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Renewed Violence in Iraq

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INTRODUCTION

Iraq remains a fragile state deeply traumatized and riven by thirty years of war, sanctions, occupation, and civil strife. Although there are numerous positive signs of progress in Iraq—violence has fallen to its lowest level since 2003, its economy is growing modestly, oil production recently surpassed that of Iran, and foreign investment is beginning to restore infrastructure decayed by years of war and sanctions—the risk of acute instability and renewed conflict remains. Already, in the wake of the U.S. military withdrawal in December 2011, Iraq has seen a fierce political struggle between Prime Minister Nouri al-Maliki and many of his rivals in the Sunni-dominated Iraqiya parliamentary coalition, plus increasing tension with at least some segments of the Kurdish minority. For the positive trends to continue, Iraq will need to contain various threats to internal stability and weather regional turmoil that could worsen significantly in the coming months. The United States has a significant stake in helping Iraq overcome these challenges; Iraq is a critical state within a critical region.

THE CONTINGENCY

The most serious risks to Iraq's internal instability come from the overlapping and interacting effects of renewed ethnic or sectarian conflict, on the one hand, and an irreversible breakdown of the current constitutional order, on the other. Either of these conflicts could arise along any of the major fault lines in Iraq: Shia-Sunni, Arab-Kurd, or intra-Shia. Further, either of these contingencies could spark the other, as political declarations enflame ethno-sectarian tensions, or ethno-sectarian conflict spurs political declarations of independence or withdrawal from the political system. To complicate matters, turmoil in the region could also spill over into Iraq and exacerbate internal tensions.

Ethno-Sectarian Conflict

Although Shia versus Sunni violence was the main driver of the calamitous 2003–2008 civil war in Iraq, the risk of renewed conflict between these two sectarian groups has lessened because they are no longer significantly intermingled in population centers, making it difficult for one to attack the other. Also, when terrorist attacks have occurred against Shia civilians—often pilgrims—conducted by al-Qaeda in Iraq (AQI), the principal Shia groups have remained calm, probably because they believe that the Sunnis cannot reverse their defeat in the civil war. Nevertheless, it is possible that a highly successful AQI campaign could spur Shia rage to a point that regenerated or impromptu militias would conduct large-scale retaliatory attacks against perceived AQI safe havens in Sunni-populated areas.

Potential Arab-Kurd violence is also a major concern. The continuing tensions between the Kurdistan Regional Government (KRG) and the central government in Baghdad over the contested territories (known as "Disputed Internal Boundaries," or DIBs) could spark Arab-Kurd violence on a border that has had a tentative peace since the overthrow of the Baathist regime in 2003. The establishment of the joint patrols by Kurdish militias (known as "Peshmerga") and Iraqi Security Forces (ISF) achieved in the final days of the U.S. military presence in Iraq has greatly helped reduce tensions. However, it is possible to envision several ways in which these armed forces in close proximity could engage in violence, particularly if driven by local political disputes—even something as simple as two young soldiers on each side fighting over perceived honor.

Finally, intra-Shia violence remains a real possibility. The tenuous peace among the major Shia factions has held since the end of the final battle for Sadr City in mid-2008. While the major factions will occasionally criticize each other, they will generally behave as a bloc to preserve Shia unity when necessary. Similarly, the armed factions of these groups appear to have either integrated into the security forces or demobilized, with a few small but notable exceptions. However, there are circumstances in which Shia on Shia violence could reemerge. The most probable scenarios are the death—whether accidental or natural—of a major Shia figure such as Maliki or Grand Ayatollah Ali al-Sistani that would put questions of relative power within the Shia community back in play.

Breakdown of Constitutional Order

To date, the tenuous political bargain struck in 2010 that largely revalidated the existing status quo has held. Maliki is to some extent checked by a Kurdish president and a Sunni speaker of the parliament, and most critically by the parliament itself. This tenuous equilibrium, however, is showing signs of increasing strain. The Iraqiya party and a faction within the Kurdish parliamentary bloc, the Kurdish Democratic Party, have accused Maliki of overreach and creeping authoritarianism. Three relatively minor crises have further exacerbated tensions. First, Vice President Tariq al-Hashemi, a Sunni member of Iraqiya, was charged with murder but has fled to Turkey via Kurdistan. Second, two senior members of the electoral commission were detained on corruption charges. Third, tensions between the Iraqi central government and the KRG have risen over oil revenue disputes and Exxon's controversial decision to sign a contract with KRG to develop oil fields partly within the DIBs. While each of these issues could potentially be resolved in isolation, they are unfolding simultaneously to the point where they could eventually overwhelm the Iraqi government's capacity to manage them, triggering a major constitutional crisis.

What would happen next is uncertain. On the face of it, a coalition of the two factions unhappiest with the current status quo—Iraqiya and at least some Kurdish parliamentarians—seems unlikely to coalesce for the purpose of exploiting such a crisis since they have the most powerful disagreement over the DIBs. Furthermore, the elites within both Iraqiya and the KDP might calculate that unseating Maliki would be suicidal with their electoral bases. Other factions, however, may see things differently and decide to take advantage of a deepening constitutional crisis to try to break up the Iraqi state (such as through a declaration of Kurdish independence and/or a concerted push for Sunni "federalism"—an attempt to set up a separate Sunni region analogous to the KRG). An uptick in low-level violence along the principal ethno-sectarian fault lines is clearly plausible in such circumstances, which would only exacerbate the crisis. External events, furthermore, such as a worsening civil war in

Syria and/or domestic unrest in Iran that "bleeds" over into Iraq, could likewise trigger or accelerate a breakdown of the constitutional order.

WARNING INDICATORS

A core challenge in Iraq is making sense of a vast kaleidoscope of events in real time. Events that look like a crisis today can look like a precursor to stability months later; and, months of stability can later seem to be a mere cease-fire in an ongoing conflict. In particular, it is difficult to distinguish between the low-level recurrent terrorist violence that has become background noise—however regrettable—in Iraq, and political violence that truly indicates one of the factions has abandoned the political process. The latter is a key indicator; the former, unfortunately, is just daily business. Similarly, the line between the loud, seemingly irresponsible posturing that has come to characterize Iraqi politics and true imminent political breakdown is also very difficult for outsiders (and perhaps insiders as well) to find. The following warning indicators should aid critical thinking and help U.S. officials channel limited time and resources to critical problem areas:

- *Severe government repression.* The arbitrary use of state power to repress and/or isolate minority groups can give rise to nonstate actors remobilizing an armed resistance against the state. Such explicit repression could be an indicator of either an outbreak of sectarian violence or a breakdown in constitutional order. It is worth noting that "repression" can be a difficult concept to define and operationalize in an immature and ill-defined political system, but indicators could include widespread illegal and/or arbitrary detentions, use of violence to quell demonstrations, arrest of journalists, and organized use of torture.
- *Retaliation by Shia militias to AQI attacks.* One of the more encouraging indicators in Iraq has been the absence of a Shia militia response to AQI attacks on Shia civilians. Should patience grow thin and an AQI attack be followed by a Shia response on Sunni civilians, this would indicate that the cycle of Shia-Sunni sectarian violence may be regenerating.
- *Withdrawal of forces supporting the government.* The wholesale withdrawal of one sectarian or ethnic community from politics would accelerate a weakening of state authority in critical areas of Iraq. It is important to distinguish between the tug-and-pull of parliamentary politics with boycotts by blocs or parts of blocs and the wholesale withdrawal from the political process. The latter is a warning indicator of a breakdown in constitutional order; the former is the nature of politics in Iraq.
- *Declarations of secession.* Sunni-dominated provinces have recently demanded broader autonomy from the central government in Baghdad. That is a feature of Iraq's constitutional design. If these calls lead to an organized effort to secede, however, the future of Iraq as a viable state will be in jeopardy. Similarly, KRG president Massoud Barzani has also given hints of declaring full independence, despite the lack of a current revenue source independent of Baghdad. Either event would serve as an indicator for a breakdown in constitutional order.
- *New foreign support to militants.* Shia and Sunni extremists will retain the capacity to attack the government and Iraqi civilians. If these groups begin receiving significant new foreign support—from Iran on the Shia side or from Saudi Arabia and other Gulf states on the Sunni side—the likelihood of ethno-sectarian violence increases. Iraq risks becoming a proxy battleground in a wider regional struggle with the front lines running through central Baghdad.

- *Governing coalition excludes minority faction.* It remains to be seen whether Maliki in his recent moves against two Sunni leaders seeks to purge Sunnis from the government or seeks a new equilibrium with a narrower but cross-sectarian coalition. How the present crisis is resolved will say a lot about this indicator and the functionality of the Iraqi government over the next eighteen months. Long-term exclusion of Sunni interests from the central government would leave them without a political voice and would be an indicator for both ethno-sectarian violence and a constitutional breakdown.
- *Delay or cancellation of 2013 provincial elections or 2014 parliamentary elections.* Iraq's fragile legitimacy rests on the democratic mandate of its electoral process. Should the elections be delayed due to an issue with the Independent High Electoral Commission, the absence of an elections law, or security concerns (real or imagined), democratic legitimacy would be put in question, further destabilizing Iraqi politics.
- *New coordination among militant groups.* Isolation of Shia and Sunni militants from their communities inside Iraq has been critical to increasing stability. Signs that AQI is rebuilding links with dormant Sunni insurgent groups and/or extreme Shia militias such as Hezbollah in Iraq are reestablishing links with the dormant Jaysh al-Mahdi militia will be a serious warning indicator of renewed conflict and the emergence of ethno-sectarian violence.
- *Breakdown of ISF-Peshmerga cooperation along the KRG boundary.* Existing joint patrols along the KRG boundary with Iraq proper provide an important practical and symbolic indicator of the intention to peacefully resolve disputed boundaries. Were either or both sides to decide to discontinue this practice, it would be an indicator of both Arab-Kurd ethno-sectarian violence and a constitutional breakdown.

IMPLICATIONS FOR U.S. INTERESTS

Despite public fatigue in America over Iraq, the United States retains a substantial national interest in seeing the emergence of a stable and successful Arab democracy—especially one that the United States has invested so heavily to promote—that will reinforce other positive developments in the Middle East. Iraq is a central player in several unfolding regional contests that have major implications for U.S. national security interests. As the recent hosting of the "P5+1" nuclear negotiations on Iran and Iraq's banning of Iranian weapon shipments to Syria indicate, Iraq is an emerging regional power that will play a significant role in Iran's political evolution, particularly as Iraq's parliamentary democracy and quietist Shia tradition are a standing challenge to the legitimacy of the Iranian theocracy.

Iraq is also not only an influencer but a participant in the "Arab-Persian" axis. It is primarily an Arab country like much of the Middle East, but it has a Shia majority like Iran that exercises political control. Similarly, Iraq is a frontline state in the conflict between moderate Islam and al-Qaeda, a battle for ideas that will continue to be of major import in the fight against terrorism. Iraq has a significant minority Kurdish population, a distinction it shares with the otherwise dissimilar Iranian, Turkish, and Syrian regimes. With the world's fifth-largest oil reserves, Iraq's output can stabilize or roil markets, directly affecting the U.S. economy. As Iraq moves back into the Organization of Petroleum Exporting Countries (OPEC) quota system, how it aligns within the organization—whether with the stability-oriented bloc of Saudi Arabia and the Gulf States or with the more ideological bloc led by Iran and Venezuela—will have clear implications for U.S. energy policy.

Further, U.S. interests in a stable Iraq are shared by virtually all states that have an interest in either democracy and/or stable oil production. Due to the U.S. history with Iraq, the world will continue to look for U.S. leadership in maintaining Iraq's stability and progress.

PREVENTIVE OPTIONS

Since the withdrawal of U.S. military forces, the ability of the United States to influence the course of events in Iraq has sharply diminished but not disappeared. Through steady and balanced engagement using a variety of measures at its disposal, the United States can still influence the behavior of the principal local and national leaders, as well as facilitate compromises between competing political blocs. Depending on the nature of the contingency, a host of measures can be employed to help the Iraqi authorities manage internal threats or induce various players to desist from actions deemed inimical to U.S. interests. The following policy options could be used to entice cooperation with the United States:

- *Implement military dimensions of Strategic Framework Agreement (SFA).* The SFA between the United States and Iraq, signed in 2008, envisions a robust level of defense cooperation. However, the strict interpretation of the expired Status of Forces Agreement deprived Iraq of virtually all U.S. military assistance. The United States could immediately seek to offer intelligence assistance to Iraq in its fight against AQI—clearly a shared interest—as well as begin negotiations for a regional military exercise with U.S. and Iraqi forces to occur outside of Iraqi territory. This could also involve naval assistance in patrolling Iraqi offshore oil infrastructure.
- *Implement the SFA's nonmilitary dimension.* The SFA also envisions a robust array of educational, cultural, and economic ties between the United States and Iraq. It has not gone unnoticed that, while the United States has stood up a strong Office of Military Cooperation, movement in the nonmilitary realm has been much slower. A vigorous program of public-private partnerships originating in both countries, perhaps modeled on the Foreign Military Sales program but in the non-defense space, could significantly accelerate the process of creating stronger subnational ties. While this will take some time to develop, this could move stability efforts from the relatively weak realm of diplomacy to the much stronger world of economic self-interest.
- *Reinforce and support the United Nations Assistance Mission in Iraq (UNAMI).* UNAMI has been a tirelessly positive actor in Iraq. The United States could both diplomatically support and rhetorically reinforce the critical work of UNAMI, particularly in regard to disputed boundaries, constitutional interpretation and implementation, and electoral monitoring—issues on which the U.S. embassy in Baghdad should be deeply engaged. With the departure of the U.S. military presence, consideration should be given to both expanding the mandate of UNAMI to explicitly deal with sectarian tensions.
- *Encourage Iraq's further integration into Arab institutions.* While members of the Arab League are hardly model democracies, Iraq's integration into these institutions could both assist in development of institutional capacity and strongly reassure Iraq's Sunni population that the Shia-led government is as committed to its Arab identity as to its Shiism. This option would involve active lobbying of Sunni Arab states by the United States.
- *Promote Turkish-Iraqi relations.* To help Iraq manage internal threats and reduce tensions in the region, the United States can use its influence in Ankara and Baghdad to build better relations

between these two democratic neighbors that have historically not been close. The United States could begin with a relatively benign issue—perhaps water disputes between the two states—with an end goal of increasing familiarity and ties that move beyond the issue at hand. Turkey, as a NATO member, could also serve as a conduit for Western military assistance to counter the AQI threat.

In short, the more that Iraq can be integrated in a host of bilateral and multilateral political frameworks, the more resilience Iraq will have to weather various destabilizing developments.

In the second category of preventive measures designed to induce Iraqi actors that are perceived as moving policy against U.S. interests, the United States could consider the following policy options:

– *Suspend arms sales.* Potentially the largest "stick" in the U.S. arsenal, this option is also fraught with hazard. First, the cancellation of a U.S. arms sale would almost certainly be backfilled by a competitor firm from Europe or elsewhere, as the Iraqis have a sizeable reserve of petrodollars. Second, the United States has a serious interest in utilizing third parties to maintain the U.S. defense industrial base during a time of declining defense budgets. Finally, implementing this option would signal a break in U.S.-Iraq ties, which would be difficult to reestablish.
– *Suspend or place conditions on foreign assistance.* Cutting off of U.S. foreign assistance, while signaling diplomatic displeasure, would likely have little practical effect. While the fiscal year 2012 requested State Department expenditures in Iraq exceeds two billion dollars, the vast majority of it will be spent supporting the various U.S. facilities in Iraq, with only a "few" hundred million dollars going to improve Iraqi quality of life. These monies could be easily replaced with Iraqi petrodollars and might even be welcomed by some in Iraq as a further removal of "occupation." Attempts to condition aid would face similar difficulties and perhaps even more nationalist resistance.

It is important to note that none of the preventive options involve a return of U.S. military forces to Iraq. Given recent historical experience, such an option would almost certainly not be welcomed and most likely resisted, totally independent of the political difficulty—approaching impossibility—that proposed troop redeployments to Iraq would face in the United States. Iraqis of all stripes are developing a nationalism that, while frustrating to the United States at times, may be an underlying factor that makes either contingency less likely. But this same nationalism would make any ground intervention an inflammatory measure. It would also likely make a North Atlantic Treaty Organization or even UN intervention similarly problematic. This calculus might well change, however, were any of the contingencies already under way.

MITIGATING OPTIONS

Should the political process in Iraq begin to break down, the United States should use its influence, and that of all multilateral and bilateral actors it can muster, to get the relevant actors back to the negotiating table, whether in Baghdad or elsewhere, to resolve their differences peacefully and ensure that Iraq remains a unified state. Beyond general exhortations, however, the choice of policy options to mitigate renewed conflict should clearly be informed by the nature of the triggering events, the subsequent trajectory of the crisis, and the scale of the violence.

If Iraq reverts to authoritarianism, the United States can draw from a standard menu of policy options to induce the government to restore the democratic process. These include diplomatic pressure (bilaterally and in multilateral forums), the cessation of assistance programs, and a variety of political

and economic sanctions. Much will depend on the authoritarian character of the new government, particularly whether it represents a return to an extreme "Saddam-like" rule or a much less repressive form. In the event of purges of minority groups or open ethno-sectarian conflict, the United States cannot stand by, but it also should recognize its limitations in devising a response.

Were civil conflict to break out within Iraq, the United States could assist the Iraqi government in various ways to restore order and prevent the violent breakup of the country. This includes the provision of intelligence (for example, on the presence of foreign fighters and flow of arms into Iraq) as well as other forms of security assistance. The U.S. military, however, would not be able to play an on-the-ground role due to both U.S. and Iraqi domestic political sensitivities. Should the violence escalate beyond the capacity of the Iraqi government to manage, the United States can be a strong proponent of UN or other multilateral initiatives. These include:

- *Sponsor a "Friends of Iraq" contact group.* This group (most likely excluding Iran and Syria) would act to coordinate bilateral and multilateral efforts short of military intervention to pressure the warring groups to adopt a cease-fire and begin a negotiated settlement. The efforts might also include various humanitarian measures to protect civilians.
- *Sponsor a multilateral peacekeeping mission to restore order.* A truly multilateral approach with unquestioned international legitimacy could possibly settle local violence and allow a political process to reemerge. However, finding national contingents that would be acceptable to all sides, and who would be willing to participate in an Iraq mission, could be problematic.
- *Threaten diplomatic isolation/recognition.* The United States could seek to tamp down political passions by either making clear its support for a unified Iraq or—should it find the central government's actions to be the cause of the crisis—indicating that it might recognize breakaway political units.

RECOMMENDATIONS

The months leading to the 2014 Iraqi parliamentary elections are critical for Iraq. The elections will enable Iraqis to conduct a referendum on Maliki's performance and that of his State of Law coalition. But, ethno-sectarian violence and a breakdown in constitutional order threaten Iraq's ability to get to this peaceful referendum. The United States should therefore watch for, guard against, as well as—if necessary—contain and reverse these threats given its important interests in Iraq. Due to the history of the U.S. presence in Iraq, any action should be very carefully weighed to avoid unintended consequences. By engaging both directly in Iraq and encouraging responsible states and institutions to do the same, the United States can salvage some benefits from flawed decisions and cement a partner—though not a puppet—in the region

It will be far easier to forestall a new civil conflict than to broker a cease-fire after the shooting starts. Thus, the United States should begin implementing the preventive measures discussed above. Specifically, it should take the following steps:

- *Monitor events on the ground.* Special care should be taken to get as accurate and dispassionate a picture as possible of both the security and political situations in Baghdad and throughout the country. Without the U.S. military presence, it is ever more difficult to verify security incidents and to discern political developments. The Unites States should thus prioritize the monitoring of both these realms to provide early warning of potential crises. Events in Iraq are particularly

susceptible to reinterpretation by all partisans, so it is incumbent on the United States to maintain its focus with this important ally.

- *Be a proponent of the electoral process.* The United States will continue to work primarily with Maliki not because he is "the U.S. guy," but because he is the duly elected prime minister of a parliamentary democracy. If Maliki loses a no-confidence vote and another government forms, the United States should be equally supportive of the new prime minster. Above all, the United States should make clear that it would find any suspension of, or irregularity within, the next parliamentary elections in 2014 severely problematic. Achieving another round of elections in 2014 (and provincial elections in 2013) will likely better establish the political strength of all the factions and increasingly mature the political system.
- *Collaborate closely with the UN.* UNAMI now deals directly with the bulk of critical issues facing Iraq (e.g., disputed boundaries), and thus U.S. interests are greatly served by the mission's efforts to resolve these issues. Close collaboration does not, of course, require the United States to contribute resources, which might taint the perceived neutrality of the UN mission. But the U.S. embassy in Baghdad should go out of its way to make UNAMI a partner in both word and deed. These first two recommendations nest closely together, as the UN is as vested in the electoral process as is the United States.
- *Promote continued integration into the Arab League.* Baghdad's hosting of the March 2012 Arab League Conference was an important step forward for regional integration. The willingness of the Shia government to accept criticism from the non-democratic Sunni states demonstrates considerable political maturity. To the extent that Baghdad continues to participate in the Arab League, this should greatly assist in minimizing Shia-Sunni tensions and reduce the possibility of violence or political crisis along that axis.
- *Fully implement both the SFA's military and nonmilitary components.* While the United States should specifically offer counterterrorism intelligence assistance under the "security" umbrella of this agreement, it is equally important to build lasting state-to-state, and person-to-person, relationships via cultural programs, educational exchanges, and—above all—joint business ventures. These ties can build a more robust Iraqi citizenry and civil society, thereby reducing the likelihood of either contingency in the long term.
- *Promote ties with Turkey.* U.S. interests would be greatly served by closer ties between Ankara and Baghdad. The immediate effect might be a reduction of tensions over Kurdistan with other positive externalities eventually emerging should stronger ties develop between these two emerging regional powers. This could start with a series of bilateral meetings sponsored by the U.S. missions in Baghdad and Ankara.

The net effect of these policy options is intended to keep all parties engaged with external stakeholders (particularly their perceived patrons), while maintaining the commitment to democracy. Again, U.S. leadership in such a crisis will be critical, though almost all nations share an interest in Iraqi stability. The United States' continued engagement will greatly reduce the likelihood of ethno-sectarian conflict and a breakdown of the constitutional order in Iraq.

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