Iraqi Kurdistan’s Bid for Independence: Challenges and Prospects

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Masoud Barzani, the leader of the Kurdistan Regional Government (KRG) in Iraqi Kurdistan, has expressed his expectation for “a big change” in US policy under President Donald Trump, adding that many of the officials assuming high positions in the Trump Administration are his personal friends or well acquainted with him and the Kurdistan region. In an interview on January 19 with The Washington Post at the World Economic Forum meeting at Davos, Barzani declared that “the time has come” for a fully independent Kurdistan recognized as a nation-state. “It is neither a rumor nor a dream. It is a reality that will come true. We will do everything in order to accomplish this objective, but peacefully and without violence,” said Barzani. “We will do our best to achieve that objective as early as possible,” he added.

What are the implications of an independent Kurdistan? What will be the position of the Trump Administration on this issue? Given the unpredictable conditions in an increasingly sectarian Middle East and the unfinished war against the Islamic State in Iraq and the Levant (ISIL), the outcome of the Kurdish drive for independence will be determined by three major factors: (1) negotiations over the disputed territories in Iraq, (2) attitudes of regional powers, namely Turkey and Iran, and (3) intra-Kurdish competition for becoming a champion of Kurdish national identity.

The Future of Disputed Territories

In early January 2017, a multi-party delegation—including representatives from Kurdistan’s five parties in the government cabinet—was formed to start official talks with Baghdad about Kurdish independence. A key agenda topic is Article 140 of the Iraqi Constitution, which addresses the so-called disputed territories such as Kirkuk and the surroundings of Mosul. Given the fact that Kirkuk and the Mosul region have tremendous oil reserves, reaching an agreement over those territories will not be easy. As the Mosul operation against ISIL is still ongoing, such territorial disputes are destined to persist and remain tenacious. Even in the case of a victory over ISIL, Sunni Arab leaders—who are among the key stakeholders in these disputed territories—do not see a clear vision for their future in a dismantled Iraq. Shiite leaders in Baghdad have been most sensitive about the disputed territories as well. Former Iraqi Prime Minister Nouri al-Maliki made public statements disapproving of Peshmerga advances in many areas vacated by the Iraqi Army, which resulted in an expansion of Kurdish territory in disputed lands as much as 40 percent. The Kurdish leadership stood firm to state that the Peshmerga would not withdraw as these areas were “taken by blood” from ISIL.

Baghdad’s reaction to the Kurdish delegation at the independence talks has not been positive thus far. Mowaffak al-Rubaie, a senior Member of Parliament from the Islamic Da’wa Party and the
former national security advisor in al-Maliki’s government, called Kurdish independence “a dangerous issue,” adding that “Baghdad does not have the right to negotiate with the Kurdish delegation formed on this matter since only the Iraqi people have the right to resolve this constitutional matter through a referendum.” While the KRG would be eager to hold a referendum within the borders of Iraqi Kurdistan, it would reject a referendum in the rest of Iraq where Kurds are a minority.

Moreover, the Iraqi Parliament’s no-confidence vote in September 2016 on former Iraqi Finance Minister Hoshiyar Zebari, who is also a member of the Kurdistan Democratic Party (KDP), increased tensions between Baghdad and Erbil. Accusing al-Maliki of undermining current Prime Minister Haider al-Abadi in order to replace him, Barzani stated that, “I will declare the independence of Kurdistan the moment that Al-Maliki is prime minister, and come what may … I cannot accept an Iraq ruled by Al-Maliki.”

Tensions over the disputed territories peaked during the first two terms of the al-Maliki government. In August 2008, the Iraqi Security Forces (ISF) and KRG Peshmerga almost engaged in an armed conflict in Khanaqin, a border town in Diyala province whose population is both Kurdish and Arab. After the Khanaqin crisis, Maliki systematically organized various ethnic and political groups in the Kirkuk region in order to curb Kurdish influence. Dubbed the “Kurds’ Jerusalem” by Jalal Talabani, Kirkuk has an Arab-Kurdish ethnic mix and rich oil resources, which will remain a point of contention between Baghdad and Erbil at a time when financial turmoil hits both sides. In the case of a unilateral declaration of Kurdish independence, Baghdad may not only cut monthly oil revenue sharing of KRG (agreed as 17 percent) but also block access to southern Iraq to force the KRG to turn to Turkey and Iran for all import and export transactions. Such a scenario may put an already deeply fragile Kurdish economy in peril.

Views of Regional Powers: Turkey and Iran

Baghdad’s close relations with Iran and the KRG’s close relations with Turkey further complicate the issue of official Kurdish independence. Neither Iran nor Turkey perceives the issue as a matter of taboo. Yet both countries are concerned about the way Kurdish independence is conducted. For instance, if the Trump Administration presents its support to the KRG as a policy to curb Iranian influence, Iran may create obstacles by using its influence over Baghdad. Similarly, Turkey does not want to cut its ties with Baghdad in a confrontational way for the sake of Kurdish independence; for Turks, there will be little to gain in such a risky path. Moreover, Turkish concerns about the future of Sunni Arabs in Mosul and Turcoman communities at large will always be strong because Kurdish independence would mean a dismantled Iraq. Thus, an abrupt independence without a clear political map would upset regional powers and may unleash a sectarian competition.

As home to almost 15 million Kurds, Turkey has long perceived an independent Kurdistan as a threat to the country’s unity. Secessionist fears were at their peak during the 1990s, when the Kurdistan Workers’ Party (PKK) increased its attacks in Kurdish-populated southeast Turkey. In the past decade, however, Iraqi Kurdistan has proven to be a strong economic partner for Turkey as well as a strategic ally for Turkey’s war against the PKK. Turkey’s increasing energy needs and Turkish companies’ major investments in Iraqi Kurdistan have facilitated growing economic ties.
Direct access to Kurdistan’s oil and gas will not only lessen the costs for Turkey but also help to diversify its energy supply sources, primarily Russia and Iran. Moreover, as the PKK’s allies are now gaining a stronghold in northern Syria and receiving strong support by the United States, Turkey may find the KRG more useful to contain the PKK’s influence over Kurds in the region.

The rising tide of Kurdish nationalism was also seen as potentially disruptive for Iran, where millions of Kurds cannot exercise their cultural and linguistic rights. As noted in a recent RAND report, Iranian elites are divided on the issue. Some perceive an independent Kurdistan as a threat because the partition of Iraq may serve American interests in the region and increase Turkish influence over the KRG. Others argue that an independent Kurdistan that has good relations with Tehran will be beneficial to Iranian economic and strategic interests and not necessarily galvanize Iranian Kurds.

Increasing protests in Iranian Kurdistan as well as competition among armed Kurdish factions trigger fear among the elite of the Islamic Republic. In 2014, the Iranian government announced its back-channel negotiations with two militant Kurdish groups, the Democratic Party of Iranian Kurdistan (PDKI) and Komala. A few months after, however, upon a Kurdish woman’s death, the PDKI Peshmerga moved into its old bases on the Iranian border and clashed with the PKK-affiliated Free Life of Kurdistan (PJAK), claiming to defend Kurds against the Iranian regime. In February 2016, PDKI announced that it will resume armed resistance against Iran.

Internal Competition among Kurds

Although there will be a Kurdish consensus for Kurdistan’s independence, the opposition parties in the KRG perceive the independence bid as a Barzani maneuver to save Iraqi Kurdistan from the current economic turmoil. The war on ISIL, economic mismanagement, widespread corruption, and a growing number of refugees have, all together, led to a deep financial crisis. Having more than $22 billion in debt, the KRG struggles to provide basic needs such as electricity, which is available only four hours a day in many areas without private generators. Fiscal troubles led international oil companies to withdraw from 19 oil fields, or what they call “exploration blocks.”

In Iraqi Kurdistan, political and economic power is concentrated in the hands of two main political parties: the Kurdistan Democratic Party (KDP) led by the ruling President Barzani, and the Patriotic Union of Kurdistan (PUK) led by former president of Iraq Jalal Talabani and his family. The overall economic system based on oil revenues and construction projects favors the rentier state model, strengthening the major party patronage networks.

The two parties also share security sector and intelligence services, forming their own networks separately. Although the KRG has an independent Ministry of Peshmerga, the strong influence of the two main political parties (KDP and PUK) over their own military units is undeniable. In the early years of the development of Iraqi Kurdistan during the 1990s, the KDP and PUK engaged in a bloody war. Such a legacy still incites mistrust among parties. The bitter reality is that there is not a single authoritative Kurdish military institution that represents the overall Kurdish quasistate and its population. PUK officials often complain that the weapons provided by the United States and western countries mainly help the KDP but do not benefit overall Kurdistan. On the
other hand, the KDP blames some PUK leaders for seeking an alliance with the PKK and Iran, leading to Iran's increased influence over the region.

The KDP’s power-sharing agreements and coalition government with the PUK have enabled the establishment of a status quo in the past few years. The current financial crisis, however, emboldened the disenchanted Kurdish opposition, who long complained about mass corruption and nepotism. The Movement of Change (or Gorran) party, established by a former deputy secretary of the PUK Nawshirwan Mustafa, has attracted more supporters from among Kurdish youth in the Sulaymaniyah region, the traditional stronghold of the PUK. Mass protests and strikes of public employees have convinced the PUK leadership to address grievances in Sulaymaniyah, and thus, in May 2016, they signed an agreement with Gorran to unite in the Iraqi Kurdistan Parliament to pursue common political agendas. Soon after, however, a public prosecutor filed a complaint against the Gorran leader Nawshirwan Mustafa, accusing him of asking “his followers to launch attacks on the headquarters of consulates of foreign countries and oil companies in the Kurdistan Region.” In June 2016, the Erbil Court issued an arrest warrant for Mustafa, who currently lives in London. Having internal disputes, the PUK leadership later retreated from the bilateral treaty with the Gorran.

Commenting on the KRG’s financial crisis and the ensuing political turmoil, journalist Denise Natali explains how email exchanges between the KRG Ministry of Natural Resources and Turkish officials, released by WikiLeaks, led to a major controversy:

“In the eyes of some Kurds, the ministry's attempt to secure an additional $5 billion in loans from Ankara and offer Turkey a larger stake in Kurdish-controlled oil fields may help protect the economic interests of the Kurdistan Region. Others, however, including parliamentarians in Erbil, see things differently and oppose the ministry’s proposal as the ‘selling of the Kurdish land to Turkey.’ Iraqi officials in Baghdad have also reacted critically, arguing that the KRG does not have the legal right to sell oil fields to Turkey.”

Among those who accuse the KRG of “selling out” Iraqi Kurdistan is the PKK, which expanded its influence in the Sinjar region in the past two years. PKK fighters helped KRG in saving Yazidis from ISIL and later established a stronghold in the Sinjar Mountains. The KRG threatened to use force if the PKK would not leave Sinjar and closed the offices of the allegedly PKK-linked Yazda, an international NGO for the cause of Yazidis (the offices were reopened later). The PKK leadership still refuses to leave Sinjar, claiming that their forces will be withdrawn “once the Yazidis have their own protection force and independent administration.” Tensions between the PKK and KRG also escalated because of the competition over Syrian Kurds. Becoming the dominant force in northern Syria, the PKK-affiliate People’s Protection Units (YPG) expelled Syrian Kurdish groups that are close to the KRG. The Kurdistan Democratic Party of Syria, affiliated with Barzani’s KDP, declared its intention to re-deploy its 14,000 Peshmerga forces to the Kurdish enclave in Syria after the peace talks in Astana, Kazakhstan. The YPG leadership, in return, said that such a move would cause a “civil war.”

What Lies Ahead for Washington?
Iraqi Kurdistan’s bid for independence will be a difficult puzzle for the Trump Administration. Considering the increasing competition between Turkey and Iran in Iraq’s disputed territories, it is hard to imagine that an independent Kurdistan would be appreciated by Ankara, Tehran, and Baghdad at the same time. Moreover, Kurdish internal political battles and the most fragile KRG economy raise significant doubts about the prospects of a unified Kurdistan in the near future.

For Washington, the most fearsome development may be an abrupt divorce between Erbil and Baghdad because the question of Kurdish independence will ultimately be tied to the future of Iraq as a unified nation-state. In the absence of the Kurds, Iraq is destined to be shared along sectarian lines. As long as Sunni Arabs are fearful of the Baghdad government, perceiving it as “pro-Shiite,” they will be caught between a rock and a hard place. If the Trump Administration’s promise to crush ISIL is realized, Washington will still need to address growing Sunni Arab frustration in Iraq to ensure that yet another insurgent group is not formed.