



# Iraq and U.S. Policy

## Overview: Protests, Iran-U.S. Confrontation, and Iraq's Future

A protest movement has swept central and southern Iraq since October 2019, with protestors demanding reform and political change. Security forces and militia members have killed hundreds of protestors and wounded thousands in Baghdad and several southern Iraqi cities, fueling calls for the ouster of the ruling elite. Meanwhile, intense confrontation between Iran and the United States has reinvigorated some Iraqis' efforts to force an end to the U.S. military presence in Iraq.

Amid escalating Iran-linked threats to U.S. and Iraqi personnel, a January 2020 U.S. air strike in Iraq killed Iranian Islamic Revolutionary Guard Corps-Qods Force Commander General Qassem Soleimani and Iraqi Popular Mobilization Forces leader Abu Mahdi al Muhandis. Iran launched missiles at Iraqi bases hosting U.S. personnel in response. The U.S. strike eliminated key figures in Iran's efforts to shape Iraqi security and politics, but Iran-U.S. violence has further complicated underlying disputes among Iraqis over government leadership and the future of Iraq's international orientation and partnerships.

In response to the protests and violence, Prime Minister Abd al Mahdi resigned in November 2019, continuing to serve in a caretaker role while political blocs and protestors have deadlocked over selecting a replacement. After issuing a deadline to leading political forces to overcome their differences, on February 1, President Barham Salih named former Communications Minister Mohammed Tawfiq Allawi as prime minister-designate, initiating a process of government formation. Many protestors rejected Allawi's nomination; others pledged support (see below).

Principal questions for Iraqi and U.S. leaders in 2020 include whether or how to redefine the nature of and framework for bilateral security cooperation. While some Iraqis demand the expulsion of foreign forces, U.S. personnel continue to assist Iraqi forces against Islamic State (IS, aka ISIS/ISIL) threats and build Iraqi capabilities. Iraqi leaders are grappling with the protest movement's insistence on systemic change and an end to corruption and foreign interference.

The nature of past Iraqi debates over government formation and possible national elections suggest that the transition period now underway could be sensitive and extended. Related outcomes could further complicate U.S. efforts to cooperate with and assist Iraq's government. As Congress considers new appropriations and authorization proposals on Iraq, it may do so without certainty about Iraq's future governing arrangements or how further change in Iraq might affect U.S. interests.

# **Political Transition Underway**

Political differences among leading blocs precluded Prime Minister Abd al Mahdi's prompt replacement, while protestors demanded an independent candidate with a demonstrated record of honest leadership.

In December 2019 and January 2020, President Salih declined to nominate candidates proposed by the predominantly Shia Arab *Bin'a* (Reconstruction) bloc—the largest bloc in the unicameral legislature, the Council of Representatives (COR). Salih cited concerns that the protest movement would not approve of the Bin'a nominees.

### Figure 1. Iraq



**Sources:** CRS, using ESRI and U.S. State Department data.

Leaders of Iraq's Shia Muslim religious establishment have expressed solidarity with peaceful protestors, rejected foreign interference, and condemned killings of civilians. Shia Grand Ayatollah Ali al Sistani on January 31 condemned violence against protestors and called for elections to be held swiftly and independently. The COR adopted new electoral laws in December, replacing Iraq's list-based election system with an individual candidate- and district-based system that may require a potentially controversial census to be implemented.

Iraq last held national elections in May 2018 for the 328seat COR. A pan-ethnic and pan-sectarian coalition of interest groups agreed to support the Abd al Mahdi government, though differences over policy and leadership extended cabinet approval into 2019 and delayed progress on several key issues relevant to protestors. The *Sa'irun* (On the March) coalition led by populist Shia cleric and frequent U.S. antagonist Muqtada al Sadr and the predominantly Shia *Fatah* (Conquest) coalition led by Hadi al Ameri of the Badr Organization hold the largest number of COR seats. Their respective coalitions have formed the cores of rival COR blocs, with Sa'irun anchoring the *Islah* (Reform) bloc and Fatah anchoring the Bin'a bloc.

Sadr's supporters staged a mass protest demanding the withdrawal of foreign forces in January 2020. They have alternately extended support to and withdrawn support from other protestors, and in some cases have attacked them. Fatah includes individuals formerly associated with Shia PMF militias with ties to Iran. Iran maintains ties to several armed groups in Iraq, including some PMF units. In July 2019, the prime minister issued a decree ordering the PMF to comply with a 2016 law calling for their subordination to national security command structures. Some complied; others did not.

Some Iraqi officials, Iran's Supreme Leader, and Iranaligned Iraqi militia leaders have contended that the protest movement is a foreign-backed conspiracy. These parties, including some Fatah/Bin'a members, are among those most strenuously seeking to eject foreign military forces from Iraq. Rocket attacks attributed by U.S. officials to Iranian proxies threaten U.S. personnel and Iraqis.

#### **Views from the Kurdistan Region**

Leaders of Iraq's federal Kurdistan Regional Government (KRG) have recognized protestors' concerns and criticized repressive violence, while convening to unify positions on proposed reforms that some Kurds fear could undermine the Kurdistan region's rights under Iraq's constitution. The two largest Kurdish parties, the Erbil-based Kurdistan Democratic Party (KDP) and the Suleimaniyah-based Patriotic Union of Kurdistan (PUK), hold significant numbers of COR seats and won the most seats in the KRG's September 2018 election. In July 2019, the KRG parliament confirmed KDP leader Masrour Barzani as KRG Prime Minister. His cousin Nechirvan Barzani is KRG President. KRG leaders had negotiated with Prime Minister Abd al Mahdi over unresolved oil export and budget transfers, but resolution likely awaits a new government.

#### **Government Formation and Possible Elections**

Prime Minister-designate Allawi served briefly in two cabinets led by former prime minister Nouri al Maliki. Allawi has voiced nominal support for the protest movement's objectives and protestors' rights to continue to voice their demands peacefully. If approved by the COR, he will have thirty days to propose a cabinet for COR approval. His nomination does not necessarily reflect baseline political agreement between Bin'a members and Sadr's backers. President Salih's issuance of an ultimatum to the leading blocs and Sadrists' clashes with protestors who reject Allawi suggest that serious differences remain. Iraq's volatile politics may limit Allawi's ability to govern beyond managing government affairs, as authorities prepare for early national elections.

Early elections under a revamped system could introduce new political leadership, but fiscal pressures, political rivalries, and the limited capacity of some state institutions may present lasting hurdles to reform. Whether or not leaders implement reforms in response to protestors' demands, the Islamic State threat, security force management, reconstruction needs, and demographic pressures will present continuing challenges. Security has improved since 2017, but thousands of IS fighters in Iraq and Syria are still active. More than 1.4 million Iraqis remain internally displaced and many more are in need of various forms of assistance.

## Partnership with the United States

The impasse in Iraq presents dilemmas for the Administration and Congress as they contemplate how best to promote Iraqi unity and stability, prevent an IS resurgence, and limit Iranian influence. Protestors' calls for improved governance, reliable local services, more trustworthy and capable security forces, and greater economic opportunity broadly correspond to stated U.S. goals. U.S. officials have advocated for the protestors' rights to demonstrate and express themselves freely, while signaling U.S. willingness to work with any Iraqi leaders who will move forward on reform priorities. In a series of statements since October 2019, U.S. officials have urged Iraqi leaders to respond seriously to protestors' demands and to avoid attacks against unarmed protestors, while expressing broad U.S. goals for continued partnership with "a free and independent and sovereign Iraq."

"Current conditions in Iraq and the region require an independent and honest government committed to addressing the needs of the Iraqi people. The nomination of Muhammad Tawfiq Allawi as a new Prime Minister must be followed up with efforts to accomplish that objective."

#### U.S. Embassy Baghdad - Statement, February 2020

The United States provides foreign aid and security assistance to Iraq in support of Iraqi operations against the Islamic State, Iraqi security force development, de-mining, Iraqi public financial management reform, United Nationscoordinated stabilization programs, and other objectives. Reflecting Iraq's needs and its fiscal resources and constraints, U.S. aid to Iraq blends U.S.-funded programs with lending and credit guarantees.

U.S. military personnel are present in Iraq pursuant to a 2014 exchange of diplomatic notes under the 2008 U.S.-Iraq Strategic Framework Agreement. U.S. and coalition officials considered options for the future of their military partnership with Iraq in 2019, and they are now reassessing related plans and contingencies. Congress has authorized U.S. train and equip programs for Iraq through December 2020, including aid to KRG forces. Since 2014, Congress has appropriated more than \$6.5 billion for U.S. military train and equip programs for Iraqis. The FY2020 National Defense Authorization Act (P.L. 116-92) limits the availability of 50% of FY2020 train and equip funding until the Administration submits assessments and plans for Iraq, including for "a plan for normalizing assistance... beginning in fiscal year 2020." The act amends the train and equip authority to state that U.S. programs may "only be exercised in consultation with" Iraq's government.

In parallel, more than \$365 million in U.S. stabilization aid has flowed to liberated areas of Iraq since 2016, including funds to aid religious and ethnic minority communities. The United States is the leading donor of humanitarian funding for Iraq and has provided more than \$2.7 billion in humanitarian aid for Iraq programs since 2014.

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