As Protests Explode, Iraq Must Get Serious About Reform

Bilal Wahab
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The public’s demands are just and their patience is all but gone, so Baghdad needs to get on with the hard work of opening up the economy and providing critical services before the violence spirals out of control.

While Washington focuses on getting Baghdad to rein in militias and end its dependency on Iranian energy, Iraqi citizens have been seething about other matters. Fueled by anger at the government’s rampant corruption and failure to deliver services or jobs, a series of spontaneous, leaderless protests erupted in Baghdad on October 1 and spread to a number of towns in central and southern Iraq. Initially nonviolent, the demonstrations quickly drew lethal fire from security forces, which only enraged the protestors and increased their numbers. By week’s end, casualties had reached sixty-five dead and over a thousand wounded, including security personnel. The government crackdown also included an Internet blackout and curfews, which protestors promptly defied. The unrest could escalate further unless Baghdad presents credible pathways to providing employment and cleaning up corruption, areas that the United States can help with.

SYSTEM FAILURE

Iraq seemingly cannot deliver good governance. With post-Saddam leaders putting a premium on ethnosectarian representation and leaving state institutions to wither, the government has become a fractured entity with as many as 263 registered political parties. Its revenue-sharing/patronage system is too rife with abuses to drive effective economic policy, creating a vicious cycle: parties who made it into government via early elections have used their power to grant jobs and contracts to their supporters, aiming to secure votes in the next election. Meanwhile, wealth remains concentrated within the government—Iraq’s sole major export is oil, which accounts for 92 percent of the budget.

Such a system, while good at doling out transactional perks to party elites, has failed to provide the rest of the population with services, infrastructure, or jobs. Take the 2019 budget of $111.8 billion, which represents a 45 percent increase over 2018—more than half of it will go to public wages and pensions, eating away at the non-oil investment spending needed to develop a private sector. After a parade of such governments since 2003, the system seems to have run its course. There are only so many government jobs, and Iraq’s public sector is already among the world’s most bloated. Hence the bleak cry of one protestor this week: “We don’t want parties, we want a country to live in.”

Iraq’s democratic system may be failing as well. Many citizens believe that the isolated political elites are rigging the electoral system to stay in power, using their media outlets, business interests, and foreign connections to ensure their indistinguishable candidates keep winning. One poll indicated that only one in five Iraqis believe their country is still a democracy. As a result, voter turnout has steadily decreased, from 80 percent in 2005 to 44.5 percent in 2018, while protests have become seasonal affairs.

The latest outburst of public outrage was also triggered by the nationalist sentiment that has grown since the defeat of the Islamic State. The younger post-Saddam generation is proud of the army’s victory over the terrorists and the subsequent return of calm to most cities. Thus, when Prime Minister Adil Abdulmahdi announced earlier this week that he had removed the war’s most popular military figure, Lt. Gen. Abdul-Wahab al-Saadi, this sentiment boiled over. A fearless commander who spearheaded the battle for Mosul’s liberation and stayed on to help lead the elite Counter Terrorism Service, Saadi is the epitome of Iraqi national pride: he is Shia, but popular with Sunnis, and he rose through the ranks without relying on political patronage. His demotion brought all of the public’s simmering anger about the rigged system to the surface.

In addition, the younger, web-connected generation knows that it makes little sense for such a rich country to have so many poor people, shabby roads, dilapidated hospitals, and broken schools. Thus, when security personnel use water cannons to forcibly disperse a peaceful protest by jobseekers with graduate degrees, the resultant rage is hardly surprising. Many are also uneasy about the rise of certain militias within the Popular Mobilization Forces (PMF), which played a laudable role in saving the country from the Islamic State but are now becoming part of a new, more dangerous network that has accelerated corruption and openly challenged state authority.

Like his predecessors, the prime minister is more focused on pinpointing who to blame for the protests rather than fixing the problems that sparked them. Because the demonstrators are mainly young Shia fed up with the
Shia representatives who failed them, Abdulmahdi seems inclined to fall back on contradictory conspiracy theories: one accusing Saudi Arabia and the United States of fomenting the protests, another blaming Iran and its local proxies. Such paranoia will only cripple his efforts to carry out the serious reforms his public is demanding.

HIGH STAKES

Unless the government reverses its heavy-handed approach, the protests will intensify, with potentially disquieting ramifications at home and abroad. For one thing, the domestic unrest could make it more difficult for Baghdad to do its part in warding off regional flare-ups that could draw Iraq into war. Keenly aware that Iran’s recent actions might spark conflict with Saudi Arabia, Israel, and/or the United States, Iraqi leaders have deployed energetic diplomacy to reassure the international community that they will do more to bring Iranian-backed Shia militias under control.

Also troubling is the fact that Iraq’s history offers ample precedent for a strongman or cabal to mount a coup in the face of public disorder. One theory is that Saadi was demoted in part to stymie such a possibility, given his outsize popularity. Yet much of the officer corps is still politicized and far from united. Moreover, potential coup leaders would either have to confront the PMF or partner with them, both of which would be problematic—the former option would cause a civil war, while the latter would further empower the militias. Many Iraqis yearn for decisive leadership even at the expense of democracy, but such a leader might revert to foreign adventurism in order to divert attention from domestic problems.

The PMF have stayed on the sidelines of the protests so far, leaving the riot police and SWAT teams to battle with protesters. The government’s response is causing it to lose hearts and minds with brutal efficiency. Some PMF factions might consider facing off against these security forces and presenting themselves as saviors. Traditionally, Iraq’s militias were armed wings of established political parties, but today’s most influential militias (e.g., Asaib Ahl al-Haq; Kataib Hezbollah) are free-floating entities that aspire for greater political and economic power of their own.

If the militias manage to woo the protest movement, they would notch a big win for Tehran’s goal of deepening Iranian influence and forcing the United States out of the country. This in turn would heighten the risks for Iraq’s neighbors. Iran has lost much of the Iraqi street, but it still has sway with the country’s political elite. Clearly, though, its proxies would have to grapple with Iraqi public discontent and politics at some point down the road.

THE NEED FOR REFORM

Even if the current protests fizzle, they are almost certain to return given the terrible state of Iraq’s governance and economy. Prime Minister Abdulmahdi’s task is obvious: to undertake serious reform efforts toward a clean, accountable government that delivers services and jobs. Iraqis are literally ready to die for good governance. Yet violence begets violence, and the situation could spiral beyond the government’s ability to remedy the crisis through reform. The current protests already appear to be the most serious since 2003.

So far, the prime minister has chosen to band-aid the problems with government benefits. Soon, however, he will need to channel the public’s demands, stand up to entrenched political interests, and take credible action on reforms. His cabinet is perhaps the best equipped yet to deliver on this front given its technocratic background. Shia leader Ayatollah Ali al-Sistani bought him some time earlier today by calling for reform rather than the government’s resignation. Muqtada al-Sadr, however, called for new elections.

Washington has limited means to shape events at this point, but it can still play a useful part by quietly advising the prime minister and other key leaders. Public messaging would be less useful. Instead, U.S. officials should privately but forcefully press Baghdad to exercise strict control over the security forces. The high number of casualties this week will only add to the government’s enormous trust deficit. One firm step in the right direction would be to announce punishments for any security personnel who ignore the prime minister’s orders for restraint, and to investigate the murders of activists involved in the Basra protests of summer 2018.

Iraq has received years of sound foreign advice on economic reform. The failure of successive governments to follow through stems not from a lack of good counsel, but from a lack of political will—and, often as not, corruption. The protestors’ demands are just, and their patience is all but gone. Iraq’s leadership needs to say, loud and clear, “We hear you,” and then get on with the hard work of assembling a viable agenda for opening up the economy, fostering a real private sector to generate job growth, and prioritizing critical services.

Bilal Wahab is the Wagner Fellow at The Washington Institute.