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### **POLITICAL CRISIS IN IRAQI KURDISTAN, 2013-2017**

#### **Abstract**

Iraqi Kurdistan faces harsh political and economic problems because of the unstable situation in the Middle East and within the autonomy. The aim of the paper is the study of the political crisis in Iraqi Kurdistan and the political transformations the Kurdish region undergoes in recent years. It explores the developments in Iraqi Kurdistan since 2013-2014 as well as regional situation and its influence on the Kurdish autonomy. The article concludes that the crisis of legitimacy and undiversified economy are major problems for the Kurdistan Region and undermine its stability. Both were not solved by the end of 2017. Another significant point is the end of the era of long-time charismatic leaders in the Kurdish region of Iraq.

**Keywords:** *Iraqi Kurdistan, Barzani, oil, crisis, presidency*

#### **Introduction**

Since 2014, when the Islamic State of Iraq and Levant (ISIL) conquered broad areas in Iraq and Syria, the Kurdistan Region in Iraq has become a key player on regional chessboard. In addition to political and other problems within Iraqi Kurdistan and complicated relations with the authorities of Iraq, the Kurdistan region has entered a phase of political turbulence. The aim of this article is the study of the political crisis in Iraqi Kurdistan and the political transformations the Kurdish region underwent during the last three years. Now, while the focus is on the independence referendum, which was held on 25 September, 2017, and the reactions of neighboring and other countries, it is important to understand the internal processes in Iraqi Kurdistan.

#### **Political crisis**

One of the reasons of political crisis is the issue of the presidency of the Kurdistan Region and competition of political parties behind it. This issue remained unsolved until the end of 2017 and moreover, paralyzed the work of the parliament. Political crisis is accompanied with a financial crisis as low oil price reduced financial inflow into

Iraqi Kurdistan.

The fourth elections of parliament in Iraqi Kurdistan took place on September 21, 2013. For the first time a third party was able to break the hegemony of KDP-PUK tandem – two strongest Iraqi Kurdish parties for decades. The Gorran party led by former KDP member Nawshirwan Mustafa took 24 of 111 seats in the parliament and became the main opposition party in the Kurdistan Region. The KDP won 38 seats and the PUK only 18. For the first time since 1992, the KDP and the PUK, which together had formed the Kurdistan Alliance, ran on separate electoral lists. The PUK was affected by the problems of leadership since its founder and leader, former Iraqi President Jalal Talabani, suffered a stroke in December 2012. The PUK lost a big part of its electorate to the Gorran movement, whose founders previously had broken from the PUK. The representative of the Gorran Yousif Mohammed Sadiq was elected as the parliament speaker. The new elected parliament functioned until October 2015, when the issue of presidential elections evolved into violent actions.

The Kurdistan Parliament established the Kurdistan Region Presidency (KRP) in 2005. The President of the Kurdistan Region has the highest executive authority, and is elected by the people of the Kurdistan Region every four years. Masoud Barzani was elected as the Kurdistan Region's first president on 31 January 2005 by the Kurdistan Parliament, and re-elected in July 2009<sup>1</sup>.

President Masoud Barzani's second term came to end in 2013. The KDP and PUK alliance in the parliament extended Barzani's presidential term for two more years without holding elections. The Parliament of Iraqi Kurdistan voted for the extension of Barzani's term to two years, stating: "the current president will stay in office for two more years. The current president will not be allowed to nominate himself after his term comes to an end. Parliament ratified the bill, and later President Barzani approved the amendment<sup>2</sup>.

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<sup>1</sup>Official website of Department of Foreign Relations Kurdistan Regional Government, <http://www.dfr.gov.krd/p/p.aspx?p=88&l=12&s=030400&r=403>

<sup>2</sup>Shamulddin S., Barzani vs. Parliament; The Crisis of Legitimacy in Kurdistan, 29.08.2015, <https://kurdishpolicy.org/2015/08/29/barzani-vs-parliament-the-crisis-of-legitimacy-in-kurdistan/>

The legal provision adopted and ratified by the majority of Kurdistan parliament extended the term of the Kurdistan region president from August 20, 2013 to August 19, 2015<sup>3</sup>. The discussion in parliament on June 30, 2013 devolved into physical fighting between the PUK and the Gorran. As the Speaker from the PUK tried to read the relevant paper there was uproar, with opposition MPs heckling and shouting “Fraud!” and “Illegal!”. There were fights between MPs from the ruling KDP and PUK and those of the opposition parties. The police arrived and they arrested one opposition MP, Abdullah Mullah Nuri<sup>4</sup>.

On August 20, 2015 the extended term also expired, however Masoud Barzani refused to step down and hold new elections, arguing that Kurdistan is in a state of war. The refusal to seize power evolved into political crisis in Iraqi Kurdistan.

According to the law in Kurdistan, Barzani cannot run for presidency anymore. Barzani told al-Monitor. “My objective is to reach that point, to have an independent Kurdistan. And that is a pledge from me. The day we have an independent Kurdistan, I will cease to be the president of that Kurdistan. And I will congratulate the Kurdistan people and let someone else take my place. This is a pledge from me — I will not be the president of Kurdistan”<sup>5</sup>.

The Gorran opposed him and demanded to step down. Protests and violence broke out in Sulaymaniyah and Halabja because of unpaid salaries. The KRG accused the Gorran of fueling the protests to use it as leverage in the talks over the presidential stalemate<sup>6</sup>. The prime minister of Iraq's Kurdish region Nechirvan Barzani fired four cabinet ministers and barred the speaker of parliament from entering the

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<sup>3</sup>See: The provision in Kurdish, <http://www.perlemanikurdistan.com/files/articles/210713115701.pdf>

<sup>4</sup>Fistfight in Iraq's Kurdistan Parliament, between PUK and Gorran members, 30.06.2013 <http://ekurd.net/mismas/articles/misc2013/6/state7183.htm>

<sup>5</sup>Zaman A., Massoud Barzani Vows to Fight Corruption with Same Dedication as KRG has Fought IS, 22.03.2016, <https://www.al-monitor.com/pulse/originals/2016/03/turkey-iraq-syria-kurds-massoud-barzani-interview.html>

<sup>6</sup>Goudsouzian T., Machiavellian Politics in Iraqi Kurdistan, 13.10.2015, <http://www.aljazeera.com/news/2015/10/analysis-machiavellian-politics-iraqi-kurdistan-151013094035698.html>

capital Erbil<sup>7</sup>. After this incident the parliament ceased to function until September 2017, when it voted in favor of holding independence referendum.

A major problem in the way of sustainable governance and democracy remains nepotism and tribalism. As noted D. McDowall, following the demise of traditional tribalism as the prime form of social-political organization during the 1970s, the 1990s saw the emergence of neo-tribalism as two major «confederations» competed for hegemony in Iraqi Kurdistan. At the center of each party, as with traditional confederations, lay a core of those loyal to the paramount. Beyond this core lay a widening group of people who supported one confederation or the other less directly. Thus the system of patronage and power still reached down to the street through intermediaries who themselves acquired followings through patronage<sup>8</sup>.

Democratic institutes in Iraqi Kurdistan largely have been fictive ones. The real power belongs to the KDP and the PUK leaders. They and their relatives control economic and financial resources. The Peshmerga consists of the military units of two parties rather than a state army run by the government. Nepotism is widespread in the KRG and within party structures. For example, the President of Kurdistan region is Masoud Barzani. His nephew Nechirvan Barzani is the prime minister. The son of Masoud Barzani, Masrour Barzani, heads the Kurdistan Region Security Council. Members of the families of Kurdish party leaders have high ranks in the party system and the KRG. According to accusations, many of the most profitable companies, such as those controlling construction projects, are owned by a Barzani or Talabani, and relatives of the two leaders. The Kurds have long honored tribal and family ties. Military tribalism pervades their sense of loyalty, in particular the Barzani Kurds<sup>9</sup>.

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<sup>7</sup>Political Crisis Escalates in Iraq's Kurdistan Region, 13.10.2015, <https://www.rferl.org/a/political-crisis-escalates-in-iraqi-kurdistan/27303307.html>

<sup>8</sup>McDowall D., *A Modern History of the Kurds*, (Revised Edition), I.B.Tauris, 2016, pp. 385-386

<sup>9</sup>Yaphe J., Middle East Policy Council, *Tribalism in Iraq, the Old and the New*, Volume VII, N 3, 2000 <http://www.mepc.org/journal/tribalism-iraq-old-and-new-0>

***Financial difficulties***

In recent years Iraqi Kurdistan also faces economic and financial crisis. The main reason of it is the high dependence on oil revenues which have plunged more than twice since 2014. Another problem is contradictions with central government in Baghdad, which often does not fully pay 17% of oil revenues fixed in the Iraqi constitution<sup>10</sup>. Baghdad uses this lever against Iraqi Kurdistan to halt their separate oil policy. On the other hand, the KRG had to allocate additional finances for the war against Islamic State and sheltering hundreds of thousands refugees fleeing from other parts of Iraq and Syria.

A decade-long economic boom in the autonomous region came to a sudden halt in 2014 when Baghdad slashed funding to the Kurds after they built their own oil pipeline to Turkey and began exporting oil independently<sup>11</sup>.

That left the KRG struggling to meet a bloated public payroll of 875 billion Iraqi dinars (\$800 million) per month. The KRG has tried to make up the shortfall by increasing independent oil sales to around 600,000 barrels per day, but at low prices the region is still left with a monthly deficit of 380-400 billion Iraqi dinars (\$717 million). The war against the Islamic State and an influx of more than a million people from the other parts of Iraq has deepened the crisis even more<sup>12</sup>.

Public officials in the Kurdistan region of Iraq have been forced to bear a 75% cut in salaries as the region struggles with an economic crisis. The salaries of the region's highest paid employees were reduced by up to 75%, while the salaries of low wage earners ranging from 100 thousand to 200 thousand dinars were reduced by 15%<sup>13</sup>.

The current Iraqi constitution adopted in 2005 secures for the KRG around 17 percent of Iraq's national budget annually after certain sovereign and governance expenses were deducted. That amounted to

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<sup>10</sup> See Iraqi Constitution, Article 112

<sup>11</sup>Protests intensify in Iraqi Kurdistan Amid Economic Crisis, 09.02.2016, <https://www.reuters.com/article/us-mideast-crisis-iraq-protests/protests-intensify-in-iraqi-kurdistan-amid-economic-crisis-idUSKCN0VI11X>

<sup>12</sup>Ibid

<sup>13</sup>أزمة كردستان العراق الاقتصادية تتلغ رواتب الموظفين 05.02.2016, <https://www.alarabiya.net/ar/aswaq/economy/2016/02/05/>.

around \$13 billion per year in 2012 and 2013 when oil prices were at their peak. The income from oil sales as well as foreign investments generated rapid economic growth. However, the sharp fall of oil prices starting in summer, 2014 halved the revenues of KRG. Total revenues from oil sales did not even reach \$6 billion per year in either 2014 or 2015<sup>14</sup>.

The situation was particularly acute in Sulaymaniyah province where anti-establishment sentiments are stronger. Struggling to pay its dues, the KRG is estimated to now be \$14 to \$20 billion in debt<sup>15</sup>. The other major problem is the region's heavy reliance on imports, which account for some 80 to 90 percent of goods, analysts estimate<sup>16</sup>.

The poverty rate has hit yet another high level in Kurdistan Region by increasing more than four times since 2013, from 3 percent to 15 percent. According to the head of the statistics department in Sulaymaniyah Mahmud Othman, the poverty rate in Kurdistan Region is still relatively low compared to the rest of Iraq. The KRG struggles to finance the monthly wages of some 1.4 million people on its payroll, with around 730,000 of them directly employed by the KRG, while another 700,000 people have monthly payments from the Kurdish government in pensions, social protection for the underprivileged, student stipends and payments to families of Peshmerga victims<sup>17</sup>.

In spite of having political, financial and other problems, the Kurdish elite decided to hold an independence referendum on September 25, 2017. The independence referendum could have been a good opportunity to take a time-out and temporarily push back these problems from the agenda. Also, the success in battlefield against ISIS made the Kurds a key player in the Middle Eastern scene and an

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<sup>14</sup>Salih M., Low Oil Prices Complicate Iraqi Kurdish Independence, 09.03.2016, <http://www.mei.edu/content/low-oil-prices-complicate-iraqi-kurdish-independence>

<sup>15</sup>Ibid

<sup>16</sup>Dziadosz A., The Economic Case Against an Independent Kurdistan, 26.09.2016, <https://www.theatlantic.com/international/archive/2017/09/kurdistan-barzani-iraq-turkey-blockade-oil/541149/>

<sup>17</sup>Poverty rate in Kurdistan Region quadrupled to 15 percent, official, 28.12.2016, <http://www.rudaw.net/english/kurdistan/281220162>

important ally of the West. The Kurds tried to convert international support and relative weakness of Iraq into independence.

After two years of break the parliament of Iraqi Kurdistan convened a session and approved the independence referendum to be passed on September 25 despite the Gorran and Komal parties boycotted it. 65 MPs voted for the Kurdistan Region to hold an independence referendum on September 25 in the Kurdistan Region and the disputed areas<sup>18</sup>. After the independence referendum MPs gathered again and in an urgent session on October 1 and rejected the list of measures announced by the Iraqi parliament. The government of the Kurdistan Region also refused to receive any military or Iraqi security personnel to oversee the airports<sup>19</sup>.

After the referendum the Iraqi army and Shia militias, supported by Iran, took back large territories from the control of Peshmerga, including oil rich areas in Kirkuk. The difficult situation forced Kurds to postpone general elections scheduled on November 1.

On October 29 Masoud Barzani announced he would not seek to extend his term. He announced his resignation from the position of president because of the crisis sparked by the independence referendum in September 2017. Barzani's legal authorities will be distributed between the Parliament, Government and Judiciary authorities in the Kurdistan Region<sup>20</sup> until new general elections, which had to take place in November 1 and were postponed by 8 months.

The general elections of 2018 mark the end of the era of charismatic leaders. The longtime leader of Iraqi Kurdistan and Kurdish movement refused to be nominated as a candidate. Shortly before the elections another Kurdish prominent leader and former Iraqi president Jalal Talabani and as well as the Gorran leader Nawshirwan Mustafa Amin passed away. The representatives of the

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<sup>18</sup>Kurdistan parliament approves independence referendum on Sept 25, 15.09.2017, <http://www.rudaw.net/english/kurdistan/15092017>

<sup>19</sup>Kurdish Parliament Rejects Iraqi Measures, 01.10.2017, <https://english.aawsat.com/theaawsat/news-middle-east/kurdish-parliament-rejects-iraqi-measures>

<sup>20</sup>الرئيس بارزاني : سأستمر في الدفاع عن حقوق شعبي كمقاتل في صفوف البيشمركة, 29.10.2017, <http://www.basnews.com/index.php/ar/news/kurdistan/389063>

younger generation are the prime minister of KRG Nechirvan Barzani, the son of M. Barzani Masrour Barzani, two sons of Jalal Talabani – Bafel and Qubad, sons of Nawshirwan Mustafa Amin Chia, Nma and Jwamer, sons of vice-president of Iraqi Kurdistan Kosrat Rasul Ali – Shalaw and Darbaz. New political parties were established in the eve of elections. Former KRG prime-minister Barham Salih announced registration of a new party. Another new party was founded by owner of Nalia Company Shaswar Abdulwahid, who announced the New Generation political platform (Naway Nwê) for the future elections in Iraq's Kurdistan region. Abdulwahid said during a conference on the announcement of the New Generation that the new political platform will include all those who have not participated in the political process<sup>21</sup>.

As noted N. Barzani “Mam Jalal's [Jalal Talabani] exit from the political scene created a big vacuum. At a certain point we thought we could deal with [Gorran leader] Nawshirwan [Mustafa], that he could rise to the occasion, fill the gap. But we were really very disappointed. There is nobody either in PUK or Gorran who has either the charisma or status [Talabani has]. Plus, they are all fighting each other. It's against this background that they perceive us [the KDP] as some kind of giant<sup>22</sup>.

### **Conclusion**

The crisis of legitimacy both in the executive and legislative powers undermined the stability in the Kurdistan Region and democratic governance which the Kurdish leadership underlines as an advantage compared with the states in the Middle East. This hardship has not been overcome as of the end of 2017. The resignation of M. Barzani also aimed to resolve the crisis of legitimacy.

The undiversified economy and high dependence on oil incomes are factors capable to threaten the stability in Kurdistan Region and make it vulnerable under the pressure of Iraqi government.

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<sup>21</sup>New Generation ‘Naway Nwê’ political platform announced in Iraqi Kurdistan, 02.10.2017, <http://ekurd.net/naway-nwe-political-kurdistan-2017-10-02>

<sup>22</sup>Transcript of Al-Monitor Interview with KRG Prime Minister Nechirvan Barzani, 27.12.2016, <http://cabinet.gov.krd/a/d.aspx?s=040000&l=12&a=55246>



The era of long-time charismatic Kurdish leaders comes to end. The sons and other relatives will be successors of the former leaders in party leadership.

Besides fulfilling national aspirations, the independence referendum aimed to unify political parties and society around national agenda and also temporarily postpone the solution of the internal problems. It was also an attempt to raise the stakes and gain more privileges from central government in Baghdad and the international community.