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A New State in the Middle East?

From the Kurdistan Region of Iraq to the Republic of Kurdistan

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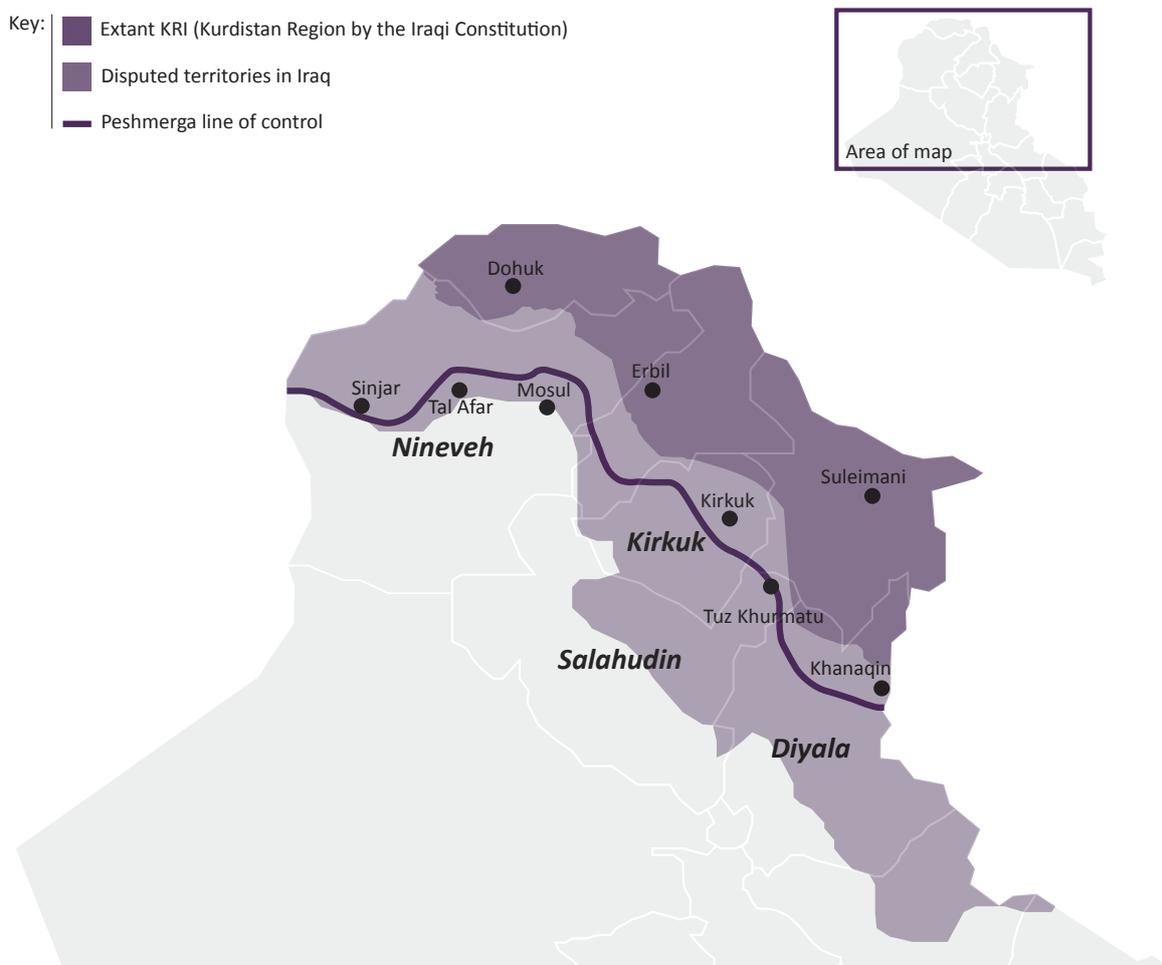
AFTER MANY years of threatening to secede from Iraq, in June 2017 the Kurds announced their intention to hold a referendum, scheduled for 25 September, asking whether the Kurdistan Region of Iraq (KRI) should become independent.¹ The referendum is to be held in the territory formally administered by the Kurdistan Regional Government (KRG), and also in those areas in the ‘disputed territories’, including Kirkuk, controlled by the KRG since the summer of 2014, following the rise of the Islamic State (IS).² It appears clear that the pro-independence forces will win the vote.³ While the end result of the referendum itself is not in doubt, there remain many questions about what happens next. How will this powerful expression of Kurdish self-determination be used by Kurdish leaders? Will they attempt to use it as leverage in Iraq, to gain further autonomy, perhaps through a confederation arrangement? Or will they attempt to turn what has been the Kurdish century-old dream of independence into the reality of a new Republic of Kurdistan?

There has been a great deal of focus upon why Kurdish leaders, and particularly KRG President Massoud Barzani, have been so keen to push for the referendum to take place, with several

1. Maher Chmaytelli, ‘Iraqi Kurds Plan Independence Referendum on 25 September’, *Reuters*, 7 June 2017.
2. Nahwi Saeed, ‘Disputed Territories Pose Major Challenge to Kurdish Referendum’, *Al Monitor: Iraq Pulse*, 29 July 2017. The ‘disputed territories’ lie to the south of the Kurdistan Region, as accepted in the Constitution of 2005, and include those territories claimed by the Kurds as being ‘historically’ Kurdish, but not lying within the jurisdiction of the Kurdistan Regional Government (KRG). These territories include the western, northern and eastern areas of Nineveh province, notably the district of Sinjar to the west of Mosul and the Nineveh plains to the east, the city of Kirkuk and the northern, eastern and southern parts of the province, the northeastern areas of Salahadin province and the town of Tuz Khurmatu, and the northern parts of Diyala province around the Kurdish-dominated town of Khanaqin.
3. The last time the question of independence was raised among the Iraqi Kurds was when an unofficial referendum was held in January 2005, alongside Iraqi national elections. The result saw a reported 98.3% of Kurds supporting independence. Peter Galbraith, ‘As Iraqis Celebrate, the Kurds Hesitate’, *New York Times*, 1 February 2005; Azad Berwari and Thomas Ambrosio, ‘The Kurdistan Referendum Movement: Political Opportunity Structures and National Identity’, *Democratization* (Vol. 15, No. 5, 2008), pp. 891–908.

focusing upon the internal political problems faced by him and his circle. This paper argues that the changing situation of the Kurds in Iraq, now that the country enters a 'post-IS' period, presents their leaders with an array of opportunities, threats and challenges that make a secessionist initiative logical, and perhaps even necessary. The paper also considers the Kurdish secessionist agenda from the viewpoint of Western powers, in particular with regard to whether the staunchly held policy of maintaining Iraq's territorial integrity is now appropriate, and what the ramifications of opposing Kurdish aspirations might be at a time when Middle Eastern states and other interested powers – namely Russia – may be adapting to new realities more swiftly than their Western counterparts.

Figure 1: The Kurdistan Region in Iraq, Disputed Territories and the Peshmerga's Line of Control



Source: The author. Current as of September 2017. Locations and regions are indicative only.

Considering the wider Middle East, the positions of Turkey and Iran are also critical in conditioning the actions the Iraqi Kurds take after September; and the US, and now Russia, also have key

geopolitical and economic interests that will be affected, as has Europe. There are additional reports that Sunni Arab states, including Saudi Arabia, may view a new Republic of Kurdistan as an ally in limiting Iranian influence in Iraq, at least by taking the northern part out of the equation. It could also be used to put pressure on Turkey, following Ankara's support for Qatar.⁴ Many predictions of changes to the state system established in the years following the First World War are now potentially becoming reality. Yet Western countries, especially the US and the UK, seem reluctant to acknowledge this shift, potentially limiting their options to engage and influence the Kurdish leaders at what is a critical period.⁵

The Kurdish Rationale

There is much debate about why the leadership of the Kurdistan Democratic Party (KDP), in particular, has urged that the referendum be held now. This comes after many years of sabre-rattling and using the threat of secession in largely predictable games of brinkmanship against Baghdad.⁶ It is a salient question. Kurdish politics has a well-earned reputation for being parochial and self-serving, and the view that the referendum strategy is little but a ploy by President Barzani to shore up his legitimacy, following a messy ending of his formal presidential term and the subsequent, controversial suspension of the Kurdistan National Assembly (the parliament of the KRI), is compelling.⁷ Yet such an interpretation has been undermined by Barzani's announcement on 20 August that neither he nor his family members will seek election to the presidency when the elections are held on 1 November.⁸ Of course, much could happen between the September referendum and the presidential election, including all parties requesting Barzani to continue in what will be a highly volatile, potentially pre-secession, situation. However, his statement of intent suggests that there may be other forces driving the Kurdish agenda, alongside the self-interest of particular elites.⁹

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4. Zvi Bar'el, 'Analysis: Iraqi Kurds' Independence Referendum has Become a Weapon for Regional Control', *Haaretz*, 13 June 2017.
 5. For an assessment of the difficult choices facing the US, see Kenneth M Pollack, 'Fight or Flight: America's Choice in the Middle East', *Foreign Affairs*, March/April 2016.
 6. See, for example, Alexander Whitcomb, 'President Barzani Asks Parliament to Proceed with Independence Vote', *Rudaw*, 3 July 2014.
 7. Massoud Barzani's presidential term formally ended in July 2013, but was extended for two years following a deal reached between his party, the Kurdistan Democratic Party (KDP) and the Patriotic Union of Kurdistan (PUK). This extension ended in August 2015, but Barzani remained in office. The second-largest party in the Kurdistan National Assembly (parliament), the *Gorran* Movement, would then only support Barzani's further tenure – which was deemed to be necessary due to the need to maintain stability in the fight against the Islamic State (IS) – if the president's powers were reduced. In the ensuing political crisis, the *Gorran* speaker of parliament, Youssef Mohammed, was barred from entering Erbil by KDP security forces, and four *Gorran* ministers were removed from the KRG cabinet. As of September 2017, the situation remains unresolved, although there are indications that the National Assembly will be reconvened to provide the legislative measures necessary for the implementation of the referendum. See Gareth Stansfield, 'The Struggle for the Presidency in the Kurdistan Region of Iraq', *RUSI Commentary*, 2 June 2015.
 8. *Rudaw*, 'President Barzani Rules Himself and Kin Out for Presidential Election', 20 August 2017.
 9. There has been considerable speculation that Barzani would seek to postpone the September referendum date, due to Western and Turkish pressure. However, his speech on 22 August to representatives of public organisations stated that the only way there would be a postponement

The KRI's 'establishment' political parties – the KDP and its rival, the Patriotic Union of Kurdistan (PUK) – have always supported the principle of self-determination. The PUK even has the principle emblazoned on its emblem. At the same time, the parties' leaderships are wary of openly advocating the establishment of an independent, sovereign state in order not to provoke enmity from the rest of Iraq and from neighbouring countries. Hostility towards the idea of Kurdish independence is also shared by the West.

Since the mid-twentieth century, few issues have managed to unify Iraq, Iran, Turkey and Syria as the Kurdish question – or, more pointedly, how to prevent a Kurdish answer to that question. This has seen them aligned strategically to prevent an independent Kurdistan from emerging, even while they would each use the others' Kurds to undermine their regional rivals for tactical advantage, as Iran did to Iraq very effectively in the war of 1980–88.

Western states, on the other hand, have enjoyed close working relationships with Kurdish parties, and especially those in Iraq, when it was in their interests to have them, such as in the 1990s when they lived in isolated opposition to Saddam Hussein's regime.¹⁰ However, Western support has always been conditional: in no way should such support be viewed as a precursor for support for an independent Kurdish state. Should a secessionist programme lead to the withdrawal of Western support and protection, the Kurds would be left to the mercy of regimes not known for their historical leniency. But now the Kurds seem willing to call the bluff of Western powers and to test the limits of their conditional support.

So what has changed? On the Kurdish side, a great deal. Even up until the fall of Mosul to IS in June 2014, Massoud Barzani's threat of secession remained very much part of an episodic outing of a warning, coloured by increasing frustration, which he had engaged in with Iraqi leaders since the fall of Saddam.¹¹ But the conditions which obliged the Kurds to remain committed to the post-2003 Iraq project began to weaken from 2010. The continued marginalisation and targeting of Sunnis and their leaders by Iraqi Prime Minister Nouri Al-Maliki's government was compounded by the failure of Western powers to fully recognise the electoral victory of the largely Sunni-supported *Iraqiyya* political bloc in the 2010 elections. Maliki's subsequent

would be if a plan was presented by the Iraqi government for a referendum to take place under the supervision of the international community. This would then give the event, and its result, heightened legitimacy, which makes it less likely that Baghdad, or nervous Western capitals, would agree. Thus, at the time of writing, it would seem likely that the referendum will take place as planned on 25 September. See *Kurdistan Region Presidency*, 'President Barzani Delivers Remarks on the Kurdistan Independence Referendum', 22 August 2017, <<http://presidency.krd/english/articledisplay.aspx?id=lljaDKToY1Y=>>, accessed 8 September 2017.

10. For accounts of this period, see Michael Gunter, *The Kurdish Predicament in Iraq: A Political Analysis* (London: Macmillan, 1999); Gareth Stansfield, *Iraqi Kurdistan: Political Development and Emergent Democracy* (London: RoutledgeCurzon, 2003); Denise Natali, *The Kurdish Quasi-State: Development and Dependency in Post-Gulf War Iraq* (Syracuse, NY: Syracuse University Press, 2010); Ofra Bengio, *The Kurds of Iraq: Building a State Within a State* (Boulder, CO: Lynne Rienner, 2012).
11. See Harith Hassan Al-Qarawee, 'From Maliki to Abadi: The Challenge of Being Iraq's Prime Minister', Middle East Brief, No. 100, Crown Center for Middle East Studies, Brandeis University, June 2016.

survival then saw the further suppression of the Arab Sunni political voice, and witnessed a rise in tension between Erbil and Baghdad over the level of sovereignty to be exercised by the KRG, and the extent of the Kurdistan Region itself. Western disengagement from 2011 then set the scene for a rapid unravelling of the progress made to date as there was no longer a powerful, external actor that could assist in maintaining the political balances necessary to keep Iraq's politicians from the three main groups working together constructively. Politically, Iraq was broken, with sectarianism being the defining feature of the political landscape. Economically, the Maliki government cut the 17% constitutional share of oil revenues allocated to the KRI, costing the KRG nearly \$1 billion a month.¹² It also forced their hand to attempt to build an economy that could exist without the input, influence or control of Baghdad, which led the KRG to further increase its oil production and exports through Turkey. Territorially, Iraq was also fragmented, with the Kurds living in increasingly autonomous isolation from the rest of the country. Furthermore, Iraqi security forces were weaker than realised, a shortcoming that was exposed by IS in summer 2014.

Counterintuitively perhaps, the three years from summer 2014 was a halcyon period for the Kurds in diplomatic and security-related terms, if not economically. The Kurdish concern must now be whether this period has ended. After surviving an IS assault on Kurdish lines in August 2014, the Kurds found themselves to be natural allies of Western powers, which quickly had become obsessed with the notion of defeating the Islamists, but had no appetite to deploy ground forces themselves.¹³ The Kurds, therefore, were conveniently placed local allies to be trained and equipped to take the fight to IS, with Western support from the air, special forces units and intelligence organisations. Indeed, the importance of the KRI as a counterterrorism and intelligence hub for Western partners should not be underestimated. The ties that bind Western intelligence and its KRI sister agencies appear to be strong and, as the threat posed by insurgent jihadi groups that will emerge from the fires of IS's demise will remain for many years to come, so the importance of the KRI as a counterterrorism and intelligence hub remain.

However, the Kurdish leadership seems to have realised that the period covered by the existence of IS between 2014 and 2017 was something of an anomaly, when their interests were, for perhaps the first time, aligned with those of Western powers. This alignment allowed them to develop initiatives in ways that would have been impossible before IS's appearance. The Kurds took control of vast areas of northern Iraq they claimed as historically Kurdish, but that did not lie within Erbil's authority. These 'disputed territories' were simply taken by Kurdish peshmerga forces, presenting the government of Iraq with a Kurdish fait accompli. This act of military necessity then negated the need, from the Kurdish leaders' perspective, to continue to push for the implementation of Article 140 of the Constitution of Iraq – the article that would

12. Luay Al-Khateeb and Ahmed Mehdi, 'The Kurds Can't Afford to Leave Iraq', *New York Times*, 9 November 2014.

13. David Romano, Rikar Hussein and Stephen Rowe, 'The United States and the Kurds of Iraq: Strange Allies', in Gülistan Gürbey, Sabine Hoffman and Ferhad Seyder (eds), *Between State and Non-State: Politics and Society in Kurdistan-Iraq and Palestine* (New York, NY: Palgrave Macmillan, 2017), pp. 177–95.

have formally resolved the question of authority in these territories.¹⁴ The Kurds would also export oil not only from their 'own' fields, as defined by the Constitution of Iraq, but also from the oil cluster of Kirkuk, including the massive Bai Hassan field and those in Jambur, Avana and Baba Gurgur – all of which were established before 2003. These would, according to Article 109 of the Constitution of Iraq, remain under the jurisdiction of the government of Iraq.¹⁵ As the Kurds needed revenue to support not only their heightened war effort, but also to provide for a vastly swollen community of internally displaced people that had fled the IS advance, the Iraqi government not only stopped attempting to block KRG oil exports, but even came to an agreement with them, particularly over the sharing of revenue from the Kirkuk oil fields, setting a precedent that may prove difficult to ignore in future negotiations.¹⁶

However, with the defeat of IS in Mosul, the Kurds became concerned that their utility as conveniently placed Western proxies would diminish. No longer would Western powers be willing to ignore the fact that Erbil acts in ways that threaten the territorial integrity of Iraq.¹⁷ Pressure is also likely to mount on the KRG to not only relinquish control of key disputed territories back to the government of Iraq, but also to return Kirkuk to Iraqi sovereignty, along with its oil wealth. At the same time, the Kurdish leaders will be strongly encouraged to re-engage with their Iraqi counterparts – Shias and Sunnis – in a political game that they increasingly see no benefit in playing. The view from Erbil, rightly or wrongly, is that the institutions of the government of Iraq are now totally dominated by Shia parties, with hard-line Shia militias heightening their influence among them, and that the Kurds would struggle in vain to achieve success in such an environment. Economically, too, while the KRI economy is encumbered with massive amounts of public debt, and with public sector salaries being paid only partially, if at all, there is little to suggest that the Iraqi economy is performing at a level that would resolve the KRI's problems.¹⁸ According to the IMF, Iraq is facing a double shock arising from the conflict with IS and the

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14. Article 140 of the Constitution of Iraq prescribed a three-stage process for the settlement of the disputed territories. This process required (a) the normalisation of the population by the return of previous displaced peoples, (b) the implementation of a census in these territories, and (c) the holding of a referendum to determine which parts of the territories would be included in the Kurdistan Region, and which parts would remain under the administrative authority of Baghdad. The timeframe for the implementation of Article 140 was set to be completed by the end of 2007, with the passing of this deadline causing the continued validity of the article, by the government of Iraq, to be questioned.
 15. For a granular analysis of the Constitution and the oil and gas sector, see Rex Zedalis, *Oil and Gas in the Disputed Kurdish Territories: Jurisprudence, Regional Minorities and Natural Resources in a Federal System* (London: Routledge, 2013).
 16. See Jareer Ellass, 'Baghdad, Erbil Reach Tentative Agreement on Kirkuk Oil Sales', *UPI*, 12 September 2016.
 17. Iraq's Prime Minister Haider Al-Abadi, when meeting with the Kurdistan referendum delegation visiting Baghdad on 10 August, stated that '[y]ou are acting like a state: you are exporting oil, have your own independent economy. You have your own peshmerga, your peshmerga do not carry the Iraqi flag. You receive delegations and you have airports and travel'. See *Rudaw*, 'Abadi to Kurdistan Delegation: Erbil Already Acts Like a State, Official', 15 August 2017.
 18. Figures vary considerably concerning the level of KRG debt. KRG figures tend to provide the lowest amounts, with numbers ranging from \$10–12 billion, whereas some analysts place the debt as high as \$22 billion. See Denise Natali, 'Is Iraqi Kurdistan Heading Toward Civil War?', *Al-Monitor*, 3 January 2017. See also *The Economist*, 'Dream on Hold', 9 July 2016.

plunge in oil prices. Other Iraqi parliamentary sources note that Iraq's debt has exceeded \$111 billion (roughly 65% of Iraq's GDP), meaning that there is little spare in Baghdad's coffers to lessen the financial woes of Erbil.¹⁹

Reading the Runes: The Response of Neighbouring States

The orthodox view of the positions taken by the neighbours of the KRI is straightforward: that the Kurds would never be allowed their independence. Turkey, in particular, was viewed as being wary of the threat posed by Kurdish secession in Iraq, lest any successes there served as an example for the far greater Kurdish population of southeast Anatolia. Iran, too, was usually described as viewing any notion of Kurdish secessionism in Iraq with great concern due to its own significant, and historically restive, Kurdish population. Historically, Syria vigorously suppressed any expression of Kurdish nationalism within its own boundaries, and – in a rare show of regional security cooperation – also worked with Turkey, Iran and Iraq to place the Kurds of Iraq under political and economic embargoes during the 1990s. Iraq's oppression of the Kurds before 2003 was notorious. Through the 1990s, and until the fall of Saddam in 2003, the Kurds of Iraq were self-governing and supported, morally at least, by Western governments, with regional connections and ties, but kept in a form of non-state purgatory, destined to neither be fully integrated into Iraq nor embraced as a sovereign entity.

It was in the 1990s, however, that a Kurdistan region started to emerge and be consolidated and codified as an autonomous region of federal Iraq. At the same time, the nature of the relationships between neighbouring powers and the KRI has also changed. While in the 1990s Turkey opposed the KRI's existence, recently Ankara has become the KRI's most significant sponsor, if not protector – a role still currently held by the US. Following a U-turn in Turkish policy during the height of the sectarian civil war in Iraq, and building upon a very transactional relationship that had begun to develop between Erbil and Ankara in economic sectors (construction at first, and then also, more importantly, oil and gas), what seems to be a durable and cooperative set of relationships between Kurdish and Turkish elites has developed, particularly between the leadership circles of Presidents Recep Tayyip Erdogan and Barzani. KRG sources indicate that now, even following the rise of IS since 2014, some 1,400 Turkish companies are operating in Erbil, with many more based in Dohuk and Zakho – the gateway cities between the KRI and Turkey. Some have ventured further to the southeast to the PUK's domains of the Suleimani and the Garmian regions. Turkey's engagement with the KRI in the economic realm has been matched by its embracing of KRI power-holders as allies in limiting the operations of the Kurdistan Workers' Party (PKK) as well. Particularly regarding the KDP, Turkey has tended to view the Kurds of Iraq as obliged allies in the struggle to remove the threat of the PKK. Ankara sees that the existence of any Kurdish entity, whether in Iraq or outside, will be dependent on Turkish support, to keep the borders open, to allow oil exports to happen, and to facilitate the regular operations necessary for what would be a landlocked state to survive.

19. IMF, 'IMF Executive Board Concludes 2017 Article IV Consultation with Iraq', 17/323, press release, 9 August 2017; Baxtiyar Goran, 'Kurdistan Deprived from Constitutional Share of Iraq's International Loans', *Kurdistan24*, 6 August 2017. See also World Bank, 'Data', <<https://data.worldbank.org/indicator/NY.GDP.MKTP.CD>>, accessed 8 September 2017.

But would Turkey really tolerate Iraqi Kurds' independence? For the foreseeable future, Turkey will be the principal access route to the landlocked independent Republic of Kurdistan, and therefore the potential single point of failure that the Kurdish leadership must prevent being triggered. The economic and security-related prices that Ankara will, and has been, extracting from Erbil are high, clear and largely non-negotiable. Any agreement will include involvement in the oil sector, and other economic sectors, agreement on the supply of KRI gas to the gas-hungry Turkish economy, and the KRI being actively involved in containing the PKK and in helping to reduce its ability to threaten Turkey and Turkish interests. So far, the relationship between Ankara and Erbil, and more particularly between Erdogan's and Barzani's circles and organisations, appears to be very strong, productive and durable. In addition, the Barzani leadership appears to be comfortable when pressed about Ankara's position towards their independence. Irrespective of statements made by government officials in Ankara, up to and including those by Prime Minister Binali Yildirim and Foreign Minister Mevlut Cavusoglu, the Kurdish leadership has remained calm. It is perhaps pertinent to ask why.²⁰

The Kurdish leadership around Barzani is no longer a youthful revolutionary movement. They have decades of experience working with, and against, regional states and it would be simply naive to believe that they have not engaged deeply with Ankara, and Tehran, on this most fundamental of questions. Turkey could have easily stopped Barzani's initiative in its tracks simply by threatening to close the oil pipeline for extended periods of routine maintenance, or by an overt closure of the border crossing points. This has not happened. Indeed, following Cavusoglu's Erbil meeting with Barzani on 23 August, it seems that the opposite is the case. Cavusoglu stated that trade relations between Erbil and Ankara have no connection with the referendum.²¹ This raises the possibility that the Kurdish view may be right – that Turkey is publicly positioning itself to be unsupportive of Erbil's venture, but privately sees several benefits in embracing the KRI once the process has properly begun to pupate into the Republic of Kurdistan.

For Erbil, Turkey's support is therefore crucial.²² But it also has important implications for Western states. Western powers need to ask whether it is in their interests to see the KRI – or a future Republic of Kurdistan – fall even more under the heavy influence of the Turkish state at a time when the Kurds remain vitally important allies in counterterrorism and broader intelligence and security matters. All too easily, Washington and London could find that their once close relationship with the KRG could become distinctly cooler with the Ankara-reliant government of Kurdistan.

Meanwhile, Iran has not remained on the sidelines and has engaged extensively, but not as effectively, with the KRI leadership. Traditionally, Tehran has engaged with both the KDP and PUK,

20. *Al-Jazeera*, 'Turkey Urges Iraqi Kurds to Abandon Independence Vote', 23 August 2017.

21. *Rudaw*, 'Turkey Won't Close Border after Kurdistan Referendum: FM', 23 August 2017; Ece Toksabay and Tuvan Gumrukcu, 'Turkey Says it Conveyed Concerns about Iraqi Kurdish Referendum to Erbil', *Reuters*, 23 August 2017.

22. For a summary of the economic dimensions of the Erbil–Ankara relationship, see Soner Cagaptay, Christina Bache Fidan and Ege Cansu Sacikara, 'Turkey and the KRG: An Undeclared Economic Commonwealth', *Policywatch*, No. 2387, The Washington Institute for Near East Policy, 16 March 2015.

and this has not changed in recent years, although for reasons of basic geographic contiguity with the Suleimani and Garmian regions, the relationship has tended to be far stronger with the PUK than with the more Turkey-centred KDP. While Iran's Islamic Revolutionary Guards Corps' Al-Quds Brigade has been focused on the development of loyal forces within the Hashed Al-Sha'bi (Popular Mobilisation Force) and building influence, even control, over political life in Baghdad, the country has not ignored developments in the KRI. Prominent PUK leaders have noted that Iran's engagement with them has not faltered. Indeed, they claim it has remained constructive. There are also suggestions that Iran recognises the changed nature of politics in Iraq, following the collapse of the Sunnis as a political force and the dominance of the Shia parties in Iraqi political life. Now, according to this view, there is not only no opportunity for the Kurds to act as a balance between Sunnis and Shias, as happened before 2014, but no need. As such, it is therefore understandable that the Kurds would begin to start talking about their future in different ways.²³

But Iran certainly remains highly sensitive about the KRI's plans, and how these plans will be implemented, due to a renewed rebellion among Iranian Kurds in Iran's western province of Kordestan. A new Kurdish insurgency began last summer with guerrillas from what had been viewed as the largely defunct Kurdistan Democratic Party of Iran (KDPI) undertaking successful operations against Iranian military and state targets.²⁴ Thus, Tehran's pragmatism towards developments in the KRI is matched by the imperative to control and limit any progression made towards independence, which has led to Tehran's public opposition to KRI referendum plans. However, it is unclear how serious Tehran's opposition is to the KRI leaders' plans. Indeed, in what may again be an act of wishful thinking, KRI leaders in both the KDP and PUK tend to view Tehran as privately supportive of secession, but having to publicly oppose it, for now. There is also the question about what Iran could do to oppose the KRI's plans. It is very unlikely that Tehran would intervene militarily to stop the referendum or a subsequent move towards independence, as such a commitment would be too great, and the consequences of invading Iraq, and targeting a close ally of the US would simply be unacceptable. But this is not Tehran's modus operandi. Rather, the opportunity to pull the levers that control the still-fragile Kurdish political system, and to create dissent, disharmony and internal disruption, still exists. The recently rediscovered working relationship between the KDP and PUK could still be disrupted and, while it is difficult to imagine them returning to a state of civil war, as in the 1990s, some analysts have speculated that this might just happen.²⁵

What Does this Mean for Western Powers?

A complex scenario is therefore unfolding in northern Iraq. There are many challenges, opportunities and severe threats for the still-dysfunctional Kurdish leadership, but Barzani seems determined to move ahead with the referendum on 25 September. Indeed, as discussed, he has many reasons not to change his plans, not least because the alternative – staying in Iraq

23. Author's meetings with senior PUK figures, Erbil, April 2017.

24. Fazel Hawramy, 'Iranian Kurdish Fighters Step Up Clashes Ahead of KRG Independence Vote', *Al-Monitor*, 18 August 2017.

25. Natali, 'Is Iraqi Kurdistan Heading Toward Civil War?'

– does not resolve any of the KRI's problems. Politically, the KRI and President Barzani would be weakened by backing down and remaining in Iraq, particularly after so much emphasis has been placed on holding the referendum; economically, Kurdish leaders in the KRG feel that independence would allow them to export more oil, more consistently, and at non-discounted levels; regionally, the Kurds, and particularly Barzani's KDP, would prefer to strengthen their ties with Turkey and other states, including Western states and Russia, than with Iraq; and, security-wise, it would be foolhardy to consider that the threat of Sunni insurgencies in Iraq has ended, or the threat of Shia military authoritarianism will disappear. Thus, Iraq has nothing positive to offer the Kurds to entice them to stay, and only threats of *Hashed* actions in the disputed territories to coerce them to do so.

Even with the referendum looming, however, and the likelihood of an overwhelming 'yes' to independence, and with the Kurdish leadership already charting a strategy to describe the result as a 'statement of intent' to secede, Western countries still remain locked into an Iraqi policy that predates the rise of IS in 2014. It seems that Erbil, Baghdad, Ankara, several Arab capitals and maybe even Tehran, have adopted a new rule book that views the emergence of a Republic of Kurdistan from the chrysalis of the KRI as not just a hypothetical possibility, but more probable than ever before.

Without strong Western support, a new Republic of Kurdistan could quickly fall under the sway of other sponsors. Turkey would be at the top of the list, with its extensive engagement with Erbil already in place, and its military forces poised to deepen their engagement quickly if needed. From a Western perspective, this is far from palatable. The new Republic of Kurdistan could easily become a mirror image of the Turkish Republic of Northern Cyprus, and the opportunity to develop counterterrorism initiatives, engage with the new state on security-related matters, and support mutually beneficial political and economic relationships between Erbil and Baghdad would be massively eroded. Iran, too, could involve itself in a more forceful, albeit more nuanced, way through the grey worlds of politics and security, and still exert a significant influence over the new country, which would again logically limit the ability of Western countries to engage as they did with the KRG of the KRI. The involvement of Russia cannot be ignored. Already, Erbil's relationship with Moscow has grown in recent months, with Prime Minister Nechirvan Barzani signing oil exploration agreements with Russian oil giant Rosneft. There have also been reports indicating that the KRG has borrowed significant funds from Rosneft, against future oil export revenue, to settle outstanding debts to other oil producers before the referendum takes place.²⁶ The implications of this move are significant. It arguably makes the Kurds' oil exports more secure, as it would require greater degrees of confidence to be shown by Baghdad (or Ankara, if the relationship with Erbil deteriorates) to challenge such a prominent Russian company. Politically, too, the enhanced closeness to key Russian companies presents a challenge to Western countries. If Washington, London, Paris and Berlin remain unimpressed with Erbil's secessionist plans, it is possible that Moscow would see the opportunity to work

26. David Sheppard and Henry Foy, 'Rosneft in Talks to Develop Disputed Oilfields with Iraqi Kurdistan', *Financial Times*, 30 June 2017; Dmitry Zhdannikov, 'Rosneft, Traders Lend More to Kurdistan Ahead of Referendum', *Reuters*, 1 September 2017.

even more closely with a new, strategically placed government in desperate need of powerful and supportive friends.

Western countries should see this as a dilemma. The US and the UK appear to be reluctant to support an independent Republic of Kurdistan due in part to the opposition shown to the initiative by Baghdad, Tehran and Ankara. But in so doing, Western powers are potentially distancing themselves from Erbil, thus leaving the embryonic new state with little choice but to broker quiet deals with the same countries that currently publicly oppose the initiative. At the same time, other states, such as Russia, may seek to build and consolidate their influence at the expense of the US and its allies. Rather than being the most vocal guardians of Iraq's integrity, perhaps a better policy for the West would be to acknowledge the Kurds' right to self-determination, and support a structured move towards secession, with Baghdad's overt support and clearer indications from Ankara and Tehran about their positions. Such a move would at least preserve the standing of Western powers with Erbil the day after independence is declared.

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