Middle East and North Africa Workshop Summary

Iraq’s Foreign Policy in a Changing Middle East

February 2013
INTRODUCTION

This is a summary of discussions held at Chatham House on 20 and 21 February 2013 during a workshop on ‘Iraq’s Foreign Policy in a Changing Middle East’. The workshop was a part of an ongoing research project on ‘Iraq on the Regional and International Stage’, which analyses Iraq's foreign relations as it emerges from almost a decade of war and foreign occupation. Chatham House’s Middle East and North Africa convened a group of experts on Iraqi foreign policy – including Iraqi diplomats and politicians from a variety of different parties – to share ideas on and analysis of Iraq's foreign policy.

A series of roundtable discussions was held around the following themes:

- Iraq as a rising regional actor
- Iraq and Syria: coherent policy or competing interests?
- Kurdistan rising? Analysing the Ankara-Erbil-Baghdad dynamic
- Iraq and Iran: oil and an eastern pivot?
- The Islamic Dawa Party: a vision for Iraqi foreign policy?
- Iraq’s southern neighbours: identity and economy; a
- Iraq 2030: future prospects

The main findings of the workshop include the following:

- Although Iraq continues to emerge from the shadow of war and occupation to assume a stronger role in the Middle East, domestic political divisions threaten to thwart Iraq’s ambitions to become a more influential regional and international actor.

- The ongoing conflict in Syria is the most pressing foreign policy concern for Iraq owing to the extent to which it threatens Iraq’s internal stability and provides competing political actors to internationalize their respective movements.

- The improvement in relations between the Kurdistan Regional Government (KRG) and Turkey, for instance through increased trade, demonstrates the challenging foreign policy position Iraq faces. As the central government seeks to exert greater influence
in the Middle East, one of its own regions maintains its own foreign relations that at times contradict these stated aims.

- While Iraq’s relations with Iran remain very positive, it is not entirely subject to that country’s geopolitical dominance as its own foreign policy interests at times diverge from those of its eastern neighbour. Iran’s support for the Assad government in Syria, for example, may not be in the interest of Iraq owing to fears of overspilling violence that could destabilize the Iraqi government.

- The newly published foreign policy vision of the Islamic Dawa Party of Iraq, headed by Prime Minister Nouri al-Maliki, outlines broad principles and positions that are acceptable to a wide spectrum of Iraqi political actors. However, their credibility and prospects for implementation in a context of severe mistrust between domestic factions remain contested.

- Iraq’s relationships with its Gulf neighbours will be an increasingly important foreign policy priority for the country as a result of its growing role in oil production, its stated desire to move beyond the existing strained ties with neighbours such as Saudi Arabia, and its own social make-up vis-à-vis the wider sectarian discourse and continued unrest in the region.

- Even though opportunities exist for Iraq to play a more active and constructive role in its region in the coming years, the most significant impediment is continuing domestic political instability, a lack of trust between political elites, and the challenge for the Iraqi state to operate as a coherent unit. For Iraq to have an influential foreign policy it must first have political reconciliation inside its own borders.
The meeting was held under the Chatham House Rule and the views expressed are those of the participants. The following summary is intended to serve as an aide-mémoire to those who took part and to provide a general summary of discussions for those who did not.

**The Chatham House Rule**

‘When a meeting, or part thereof, is held under the Chatham House Rule, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed.’
IRAQ AS A RISING REGIONAL ACTOR?

One of the many major challenges presented to the new Iraqi government after 2003 was to improve relations with its neighbours, with many of which it had experienced varying degrees of hostility with Iraq – including the eight-year war with Iran, and the invasion, occupation and liberation of Kuwait in 1990–91. This session discussed Iraq's influence as a regional actor and the extent to which it can play a more significant role in its region.

Following the overthrow of Saddam Hussein in 2003, Iraq’s Ministry of Foreign Affairs was tasked with taking positions towards the country's neighbours that were in the spirit of cooperation and beginning new, constructive relationships that would lead to its regaining influence on the regional and international stage. Some of the participants noted that despite heavy, at times crippling internal divisions – most evident in the violent civil conflict in 2006 and 2007 – Iraq had made significant progress in establishing peaceful relations with its neighbours and normalizing its position as a viable political and economic partner, relative to where it stood before the invasion. In particular, it had taken steps to repair relations with Kuwait, especially on land and maritime borders and on humanitarian issues, while compensation issues were still being discussed. The country hosted the 2012 Arab League Summit in Baghdad – the first time it had been held in Iraq since 1990 – as well as P5+1 nuclear talks with Iran. It was noted that Iraq had also been active in signing new trade deals, including a memorandum of understanding with the European Union in 2010 to reinforce energy cooperation. Also highlighted by participants was Iraq’s consistent call to support the voices and aspirations of the masses, as exemplified by the ‘democratic revolutions’ in the Arab world since 2011, including in Syria.

However, several participants felt that these views, largely reflecting official Iraqi government positions, painted too positive a picture. Although there had been some progress on Iraq’s foreign relations, it was stated that many detrimental policies were being implemented. Some participants noted that cronyism was very much present in government ministries, and foreign ministry appointments were made not on qualifications but rather on political affiliations. Iraq's foreign policy appeared to be constructed by several state actors with their own conflicting agendas. As such, it was not cohesive and lacked direction. Some participants felt it was ‘wishful thinking’ to talk about Iraq as an actor influencing events in the region, largely because of its
domestic divisions; it was added that the country needed to deal first with its own internal grievances, perhaps through an inclusive national dialogue, before it could tackle its incoherent foreign policy. Furthermore participants noted that the weakness of the central government and internal divisions allowed room for various domestic actors to stoke instability as they tried to seek external allies, which in turn enhanced opportunities for Iran, Saudi Arabia and Turkey to ally themselves with the political opposition in Iraq.

Although divisions among key domestic actors in Iraq were seen as currently contributing to an unstable political dynamic, some participants were keen to stress the distinctions between individual political actors seeking greater influence in the country and the official foreign policy positions taken by the Iraqi government, on which progress was emphasized. Yet given that domestic divisions partly defined the political dynamic in the country, it was difficult to separate out official foreign policy positions from domestic politickling; indeed almost all of the political parties represented in the Iraqi parliament were officially part of the current coalition government despite their public opposition to its policies.

Participants discussed the heightened sectarian tensions inside Iraq, with many noting that this issue was contributing to poor relations with its neighbours in the Gulf. Some also noted that Gulf countries feared the idea of a democratic Iraq on their borders that could challenge the governance structures of their own states. Attempts to improve relations with the Gulf had again suffered as a result of Iraq’s position on Syria, which conflicted in particular with Saudi Arabia’s and Qatar’s backing for regime change and their active support of opposition fighters inside Syria. Iraq’s official position was one of neutrality while also wishing to support the will of the Syrian people for democratic change through peaceful means. Within the Arab League, it was said, Iraq had consistently argued that Arab states should do everything in their power to support the rights of the Syrian people and help create a dialogue. However, this is not the perception held by Iraq’s Arab neighbours, and the stated position of Iraqi officials conflicted with reports that the Iraqi government supported the Syrian government led by Bashar Al-Assad, aligning itself with Iran on this issue. One participant identified these seemingly contradictory positions by asking whether Iraq was a supporter of the Syrian people or of the Assad regime, or was simply turning a blind eye to Iranian activities in Syria that went through Iraq. The Syria issue was explored.

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1 The P5+1 refers to the five permanent members of the UN Security Council (the United States, United Kingdom, France, Russia and China) and Germany, also known as the ‘EU3+3’, which are leading the international talks with Iran over the latter’s nuclear programme.
in more detail in the following session and remained one of the most divisive points of discussion throughout the day.

While some participants argued that Iraq did indeed have a foreign policy despite its other state and non-state actors also having foreign relations, other participants disputed this, claiming that its policies were subject to those of other more powerful regional actors. Yet there was consensus that Iraq needed to have a unitary foreign policy for it to emerge as a more influential regional actor. How it should use that influence was disputed, though many argued that it should strive to become an objective mediator in its volatile region.
IRAQ AND SYRIA: COHERENT POLICY OR COMPETING INTERESTS?

This session focused on Iraq’s policy towards Syria, covering internal divisions and their manifestation through the external relations of the Iraqi government. There was general consensus among participants that the Syrian issue both united and divided many elements within the Iraqi government. Questions arose as to whether there existed two separate Iraqi foreign policies when it came to Syria, with Prime Minister Nouri al-Maliki, for instance, allegedly tacitly endorsing Iranian engagements in Syria in aid of the Assad regime, while the Kurdish Regional Government President, Massoud Barzani, openly supported the Syrian Kurdish National Congress, which had backed the uprising there.

Discussion ensued regarding the evolving relationship between Iraq and Syria, one that has embodied suspicion, alienation and reconciliation in the past few decades. Iraqi–Syrian relations were described as traditionally tense and competitive, with Syria taking an openly antagonistic position towards Iraq by harbouring suspected insurgents after 2003 and allowing them to enter Iraq from its territory, and purportedly providing logistical support to Al-Qaeda operatives and to Ba’athist loyalists inside Iraq. Relations between the two countries became particularly strained in 2009 after coordinated attacks on the Ministry of Finance and Ministry of Foreign Affairs in Baghdad, which, alongside mortar strikes in the capital, killed more than 100 people and in which the Iraqi government accused Syria of direct involvement. It was suggested that the eventual reconciliation between the two countries might have been the result of regional pressure, namely from Iran. The historically turbulent diplomatic relations between the two countries remained a focal point in the discussion, with key meetings and attitudes of government officials being referred to by various participants, including the fact that Maliki spent many years as an exile in Syria before 2003.

It was stated that Iraq’s own history affected its government’s views on Syria. There was sympathy for those suffering under a Ba’athist regime, but also a serious fear of the Al-Qaeda element of the opposition. Iraq’s factions differed in their views of the opposition; some saw it as primarily a legitimate protest movement that took up arms only after being attacked by its own regime, while others focused on the Al-Qaeda and Jebhat Al Nusra elements, believed to be a minority of the opposition but also seemingly growing in influence. It was noted that the Iraqi government opposed the implementation of international sanctions on Syria owing to Iraq’s own experience with more than a decade of sanctions imposed after the 1991 Gulf War which did not
have their intended effect; rather than hampering the Iraqi government under Saddam Hussein, they had terrible impacts on the Iraqi people, including contributing to the significant increase in the infant mortality rate during this period. Some argued that Iraq differed from neighbouring countries in its reaction to the Syrian crisis; where Turkey and Gulf countries believed that the Assad regime must fall and the arming of the Syrian opposition was the only option left, Iraq feared the potential consequences of violence spilling across the border into its own territory, and ultimately the rise of an extremist Islamist government.

There was agreement among some of the participants that as the civil conflict in Syria became more violent after opposition demonstrations began in 2011, specific Iraqi concerns grew out of new realities and with them a semi-independent Iraqi stance towards Syria. The government’s support of a resolution to end the violence in Syria in August 2012 was pointed to as evidence of this. Others asserted that while there might be semi-independent decisions or attitudes, Iraqi foreign policy was still very much tied to Iran’s interests. A number of participants agreed that developments in Syria were pushing Iraq closer to Iran, although not necessarily a result of direct Iranian influence. It was maintained that the government in Iraq was making independent decisions; owing to concerns over what might come next in Syria, however, it was in need of allies. Participants generally agreed that other Arab states’ antagonistic treatment of Iran was in fact pushing Iraq into the arms of an isolated Iran without embracing it wholeheartedly.

One participant rejected the idea that Iraq was turning a blind eye to Iran’s arming of groups to fight the Assad regime, saying that in July 2012 the Iraqi government had sent a high-level delegation to Iran in a bid to stop flights to Syria through Iraq. It was argued that it was more accurate to criticize Iraq’s lack of the technology to monitor any flights from Iran that might be destined for Syria and of the means to force down these planes. It was noted by one participant that Iraq’s policy stance towards Syria – based on its own internal interests – appeared to be somewhere between that of Turkey and that of Iran. Participants agreed that Iraq would be uniquely affected by continued unrest and instability in Syria.

The dominant opinion among participants was that Iraq should stand with the Syrian people, particularly as members of the current Iraqi government had experienced persecution at the hands of Ba’athists and were ultimately forced to flee. Most participants stated that the issue was one of morality and human rights, and that the violence in Syria must not be allowed to continue.
Participants also highlighted the humanitarian need to welcome Syrian refugees into Iraq, as hundreds of thousands of Iraqis were welcomed into Syria during the violent Iraqi civil conflict in 2006 and 2007; one participant expressed dissatisfaction that Syrian refugees were confined camps along the Iraqi border. Concern over the prevalence of Islamic extremists in the conflict further complicated both the case for further intervention and that for remaining on the sidelines. Two narratives prevailed, one claiming that if the Assad government fell extremists would take over, the other asserting opposition fighters’ right to freedom. There was general agreement that while both had their merits, for Iraq to take its foreign policy forward it must reconcile these views domestically.

Concerning Iraq’s agreement to Iran’s $10 billion pipeline project, which would flow through the former’s territory and on to Syria, one participant affirmed that politics were driving economic policies as Iraq was creating markets for its neighbours when it could be capturing these markets for itself. Another participant asserted that it was about political sensitivities as much as economics, and that forsaking economics was sometimes required to move forward politically.

The discussion reflected a sense that alliances were shifting in the region. One participant suggested that as Iran witnessed its long-term partnership with Syria further imperilled, its close relationship with Iraq was becoming ever more important. It was asked what the ideal foreign policy of Iraq towards Syria and Iran might be. Many agreed that to play the role of mediator would be exceedingly difficult owing to persistent questions regarding Iraqi neutrality.

The discussion concluded with one participant stressing the need to consider what Syria would look like after Bashar Al-Assad departs. If continued violence and confrontation were inevitable, was there still a way to carve out a democratic arrangement that would help the Syrian people? The issue of minorities inside Syria was also highlighted; it was stressed that the situation of Kurds, Christians, Druze and Alawites must continue to be considered in a post-Assad Syria. An all-out military conflict would result in a political vacuum in that country, similar to, if not worse than, what had occurred in Iraq, and this would be dangerous for the entire region.

There were comments on Iraq’s positioning of itself in the medium to long term vis-à-vis the Arab world; its current position on Syria was portrayed as resigning itself to sectarian alliances, a pattern which some agreed must be broken if Iraq was to emerge as a regional player. Developing a more
nuanced and clear standpoint on Syria could be used as an opportunity for Iraq to improve relations with Turkey, it was argued. Many participants also agreed that moving away from framing its foreign policy standpoint according to identity would ultimately be better for Iraq, given that both its own population and its neighbours were religiously and ethnically diverse. Yet some commented that it was unfair to define its policy towards Syria through an Iranian-influenced or sectarian lens, arguing that the threat posed by the Syrian conflict was much greater to Iraq than to Iran, particularly as it became increasingly polarized along sectarian lines.
KURDISTAN RISING? ANALYSING THE ANKARA–ERBIL–BAGHDAD DYNAMIC

This session dealt with the role of Kurdistan in Iraq’s foreign policy and the political dynamic between Turkey, the Kurdish Regional Government (KRG) in Erbil, and the Iraqi central government in Baghdad. It was noted that increasingly good relations between the KRG and Turkey had led the Iraqi government to express more grievances, based in part on the idea that conducting foreign relations was the central government’s remit and not to be practised independently by provinces or regions such as Iraqi Kurdistan. Furthermore, oil exploration and transport deals signed by the KRG with Turkey and Turkish companies had been condemned by Baghdad as unconstitutional; the KRG had vigorously denied this, claiming that it was well within its constitutional rights to explore and develop new oil fields in its region.

The discussion began with one participant noting that Kurdistan could be headed in one of three directions: the Kurdish political establishment working within and alongside the Iraqi government; concrete moves by the Kurds for independent statehood, which could at this point be an overreach on their part; or the further unravelling of the post-Ottoman nation-state system in which an independent Kurdish state was an inevitability. It was asked whether it was possible to identify which of these three was happening, or whether it was some combination of them, or even something entirely different.

Contributing to strained relations between Baghdad and Erbil, it was noted, has been the lack of a hydrocarbon law to regulate the exploration of and revenue distribution from oil, as well as the less than full implementation of Article 140 of the Iraqi constitution, which deals with disputed territories including Kirkuk, among other issues. Also expressed was the view that there was a cold, if not clearly hostile relationship between Iraqi Prime Minister Nouri al-Maliki and KRG President Massoud Barzani. However, other participants noted that this issue was not as significant as the more substantial flashpoints of oil revenues and disputed territories. The KRG’s pursuit in recent years of an independent oil and gas strategy was noted as an economic manifestation of the greater political dispute. The KRG’s improved relationship with Turkey had enabled it to pursue this course.

Several participants stated that Turkey’s positive relationship with the KRG should not be seen as necessarily detrimental to Baghdad’s own relationship with Turkey. One participant argued that the relationships should not be seen as mutually exclusive; rather, the Turkish–Kurdish relationship should induce the Iraqi government to come the negotiating table over the drafting of a
hydrocarbon law. It was further noted that Kurdish outreach towards Turkey was not something new but had grown steadily since the 1990s, when Kurdish political representatives came to believe the best way to maintain good relations with external powers and create better understanding of their situation was to concentrate on enhancing business ties. One participant observed that Kurdish interests overlapped with those of the other regional states in a way that had not happened before. Rather than triggering opposition, Kurdistan was now being welcomed, and more specifically, it was changing from being a subject to an object of foreign relations by Turkey’s desire for oil and gas. A gradual development in regional relations had for many years been key to Kurdish aspirations and the Kurdish movement; and the Kurds, one participant asserted, were ever keen to engage with the international community.

It was noted that Turkey’s growing role in the region had become more visible since 2010, and it had sought to obtain and maintain a light footprint in Iraq’s domestic political scene, troubling Prime Minister Maliki. Some participants noted that it was important for Iraq to reach out to Turkey and improve relations given its strategic importance in terms of oil and gas, as well as the critical regional role it plays, for example, vis-à-vis the conflict in Syria; had Baghdad–Ankara relations been better, some speculated that Turkey would not have sided with the KRG over oil and gas exploration. However, one participant contested this claim and suggested that the Baghdad government and Maliki himself had ‘opened the doors for Turkey’ when they signed a draft agreement for business. The participant felt that the change had come from Turkey’s side and that Ankara was using the Kurds against Baghdad for tactical reasons, rather than building a strategic relationship.

One participant said that the present Baghdad government was repeating the mistakes of the past in its relationship with Kurdistan. In terms of oil and gas, there had been significant progress in the Kurdish region; by refusing to engage with the KRG the Baghdad government had pushed the Kurds towards Turkey. A participant commented that this might stem from the strained personal relationship between Maliki and Barzani. Another countered that although there was general agreement that the relationship between the two men was troubled, relations between Iraqi President Talabani – the other most senior Kurdish leader – and Maliki were better. Participants generally agreed that in terms of the constitution and the oil and gas issue, negotiation was the only solution. Several participants agreed that Turkey might disappoint Kurdish hopes in the future and that its policy was one of...
containment; the only way to ensure the Kurds’ aspirations were met was for them to work with Baghdad.

The relationship between Baghdad and Erbil, one participant pointed out, was determined by the level of trust between the two sides: the Kurds feared that Iraq might one day engage in military aggression in Kurdistan, and the Iraqis feared that Kurdish autonomy might one day lead to secession. These existential fears had allowed external powers such as Turkey to insert themselves into the scene, helping to turn a domestic problem into a regional one. Other participants remarked that the shift in ideology in Turkey from Kemalism to Islamism might account for its policy of outreach towards the Sunni Kurds. Further, participants agreed that a positive relationship between Erbil and Ankara was a priority for economic development on both sides.
IRAQ AND IRAN: OIL AND AN EASTERN PIVOT?

This session discussed Iraq’s oil production policies and the various scenarios and contingencies for the coming years with regard to the region’s geopolitical landscape. The main topics included the best potential oil policies for Iraq to pursue vis-à-vis its neighbours and its oil reserves, as well as regional dynamics and their implications for Iraq.

There was agreement that Iranian influence in Iraq could be denied, and that it was crucial to chart the Iranian agenda in Iraq – though the perceived degree of this influence varied among participants. Some asserted claims of Iranian influence were exaggerated and that Iraqi independence prevails: one participant said the prime minister had confronted Iranian leaders over the supply of weapons to Sadrists, claiming that he had shown evidence that Iran was participating in this despite its official denials. Others considered Tehran to be the most important actor in Iraq. Many participants agreed that the objective of Tehran was not to control Iraq socially, economically or politically, but to ensure that it would not resurface as a threat, and to exploit it for Iran’s own regional agenda. There was reference to those inside the Iraqi government who had strong ties with Iran, including several high-level officials, although even the more pro-Iran actors in Iraq endeavoured to maintain Iraqi independence. Moreover, important developments in 2012, including the P5+1 and Arab League meetings in Baghdad, were seen as serving to demonstrate that Iraq was no longer only the battlefield of competing regionalism that it had been in recent years but was emerging as an actor in its own right.

Several participants stressed that Iraq had just sustained a devastating war and was slowly recovering. One participant was of the opinion that if Iraq was indeed turning a blind eye to Tehran’s purported actions in Syria, it was because the government wished to do so and was exercising its own prerogative. Regardless of the multifaceted connections between the two countries, many held that their long-term foreign policy goals were not entirely convergent. The current hostility between Saudi Arabia and Iraq was generally agreed to be the result of strong Iraqi–Iranian relations. Significantly, Iran still exerts influence on a security level by means of the multiple loyalties apparent within the ranks of militias on the ground in Iraq. On an economic level, Iran was seen to be investing resources to establish solid bonds between the two countries in the areas of trade and partnership while providing significant energy output to Iraq. On the issue of oil, increased production from Iraq was referred to as potentially driving competition between Iraq and Iran in the long term; the fact that Iraq overtook Iran in oil
production in 2012 was noteworthy. One participant noted that Iran in principle did not allow economic decisions to drive its foreign policy; rather its ideological position was never to be dependent on either East or West. This fact was considered to be of great relevance when considering the drivers of Iran’s foreign policy decisions and its future trajectory.

Many mentioned the long history of relations between Iraq and Iran and the myriad strong ties between the two countries and their peoples, including cultural similarities and shared borders. In terms of interference, one participant claimed that Iraq had long been used as a proxy for imperial and modern-day rivalries between its neighbours Iran and Turkey. Both countries had consistently used Iraqi soil to settle differences, with Iran continuing to view Iraq, Syria and Lebanon as within its axis of influence and pursuing its interests accordingly. The participant went on to state that in order to match this influence Iraq must have strong and united political parties and internal cohesion; only in this way could it resist pressure from the east, west and south. Internal political friction tended to push political forces closer to neighbouring countries rather than their political partners at home, weakening the state’s ability to withstand interference from foreign countries. Another participant pointed to the positive relationship between Iraq and Iran, rather than influence flowing in just one direction – with Iraqi officials serving in Iran’s Council of Guardians, for instance. The 3,000 years of shared history, almost 1,500km of joint borders and the fact that 40–45 per cent of Iraq’s water supply flows from Iran through the Tigris all meant that Iraq should develop its foreign policy with Iran. This interdependency was clear and would remain into the future.

Many participants agreed that the implementation of federalism in Iraq had yet to occur, with several in the central government wishing to avoid further decentralization and regionalism. [Until this issue was resolved, it was said, Iraq would lack a federal policy on foreign affairs, instead remaining vulnerable to a multitude of contradicting policies. This issue of Kurdistan was proving particularly divisive, with some political parties wishing to accommodate one another and embrace federalism while others prized centralism and centralist policies. Most participants agreed that the secession of Kurdistan would prove to be a setback for Iraq, and many also agreed that the ambiguity of the legal situation in Iraq and Kurdistan made it exceedingly difficult to navigate and implement unilateral contracts and deal with oil portfolios. Without a federal oil and gas council to represent the state, putting regional governments in place as regulators, it would be very difficult for Iraqi contracts to sustain any legal image. Federal rather than regional or provincial
decisions needed to be taken with regard to oil exports, but participants were uncertain about how to adopt such policies and resolve export disputes.

There was repeated emphasis on the fact that Iraq was not maximizing its resource potential owing to political disputes and that it should use its resources for the people in every way, developing its downstream capabilities and fostering better relations with countries around the world. One participant asserted the need to consult the foreign ministry on further oil licensing to companies.

With regard to China’s role in Iraq, many felt that country could do more to enable Iraq to be released from its UN Chapter VII status and to contribute to its development. One participant stated that China’s only target was to export its goods and create new markets while eschewing a major role in world politics. Others disagreed: one participant suggested that China’s policy of non-interference in local politics was a positive factor, in contrast to the ‘strings-attached’ policies generally adopted by the United States. To frame China’s significance for Iraq moving forward, reference was made to a 2012 International Energy Agency (IEA) report which claimed that by 2035 almost one in every two incremental barrels of oil would be sourced from Iraq, with a quarter of Iraq’s total exports going to China as other markets in Europe and the US reduced their oil demand as a result of rising efficiency and rising domestic supply.

With regard to Iraq’s oil reserves and production policies, participants agreed that the country had sufficient reserves to last it through the oil age but that its production policies were problematic, including tensions with transit countries. What the Iraqi government and the KRG produced would depend on supply and demand that would be dictated by markets.
THE ISLAMIC DAWA PARTY: A VISION FOR IRAQI FOREIGN POLICY?

This session discussed the newly published foreign policy vision of the Islamic Dawa Party of Iraq (commonly referred to as the Dawa Party) headed by Prime Minister Nouri al-Maliki. Broadly, the principles of the vision were seen by participants as fairly consensual – but the subsequent debate centred on their credibility and prospects for implementation in a context of severe mistrust between Iraqi factions. The key points of this policy vision were as follows. Iraq’s troubled past had been plagued by dictatorship, wars and sanctions. The previous regime under Saddam Hussein had focused on building up military power rather than social and economic development. As stated by Dawa officials, foreign policy could no longer be one that ‘follows the whims of a leader or dances to the tune of transnational ideological currents’. The Dawa Party’s official stance was that a soft policy of integration would be the most effective method to begin a new era in Iraq’s foreign relations.

During the discussion, it was noted that Iraq’s history since 1921 and the lessons learnt from the country’s experiences should be used to promote a more positive legacy for future generations of Iraqis. More recently, relations on a regional and international level had been strained dramatically after the 1991 Gulf War and continued to segregate and isolate Iraq until the US-led invasion of the country in 2003. A once prominent player in the Middle East, Iraq was alienated from its neighbours by its invasion of Kuwait, and consequently became more concerned with internal state projections of power rather than foreign policy. It was noted in addition that the exclusion of Iraqi Kurdistan from central government control after 1991, the enforcement of a no-fly zone and UN resolutions and sanctions had further ensured Iraq’s weak regional position.

Since the toppling of the Ba’ath Party regime, participants noted that Iraq had experienced various internal struggles in attempts at restabilization after years of sanctions and dictatorship; and that these sectarian struggles, exacerbated by external forces such as Al-Qaeda, had hindered progress by the new Iraqi government in rebuilding the country and mending regional ties. With the withdrawal of the last foreign troops in 2011, the Iraqi government had finally taken over full responsibility for domestic security as envisaged by the negotiated Status of Forces Agreement (SOFA) between the United States and Iraq. Though security-related matters in Iraq remained a work in progress, it was argued that Iraq had continued to make significant progress in this area, complementing improvements in economic development.
The Dawa Party’s official foreign policy document envisages that in order for Iraq to continue its positive development, it must have a foreign policy focusing on three main areas: economy, trade and tourism; values, ideology and culture; and politics, sovereignty and security.

**Economy, trade and tourism**

Economic development in Iraq inevitably involves revitalizing Iraq’s oil sector and production. As Iraq leaves its military concerns aside and focuses on economic transformation, the Dawa Party has expressed the hope that Iraq will no longer be measured by the size or influence of its army but rather by economic indicators such as the number of its oilfields and its GDP growth. Reports by the World Bank and the International Monetary Fund (IMF) have forecast an economic growth rate of 10 per cent, leading to some of the fastest and highest economic development in the world. It was said that by strengthening ties with its neighbours, and inviting international oil companies to invest, Iraq could best benefit from resource wealth and promote expertise that would be needed for rebuilding the country – perhaps through international student exchange programmes and expanding training facilities.

It was argued that in order to facilitate this economic transformation, Iraq’s foreign policy should be geared towards increasing economic interdependence with the international community. Comparisons were made with post-conflict Europe and the establishment of the European Union; it was suggested that Iraq should lead a similar effort for greater economic and political integration in the hope of combating the enablers of war and division. Emphasis was also placed on investing more in Iraq’s historical and religious sites as a draw for tourism.

**Values, ideology and culture**

It was said that since 2003 Iraq had been the primary regional battleground for terrorism and sectarian violence. According to the Dawa Party, extremist Islamist groups must be confronted while Islamic scholars who promote moderate views of Islam should be supported.

For its part, the Dawa Party has had to combat allegations that it has not done enough to lower sectarian tensions. It promotes the fact that in 2008 Prime Minister Maliki directed Iraqi security forces to move against the Mahdi Army, a militia that supports Shia cleric Moqtada al-Sadr, which was in control of large areas of Basra in southern Iraq (in an operation known as the Charge
of the Knights). However, it was noted that since the withdrawal of US forces in 2011 Maliki had been accused of playing sectarian politics by authorizing the arrest of prominent Sunni politicians in an attempt to marginalize their involvement in Iraqi politics.

It was said that the Dawa Party perceived successes in creating an electoral democracy as the first steps in an ongoing project of building a free and democratic culture in Iraq. Local and national elections had been held, including two national parliamentary elections in 2005 and 2010. However, a number of candidates for the 2013 provincial elections had been assassinated. Moreover, recent protests in Anbar province in the western part of the country had accused the central government of practising sectarian politics, resulting in the disenfranchisement of Sunni Arab Iraqis.

**Politics, sovereignty and security**

It was stated that the Dawa Party’s vision of security included protecting borders and ensuring the security of the state and its society. Its goals included beginning to resolve the problems created by the previous regime with Kuwait, Iran and other neighbours. A new fruitful relationship with Kuwait had been achieved through mutual neighbourly interests and not simply through UN-mandated provisions under Iraq’s continuing Chapter VII responsibilities.

It was also stated that as Iraq respected the sovereignty of other states it deserved the same respect from its neighbours and peers in the international community. Rather than becoming a dominant force among its neighbours, it was argued that Iraq should never again become a threat to international peace and security. Saddam Hussein’s legacy of wars with Iraq’s neighbours – the Iran–Iraq war in the 1980s, and the invasion and liberation of Kuwait in 1990–91 – had had a lasting effect on the Iraqi population and negatively affected Iraq’s image in the world. At the same time, it was said that the Dawa Party would not permit other state and non-state actors to endanger Iraq’s peace and security. Fighters from neighbouring countries had reportedly taken part in armed opposition militias in Iraq since 2003, and at various points neighbouring states, including Syria and Saudi Arabia, had been accused of aiding and abetting these foreign fighters. Yet it was noted by other participants that Prime Minister Maliki’s government had itself been accused of engaging in the Syrian civil conflict by facilitating the movement of fighters and arms to support the Assad government against the armed opposition there.
Different historical narratives about sectarianism in Iraq’s history continue to inform current perceptions, and recurred as a theme in the discussions about Iraq’s future foreign policy. Among the points mentioned were the following.

The Islamic Dawa Party was formed by Shia clerics in the late 1950s and gained prominence in the 1970s as it waged an armed insurgency against the Iraqi government. The then nascent Ba’ath Iraqi government perceived growing Shia-led political activism as a threat to its own stability, cracking down on Dawa Party members and closing affiliated institutions. The party supported the Islamic revolution in Iran in 1979 and established its headquarters in Tehran the same year. The attempts by the Ba’ath regime to quell the Shia political movement were seen by many in the Shia community as marginalization. This reinforced the view shared by many within the Shia political community in Iraq that the Ba’ath regime was ultimately Sunni-dominated. The sectarian make-up of the Ba’ath regime remains highly contested, however, with some countering that the Iraqi military was predominantly made up of Shia Arabs, though many others argue that Shia officers were prevented from reaching positions of military leadership because of their sect. Since 2003 many within the Sunni political community in Iraq feel their own sect has been wrongly blamed for the actions of the previous Ba’ath regime, and now consequently discriminated against. Some participants stated that international interference had intentionally stoked these sectarian tensions, creating further social polarization in the country that remains today.

Questions and answers

Various participants felt that the official principles expressed by the Dawa Party in its foreign policy document constituted common ground on which most Iraqis could agree. However, many expressed scepticism about whether these official positions would translate into reality and action on the ground. One participant remarked sardonically that if the Dawa Party kept to the principles outlined in its foreign policy vision then every Iraqi would become a member of the party. Another participant questioned the ability of the Dawa Party and the government to implement this new vision given the country’s deep domestic divisions.

On the issue of Shia marginalization discussed during the presentation, several participants expressed conflicting views regarding the perceived marginalization or privileging of different ethnic and sectarian groups in Iraqi history. One participant explained that in fact the previous regime was not based on sectarian lines and that all Iraqis, not just the Shia community, had
suffered under Saddam’s regime. This participant added that since 2003 there had been a marginalization of the Sunni community in Iraq, as exemplified by the lack of Sunni Iraqis occupying high-level ambassadorships in the Iraqi foreign service. This participant discussed a perception among a segment of the Iraqi population that the Dawa Party was instituting a form of retribution for years of perceived marginalization by the Sunni community. Another participant said that the perceived marginalization of Sunnis since 2003 was due to the political status quo in Iraq today, in which the *de facto* system of power-sharing had helped to create dividing lines in which state institutions are apportioned according to sectarian population percentages. This had in turn led to political posturing based on sectarian affiliation rather than issue-based politics such as the need to increase electricity provision for the people. One participant noted how this had become perpetuated throughout the political system; this engrained sectarian politics ensured that in order to get into power, many of the political elite often had to align themselves with a particular sect. The effectiveness of this power-sharing model was contested, however, with some arguing that it was a legitimate way to ensure a fair balance of power in society, and others claiming that it merely served to split the Iraqi nation and divide it against itself.

Many participants emphasized that specific differences over history would inevitably continue to influence current political disputes. Several agreed that in order for Iraq to overcome these internal struggles, there must be reconciliation between communities. One said that the Dawa Party should play a greater role in trying to achieve this reconciliation and that the lessons of history should not be repeated. Several participants concluded that the lack of reconciliation in Iraq had created fissures within the Iraqi nation that had led to Iraq being composed of mutually exclusive elements rather than constituting one nation. This in turn allowed external forces to appeal to particular components, each of which feels persecuted, which in turn affected the levels of mistrust within the Iraqi political community.
This session included discussions on Iraq’s regional identity, its relations with its southern neighbours and the effects of internal tensions on Iraq’s external relations.

Participants agreed that Iraq and the Gulf states had long been linked by political, commercial and tribal ties, with many similarities existing between GCC citizens and those of Iraq. Both Iraq and the Gulf states are relatively young nation-states with multiple internal fault lines and sub-states that compound their ability to handle external shocks. One participant mentioned that while Gulf states expected to face a large degree of conflict overspill stemming from the invasion of Iraq in 2003, they had proved to be relatively immune, perhaps through a projection of both hard and soft power; the overspill and tensions had gone in the other direction, with certain Gulf states allegedly supporting insurgent groups inside Iraq.

The heightened tone of sectarianism in the region was also discussed. For their part, Gulf states had expressed concern over what they perceived to be a rising ‘Shia Crescent’ that started in Iran and ran through Iraq, supporting the ruling Syrian regime under Bashar Assad, which was partial to his Alawite community, and into southern Lebanon, which was dominated by Hezbollah and its supporters. Saudi Arabia had expressed various levels of alarm about the Iraqi Shia community and its links to Saudi Arabia’s own Shia community in its Eastern Province, and calls for greater democratic representation in Bahrain had come disproportionately from the Shia community there. Participants noted this lens was a powerful filter through which Gulf leaders viewed Iraq, the country’s political figures and in particular the government of Prime Minister Nouri al-Maliki. Further, this had acted as a self-reinforcing perspective as these tensions had led to relatively poor diplomatic relations between Saudi Arabia and Iraq, thus pushing the Iraqi government to build stronger links with more willing neighbours, namely Iran.

One participant suggested that three issues would become important in Iraqi–Gulf relations. First, sectarian rhetoric would increase as the Gulf nations tried to fend off calls for greater democratization in the Arab world following the Arab uprisings that began in 2011 – including further accusations that Shia Iran was working to destabilize the Gulf. Such elements of external blame and sectarian rhetoric among Gulf rulers complicated efforts to enhance cooperation and integration with Iraq in the near future. The Arab uprisings were causing GCC states to look inward: at the September 2012 GCC Summit in Bahrain, internal security was the top issue on the agenda. Second, the issue of populism would prove immensely significant, with a
number of issues as yet unresolved between Iraq and the Gulf states. All had pluralistic and active political processes that could be held hostage by grandstanding politicians: Iraq, for example, had accused Kuwait of stealing oil. Third, Iraq’s economic reconstruction and energy development would have a significant impact on OPEC’s output and quotas, and on the Gulf states in particular in their desire to ensure sufficient oil revenues were coming into government coffers to meet their relatively high government expenditures.

While these issues remain, many participants noted that progress had been made between Iraq and Gulf countries at a corporate level – for instance, in gas development projects and a growing number of micro-economic projects that brought people together and decreased tensions. Another achievement was Iraq’s improving relationship with Kuwait, where for the first time since the outbreak of the Gulf War an Iraqi Airways passenger plane had landed in Kuwait earlier in 2013. It was added that potential future flashpoints between the two countries still existed in the form of the Mubarak Al-Kabeer and Faw mega-ports belonging to Kuwait and Iraq respectively, where these ports would be competing for business through the Strait of Hormuz.

Other participants suggested Iraqi–Gulf relations should be considered through a lens of persistent prejudice shown by GCC states against Iraq, for example aiding Iraq during its war with Iran through the 1980s, but turning against it when they saw it as a viable competitor for regional supremacy. One participant maintained that in order to be fully accepted by Gulf states as an ally Iraq should be formally incorporated into the GCC. Others agreed that Iraq was naturally an integral part of the Gulf region and craved a constructive role within the GCC, and that it was imperative to develop bilateral relations with Gulf states in order to engage on a host of issues including energy and security. It was suggested, however, that Gulf states and would oppose any attempt by Iraqi politicians to create a strong Iraqi state that could once again be a threat to the Gulf, and Saudi Arabia in particular.

Another participant cited the multitude of missed opportunities resulting from continuing tensions between Iraq and the Gulf states. According to the World Bank, 100 million jobs must be created in the Middle East and North Africa region by 2020 for the fast-growing young population. While it is relatively challenging for rentier states that are dependent on a single source of income to create sufficient job opportunities, Iraq presents significant opportunities to oil-producing states, specifically the GCC. According to the National Energy Strategy produced by the prime minister’s advisory commission, Iraq is required to invest over a trillion dollars over the next 15–20 years to shore up
its infrastructure and energy industries. Opportunities abound, therefore, for sharing human, technological and material resources between the Gulf states and Iraq. Iraq can also stand to gain extensive knowledge from the United Arab Emirates, for instance in fiscal federalism, marketing and economy.

Several participants agreed that in order to create strategic relations with the Gulf in addition to financial sustainability, Iraq must use its abundant resources as leverage and take up the role of an international market for the Gulf. Iraq in turn needed access to shared borders and territorial waters. Opportunities also exist for Iraq to engage significantly with Saudi Arabia on energy, and to gain expertise from Bahrain’s significant knowledge in banking and finance.

Regarding the internal political dynamics in Iraq, several participants agreed that as many different people and factions directed the state, clear and cohesive policies were elusive. The diverse and tension-ridden communities of Iraq meant that the state suffers from a national identity crisis for which it pays a heavy price, not only in terms of internal disruptions but also in its external relations. One participant asserted that perception mattered greatly when dealing with issues of sectarianism and identity: when groups in Iraq perceived themselves as persecuted and marginalized – consequently establishing foreign relations, for instance, between Sunni components in Iraq and Saudi Arabia – a vicious cycle ensued. Many participants concurred that the solution was cross-party reconciliation. A national rather than sectarian state was needed, emphasizing a cohesive Iraqi identity rather than specific sectarian or even party identities. Only in this way could Iraq begin to play a more influential role regionally and internationally, leaving aside divisive internal politics.
IRAQ 2030: FUTURE PROSPECTS

This session revolved around the numerous projections for Iraq's future, expanding on the necessities for Iraq to experience meaningful progress by 2030. Participants also discussed the various obstacles that the country faces in its bid to become a strong and viable nation-state on the international scene, including the ambiguous role of its constitution.

One participant commented that previous discussions revolved around the role of political elites in Iraq; the country's future depended largely on the ability of these elites to cooperate. This was made difficult by a lack of trust between leading political figures, with the perpetual perception that politicians might not be considering as their first priority their constituents and the Iraqi nation but rather their own personal and political advantage. Another participant mentioned the common reductionist analysis Iraq, in which it is depicted simply as a battlefield between Sunni and Shia when in fact it was much more than that. Some insisted that this was a mistaken interpretation of Iraqi politics perpetuated by the United States after 2003. An analogy was drawn with Switzerland, given both countries' historical proximity to warring neighbours and clashing ideologies. Just as Switzerland sat in the middle of Europe and maintained a policy of neutrality throughout two world wars, withstanding competing tensions, participants agreed that Iraq too should adopt such a position in its own national policy and act as a bridge to all its neighbours. With deep ethnic, religious and tribal ties to every neighbour, it was claimed that a policy of neutrality would benefit Iraq and alleviate the overwhelming tensions from all sides. Many concurred that the capacity to adopt such policies existed, but a multitude of factors prevented them from being realized. Despite a feeling of overall progress in Iraq, the pace of this progress was extremely slow. Government inefficiencies, allegations of corruption, lack of capacity and the legacy of war problems were all cited by participants as hindrances to Iraq's internal development. Participants expressed optimism, however, that by 2030 internal issues would be resolved; five national elections would have been held by then, and it was conceivable that the political elites could come up with new coalitions that cut across sectarian, ethnic and national lines.

Other key points regarding Iraq's future included the country's dwindling water reserves and its growing population, which is set to reach 50–65 million by 2030. Several participants noted the need to find new ways of supporting this growing population, lest Iraq become a net exporter of people. Others agreed that a chief objective was to rebuild the transportation infrastructure, perhaps involving railway connections from Turkey through to Basra and on to the
Gulf. The tourism industry in Iraq was also highlighted potentially lucrative if developed carefully. More practical planning and exploitation of Iraq’s oil resources were essential for Iraq to regain its regional standing. Nevertheless, the current overwhelming reliance on oil meant that the Iraqi economy must be diversified in order to achieve long-term political, social and economic stability. One participant mentioned, however, that the incentive to do so was lacking because of the huge oil revenues that were likely only to increase over the next two decades. It was stressed that diversification efforts should be made while Iraq’s financial position was strong. The revival of national conscription (again inspired by the Swiss model) was also considered as a practical method to strengthen the Iraqi national fabric; the recruitment of cadets based on merit would be an additional tool for fostering reconciliation.

Iraq’s constitution was one of the main points of discussion – specifically the legitimacy deficit that arguably stemmed from it, and to what extent this could be overcome. One participant questioned the degree to which the people of Iraq were considered to be part of the political process. There was disagreement among participants regarding the passing of the constitution and its authors. Some noted that the lead authors of Iraq’s interim constitution – the Transitional Administrative Law (TAL), of which portions were adopted into the permanent constitution – were not Iraqi but representatives of the United States and United Kingdom, with the permanent constitution drafted and approved in an exceedingly short timescale of about eight weeks. Others maintained that it was produced by the Iraqi people, albeit through a process and in an environment that were less than ideal owing to the increasing levels of violence in the country during that period in 2005. Critics maintained that the constitution was riddled with contradictions and failed to serve as a vehicle that could take Iraq to where it should be in 2030, though others contended that with some amendments the constitution was a viable national document.

The government’s failure to create a successful cross-sectarian coalition during Prime Minister Nouri al-Maliki’s second term was an issue of concern among several participants. It was suggested that the government’s focus had been on power consolidation, eschewing any serious interest in consensus-building or forming cross-sectarian political parties, which had led to a substantial loss of legitimacy. Some participants suggested that if this posture continued it could spell either the beginning of renewed repression to keep the Iraqi state united, or ultimately fragmentation of the country. This discussion returned to concerns about the country lacking a cohesive social
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fabric, with many political forces continuing to pull it in various directions. One participant noted that Iraq had enough manpower and financial resources to lead its region but needed to adopt real power-sharing and reconciliation policies – perhaps similar to those adopted by South Africa ‘after apartheid’. Other participants concurred that regardless of any progressive economic policies that Iraq might implement in the future, such as an oil and gas pipeline connecting Europe and the Gulf or renewing transportation infrastructure, the main issue was whether the state could continue as a coherent unit. A ruling political formula had yet to be defined after ten years, with virtually all of Iraq’s sectarian components feeling threatened by their respective counterparts.

One participant noted that, ten years after the US-led invasion of the country, Iraqi political elites could no longer blame the past for their country’s ills but must instead look inward and take it upon themselves to improve its future prospects. Participants were unanimous on the importance of alleviating sectarian tensions and cultivating a cohesive national identity. Many participants also agreed that the sizeable Iraqi diaspora and its continuing desire for a connection with Iraq was extremely heartening, with one citing the eagerness of Iraqis abroad who hold foreign passports to obtain Iraqi ones. Movements within the diaspora to contribute to economic development and government accountability were praised as forming a promising initiative that should be fully supported.
ABOUT ‘IRAQ ON THE REGIONAL AND INTERNATIONAL STAGE’

Nearly a decade after the US-led invasion of Iraq, Chatham House’s MENA programme is researching the varied foreign policy interests, influences and actors inside Iraq. The project on ‘Iraq on the Regional and International Stage: National Interests and Foreign Policy Determinants and Dynamics’ aims to map how Iraq’s relationships with regional and global state powers are formed in order to gain a deeper understanding of the processes underlying its foreign policy motivations and decisions.

Through primary, in-country research interviewing key figures in Iraqi politics, external interviews, and workshops in Washington, DC and London, the research explores how foreign policy in Iraq is developed and implemented. Key themes addressed include identifying actors and their influence over state foreign policy, the national interests that most guide foreign policy decisions, to what extent Iraq has a coherent foreign policy and how it is formed, and what primary interests will affect Iraq’s foreign policy decisions in the next decade.

This work on Iraq is led by Jane Kinninmont, Senior Research Fellow, with Professor Gareth Stansfield, Project Consultant, and Omar Sirri, Research Assistant, and is undertaken in partnership with the United States Institute of Peace.

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ABOUT THE MENA PROGRAMME

The Middle East and North Africa Programme, headed by Dr Claire Spencer, undertakes high-profile research and projects on political, economic and security issues affecting the Middle East and North Africa. To complement our research, the MENA Programme runs a variety of discussion groups, roundtable meetings, workshops and public events which seek to inform and broaden current debates about the region and about UK and international policy. We also produce a range of publicly available reports, books and papers.

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