

IRAQ'S NEW REALITY

REPORT IV

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FINDING ITS ROLE IN THE MIDDLE EAST



STIMSON



The Centre for International
Governance Innovation
Centre pour l'innovation dans
la gouvernance internationale



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Dear Colleagues,

At this critical juncture in Iraq's history, the Stimson Center and the Centre for International Governance Innovation are partnering to explore the linkages between Iraqi reconstruction, security and a political process of national reconciliation involving all Iraqis. Our goal is to help shape a better understanding of the Iraqi situation and to generate new thinking about Iraq for policymakers.

This project, entitled Iraq's New Reality, includes a series of workshops held in Canada and the United States, gathering leading experts to examine these key issues. A report summarizing the discussions and offering recommendations to parties involved in the Iraq situation has followed each workshop.

This report is based in part on the fourth and final workshop of the series, held at the Stimson Center in Washington, DC on December 2, 2009. It benefited from presentations and contributions by Wa'el Alzayat, Henri Barkey, Emile El-Hokayem, Amb. Rend Al-Rahim Francke, Amb. Edward Gnehm, Scott Lasensky, Phebe Marr, Kevin O'Shea, Samuel Parker, Iraqi Ambassador to the U.S. Samir Sumaida'ie, Jean-Francois Seznec, and Andrew Tabler.

Past reports by the Stimson Center and CIGI address the issues of minorities, refugees and the internally displaced, governance and federalism, and security conditions in and the evolving nature of the Iraqi state. They are available at www.stimson.org and www.cigionline.org.

We hope that this project can explore and shed light on Iraq's new realities and prospects for stability.

Sincerely,

Ellen Laipson Ambassador Mokhtar Lamani



Iraq Today: Continuity and Change

Iraq's foreign policy – like its domestic agenda – is still in formation, following the fall of Saddam Hussein. After 2003, most attention had been paid to the role of various neighbors and external players in Iraq. But as the political situation stabilizes, Iraq's role as a regional and international actor is becoming more dynamic. Iraqi leaders are beginning to address their goals in the international arena. Iraq is reclaiming its foreign policy and beginning to develop its positions on critical regional and international issues.

There are enduring realities that will shape Iraqi foreign policy. Its geostrategic location and national resource endowments are crucial. Its regional interests are complex; there are very different orientations and issues even among its six immediate neighbors. Despite Iraq's historic orientation to the Arab world, today its relations with its two non-Arab neighbors, Iran and Turkey, are increasingly important to Iraq's domestic situation, regional security perceptions, and its prospects for the future. Geographically, Iraq has also always considered itself an effectively land-locked power, with a poor, small shoreline and insufficient access to the Persian Gulf –therefore coloring its strategic outlook and dramatically affecting its relations with states that share maritime borders, including Iran and Kuwait. Furthermore, Iraq remains a rentier state – dependent upon oil revenues to maintain its economy.

For Iraq's neighbors, its history as a strong state with a powerful army endures. Memories of the Iran-Iraq War and the first Gulf War continue to shape perceptions of Iraq today, particularly as the country begins to rebuild and reestablish itself. Iraq's neighbors remain uncertain as to whether or not a strong, assertive Iraq will be beneficial for their own national interests and the region as a result.

Yet despite these continuities, much has changed. Iraq's new politics could lead to changes in the priorities and content of Iraqi foreign policy. There has been a shift in governance towards a more representative system of government and in the domestic power base. This shift from a secular Sunni-dominated dictatorship to a more diffused Shi'a and Kurdish-led political system has created uncertainties about the nature of the Iraqi state. Some question whether Iraq will maintain its traditional orientation towards the Arab world and retain the banner of Arab nationalism, or whether its new leaders will present Iraq as a multicultural state, with deep ties to Iran and Turkey, thus shifting Iraqi national identity away from the Arab dimension of a majority of the population.

There are also structural realities and unresolved issues – such as refugees and various security and financial issues – which will require Iraq to engage constructively with its neighbors. Iraq's foreign policy agenda and the nature of its international engagement will also be shaped by internal politics.

Iraq's Political Future

The Iraqi government has now begun to consolidate power and reconstitute itself after years of conflict and internal struggle. As it does so, rebuilding ties with regional states and reestablishing its place in the international community will rise in importance after years of a domestic focus. The nature of Iraqi foreign policy, nonetheless, will largely be a reflection of Iraqi domestic politics, at least in the short term. Iraq's engagement in the Middle East will be determined in part by whether or not there is a single national narrative that is able to define and shape Iraqi national priorities.

The events since 2003 will continue to resonate through Iraq and the Middle East for the foreseeable future, and how Iraqis interpret the chapter of US occupation in its history will also contribute to the tone and content of Iraqi foreign policy

Iraqi Nationalism and Identity

Many believe that Iraq continues to be deeply divided along sectarian lines, although Iraqi elected officials and some observers point to evidence of diminished sectarian consciousness as compared to the acute violence of 2006 and 2007. Concerns range from the ongoing political disenfranchisement of the Sunni community to fears that Iraq's Shi'a-majority government will degrade Iraq to Iranian proxy status or that the Kurdish Regional Government will reignite its quest for full independence.

The common thread among these concerns is that Iraqi nationalism may not be strong enough as an organizing principle to have a material affect on Iraq's political future. Therefore some of Iraq's leaders are focusing on strengthening Iraqi identity as a means to healing the country's wounds and building a more positive future.

The passage of the June 2009 US-Iraq Status of Forces Agreement (SOFA) and Strategic Framework

Agreement (SFA) are two recent examples of the Iraqi government advocating for its own national priorities in an environment when its largest would-be patron, Iran, had divergent interests. The agreements' debate and passage also occurred when anti-US sentiment was high, but Prime Minister Maliki's defense of the agreements on national interest grounds proved effective.

As for Iraq's current political actors, Prime Minister Nouri al-Maliki has often been accused of being a heavily sectarian figure. The historic relationship of his political party, Da'wa, with Iran was also a source of anxiety for other Iraqi constituencies and regional governments. Yet in recent years, Maliki is seen to have evolved into a more nationalistic and, at least publicly, a less

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sectarian figure. Frequently cited examples of this include the 2008 crackdown on the Mahdi Army, Moqtada al-Sadr's militia in Basra and the recent decision by Maliki to create a new, more nationalistic political bloc for the March 2010 national elections rather than joining a broad Shi'a alliance. The election results are difficult to predict, but it is telling that the incumbent prime minister is increasingly appealing to Iraqi nationalism as a source of voter confidence.

Despite ongoing disagreements and power struggles related to the federal nature of the Iraqi state, the Kurdish Regional Government (KRG) and its leaders remain committed to the improvement of rather than a withdrawal from the Iraqi state. The Iraqi constitution has declared Iraq a bi-national state, and set out clear provisions for the autonomy of the KRG while solidifying its critical role in the future of Iraq. Indeed, the President of Iraq, Jalal Talabani, is a Kurd. This has been a major shift in how the Kurds perceive Iraq and the government in Baghdad, and serves as a source of optimism for the future of Iraqi national identity.

Regional Orientations

Iraq has traditionally been a leader in the Arab world, with Iraqi nationalism associated with Arab pride and ambition. That Iraq was a founding member of the Arab League continues to be a source of pride for Iraqis. Today, as a result of Iraq's political reorientation, there are questions about whether Iraq will now look increasingly towards Iran, or perhaps even Turkey, instead of the Arab world. Yet despite its new Shi'a and Kurd-dominated government, it remains likely that Iraq will work to reestablish itself as a leader in the Arab world. It is also likely that the majority Shi'a population in Iraq, as well as the increasingly self-assured Kurdish Regional Government, may also facilitate an expanded relationship with both Iran and Turkey.

The evolving relationship between Iraq and Iran remains a source of concern for certain political groups in Iraq, in the Arab world, and in the international community. However it remains unclear what the nature or depth of these relationships will be or if an expanded relationships will create conflict. Indeed, the Shi'a population of Iraq can be expected to look at Iran differently today than they did during the times of Saddam Hussein. It is quite likely that since the Shi'a have become more enfranchised, the Iran-Iraq relationship may become more nuanced and balanced than regional fears might suggest. Furthermore, it is not yet known whether a successful and rising Iraq would create discomfort for Iranian interests.

As for Turkey, the improved relations between Ankara and the Kurdish Regional Government (KRG) could serve as a conduit and provide channels for improved Iraqi relations, both political and commercial, with the European Union, NATO, and individual European countries. However it remains to be seen how this new opening to the KRG will affect relations with Baghdad.

Relations with the United States

It has been an exceptional seven years in the history of Iraq, and in the history of its relations with the United States. How will this affect Iraq's regional and bilateral relations with its neighbors? There are several factors to consider.

The US will maintain a strong presence in Iraq despite the ongoing drawdown of US forces and the increasing independence of Iraqi decision-making. Indeed, support to the young Iraqi military and security forces, including the preservation of Iraqi air space, training and equipment transfers will likely continue for years to come, even after combat troops are withdrawn in the next two years. Beyond the security relationship, the Strategic Framework Agreement (SFA) envisions continued US engagement in Iraq in diverse sectors such as health, education, and science and technology. The signing of the Status of Forces Agreement (SOFA) and the SFA are exemplary of the reciprocal endorsement of a comprehensive and sustained bilateral relationship.

Political dynamics will also continue to connect the two states in the near term. Many in the Iraqi political elite believe that support from the US is essential to Iraqi stability and their political survival, despite anti-American sentiment that exists among parts of the populace. Additionally, continued public association with the United States may prove beneficial in terms of restoring relations with Iraq's neighbors. Iraq, for example, requested US mediation in repairing relations with Egypt and Saudi Arabia.

Reduced American attention to Iraq at the highest levels is another variable in the US-Iraq relationship. Iraqi officials already perceive a US commitment to reduce its exposure in Iraq and to shift its attention and resources to Afghanistan and other trouble spots. As US policy shifts in ways that could affect Iraqi interests, there will be a desire among Iraqi leadership to be consulted and included in the process. If not, this transition could become a source of tension and anxiety in the relationship. This will become especially important as the US continues to shape its policy towards Iran and Syria.

Enduring State Interests, Evolving Relations?

Core state interests, regional realities and newly emerging issues will all shape the future of Iraqi foreign policy and will provide the Iraqi government with good reason to deal with its neighbors constructively. With six border-sharing neighbors, the primary bilateral issues have to do with political and security dynamics, economics, natural resources, cultural and historic dynamics. Some of the most pressing are:

Political and Security Dynamics

Iran:

The political and security relationship between Iran and Iraq is difficult to fully understand as a result of complex histories, deep cultural and religious connections, and opaque Iranian activities and objectives. By in large, Iranian attitudes towards Iraq continue to be shaped by perceptions of the Iran-Iraq war, as well as the current notion of the threat from the US. Historical ties, particularly in the south, also connect the states at the cultural level. Yet perhaps most critical, particularly from a security standpoint, is Iranian ambition in the region, which has resulted in sustained engagement with Iraq on multiple levels since 2003.

Iran was at the forefront of legitimizing the post-Saddam political order in Iraq, and continues to be a proponent of the Iraqi electoral process, primarily because democratic elections would be in their interest. However in order to maintain influence, the Iranians are hedging their bets and are supporting a variety of actors. It remains unclear to what extent their policies in Iraq are linked to the standoff with the United States and the West over the nuclear issue. There are also uncertainties regarding the effects of Iranian domestic unrest stemming from the controversial June 2009 elections and how current and future events will affect Iranian policies towards Iraq.

It is in Iraqi interest to establish a positive working relationship with Iran. In doing so, there is a delicate balance that must be struck to avoid Iranian encroachments into Iraqi sovereignty through smuggling and infiltration by Iranian security services while avoiding conflict.

Syria:

Syria has played a unique role for Iraq and Iraqis, in both the pre- and post-2003 periods. Beginning with the establishment of the Ba'ath party in the 1960s, Syria and Iraq have had a complicated relationship, including Syrian harboring of Iraqi oppositionists over the years. Indeed, current Iraqi Prime Minister Nouri al-Maliki spent many years in Syria, albeit selling beads and forging identification cards. This is a curious fact for observers of Iraq-Syria relations, as there does not seem to have been a relationship cultivated between Maliki and the Syrian government as a result of his residence in Damascus.

A major source of ill-will between Syria and Iraq since 2003 has been the flow of foreign fighters entering Iraq through the Syrian border, which could not have been possible without official Syrian reluctance to intervene at best, or Syrian facilitation at worst. Syria does have an interest in a stable Iraq, but it is also the desire of the government to establish proxies within Iraqi institutions to serve as levers in the emerging Iraqi political scene. Bilateral relations between the two countries deteriorated further in August 2009 when Prime Minister Maliki accused Syria of playing a hand

in a massive, coordinated bombing against key Iraqi government infrastructure, including the Foreign and Finance Ministries, and harboring two Baathists who had claimed responsibility for them. As a result, the two states withdrew one another's ambassadors, causing a major diplomatic row. Even more recently, Syrian facilitation of a pro-Saddam and pro-Baathist television station called The Banner, which broadcasts from Syria across the Arab world, has been a source of great frustration and tension.

The Gulf Cooperation Council (GCC):

The loss of Iraq as a bulwark against Iran has created a state of confusion in the region.

Today, the GCC states are unable to imagine how Iraq can play a role in a regional security architecture. They maintain no strategic framework regarding engagement with Iraq, and there is no vision for how they would like to see Iraq positioned within the region in the future.

Indeed, for the last several years, Saudi Arabia had been arguing that the new political elite in Iraq, which in their view had been penetrated by the Iranians, needed to be weakened, and that the government would use their tribal and religious connections to do so. But this policy never actually materialized and has caused their position to unravel over time. For its part, the US began insisting that the Gulf states engage with Iraq by sending ambassadors, welcoming Iraqi delegations to their capitals, forgive Iraqi debt from the Gulf War, and make a greater effort to engage with the new Iraq with varying rates of success.

For the GCC, engagement with Iraq is seen through the prism of Iran, and any overtures to Iraq are made with the primary motivation to balance perceived Iranian penetration there. GCC engagement with Iraq peaked with the Crown Prince of Abu Dhabi Mohammed bin Zayed Al Nahyan's visit to Baghdad in July 2008, making him the most senior Gulf official to travel to Iraq since 2003. Unfortunately no other Gulf state has followed his lead. The Bahraini government has followed the Saudis in not directly engaging with Iraq and Oman is without capital to invest in the country. Qatar currently maintains a particularly poor relationship with Iraq, as exemplified by a recent Qatari official's detention at the Kuwaiti border with Iraq by Iraqi officials. And Kuwait maintains its own ongoing disputes with Iraq – including Iraq's Chapter VII status, border demarcations, and other unresolved issues stemming from the first Gulf War.

More structurally, the change of the Iraqi political system has made it difficult for the GCC states to engage in ways that their governments are most comfortable. In general, there is a sense that as a result of the diffused Iraqi political structure they no longer have any real interlocutors – that the system lacks the few powerful individuals at the top of the political structure capable of making decisions. Additionally, the GCC states do not have experts on Iraq, and do not understand how to interpret events there. For example, they are unsure how to interpret the conflict over Kirkuk and

other disputed territories. To some extent, this has been exacerbated by the Obama administration and the ongoing US withdrawal. Unlike the Bush administration's constant reminders that the region should care about the future of Iraq, the GCC states now see the US presence in Iraq as a variable, not a constant. That the US now does not consult the GCC states on Iraq policy is an additional source of concern, with some Gulf officials expressing dismay at having never met US Ambassador to Iraq Christopher Hill.

Trade and Investment

Iraq is in desperate need of foreign investment. Regional states have however, been able or willing to take advantage of this opportunity to varying degrees and for various reasons.

Iran and Iraq maintain a strong trading relationship; in 2009 Iranian products accounted for about 50% of total Iraqi imports. Additionally, they have several Memoranda of Understanding (MoU) intended to foster and increase commercial relations, including a goal to boost total bilateral trade from \$5 to \$10 billion dollars in 2010. Yet not all of this commerce is beneficial to Iraq. Black market oil being siphoned to Iran, as well as Iranian domestic subsidies for a wide variety of products, are hurting Iraqi businesses. The underselling of agriculture products has hit Iraq particularly hard, resulting in resentment among the local Iraqi population, including in places where ties to Iran are strong.

Turkey is the most dynamic economy in the region and their products are the most competitive and desirable in the Iraqi market. The Turkish government's engagement with Iraq, and particularly in northern Iraq, has been driven considerably by a commercial agenda. Turkey is Iraq's largest trading partner, and with discussions held in recent years regarding a bilateral free trade agreement and a common industrial zone at the Turkish-Iraqi border.

The United Arab Emirates has been one of the largest investors in Iraqi reconstruction, including some major airport renovation projects. Indeed, Emirati commercial interests are the most vibrant element in the bilateral relationship. For Saudi Arabia, enmity with Iraq has largely prevented positive engagement across a spectrum of areas, including trade. The other GCC states – Bahrain, Qatar and Oman – do not maintain deep economic and trade relations with Iraq, for varying reasons.

The Kuwaiti private sector has had limited investment in Iraq. There are plans for constructing railroads, oil pipelines and other infrastructure that will help facilitate bilateral trade as well as contribute to Iraqi reconstruction. However, fear has become a paralyzing factor insofar as the Kuwaitis worry that any major investment into mutually beneficial infrastructure will result in its seizure by the Iraqis for themselves.

Syria's economic interests in Iraq are paramount. The government is searching for opportunities to raise capital, particularly as their domestic oil production is currently stable but on a downward trajectory. The Syrian private sector has been unable to play a significant role in Iraqi reconstruction due to the lack of capital available through Syrian banks and loaning institutions. Indeed, there is a belief among the business community that not participating in Iraqi reconstruction is a missed opportunity, not only for improved bilateral relations, but for strategic investments in the region and economic growth.

Natural Resources and the Environment

Oil and Natural Gas Interests:

As the Iraqi oil industry rebounds, there is no doubt that traditional oil field demarcations and oil export agreements will come to the fore. Of particular note will be the historic and ongoing tensions between Iraq, Iran and Kuwait over oil field boundaries. Furthermore, the construction and ownership of new pipelines, including those that will have to transit neighboring states to get to market, including Kuwait and Turkey, will be critical.

The government of Saudi Arabia may see the resurgence of Iraqi oil production as an opportunity to advance their own interests rather than be seen as economic competition. Indeed, a healthy Iraqi oil industry with deep ties to Western oil companies may allow Saudi Arabia to cease being the swing producer in OPEC and move away from a single commodity economic model. Instead, the Saudis hope to play a larger role in the value-added products markets. Furthermore, the Saudi government may see this as an opportunity to cease being perceived as the emergency oil supplier to the US, and the political focus of domestic US energy debates.

The Turks view increased Iraqi oil production, particularly in the north, as an opportunity to facilitate exports through their pipelines and territory into Europe. Indeed, Turkish state-run oil companies have been involved in oil exploration in northern Iraq and the two countries maintain shared pipelines to export oil, with plans to add another. Ankara also views Iraq as a backup partner for the Nabucco natural gas pipeline to ship gas to Europe should the project fail to bring in key Central Asian states.ⁱ

Water:

Water is becoming an issue of increasing importance to Iraq, as there is an ongoing, acute drought crisis in southern Iraq and an increase in frequency of sandstorms as a result. Additionally, as downstream water flows diminish, there has been an increase in salt concentration in the available water, compounding the problems.

i Congressional Research Service, "Iraq: Regional Perspectives and US Policy," October 6, 2009. <http://www.fas.org/sgp/crs/mideast/RL33793.pdf>

Water is becoming an issue of increasing importance to Iraq, and despite discussions on effective water sharing with its neighbors, issues remain.

Iraq is dependent on the sources of the Tigris and Euphrates rivers for water consumption and irrigation. Due to the upstream value of these waters to Turkey and Syria, damming has become convenient and common, serving as a primary cause of water shortages in Iraq. Bilateral and multilateral diplomatic efforts have been ongoing to discuss effective water sharing, but issues remain. In September 2009, Iraq, Syria and Turkey agreed to work collaboratively to improve water management systems and set up joint-measurement stations to monitor water levels. But

at that same meeting, Turkey was reluctant to increase the amount of water released downstream due to its own domestic consumption requirements.

Iran and Iraq share the Shatt al-Arab waterway between Iran and Iraq. Its border was agreed upon in 2000 and a commitment to renovate those border markings was made in 2008. However, ambiguities remain, and Iran has yet to complete its demarcation efforts.ⁱⁱ Recently there has also been increasing tension over pollution from Iranian oil refineries and petrochemical plants flowing into the Shatt. More positively, Iran has recently agreed to ship water to southern Iraq to offset some of the most severe drought-stricken areas of the region.

Borders and Ports:

The primary concern in Iraq-Kuwait relations is over both the land and maritime borders. Stemming from historic disagreements and a painful war in 1990-1991, the Iraq-Kuwait border remains a source of contention despite it being the only border to have been demarcated by the United Nations Security Council. Iraq has yet to accept the demarcation of the border, and has taken issue with the division of Umm Qasr, the key port that divides the two countries. While there remains some debate within Kuwait regarding whether to make concessions and reconcile with the Iraqis over the port and border issues, fear of Iraqi ambition continues to permeate the conversation, preventing the government from taking a conciliatory position. Iraq has similar disputes with Iran as well over the Shaat al-Arab and territorial waters.

Cultural and Historical Dynamics

Minority Populations and Refugees:

Turkey has recently executed a dramatic shift in its policies towards the Kurdish Regional Government in Iraq. Ankara has now become an active supporter of the KRG, as exemplified by the recent announcement to open a Turkish consulate in Erbil. Indeed, Turkey is now seen as a contributor to Iraqi stability, whereas in the past, the Turkish government worked to undermine it. It is important, however, to put this opening in the context of a larger evolution in Turkish

ii *ibid.*

foreign policy. First, Turkey sees an opening to the KRG as a way of pacifying its own domestic Kurdish population. Secondly, Ankara wants to be seen as a “central power” – as a member of the G20, with a seat at the United Nations Security Council (through 2010) and as a state with a global presence. For the KRG, Turkish support has made it feel more comfortable within Iraq. For Baghdad, improved relations with Ankara provide the potential for a non-US entrance into the West.

Another enduring issue is the Iraqi refugee crisis, to which regional states have responded in varying ways. Syria and Jordan accepted the majority of refugees fleeing in Iraq since 2003, but have deep concerns about their long-term presence and their impact on local politics and stability. They have treated the Iraqis as guests, and the refugees face considerable economic hardship. To date, the Iraqi government has done little to encourage and financially support repatriation, and this is a source of tension in bilateral relations. Iraqi official subsidies to those governments hosting refugees to offset the costs of services are too paltry, in the view of Damascus and Amman. In contrast, the Gulf states accepted only a few refugees, and those admitted were largely middle class and educated, including university professors, engineers and doctors. Additionally, the refugee admittance process was done without any strategic framework or approach to the problem, but rather on an ad hoc basis.

Chapter VII Status:

After the 1990 Iraqi invasion of Kuwait, Iraq was placed under United Nations Chapter VII status, obligating it to pay reparations totaling over \$50 billion and designating Iraq as a threat to the security and stability of the region. Since 2003, Iraq has argued that due to the complete transformation of the Iraqi political system, there is no longer any justification for the penalty and that the question of outstanding debt and penalties for the actions of the previous Iraqi regime will only delay and prevent its successful reconstruction. Kuwait has been reluctant to allow Iraq to exit Chapter VII however, claiming that Iraq has yet to meet a number of criteria essential for normalization. The situation has become so critical for Iraq that it has requested assistance from the US and the European Union to mediate the situation. Indeed, the SOFA contains a provision committing the US to assist Iraq to end its Chapter VII status.

Unfortunately, the Chapter VII issue remains the central issue in Iraq-Kuwaiti relations today. There are occasional signs of moderation from the Kuwaitis, including possible plans to utilize debt and compensation payments for investment back into Iraq, but those plans have yet to materialize.

Iraq and the International Community

Iraqis draw a great sense of pride from being a founding member of both the United Nations and the Arab League. Since 2003, its relations with the major regional and international institutions have been determined by its status as a country in crisis and as a recipient of foreign assistance for reconstruction and political institution building. Iraqis are ready to play a more confident and normal role in the international system, and are beginning to articulate their priorities.

The Arab League:

The formal relationship between Iraq and the Arab League has been generally positive, with the new Iraqi government receiving formal recognition from the League soon after the fall of Saddam Hussein as well as pronouncements of support over the years. Yet major fissures within the League itself have, to date, prevented it from taking a unified, meaningful position on Iraq. To be sure, the Arab League did work to facilitate Iraqi political reconciliation by organizing meetings and sending Ambassador Mokhtar Lamani to Iraq in March 2006. However these initiatives were seen as ends in and of themselves, and were done without clear objectives or missions. As a community, the member states of the Arab League were and remain unable to come together on Iraq – which may also have as much to do with the state of identity politics in Iraq today as it is a result of institutional paralysis. For its part, the Arab League has urged member states to return ambassadors to Iraq but security conditions to date have also stalled the full normalization of relations.

The United Nations:

Iraq and the United Nations as an institution have a painful history. One of the most poignant examples is the controversy over the Oil for Food program, which continues to shape negative perceptions of each other. After an initial struggle over the new government's legitimacy, Iraq did receive full membership at the UN, and was the beneficiary of an active UN presence until the August 2003 bombing which destroyed its headquarters in Baghdad. This tragedy and the fear it created prevented the UN from engaging with Iraq on the ground during the height of Iraqi fighting, when the country was largely believed to be on the brink of civil war.

Today, the relationship between Iraq and the UN has improved, with Iraq enjoying the international legitimacy afforded to it through its membership. The mandate for the UN Assistance Mission for Iraq (UNAMI) was renewed by a unanimous UN Security Council resolution in August 2009. Furthermore, the UN currently has 16 organizations and agencies working in Iraq, ranging from the Food and Agriculture Organization (FAO) and the UN Development Programme (UNDP) to the World Health Organization (WHO), with a UN presence in each governorate.

The Future of Arab Nationalism:

The weak state of the Arab League, showcased by but not limited to its approach to Iraq, puts into question the notion of Arab nationalism. Similar to the UN, its paralysis is a result of the competing national interests of its member states. However, while pan-Arab interests are difficult to identify today, it does serve as a useful umbrella for certain issues, including the Arab initiative to resolve the Arab-Israeli conflict. Yet the current situation generates questions over its long-term efficacy, and whether another mechanism might be better suited to address the problems of the Middle East today.

Indeed, there is a broad debate today about global governance mechanisms, as the rise of regional organizations and informal processes expand in both number and legitimacy. For example, Saudi Arabia and Turkey are members of the G20. The Arab Gulf states belong to the Gulf Cooperation Council (GCC). The idea of an institution similar to the Organization for Security and Cooperation (OSCE) for the Middle East has been raised, as well as other constructions for alternative regional security architectures. To be sure, the states of the region are pushing for economic strength in addition to military strength. It may be that existing institutions in the region do not match this new paradigm.

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Conclusion

A new Iraqi foreign policy is emerging, as the post-2003 political order stabilizes and as the narrative shifts away from the years of sanctions and UN Chapter VII penalties. Iraq's foreign policy is based on some enduring geopolitical realities of its location at the eastern edge of the Arab world, its current and potential wealth and power, and its history as one of the cultural and political anchors of the Middle East. Yet Iraq's new politicians and parties are still working to build consensus around key issues of identity and national purpose: many issues related to Iraq's orientation in the region and its priorities on the international stage have not yet been resolved while Iraqi politicians focus primarily on rebuilding their state and society. Iraq's domestic politics – whether a cross-sectarian political center will emerge, or whether Shi'a-dominated politics are the likely configuration for the near future – will shape Iraq's foreign policy, in particular towards Iran and the Arab world. Iraq's leaders today have an opportunity to redefine or revalidate Iraq's once prominent role in the region and in the international community, but its new foreign policy will need to take into account the legacy of its recent engagement with the United States (for better or worse) and the evolving rules of the international game in the 21st century.

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