include the Tel Afar and Sinjar areas, as well as the disputed areas north and east of Mosul (see Figure 2).

Its main cities are Dohuk, with a population of 354,000 and Zakhu, with 197,000 people (2015 est.). The area is bisected by two main trade routes, i.e. the Cizre (Turkey)–Mosul road that runs north-south through the Feshkhaboor border area and the Dohuk–Erbil road via Zebar that runs west-east.

Dohuk governorate is home to about 1.9 million people. Of these, c. 1.47 million (77%) are locals (mostly Kurds, Assyrians, Chaldeans and Armenians); c. 355,000 (18.5%) are internally displaced persons (IDPs); and c. 87,000 (4.5%) are Syrian refugees (mostly Kurds).

Source: Times Atlas of the World (14<sup>th</sup> edition); UN OCHA, [online](#) (data per 28 February 2018; accessed 4 June 2018); UNHRC, [online](#) (data per 31 March 2018; consulted 4 June 2018).

3 MacCaffray van den Toorn, C., *Kurdistan politics at a crossroads*, Carnegie: Sada, 2018.

4 The political dimension of the crisis refers to tensions between Erbil and Baghdad, as well as between the KDP and PUK, the social dimension to deteriorating popular satisfaction with the quality of rule and life in Kurdistan, and the economic/financial dimension to the poor state of the Kurdish economy, as well as to the region's decreasing share of the national budget. See also: Hama, H., *Systemic crisis in the Kurdistan region of Iraq*, 2018, online: <https://www.fpri.org/article/2018/01/systemic-crisis-kurdistan-region-iraq/> (consulted 24 May 2018).



# (In)stability factor 1: Geopolitical tensions in western Iraqi Kurdistan

Geopolitical limelight on the Middle East tends to focus on Iranian-Saudi rivalry, recently intensified by the US quitting the Joint Comprehensive Plan of Action (JCPOA), and the Syrian civil war. However, these primary conflicts obscure several secondary drivers of instability in the Middle East, such as the longstanding Palestinian and Kurdish questions, Turkish-Iranian rivalry and Turkish-Iraqi tensions. It is in northwestern Iraqi Kurdistan that primary and secondary drivers of geopolitical instability increasingly interact, namely the Kurdish question, the Syrian civil war and Iran vs. Turkey rivalry.

Western Iraqi Kurdistan is traditionally a stronghold of the Kurdistan Democratic Party (KDP) with the Dohuk governorate at its core (see Figure 1). However, the area also connects both the interests and military presence of Turkey, the Kurdistan Workers' Party (PKK)<sup>5</sup> and Iran (by proxy), which are largely competitive in nature. For starters, the presence of the PKK in western Iraqi Kurdistan has become more pervasive over the past few years. This has taken the form of military activity and an increase in popular sympathy for the group. Some suggest that the PKK might yet establish a political party in the area.<sup>6</sup> For several reasons, the KDP perceives this development as a potential threat. First, the KDP aspires to lead the Kurdish cause itself. Second, the PKK maintains close ties with the PUK, Iran and the Syrian Democratic Union Party (PYD – a Syrian Kurdish outfit with its own armed group, the People's Protection Units (YPG) – while the KDP itself must maintain good relations with Turkey as its main economic lifeline. However, Turkey is implacably opposed to both the PKK and PYD, which it considers closely-linked terrorist organisations.<sup>7</sup> It is in part for this reason that the KDP has allowed Turkish forces to operate from bases located on its territory, despite Baghdad's protestations. Although the Iraqi government regularly condemns Turkish military

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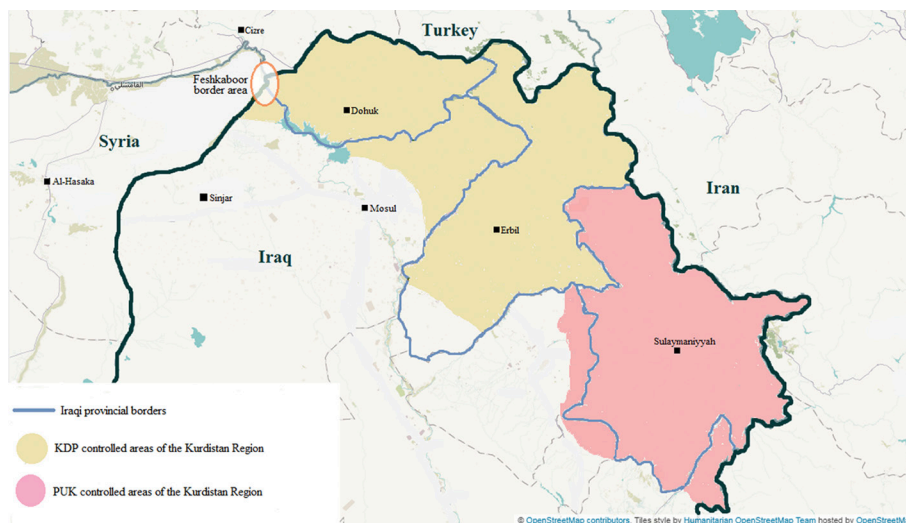
5 The PKK is an armed organisation that fights the Turkish state, mostly by employing guerrilla methods, to achieve greater autonomy for Turkey's Kurdish population.

6 Wahab, B., *Iran's warming relations with the PKK could destabilize the KRG*, Washington DC: The Washington Institute for Near East Policy, online: <http://www.washingtoninstitute.org/policy-analysis/view/irans-warming-relations-with-the-pkk-could-destabilize-the-krg> (accessed 31 May 2018). In Kirkuk, there is already the People's Democracy Front that has ties with the PKK.

7 Gunes, C. and R. Lowe, *The Impact of the Syrian War on Kurdish Politics Across the Middle East*, London: Chatham House, 2015.

activity and bases in the Dohuk and Soran areas as violations of its sovereignty, the Turkish military presence in Dohuk has remained significant. In Turkey's view, it pursues a vital national security interest by taking its fight against the PKK closer to the latter's home turf and by creating a buffer between southeastern Turkey and the PKK's Iraqi bases, much as in Syria's Afrin.<sup>8</sup>

**Figure 1** Lines of territorial and administrative control in Iraqi Kurdistan in early 2018



The provinces of Dohuk, Erbil and Sulaymaniyah officially form the Kurdistan Region of Iraq (KRI) along the lines of the administrative boundaries denoted in blue above. Actual Kurdish territorial control (excluding the disputed territories) extends beyond the administrative boundaries in most places save one.

The Feshkaboor border area in Dohuk governorate offers a microcosm of the interests at stake as it is here that the borders of Syria, Turkey and Iraq meet. In consequence, it is a major transit point for licit and illicit goods, such as oil and contraband, as well as people – from businessmen and traders to PKK fighters. It connects, for example, the Syrian YPG with the Iraq-based ‘Turkish’ PKK, as well as the PKK with its constituents and guerrilla activities in southern Turkey. If there is a Kurdish equivalent to the ‘Shi’a land bridge’ from Tehran to Beirut, it is here. When Iraqi forces sought to establish control over the area

8 This has appreciable and negative consequences for the civilian population. Recent reports suggest, for example, that civilian life in the Batavia area (a district within Zakho in Dohuk), which includes more than 60 villages, has become very difficult due to the more than 660 Turkish military strikes that have taken place in Dohuk since January 2018. See: <http://www.rudaw.net/arabic/kurdistan/110420182> (accessed 31 May 2018). Turkey is said to maintain around 20 bases inside Iraqi Kurdistan.

after the referendum, Kurdish politicians/forces and their Arab equivalents traded both accusations and bullets for a few days. Although today Iraqi Security Forces (ISF) control the actual border crossing, the area is sparsely populated and rugged, making effective surveillance difficult.<sup>9</sup>

Further afield, but still close to Dohuk, is the matter of influence and control of the Sinjar area, which connects PKK activity in Dohuk and Sulaymaniyyah with Syria. When the KDP Peshmerga<sup>10</sup> withdrew from these lands in the face of the IS' 2014 onslaught, the PKK opened a corridor for the Yezidi population to flee and then fought the IS over Sinjar. Later, after the defeat of IS, PKK forces were initially reluctant to leave, even under serious pressure from the Iraqi government, as Sinjar is part of the longer, alternative route between the Qandil mountain range in northeastern Iraq – the PKK's main base – and the Syrian Kurdish territories of the PYD/YPG. When the PKK finally did leave Sinjar in late March 2018, it strengthened the Sinjar Resistance Units (YBS).<sup>11</sup> And, by having these Units qualify for registration under the umbrella of the Iraqi Hashd al-Sha'abi, the PKK in a sense also managed to retain a presence.<sup>12</sup> As both the PKK and significant parts of the Hashd have close connections with Iran, some even think the YBS are a soft proxy of the PKK, which has Iran's tacit approval.<sup>13</sup> While this line of thinking may underplay the evident urgency with which Iraqi Yezidi communities had to protect themselves from IS, and thus downplays the agency of the YBS, it is a possibility that must be reckoned with.

This mix of PKK, KDP Peshmerga, Turkish, Yezidi and Iraqi forces – and associated geopolitical tensions – in western Iraqi Kurdistan will not necessarily lead to violent conflict in the near future. However, its interaction with militant developments in the disputed territories (factor 2) or popular dissatisfaction with the KDP in Dohuk governorate (factor 3) could intensify and gradually create the elements of a greater crisis.

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9 For developments on control over this border crossing: <http://elaph.com/Web/News/2017/11/1176577.html>; <https://www.alhurra.com/a/iraq-erbil-Baghdad-talks/399722.html> and [Al-Rafidain](#) (all accessed 31 May 2018). See also: Aldouri and Mansour (2017/8), *op.cit.*

10 For a more detailed analysis of the Kurdish Peshmerga: Fliervoet, F., *Fighting for Kurdistan? Assessing the nature and functions of the Peshmerga in Iraq*, The Hague: Clingendael, 2018.

11 See: <https://www.alaraby.co.uk/politics/2018/3/23/العراق-الكرديستاني-ينسحب-من-سجنار-عقب-زيارة-وقد-عراقي> (accessed 31 May 2018). The YBS are a largely Yezidi force. Most of the Yezidi community has strong affiliations with Iraq's Kurds, although a minority self-identifies as a separate ethnic group. This last group has grown since 2014.

12 The Hashd al-Sha'abi, or Popular Mobilization Forces, refers to about 50 Iraqi armed groups of varying ideologies, ethnicities and capabilities that were created in 2014 to fight the IS. For a more detailed analysis: Ezzeddine, N. and E. van Veen, *Power in perspective: Four key insights into Iraq's Al-Hashd al-Sha'abi*, The Hague: Clingendael, 2018.

13 Wahab (2018), *op.cit.*

**Table 1      Geopolitical tensions in western Iraqi Kurdistan as a factor of (in)stability**

Elements of restraint	Developments to monitor	Trigger events
Joint Iraqi-Turkish operations against the PKK are unlikely due to Iraqi-Turkish animosity <sup>14</sup>	The intensity and pace of Turkish military operations in Dohuk governorate (including the possibility of Turkey initiating an offensive in the Qandil mountain range)	The ISF using control over the Feshkaboor crossing to enforce fees from oil sales being paid directly to Baghdad <sup>15</sup>
The KDP needs to stay on reasonable terms with Turkey, the PKK and the PYD	KDP-PKK relations: rhetoric and (potentially) violent clashes	The creation of a PKK-affiliated political party in/around Dohuk

14 See: <http://www.rudaw.net/english/analysis/11032018> (accessed 31 May 2018).

15 The recent acquisition of key pipelines by the Russian oil firm Rosneft will make this more difficult, however, as such a move would probably involve Moscow and turn a domestic dispute into a diplomatic one. Russian-Kurdish relations are better than Russian-Iraqi ones at present. See: <https://www.reuters.com/article/us-rosneft-iraq-insight/the-great-russian-oil-game-in-iraqi-kurdistan-idUSKBN1HQ1R3> (accessed 28 May 2018).

## (In)stability factor 2: Further clashes over the disputed territories

Contrary to widely-held views, Iraqi security and Hashd forces did not bring about a complete takeover of all disputed territories in the aftermath of the Kurdish referendum of September 2017. Significant parts of these territories have remained under control of the Kurdish Peshmerga and continue to be governed as they have been since 2014 (see Figure 2). Some of these areas are directly adjacent to Dohuk governorate. What did change after September 2017, however, was that control over the disputed areas fragmented even further due to various Hashd groups, the ISF and new alliances between Hashd and local armed groups staking claims over particular bits of territory that already featured a range of local self-defence groups. Today, the disputed areas feature a myriad of armed organisations, including state forces.<sup>16</sup> This creates appreciable risks of local violent incidents escalating and triggering wider conflict. It also makes the local situation susceptible to igniting due to the tense relations between Erbil and Baghdad. Figure 2 below illustrates the broad lines of control, but one should note that the yellow and purple areas obscure the presence of a great many groups and organisations.

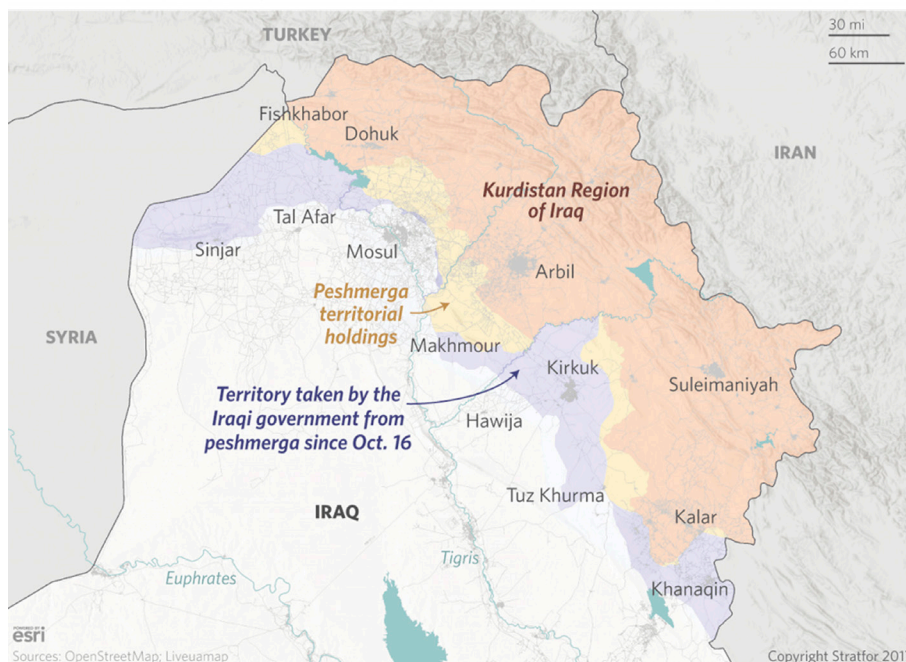
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<sup>16</sup> On this matter: Gaston, E. and A. Derzsi-Horváth, *Iraq After ISIL: Sub-State Actors, Local forces, and the Micro-Politics of Control*, Berlin: GPPI, 2018.

**Figure 2 Control over the disputed territories in late 2017**

### Baghdad's Territorial Gains Since Oct. 16

Since Oct. 16, military forces deployed by Iraq's central government in Baghdad have reclaimed infrastructure and territory under Kurdish control in territory disputed by Baghdad and Arbil, the capital of the Kurdistan Regional Government.



Reproduced by courtesy of Stratfor.com, a geopolitical intelligence firm

The elements required for working towards a durable and mutually acceptable solution of the administrative affiliation, revenue distribution and governance of the disputed territories are not in place. Mostly, this is because all eyes are on the question of how the definitive results of the recent national Iraqi elections will be established and what governing coalition will be agreed upon. The nature of that governing coalition, especially its inclusion/exclusion of the PUK and/or KDP, will influence the parameters of a possible solution for the disputed territories. Given the high level of fragmentation of the Iraqi parliament, the process of forming a government is bound to take an appreciable amount of time and subsequent governance is unlikely to produce radical policy changes.<sup>17</sup>

17 See for example: Al-Ali, Zaid, *Why Iraq's surprising election doesn't signal major changes*, Washington Post, online: [https://www.washingtonpost.com/news/monkey-cage/wp/2018/05/16/iraqs-surprising-election-results-do-not-signal-deep-political-change/?noredirect=on&utm\\_term=.7051707f72f3](https://www.washingtonpost.com/news/monkey-cage/wp/2018/05/16/iraqs-surprising-election-results-do-not-signal-deep-political-change/?noredirect=on&utm_term=.7051707f72f3) (accessed 1 June 2018).

Another factor influencing the resolution of the disputed territories is the speed and extent with which Kurdish unity will recover after its implosion following the September 2017 referendum. As the election results were much more favourable to Iraqi Kurdistan's ruling parties than many had expected, they may soften KDP-PUK acrimony in the short term and facilitate the re-emergence of a joint political front. Yet, irrespective of how both factors pan out, for several reasons the disputed territories will remain a 'wicked problem' in the search for an innovative solution:

- There is no clear definition of which territories are involved, even though they are mentioned in the Iraqi constitution.<sup>18</sup> The 'disputed territories' typically refer to areas in which Arabs, Kurds, Shabak, Yazidis and Christians live comingled or next-door to each other. A number of these communities are also internally divided. Some, such as the Sunni Shammar and Jabour tribes, support the claims of Iraq's Kurds, while others do not.
- The solution as defined in article 140 of the 2004/05 Iraqi constitution – a census followed by a referendum – will probably not work because the US-led constitutional drafting process at the time largely excluded Iraq's Sunni, who form a significant part of the Arab population of the disputed territories. Their support for any dispute resolution mechanism is essential for the future stability of the territories, but they consider the entire constitution flawed (and voted *en bloc* against it at the time). In contrast, Iraq's Kurds engage(d) more strategically and fully endorsed it.<sup>19</sup> In short, it is probable that a new solution must be found.
- The political discourse in Baghdad emphasises the importance of running Iraq as a central state to prevent further division. Handing control of even some of the disputed territories over to Iraq's Kurds after the referendum is currently seen as encouraging secession.<sup>20</sup> Greater Kurdish commitment to the Iraqi state will be required to make such a handover possible, but this creates a Catch-22 as such commitments are most likely to emerge only once there is tangible evidence of more inclusive governance by Baghdad.

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18 Kane, S., *Iraq's disputed territories: A view of the political horizon and implications for US policy*, Washington DC: USIP, 2011.

19 Van Veen, E., F. El Kamouni-Janssen and N. Grinstead, *A house divided: Political relations and coalition-building between Iraq's Shi'a*, The Hague: Clingendael, 2017.

20 It is for this reason that ideas like establishing a 'Nineveh Plain Province' might gain political traction, even though they would not necessarily bring about more representative governance with solid guarantees for minority rights. See: O'Driscoll, D. and D. van Zoonen, *Governing Nineveh after the Islamic State: A solution for all components*, Erbil: MERI, 2016.

Prime Minister Al-Abadi's relatively tough stance towards the Kurdistan Regional Government (KRG) since the referendum may soften now that the elections are over, but it has not exactly contributed to a climate of confidence. As well as the presence of many armed organisations in a context of multiple and interacting tensions – strained relations between Erbil and Baghdad, between Turkey and Iraq, between the PKK and the KDP, and between the Hashd and KDP Peshmerga forces – the risk of the disputed areas acting as a flashpoint for further violent clashes is elevated by two further factors. First, inter-group trust between local communities has descended to a new low since the defeat of the IS. The social fabric of these areas was already under pressure due to Saddam Hussein's politics of sectarianism before the regime change of 2003 – a process that continued under Al-Maliki's divisive tenure – but the bloody rule of IS shifted its unravelling from the edges to the centre.<sup>21</sup> Second, the communities of the Nineveh plain, in particular, face poor livelihood prospects because its agricultural productivity was hit hard by the fight against the IS, destroying the primary income source for many of its inhabitants. This situation is already causing more and more young men to join militias to generate income. It also increases levels of crime and prostitution.

**Table 2 Further clashes over the disputed areas as a factor of (in)stability**

Elements of restraint	Developments to monitor	Trigger events
A drawn-out process of government formation in Baghdad with hopes of a coalition that can broker a solution	The nature of the political coalition that will form the next Iraqi government	Aggressive moves to establish control by 'autonomous' security forces, such as Hashd groups in Tel Afar, or local groups in their home areas
	The rhetoric and practical quality of KDP-PUK relations	Further actions by the Iraqi government to establish its authority over the KRG (e.g. payroll dispute, % of oil revenues)
	The distribution of votes in the districts that form the disputed territories (once the electoral results have been validated)	

21 It should be borne in mind that the area has a long history of ethnic-sectarian tensions and that memories go back for decades. For example, one of the first instances of 'sectarian'-tinged violence in contemporary Iraq was the state-instigated Assyrian massacre of 1933. In more recent history, the cold-blooded murder of 796 Yazidi civilians in a town near Sinjar on 14 August 2007 is the bloodiest terrorist attack after 9/11 in terms of casualties. See: [Sasapost.com](http://sasapost.com) and [Reuters](http://Reuters) (both consulted on 21 June 2018).



## (In)stability factor 3: Growing dissatisfaction with the KDP

The years 2015–2018 witnessed a crescendo of demonstrations by ordinary Kurds against their KDP-PUK duopoly government. Throughout this period, the protests grew in both volume and geographic scope. Although originally largely confined to Sulaymaniyyah, they have expanded beyond that city to include places like Dohuk and Erbil, which used to be tightly controlled, politically reliable and placid sites of KDP rule. What these demonstrations have in common is that they have been consistently met with repressive, even violent, force by either KDP- or PUK-associated forces.<sup>22</sup>

Many commentators have ascribed the increase in these demonstrations to the end of the fight against the IS as it also meant that the KRG was no longer able to use its call for wartime sacrifices as an excuse for poor governance.<sup>23</sup> Meanwhile, corruption and nepotism in Iraqi Kurdistan are perceived to have grown unabated. In this context, the KRG's announcement of further belt-tightening measures after the botched referendum of September 2017 (due to punitive measures taken by the Baghdad government) proved to be a proverbial straw.<sup>24</sup> In the absence of reliable survey data, these are all plausible causes of popular dissatisfaction.

In addition to these demonstrations, the period around the referendum also saw an appreciable increase in political activism across Iraqi Kurdistan. For example,

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22 State security forces in the Western sense of being apolitical and accountable to functional government institutions do not exist in Iraqi Kurdistan. All Kurdish armed forces in the KRG are politically affiliated to either the KDP or PUK. See: Fliervoet, (2018), *op.cit.* For an impression of how protests were repressed: <https://www.hrw.org/news/2018/04/15/kurdistan-region-iraq-protesters-beaten-journalists-detained> (consulted 4 June 2018).

23 IDPs nevertheless continue to generate significant financial pressure on the KRG finances (see next section).

24 Hassan, K., *Kurdistan politicized society confronts a sultanistic system*, Beirut: Carnegie Middle East Center, 2015; McCaffray van den Toorn (2018), *op.cit.*; Nouri, B., *Why Iraqi Kurdistan could be on the brink of revolution*, The Conversation, online: <https://theconversation.com/why-iraqi-kurdistan-could-be-on-the-brink-of-revolution-94190> (accessed 4 June 2018). While former President Barzani was entirely in sync with the desire of many Iraqi Kurds to symbolically establish independence at some point, the timing and push to continue with the referendum in the face of widespread (inter)national opposition proved to be a high-profile error of judgment. Yet, many Iraqi Kurds who now condemn former President Barzani's move, supported him at the time. See for instance: <https://www.alaraby.co.uk/politics/2017/10/30/غضب-كردني-من-البارزاني-دعم-امتيارات-3-عقد> (accessed 3 June 2018).

the Coalition for Democracy and Justice and the New Generation Movement – both political parties – were established in the second half of 2017. It is worth noting that all Kurdish opposition parties operate from Sulaymaniyyah, reflecting the fact that the PUK has been more tolerant than the KDP in allowing political competition/opposition. Political activity in the Dohuk area by parties other than the KDP, for example, is strongly discouraged and remains largely off-limits.

In democratic systems, the combination of widespread political dissatisfaction and political activism tends to lead to political change. Yet, remarkably, the provisional Iraqi electoral results suggest business as usual in favour of the KDP-PUK duopoly that has informally and formally run Iraqi Kurdistan since the Kurdish civil war of the 1990s (see Table 3 below). In addition to the fact that the results of the Iraqi elections quickly became contested, the level of intimidation and force used in Iraqi Kurdistan just before and after the elections makes it doubtful that a free and fair vote took place. For instance, just after 10pm on 12 May, PUK-affiliated Peshmerga attacked the headquarters of the Goran (Movement for Change) in Sulaymaniyyah in response to its public allegations of fraud, raking it with heavy machine gun fire for 15–30 minutes.<sup>25</sup> Examples from before the elections include incidents of opposition party representatives – such as Kamiran Berwari (New Generation Movement) or Ali Hama Salih (Goran) – being beaten bloody in Zakho (Dohuk governorate) in broad daylight without intervention from KDP-linked security forces.<sup>26</sup> It is difficult to imagine such incidents taking place without at least implicit KDP consent.

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25 See: <https://www.al-monitor.com/pulse/originals/2018/05/iraq-election-kurdistan-violence.html> (accessed 1 June 2018).

26 See: <http://www.alittihad.ae/details.php?id=32718&y=2018> (accessed 4 June 2018).

**Table 3 Provisional results of the Iraqi elections for the main Kurdish parties**

Party	Dohuk		Erbil		Sulaymaniyah	
	Seats	%	Seats	%	Seats	%
KDP	10	83%	8	50%	1	5.5%
PUK	-	-	2	13%	8	44%
New Generation	-	-	2	13%	2	11%
Goran	-	-	1	6%	4	22%
Coalition for democracy and justice	-	-	1	6%	1	5.5%
Kurdistan Islamic Union	1	8%	-	-	1	5.5%
Kurdistan Islamic Community	-	-	1	6%	1	5.5%
Total	12 (11+1 Christian quota seat)		16 (15+1 Christian quota seat)		18	
The status of the election results at the time of writing (not reflected in the figures above) is that the Iraqi Supreme Federal Court has ordered a manual recount of the vote. It has also annulled the earlier decision to dismiss diaspora, IDP, security forces and Peshmerga votes – i.e. these votes will be taken into account. Finally, it has appointed independent judges to oversee the recount (replacing officials of the Electoral High Commission).						

[Al-Hurra Iraq, online \(accessed 28 June 2018\).](#)

On this basis, it becomes plausible to entertain a deeper analysis of the causes of popular dissatisfaction with KDP-PUK government performance. Namely, that the machinery and resources of governance in the KRG have been used for a mix of party/personal and ‘nationalist’ interests since the end of the Kurdish civil war. The alliance of convenience created in the late 1990s has proved durable. The KDP and PUK have gradually expanded their control over the KRI’s economy – aided by the centralised logic of pipeline politics and bilateral relations with respectively Turkey and Iran – transforming their guerrilla bands into today’s ‘state security agencies’ (including the Peshmerga) and restricting political competition as much as possible.<sup>27</sup> In effect, both parties have relentlessly pursued a common objective – to keep themselves and each other in power.

27 While the scale of intimidation and restriction during the recent elections made this development more obvious, it was on display much earlier. For example, the speaker of the KRG parliament – who is from Goran – was barred from entering Erbil in 2015 because of his critique of Mr. Barzani exceeding his term. See: <http://ekurd.net/kurdistan-parlt-speaker-prevented-2015-10-12> (accessed 4 June 2018). On the general issue, see also: Hassan (2015), *op.cit.*

The insidious aspect of these developments is that they have been justified as serving the cause of Kurdish nationalism and were enabled with appeals to solidarity and sacrifice in the face of threats posed by 'external enemies'.<sup>28</sup> These included, successively, Iraq's Sunni under Hussein, the country's Shi'a after 2003 (Al-Maliki in particular; although this did not stop pragmatic engagement), the IS after 2014 and 'Baghdad' today. Indeed, on many dimensions the KDP-PUK duopoly has been good for Iraqi Kurds by establishing, building and expanding a Kurdish proto-statelet in a country that has a long track record of problematic Arab-Kurdish relations and whose central government has marginalised and orchestrated mass killings of its Kurdish inhabitants on more than one occasion.<sup>29</sup>

However, instead of creating the economic, popular and administrative basis that Iraq's Kurds need in order to come to an understanding with the Iraqi state that fits the realities of the 21<sup>st</sup> century, the KDP-PUK duopoly continued the Kurdish struggle in a classic, top-down and sometimes confrontational manner. The referendum finally brought home the insight that Kurdish elite strategies towards independence had failed, while elite governance responsibilities were not being adequately discharged.<sup>30</sup>

In this context, the most troubling aspect of the outcome of the Iraqi elections for Kurdistan is that it suggests the KDP and PUK have firmly entrenched themselves without much intention of making space for political competition in a peaceful manner. Depending on what the final election results look like and whether the Iraqi government will continue its strong-arm tactics towards Iraqi Kurdistan – which would enable KDP and PUK Kurdish elites to shore up their 'us-versus-them' narrative – political contestation and violent repression could clash much more forcefully on the streets of Erbil, Dohuk and Sulaymaniyah in the medium term.

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28 A good example is the long - and partially unconstitutional - tenure of Mr. Barzani that was justified time and again by the need for consistent, strong and predictable rule in periods of turmoil and in face of a common enemy.

29 See: Natali, D., *The Kurds and the state: Evolving national identity in Iraq, Turkey and Iran*, New York: Syracuse University Press, 2005.

30 For example, despite possessing an abundance of electricity generating facilities and natural resources, electricity supply is patchy at best in many parts of Iraqi Kurdistan. Currently, it has seven electrical station facilities that can generate more than 6000 megawatts. These only produce 2600 megawatts at the moment, however, because of fuel shortages. It is not exceptional for families to have electricity for 2 to 3 out of every 9 hours. See: <http://www.rudaw.net/arabic/kurdistan/010320182> (accessed 25 June 2018).

**Table 4 Growing dissatisfaction with the KDP as a factor of (in)stability**

Elements of restraint	Developments to monitor	Trigger events
The KDP and PUK are firmly in control of the KRG's administration, security and economy	The final electoral results and how positive they are for the KDP and PUK	The validated electoral results significantly erode the KDP and/or PUK tallies
KDP and PUK votes might be needed in Baghdad and provide the parties with scope to bargain for concessions they can use at home in the KRI	The grievances, volume and locations of future demonstrations	The creation of a PKK-affiliated political party in/around Dohuk
	The extent to which Goran, the New Generation Movement and Coalition for Democracy and Justice, can operate unhindered	

## (In)stability factor 4: Protracted displacement

Presently, c. 23 per cent of the total population of Dohuk governorate consists of Iraqi IDPs and Syrian refugees (see Box 1).<sup>31</sup> The vast majority of both groups is Kurdish, hailing from Kurdish populations in Nineveh (Tel Afar, Mosul, Sinjar and the disputed areas) or from the Kurdish areas of Syria.<sup>32</sup> Although for Iraq as a whole the rate of return started to outstrip the rate of displacement in late December 2017, since 2003 Iraq has been among the 10 countries worldwide with the highest numbers of IDPs.<sup>33</sup> In addition, the rate of return appears to be less pronounced for the Dohuk region so far (see Figure 2).

Care should be taken with the interpretation of such numbers, however, because the fight against the IS only terminated in late 2017, especially in the border areas with Syria. Meanwhile, new turmoil arose in the form of the Kurdish referendum, following which the ISF as well as the Hashd moved into parts of the disputed areas in force. In short, there has been sufficient political tension to prevent prospective returnees from going back to where they came from.

Nevertheless, taking into account Iraq's history of 'having an IDP problem', no prospect of a viable resolution for the disputed areas, ongoing tensions between Erbil and Baghdad, and the unresolved nature of the Syrian civil war, one might assume that many IDPs/refugees will stay where they are for a while longer.<sup>34</sup> The slow pace of the

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31 Estimates of IDPs vary. The lowest figure we found is 350,000 for 31 March 2018 (IOM, [online](#)), the highest is 625,000 for 2016 (UNHCR, Duhok Statistics Office and BRHA, *Displacement as challenge and opportunity*, Erbil, 2016, online: <http://www.krso.net/files/articles/301116034949.pdf> (accessed 4 June 2018). Remarkably, neither the IOM nor UN OCHA recorded more than c. 450,000 IDPs in Dohuk at any point in time.

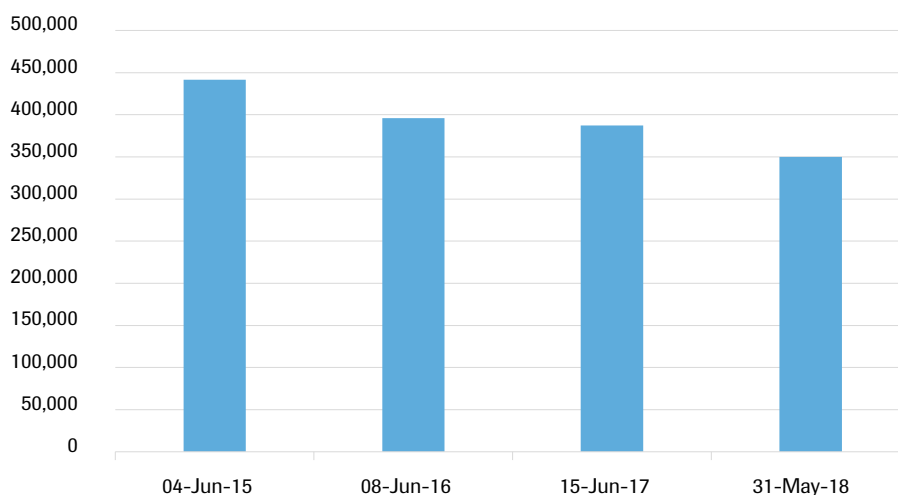
32 In the Netherlands, this would roughly amount to the province of Utrecht hosting all inhabitants of the province of Zeeland (as IDPs) plus those of a small-sized Belgian town (as refugees).

33 For the displacement/return rate: Reliefweb, [online](#) (accessed 4 June 2018); Chatham House, *Internal displacement in the Kurdistan region of Iraq: Impact, Response and Options*, Sulaymaniyah: Chatham House, workshop report 16-18 May 2016.

34 This 2016 report suggests that c. 35% of all IDP/refugee households were likely to remain in Dohuk governorate for the next 5–10 years: UNHCR, Duhok Statistics Office and BRHA (2016), *op.cit.*

reconstruction of Mosul and its hinterlands is also likely to delay returns as Dohuk and Mosul lie only about 75km apart.<sup>35</sup>

**Figure 3 The number of IDPs in Dohuk governorate from 2015–2018**



IOM, online: <http://iraqdtm.iom.int/IDPsML.aspx> (accessed 4 June 2018). A comparable breakdown of UN OCHA data did not seem to be available online.

It is obvious that the protracted presence of the current IDP/refugee population in a governorate already struggling to make ends meet will strain the Kurdish administration politically as well as financially. It is also likely to create tensions, and perhaps insecurity. In contrast to the preceding three factors, this one is more forward looking because a significant track record of popular protest or violent incidents between IDPs and the local population does not yet exist. However, the KRG's lack of strategic planning in relation to IDPs, the political use of citizenship and residence in the battle for territory and identity in both Iraqi Kurdistan and the disputed territories, the recent economic downturn of the KRI and the financial crunch facing the KRG are all elements that are conducive to instability in the medium term.<sup>36</sup> Two dimensions seem of particular relevance:

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35 See for example: Mercy Corps, *Stabilizing Mosul: Research findings to inform the recovery and reconstruction effort*, Portland: Mercy Corps, 2018.

36 Consider, for example, the parallels between these assessments although they are several years apart: <http://www.meri-k.org/impact-of-displaced-people-on-kurdistan-region/> (2014–2015); <http://blogs.lse.ac.uk/mec/2018/02/17/iraq-after-the-islamic-state-displacement-migration-and-return/> (2018) (both accessed 25 June 2018).

First, a deteriorating economic and financial situation in the KRG without a strategy for dealing with its IDP population makes it likely that demand for housing, services, jobs and resources will continue to outstrip supply for the next few years. This is especially the case given that international humanitarian aid may gradually decrease and because uncertainty surrounding the status of the disputed territories continues. Practically, this will lead to living conditions that are more impoverished, education of a lower quality, downward pressure on already meagre wages, and greater dependency on humanitarian aid. IDPs, refugees and host communities will all be affected, but the IDPs/refugees are likely to be hardest hit. Increasing competition for resources can easily create greater tensions between host communities and displaced persons given the vulnerable position of the latter, the local politicisation of their presence,<sup>37</sup> and the current low levels of communication and exchange between IDPs and locals.

In addition, there is the significant risk that both Baghdad and the KRG will seek to use IDPs in their political fight to establish control over the disputed areas. Many IDPs are from those areas and were already under significant pressure from Baghdad and/or the KRG to clarify their political allegiance, which tended to be starkly framed in either/or terms with little scope for political expression of minority identities. For example, Arab tribes from Zummar accused the KDP (President Barzani's family in particular) of trying to Kurdify their town in October 2017. They stated that more than 150,000 individuals had been forcibly displaced from their homes and transferred to IDP camps by KRG officials. As a counter to Kurdish pressure, the tribes asked the Iraqi government to install a new – representative – local council and incorporate their armed youth into the Hashd or ISF.<sup>38</sup> In short, it is entirely possible to envisage population transfers (including returns) being used as a political tool to achieve territorial advantages. The problem of population allegiance, control and identity in a context of IDPs has, however, several levels that increase its complexity.

- Both the Yezidi and Shabak minorities are internally divided between pro-KRG groups (with subdivisions into pro-PKK, pro-PUK and pro-KDP groups), autonomous groups and pro-Baghdad groups.<sup>39</sup> This can cause rapid shifts of allegiance and surprising political events. For example, Haider Sesho – an Iraqi Yezidi – founded the c. 1,000-strong Ezidkhan Protection Force to fight IS. He was subsequently arrested

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37 The local administration in Dohuk could scapegoat IDPs/refugees for its administrative and service provision shortcomings to distract attention away from the KDP's poor governance track record (linking with factor 3).

38 Zummar is an Arab-Kurd town located on the provincial borders of Dohuk and Mosul. See : [Baghdadtoday.news](#) (accessed 25 June 2018).

39 For more detail: Van Zoonen, D. and K. Wirya, *The Shabaks: Perceptions of reconciliation and conflict*, Erbil: MERI, 2017; Van Zoonen, D. and K. Wirya, *The Yazidis: Perceptions of reconciliation and conflict*, Erbil: MERI, 2017.



by KDP security forces in 2015 and charged with the creation of an 'illegitimate militia' – although the real problem seems to have been his refusal to join the KDP Peshmerga forces. After an outcry, he was released. In early 2017, Sesho resigned from the PUK Central Council to create the Yezidi Democratic Party while confirming that his militia would remain fully integrated under the Ministry of Peshmerga, which itself was falling apart in the wake of the referendum.<sup>40</sup>

- The level of trust between minorities, between minorities and the KRG/Baghdad, and between minorities and their mostly Sunni Arab neighbours is at an all-time low. At the same time, armed groups have proliferated in the area, including among minority groups. As discussed, such proliferation is largely the result of the need for self-defence – first against the IS, then against other armed groups (including the 'state'), lack of livelihood prospects and the struggle for territorial/identity control.<sup>41</sup> Levels of trust are not strengthened by the fact that both Erbil and Baghdad view minority groups largely in terms of their usefulness with regard to the disputed territories rather than as citizens in need of political, security, economic and humanitarian support.

In the likely absence of a politically negotiated solution to the problem of the disputed areas (see factor 2), the issues outlined above could increasingly start to intersect as the result of political pressure, identity-based mobilisation and (in)security in a context awash with small arms, trained fighters and armed groups of different sizes and qualities. Such a scenario would not necessarily result in large-scale violence, but it could create a steady trickle of incidents – violent clashes, growing crime rates and forced dispossession – that might overtime become a vicious circle of violence that hinders reconstruction, blocks reconciliation and causes further displacement.

In brief, there is modest potential for intra- and intercommunity strife, especially in the urban areas of Dohuk governorate, which currently accommodate most IDPs/refugees. This potential is limited due to the cultural, linguistic and social homogeneity of the displaced, refugees and host communities – although there are also notable educational and class differences between IDPs and the local population.

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40 See: <http://ekurd.net/haider-shesho-resigns-puk-2017-04-18> (accessed 25 June 2018); on the distinction between KPD, PUK and KRG Peshmerga: Fliervoet (2018), *op.cit.* Technically, the Ministry of Peshmerga commands about a third of all Kurdish Peshmerga forces that had been integrated under a single banner to fight the IS more effectively. The remaining Peshmerga forces belong to either the KDP or PUK.

41 Gaston and Derzsi-Horváth (2018), *op.cit.*

**Table 5     Protracted displacement as a factor of (in)stability**

Elements of restraint	Developments to monitor	Trigger events
Relative socio-cultural homogeneity between most IDPs/refugees and host communities	An increase in intra- or intercommunity tensions in host communities in Dohuk governorate	IDP return being made conditional on clarifying political allegiance to Erbil or Baghdad (negative)
A return rate that is starting to outstrip the displacement rate (albeit for Iraq as a whole)	The rate of violent clashes in the disputed areas that affect or include IDPs/refugees	Baghdad solicits UN assistance in achieving justice and reconciliation for the Yazidi community after its IS ordeal (positive)

## A short outlook for the medium term

By way of bringing the four factors discussed above together, it is useful to reflect briefly on the possibility of some, or all, of them interacting with each other. For the sake of contrast, we paint two simple contrasting scenarios based on the current political state of play.

A perfect storm could develop if the election recount reveals worse results for the KDP and PUK and Baghdad follows this with pressure on the KRG to accept its authority, possibly reinforced by aggressive deployments in the disputed areas. This could trigger the KRG to seek control over vital border and infrastructural assets within Iraqi Kurdistan and to instrumentalise its IDP/refugee population. Political tensions between Erbil and Baghdad could lead to violent clashes and the mobilisation of international allies. The Kurds would present such developments as yet more evidence of their marginalisation by Baghdad, while Baghdad would stress the need for national unity and emphasise its sovereign prerogatives. If Iraq's Kurds reunited under such pressure, a protracted violent crisis might ensue. If they buckled because of the accumulation of dissatisfaction and grievances with KDP and PUK rule, the KRI would become more susceptible to foreign influences. Given an unclear US policy towards the region, Turkey and Russia would probably increase their military and economic influence in western Iraqi Kurdistan while Iran would do the same for its PUK-run eastern parts.

In contrast, a virtuous circle of recovery could occur if the electoral results kept the KDP and PUK in power and made them part of an Iraqi governing coalition that identified a mutually acceptable compromise to resolve the matter of the disputed territories. In turn, this would remove the KDP/PUK appeal to Kurdish nationalism/unity as an excuse for power capture/poor governance and facilitate IDP/refugee return. In this scenario, pressure within Iraqi Kurdistan for political reform might gradually become hard to resist, especially if it was diplomatically supported by the international community. Should the KDP and PUK continue to deploy repressive violence in response, it is likely that greater international condemnation would follow. A more level playing field for political competition might subsequently be established, removing some of the confrontational stance from Kurdish nationalism and instead, buoyed by the reconciliatory resolution of the disputed territories, give way to a negotiated Kurdish buy-in to the Iraqi state.

## Policy recommendations

Matters of domestic political competition and political order are notoriously hard for the international community to influence. Usually, external parties struggle to understand the local political economy and do not take sufficient trouble to develop adequate insight into how the many faces of power and voice interact to produce change. Bearing in mind the humility that such observations should engender, the analysis suggests two broad international interventions that could help mitigate some of the factors of instability identified.

### **Insist on international mediation for the resolution of the disputed territories**

The Iraqi government needs international support for the country's reconstruction regardless of its oil wealth. Such support can be made conditional on acceptance of international mediation in efforts to resolve the issue of the disputed territories, together with a promise to scale up support once a mutually acceptable resolution has been agreed. This can be framed as an effort to expedite the recovery/reconstruction of these hard-hit areas. Resolution of territorial affiliation and administration of the disputed areas should be linked to how much of the Iraqi state budget is allocated to the KRG.<sup>42</sup> In discussions about the central budget allocation to the KRI, the Iraqi government has typically based its thinking on the number of Kurds living in the KRI, ignoring the fact that it also has many Arab inhabitants that require both administration and services. Any disputed areas that might come under Kurdish administration in the future would increase this problem. The diplomatic advocacy required for this intervention consists of a united stance by Iraq's key donors, a willingness of the United Nations to make its good offices available, and a sustained strategy for engaging Turkey and Iran as Iraq's key neighbours with a stake in the matter.

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42 The Iraqi government recently moved to reduce the KRG's share of the national budget. Initially, it planned a reduction from 17% to 12%, but strong Kurdish opposition is likely to limit the reduction to 14%. See: One Iraq News, [online; http://www.rudaw.net/arabic/kurdistan/240220186](http://www.rudaw.net/arabic/kurdistan/240220186) (both accessed 6 June 2018).

## Create or adjust a flexible and catalytic fund for the reconstruction of the greater Mosul area

Mosul and its surrounding areas, including parts of western Iraqi Kurdistan and the disputed territories, have been hardest hit by the fight against IS. The city and parts of the Nineveh plains are also adjacent to western Iraqi Kurdistan. If they remain underdeveloped and/or insecure, it will not be long before the KRG will be drawn in via their Kurdish populations, IDP returns or clashes and crime in the disputed areas. In fact, IDP return is already problematic due to the fragmented security landscape. If such key issues are unaddressed, the area will be fertile ground for an IS version 2.0. More positively, expedited reconstruction of these spaces could tie Iraqi Kurdistan to the Iraqi polity in productive economic ways that improve living conditions in the wider region. Iraq's Reconstruction and Development framework of 2018 proposes both a UN and World Bank-led fund as part of its Reconstruction and Development Financing Facility (IRDFF), but it will take time to get these funds up and running.<sup>43</sup> The UNDP Funding Facility for Stabilization in Iraq also exists of course, and it seems to perform well in terms of rebuilding infrastructure, creating temporary jobs and providing cash handouts.<sup>44</sup> This notwithstanding, it largely stays out of the disputed territories and does not really address the security issues that plague the areas, without which a sustained recovery will be difficult to achieve. Hence, either this fund could be re-purposed first and then expanded, or a companion fund can be created/mobilized that is more politically-savvy and more security-oriented (i.e. more akin to the UN's Peace Building Fund, or the EU's Instrument for Stability). This could catalyze initial hopes and recovery activities that the local Iraqi population can build on.

Given how inextricably politics and economics are linked in both Iraqi Kurdistan and Iraq itself, these interventions must be pursued in tandem to mitigate the risk of creating political progress without tangible benefits for ordinary Iraqis, or of financing reconstruction that particular groups use for partisan political purposes / expropriate as rents.

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43 See: State of Iraq, Reconstruction and Investment, Part 1: Reconstruction and Development Framework, 2018, online: <http://www.cabinet.iq/uploads/Iraq%20Reconstruction/Iraq%20Recons%20&%20Inves.pdf> (accessed 25 June 2018).

44 UNDP (2017), Fast Facts: UNDP and the Funding Facility for Stabilization in Iraq, [online](#) (accessed 5 July 2018); UNDP (2017), Funding Facility for Stabilization: Annual report 2016, New York: UNDP.