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# Iraq's Crisis and the KRG

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Brief Analysis

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**Senior officials from Iraq's Kurdistan Regional Government discuss how the ISIS insurgency is affecting the debate over Kurdish independence.**



On July 2, 2014, Fuad Hussein and Falah Mustafa Bakir addressed a Policy Forum at The Washington Institute, moderated by David Pollock. Hussein is chief of staff to Masoud Barzani, the president of Iraq's Kurdistan Regional Government (KRG). Bakir is director of the KRG's Department of External Relations. Below is a rapporteur's summary of their remarks.

Since the forum, several key developments have occurred in Baghdad-KRG relations. First, Prime Minister Nouri al-Maliki falsely accused the Kurds of collaborating with the Islamic State of Iraq and al-Sham (ISIS, which recently shortened its name to the "Islamic State"), leading Erbil to announce that the Kurds would boycott Iraq's cabinet -- this time, according to local media, including Foreign Minister Hoshyar Zebari. Baghdad has since reportedly replaced Zebari with Oil Minister Hussein al-Shahristani, whose relations with the Kurds have long been uneasy. Second, Barzani released a "letter to the Iraqi people" explicitly demanding that Maliki resign. Meanwhile, Kurdish *peshmerga* forces have taken over two more northern oil fields, noting that they need their own revenue stream because Baghdad is not paying them. Even so, the KRG has not yet moved to implement its announced plans for a referendum on independence or disputed territories.

## FUAD HUSSEIN

**T**he current situation should invite analysis on the future of both Iraq and Kurdistan. Events post-Mosul, after the extremist ISIS militia captured Iraq's second-largest city without a real fight, have changed the country. Iraq was different pre-Mosul: there was officially one country, with an army, and although terrorists were active in many places, they did not have a state. Post-Mosul, there is a new state called the "Islamic State," made up of a terrorist organization. After June 9, this terrorist group became a large army with sophisticated weapons that they got from the Iraqi army. Eighty percent of the Iraqi army has collapsed. Vast territories it held are now under ISIS control. Baghdad is also different post-Mosul -- instead of an army there are militias.

This new reality thus includes three de facto states with three different systems, within one country. There is an Islamist-internationalist state that does not recognize borders. There is Kurdistan, a secure state that tries to build a democratic process. This is a multiethnic, multireligious society that believes in religious freedom and human rights. This state no longer borders Iraq, but rather the self-declared "Islamic State" between us and Baghdad. The third state is a nonfunctional or failed government in Baghdad.

For the Kurds to deal with this new reality, the first goal is to defend our border. The United States and Turkey are not ready to send troops, and Kurds cannot go deep into Arab areas and fight terrorism. The second goal is to protect the Kurdistan population, which is a multiethnic society including Muslims, Christians, Kurds, Assyrians, Turkmens, and Arabs. The third goal is to help refugees in Kurdistan. Thousands are fleeing from Mosul and Anbar to Kurdistan. We have an open-door policy but limited capacities. There are around 250,000 Syrian refugees and around one million other refugees and displaced people in Kurdistan. Kurdistan is responsible for taking care of seven million Kurds and non-Kurds in this area. To do this, Kurdistan must manage the economy, the local government, and security.

There is also a new reality in Baghdad. People abroad are asking us to lead the political process in Baghdad because there is a lack of leadership. We tried to maintain the unity of Iraq for the past ten years. The solution for Iraq is to have a federal structure so that Sunnis, Shiites, and Kurds can each have their own areas. Instead of gradually building federal structures in Iraq, the country was headed toward a central system and dictatorship instead of democracy.

Kurdistan will be part of the new political process, but there must be a new government in Iraq. Policy failed in the current government, and those currently in power are responsible for the army's collapse. Yet they do not deserve all the blame, since a large part of the country has been hijacked by terrorists.

As a result, many countries now have an urgent interest in Iraq. For example, the Iranian interest is to fight the terrorist groups because they are a threat not only to Iran's national security, but also to its ideology. The new Islamic State is a threat to Kurds, Baghdad, and Turkey as well. All must work together, in addition to receiving support and help from the United States.

Questions remain for the Kurds and the future government of Iraq about how to deal with this threat, which is also a threat to international peace. This new Islamic State does not belong to the region, but to an international terrorist organization. Part of the means to defeat these terrorists can come from inside Iraq. One path is to help a new government get established in Baghdad. The other path is to strengthen Kurdistan's economy, armed forces, and security protection. These two paths do not contradict each other. But only a regional and international coalition will be able to defeat ISIS and its so-called Islamic State.

In the meantime, Kurdistan must take care of millions of people, and it needs financial resources and support. Currently, there is no money coming from Baghdad. There will be an upcoming referendum in Kirkuk and other "disputed territories," which will not be about negotiations with Baghdad but about a decision and a vote. Kurds have the right to decide the future of Kurdistan and the Kurdish people -- in other words, the right to self-determination in the political, security, and economic fields, including our very considerable oil and other energy resources.

All aspects of the new reality must now be considered. As Secretary of State John Kerry saw in Baghdad and Erbil during his recent visit, new policies must reflect new realities. Iraq is no longer together. Discussing a different structure in Iraq is a must when considering how to bring the country back together again.

## **FALAH MUSTAFA BAKIR**

In Kurdistan, we have suffered a degree of isolation from the outside world in the past, and we therefore appreciate the opportunity to communicate our message today. Some are trying to blame the Kurds for the failure of Iraq. Yet comparing the actions of the KRG and the Iraqi government, we have had much greater success in building relations with the international community. Iraq has not been able to benefit from being established as a state. And domestically, many of its problems go back to noncommitment to the constitution, including the principles of power-sharing and partnership.

By contrast, the international community should view Kurdistan in the light of what it stands for. Kurdistan should not pay the price for Baghdad's failures. Kurds call on the international community to look at our governance in the past decade or two. Kurdistan has proven that it is a factor for stability, despite all the challenges, as it has succeeded in introducing a new democratic experience.

There is indeed a new reality post-Mosul. The Kurdistan region is now in charge of an area larger than before. This brings with it new security and economic challenges. Kurdistan now has a 1,035-kilometer border with the Islamic State. The economic challenges include new refugees. Yet Iraq's federal government is not fulfilling its commitment to pay its share of the budget for the Kurdistan region. From now on, either Kurds are equal partners in the relationship with Baghdad, or the nature of this relationship needs to be revisited.

We have a vision and a plan to deal with all of the challenges we face. Kurds do not want to go back to a failed experience and unfulfilled promises. Iraq had a constitution that was not implemented. Today, public opinion in Kurdistan is formed by two generations of Kurds who have not seen good intentions from Baghdad. It is not only the Kurdish leadership that needs to be satisfied but also Kurdish public opinion. A Kurdish negotiating team has been formed so that Kurds can speak with one voice in Baghdad.

Historically, Iraq is an artificial state created to keep a balance between Shiites and Sunnis. Since the establishment of the Iraqi state, Kurds have not felt like they are partners in this country. The time has come for Kurdish aspirations to be respected. Even in recent years, the Iraqi army was seen moving against the Kurdish people and

forces, a true reminder that Baghdad has not changed. That tragic history shapes Kurdish policies and feelings of uncertainty in Iraq.

Looking abroad, our relationship with Turkey was tense a few years ago. Now, however, we have great hopes to establish a good relationship involving long-term economic and strategic interests. We also enjoy good relations with Arab countries like Jordan and the United Arab Emirates, and with neighboring Iran.

International recognition and support would be required if Kurdistan is to move toward the road to independence. Kurds need the support of neighboring countries. And from the United States, we are seeing a growing recognition of Iraq's new reality, and a corresponding change in attitudes toward the Kurdish past and future.

In sum, we are currently pursuing two paths at the same time: building our own future, and participating in a different future for Iraq. At home, Kurdistan is making much progress. We have also done much to help the political process in Iraq, but what is needed is to build democratic institutions. If Iraq wants to succeed, it needs a new foundation. Although much was given to Baghdad, not much was returned. Going back to the status of Kurdistan pre-June 9 is not an option. Kurdistan wants equal partnership; it will not be a guest in Baghdad.

*This summary was prepared by Marina Shalabi.*



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