PUK and KDP: A New Era of Conflict

by Nawras Jaff (/experts/nawras-jaff)

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Brief Analysis

As divisions between the PUK and KDP grow, the Kurdistan region stands to lose its economic and political stability.

Tensions between the Kurdistan Democratic Party (KDP) and the Patriotic Union of Kurdistan (PUK) are becoming considerably deeper and more dangerous. Most recently, these tensions have led PUK party members in the Kurdistan Regional Government (KRG)—including the current Deputy Prime Minister of the KRG, Qubad Talabani—to boycott KRG weekly meetings, with ministers and post office-holders refusing to return to their offices.

According to a statement from Bafel Talabani—the President of PUK and brother of Qubad—the rift stems from several different complaints. In an interview with Rudaw Media Network several weeks ago, Bafel said: "The KRG is punishing the Sulaymaniyah region and its administration, is not paying people's salaries, and won't even allow the Deputy Prime Minister to do what his job entails." More specifically, the statement mentioned that the KRG "will not let Qubad replace ministers or employees who have been involved with corruption."

Tensions are also tightened as a result of the October assassination of Hawkar Jaff, an officer of the Kurdistan Security Council who switched allegiances from the PUK to the KDP this year. The PUK vehemently denied involvement and asked for a thorough investigation into the incident, but also urged the KRG to not publish the names of the perpetrators involved. The Barzani-led administration and security council published the names and
confessions of the perpetrators anyways, intensifying the feud.

The future of the Kurdistan Region is uncertain as the PUK and KDP each head in a different direction, increasingly at odds. Nobody knows where the ship of this tiny region is ultimately headed. The possibilities include strengthening one government or forming two, boycotting the government or returning to it again, reducing tensions or escalating them.

These problems have caused tremendous worries among the people of the region, because any dispute between these two major parties brings back the nostalgia of the internal war, financial crisis, and the division of their country.

Money at the Heart of the Conflict

The PUK’s grievances that the KDP is financially punishing Sulaymaniyah—the province in which the PUK is headquartered—have been ongoing for more than a year. At the center of controversy are severe budget cuts from the KRG, which have rendered PUK-controlled areas like Sulaymaniyah unable to pay even for government and security forces salaries.

Such financial woes are also due to structural issues. The Kurdistan Region of Iraq (KRI) is primarily dependent on a number of income-generating resources, the most important of which is oil. This oil is distributed between the regions controlled by the PUK and the KDP. Although the majority of it is located under the KDP’s rule, the quality of this oil is too low, and it must be mixed with oil from PUK-controlled areas in order to be marketable.

In the PUK region, natural gas production seems promising. The production rate of both the Khor Mor and Chamchamal oil fields at the end of 2021, for example, reached 452 million cubic meters per day, in accordance with a new project between Dana Gas and an American Financial Development Association known as KM250. It has been estimated that the majority of the natural gas of the KRI may be located under the control of PUK, hence a push from companies like Dana Gas to enlarge and expand operations. Regarding the Khor Mor field, Dana Gas projects that production will be up to 700 million cubic meters per day by April 2023. After that, the project, which is ongoing, aims to produce 1 billion cubic meters of natural gas daily.

Above all, disagreements between the Central government of Baghdad and the KRG are still unsolved, and the decision by the Iraqi Federal Court to call the entire oil operation in KRI illegal has become a considerable obstacle for the KRG oil sector. Muhammad Shia al-Sudani’s cabinet promised to solve the issue with the KRI, yet some oil companies may give up their work in the KRI within the next year as a result.

These changing resource dynamics have become one of the biggest points of contention between the PUK and the KDP, particularly when it comes to plans to export the KRI’s natural gas overseas. The PUK strongly disagrees with this move, and has prevented it from happening, while the KDP sees it as a way for the KRI to stand out internationally.

Naturally, these oil and gas disagreements have led to more salient financial disagreements. According to a prior understanding, the Kurdistan Region’s budget and income are split between the two zones: 57% for the KDP zone (yellow zone) and 43% for the PUK zone (Green Zone). However, the two parties have since developed increasingly divergent views on how the region’s income should be allocated. From the perspective of Barzani and the KDP, the KRG should pay governorates’ salaries and determine their budgets based on their respective incomes. In contrast to this vision, Talabani and the PUK suggest that the KRG collect all income from the KRI and subsequently distribute it equitably to all regions as needed.

As it stands, PUK leaders claim the income of the Sulaymaniyah governorate—between oil revenues, taxes, and the income of two international border crossings—still is insufficient to cover the basic needs of the governate’s budget
and salary. Insufficient funds have caused a wage crisis in Sulaymaniyah regions such Halabja, Garmyan, and Rapareen, resulting in late salary distribution.

**A Unified Kurdistan or a Green Zone Against a Yellow Zone?**

Today's strained relationship between the PUK and KDP in Kurdistan is no doubt the result of the 60-year-old dispute, which originally institutionalized the divide between these two parties. More specifically, it is the result of a dispute between two individuals—Mala Mustafa Barzani and Ebrahim Ahmad—who, because of their differences, split the KDP in two in 1964, a decision that has since caused decades of historical, ideological, geographic, and even linguistic division.

Although both parties signed a strategic agreement in 2007, nominally putting an end to the feud, a cold war has since ensued and very little progress has been made to achieve a meaningful resolution. Now, Masrour Barzani and Qubad Talabani are the heirs of this conflict, and the border between Kurdistan's Green and Yellow Zones is literally and figuratively becoming more entrenched, more restrictive.

Although there have been several attempts by other political parties and entities to facilitate a solution to the tensions between the PUK and the KDP, there has never been a time when the conflict has been as intense and prolonged as it is now, and the threat of a divided Kurdistan Region has never been as grave.

The PUK’s refusal to perform their duties in the government has already caused significant repercussions in the management of the KRG. With PUK members such as the Minister of the Peshmerga boycotting their government duties, significant problems have ensued. The management and regulation of Peshmerga forces, for example, has become increasingly difficult—a dangerous reality for the KRI.

Nobody is certain what the future of this region holds, but the present reality in which parties are increasingly competing for their own interests rather than working together does not bode well for Kurdistan. To avoid even more drastic decisions and their serious consequences, the KDP and PUK must both put aside their differences for the good of the region. Instead of competing via Yellow and Green zones, the two parties must reframe their thinking on the idea of a singular, unified "Kurdistan Zone."

**RECOMMENDED**


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