

Amid Coronavirus And Declining Oil Revenues: Is this Mission Impossible For The New Iraqi Prime Minister?

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Abstract: Mustafa al-Kadhimi has been sworn in as the new Prime Minister of Iraq nearly six months after the resignation of Abdel Mahdi and following two failed nominations. The government's resignation last year was the result of widespread protests, but the fragmented political structure then led to a long delay in forming the new replacement government, which will only serve until an early election can be held. The new government comes to power amid the twin crises of Coronavirus and plummeting oil prices. The existing political, security and social problems in the country, compounded by the health and oil crises make the job of new Prime Minister Mustafa al-Kadhimi very difficult. As Iraq recovers from the trauma of IS rule, the country needs a strong government, long term planning, international support and financial assistance. None of these are forthcoming and instead the new Prime Minister has to deal with public health challenges, prevent the country from becoming a battleground between foreign forces, provide basic services with record low level oil prices and prepare the country for early elections.

Last October Iraq witnessed large scale protests which erupted mainly in Shiite dominated provinces, where predominantly young protestors demanded improvements in public services, a move away from the political system based on sectarian quotas and an end to corruption. Unable to convince the protestors of his plans for reform, Prime Minister Abdel Mahdi resigned. In the following six months, Iraq witnessed failed attempts by Muhammad Tawfiq Allawi and Adnan Zurfi to form a government, in echoes of events leading up to the formation of the previous government of Abdel Mahdi which has taken months for political parties to agree on a government due to the fragmented structure of the political system in Iraq. Prime Minister Kadhimi, the former Chief of the National Intelligence Service of Iraq, has stated that he will carry out his new role until the holding of early elections, but

what are the challenges that lie ahead for him and his government?

Kadhimi starts his job with Iraq facing the twin crisis of Coronavirus and a global crash in oil prices with a record low level price of oil, when oil accounts for 90% of state revenues. Although Iraq has been in a state of almost continuous crisis since 2003, last year's protests really shook the political system. In his first speech in parliament, Kadhimi stressed the seriousness of the economic, security and health challenges the country is facing. Just as before, some members of the cabinet have not yet been appointed due to the lack of agreement among the political blocs (e.g. ministers of oil and foreign relations), whilst other nominations for cabinet positions have been rejected in parliament (e.g. ministers of agriculture, justice and trade).

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In his address to parliament, Kadhimi asserted that he will work to insure the sovereignty of the country, aiming to bring all armed groups under the Prime Minister's control and prevent Iraq from being a battleground for regional and international competition. These stated aims address most of the demands of the Iraqi society, but several factors will hinder the new Prime Minister's progress on his stated aims.

Domestic Challenges

In the domestic political scene, the biggest challenge for Kadhimi is to strike a precarious balance between different groups. Kadhimi had good relations with the protestors and this helped him in terms of support for his prime ministerial nomination, but in order to form the government he has also had to gain the support of the political blocs in parliament. The protestors who filled the streets are critical of all the political elite in the country, yet when addressing the protestors demands to eliminate the existing political class Kadhimi will require the consent of the political blocs. This will leave the Prime Minister caught between a rock and a hard place. He has already had to concede to demands from different political groups, mainly Shiite, in terms of the names in the cabinet, although most of them are bureaucrats with relevant expertise. It is argued that 90% of the names in the cabinet are decided by political blocs in the parliament. Kadhimi's government is not supported by Allawi and Maliki's groups in the parliament while the negotiations with the Fatah alliance were tough. Another dilemma for the Prime Minister will be in bringing to justice those responsible for the death of protestors, when various political figures may reject some names on the list.

The new Prime Minister is also facing the problem of the increased activity of IS around Kirkuk and north western parts of the capital. In December 2017, the Iraqi government announced the defeat of IS and the liberation of all areas under its control, but IS is currently benefitting from the Coronavirus and the tensions between the USA and Iran after the killing of Qasem Soleimani and Mahdi al-Muhandis. IS has carried out two attacks so far during Ramadan¹, in which some members of Hashd al-Shabi (the Popular Mobilization Forces or PMF) were killed. Despite the recent activism of IS in some parts of the country, it is generally agreed that the IS threat is actually a useful tool for the continued deployment of foreign soldiers, Hashd al-Shabi forces and the allocation of financial resources for these forces.

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Following the killing of Qasem Soleimani and Mahdi al-Muhandis, there have been some important developments within the ranks of Hashd al-Shabi after Abdulaziz al-Muhammadavi, known as Abu Fadak, replaced Muhandis as the leader of Hashd al-Shabi. There were some splits within the Hashd ranks because of differences of recognition of the new leader, declining Iranian funds, and the hiding of some militia group leaders for fear of US assassination attempts.² Four brigades of Hashd al-Shabi closely associated with the Shiite leader Sistani have disengaged from the organization: the Imam Ali Brigade, Ali al Akbar Brigade, Abbas Combat Brigade and Ansar al Marjaiyya Brigade, heralding a new era.³ Placing these groups under the direct control of the Prime Minister is high on the agenda of the Iraqi government after the territorial defeat of IS. Although previous decisions to do this were not fully implemented, the killing of Soleimani and Muhandis, along with a decline in the provision of resources from Iran has provided the grounds for such a move. Kadhimi stated that his government will work to bring all armed groups under the government's authority. He has to

negotiate hard with the Iranians both in terms of bringing these groups under the government's control and regarding the status of US troops in Iraq.

Economic Challenges

On the economic front, Kadhimi has to deal with the declining oil prices against the backdrop of growing demands from the Iraqi youth for jobs and better services for all citizens. Previous Iraqi governments were incapable of rebuilding the war-torn parts of the country, mainly populated by the Sunni citizens, after the territorial defeat of IS and subsequently, in the Shiite populated south of the country, lack of electricity and running water were some of the most important reasons for the protests against the government. After 6 months of a caretaker government, Prime Minister Kadhimi now has to deliver these and other services with the added challenges posed by Coronavirus and the drop in oil prices.

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of months. According to the oil sales figures in April, Iraq exported nearly 4 million barrels daily, the highest figure for this year, but only earned 1,423 billion USD.⁴ This amount makes it impossible for the government to continue paying the salaries of its employees and fight the Coronavirus.

The additional problems with electricity will also be high on the agenda for the new government. These problems are principally two-fold; production and distribution, with Iraq having to rely on Iran for the supply of electricity and a poor infrastructure which creates problems for distribution. However, the collection of electricity bill payments is also another issue which led to widespread protests in the last two summers in different governorates. According to the outgoing electricity minister Luay al-Khatteeb, Iranian gas remains the cheapest and easiest to transfer in the short term.⁵ Meanwhile the trading of electricity goes on under the radar of the USA since the amount paid to Iran contradicts the current US administration's maximum pressure against Iran campaign.

The issue of budget and oil revenues is a point of disagreement between Baghdad and Erbil and the declining oil prices have led to another round of disagreements between central and regional governments in the last couple of months. For this reason, Prime Minister Kadhimi is stressing the need to resolve the problems between Baghdad and Erbil during his term.

International Challenges

In terms of international relations, several hard questions lie ahead for Kadhimi's government. In his role as the Chief of the National Intelligence, he developed good relations with the USA, which no doubt helped him become Prime Minister. Widely viewed by his associates as a pragmatic person, in his previous capacity he reached out to Iraq's neighbors and to the main players in Iraqi politics from different backgrounds. Positive remarks about him from US Secretary of State Mike Pompeo right after the formation of the government are a clear signal of the support he enjoys from the USA.

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In a further show of support for the new government, the USA also extended a waiver for Iraq to import electricity from Iran for another 120 days. However, contrast Iran's closest proxies in Iraq, Kataeb Hezbollah, criticized Kadhimī when his name was proposed to form the new government accusing him of having blood on his hands because of the assassination of Qasem Soleimani and Mahdi al-Muhandis in January by the US.⁶ Despite the fact that Iran had consented to him forming the government, he will have an especially hard time bringing different Hashd al-Shabi groups under the control of the Prime Minister's Office.

After the assassination of Qasem Soleimani and Mahdi al-Muhandis, a resolution was passed in parliament asking the government to draw up regulations for the end of the presence of the foreign troops in the country. Since January this year there have been several attacks on US and allied troops in Iraq, which led to reprisals by the USA against several Iranian linked groups. We have, however, recently witnessed a decline in the number of reciprocal attacks by the USA and Iran, and talks between Iraq and the USA about the status of US forces

in the country are due to commence in June. There will be serious pressure from Iran on Kadhimī to end the presence of US troops, possibly limiting their role to only training troops for the fight against IS. This issue will be another difficult topic for the new Prime Minister.

The Muhasasa System and Corruption

Kadhimī's term as Prime Minister is not expected to last long, and he will be responsible to organize an early election in Iraq. The protestors who brought the previous government down last year were demanding a complete overhaul of the political system, known as the muhasasa, which is a system based on quotas and was introduced after the occupation in 2003. Many people blame this quota-based political system for the current problems in the country which led to patronage networks, corruption, and widespread division. This system is also blamed for sectarianism in different state structures and tearing the fabric of society up along sectarian or ethnic lines. The muhasasa system has enabled different political groups to control several ministries or state institutions, exploiting the resources of these structures for the benefit of that

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particular group, rather than the whole of Iraqi society. This quota system provided a cover for corruption and the stealing of public resources for the benefit of a certain political class.⁷ Prime Minister Kadhimi, who was sympathetic to the protestors demands for an end to this system, now finds himself in a difficult position as he now needs the consent of the political class to succeed in his post. Previous Prime ministerial nominees could not form a government because of their failure to convince political groups within parliament.

In order to overcome Iraq's persistent political problems, Prime Minister Kadhimi also has to work on a new electoral system to remedy the muhasasa system. With vested interests in such a system, it will be very difficult to make the changes required to satisfy the demands of the protestors. There were signs of readiness for some sort of change from different political figures last year as they realized the frustration of large segments of Iraqi society. Concurrently, the dire economic conditions may induce dramatic changes in the political structure and help Iraq to overcome sectarian divisions. The process of the emergence and then defeat of IS awakened Iraqi society to the perils of the existing political system. Despite the economic hardship faced by ordinary people, the long delays in forming governments after each election have resulted in large segments of Iraqi society becoming cynical of the existing political system. If the current system in Iraq is not transformed, addressing the expectations of different segments of Iraqi society will be impossible and the unity of the country will be in danger. Iraqi Kurds are looking for an opportunity to fulfill their aim of independence, whereas large segments of Sunni populated areas are still recovering from post-IS trauma, and the disillusionment of the majority Shiite population became obvious in last year's protests.

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Kadhimi was only able to form his government after deals between several political alliances in the parliament were struck, with some ministerial positions still vacant pending the agreement of political alliances and approval of the parliament. Most of Kadhimi's cabinet members have some sort of connection to different political alliances, meaning he has to balance their diverging priorities. The three key security posts of Chief of General Staff, Army Commander and Chief of National Intelligence remain vacant and Kadhimi may even retain the latter for himself.

Kadhimi's government is likely to be a transition government with internal frictions making bold decisions very difficult. That said, the urgent issues on the agenda for the government are clearly: preventing Iraq from becoming a battle

ground for foreign forces, compensating the loss of revenues caused by declining oil prices, fighting the Coronavirus pandemic and preparations for early elections. Given all of these challenges, it looks like a mission impossible for Kadhimi with expected social dissatisfaction.

Kadhimi's earlier career as a journalist and his years working in non-governmental organizations provided him with plenty of contact with civil society in Iraq. Indeed his more civilian background helped him to establish contacts with last year's protestors.⁸ Therefore, his stated priority of bringing justice to the killers of the protestors may be one of the determining factors in the longevity of his government and also his political career within the Iraqi system.

Endnotes

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