



Governance and Development in Iraq

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Questions

What elements of governance in Iraq are hindering development and contribute to conflict?

Contents

1. Overview
2. Central Government
3. Militias
4. Lack of Decentralisation
5. Corruption
6. Political Change/Protest
7. Disputed Territories
8. References

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1. Overview

Since the 2003 US-led invasion of Iraq the governance structures that have formed have had a significant impact on development, as well as contributing to conflict. Corruption, the patronage system, lack of decentralisation, and the process of government formation (and resulting operation thereof) are key factors hindering development and contributing to conflict in Iraq. As the last government term (2014-2018) focused on defeating the Islamic State (IS)¹ and reclaiming Iraqi territory, much focus on the next government will be on the expectation of it delivering reforms on the above-mentioned issues now that IS is territorially defeated. This rapid review synthesises data from academic, policy and NGO sources on how issues surrounding governance in Iraq can hinder development and contribute to conflict. It is important to note – as this report is related to governance – that this report has been written during the time of negotiations for government formation following the May 2018 national elections.² Thus, some elements of governance may change, however, the basic issues in relation to governance and, development and conflict, remain obstacles for the next government to overcome. Although many of Iraqi governorates have ethnosectarian majorities – mainly: Kurds, Sunni Arab, Shiite Arab – issues in relation to governance, development and conflict remain fairly consistent across the country and thus this report largely refers to country-wide issues.

Key findings are as follows:

- Under former Prime Minister (PM) Nouri al-Maliki ‘strongman’ politics and the centralisation of power was pursued to devastating affect. Due to the lack of independent institutions to act as a check on power, these policies/actions can return if a similar type of leader takes charge following the current government negotiations.
- In Iraq governing coalitions are negotiated after the election, which leads to a delay in government formation, as well as a period of uncertainty that can result in increased violence.
- The formation of the government also leads to disjointed policies that hinder development, as promises are made to different parties in exchange for support. At the same time, promises are often not fulfilled, which can contribute to conflict.
- Government formation in Iraq also leads to ministerial fiefdoms where political parties are given ministries in exchange for support and they are run without the formation of clear government strategy and for the best interest of the political party, which thus hinders development.
- There is often poor coordination between the centre and the provinces which acts as a serious disruptor to development and, in the post-IS dynamics, as a serious disruptor to reconstruction.

¹ Although referred to as the Islamic State in this report, this term only came into being after a caliphate was declared on June 29, 2014, and it was formerly known, and is often still referred to, as the Islamic State of Iraq and al-Sham (ISIS), Islamic State of Iraq and Syria (ISIS) and Islamic State of Iraq and the Levant (ISIL). It is also often referred to as Daesh, which is based on the Arabic acronym of its name and has negative connotations.

² Although Haider al-Abadi (2014-present) is still prime minister, his coalition won the third most seats in the May 2018 elections, so it remains to be seen whether he can form the new government. In order to form a majority-government a coalition of at least five parties will need to be formed, which may take some time to negotiate.

- Poor governance in Iraq has led to the developing of oil infrastructure, whilst non-oil infrastructure has been neglected, thus hindering development in sectors other than the oil industry.
- Mismanagement of the oil sector has hindered development, as the government has failed to take advantage when oil prices are high to utilise these finances for wider development. Mismanagement also makes the government vulnerable to fluctuations of oil prices.
- The dynamics of the political system (patronage and fiefdoms) has meant that political leaders have yet to undertake the politically unpopular task of trimming the grossly overstuffed public sector in order to free up money for investment.
- Political reforms to develop the economy have been hindered by strong structural challenges from both formal and informal economies where individuals who benefit from the current economy use their significant influence to hinder reform.
- Iraq's poor (and burdensome for private businesses) regulatory environment hinders the development of the private sector and there has been little political action towards reform.
- The lack of maintenance, management, investment, and regulation in water and agriculture have hindered development and seriously degraded necessary infrastructure, which is likely to have a long-term impact on sustainability.
- The Iraqi government has consistently prevented governorates from gaining more autonomy, which causes conflict and hinders local developmental planning.
- The militias that formed to fight IS are not fully under the government's control and often act on party-based goals which has led to, and can still lead to, conflict. Due to their popularity and the political dynamics, demobilising or integrating them into the army may prove difficult, making them a continued issue in relation to conflict.
- Corruption is a long-standing issue in Iraq that is a drain on resources and finances, yet governments have consistently failed to address the issue. Moreover the lack of independent institutions to target corruption has allowed political actors to influence the process.
- The patronage system in Iraq has had a significant negative impact on development, as under qualified people are in key positions and the large public sector is a drain on finances.
- There have been widespread protests in Iraq over issues such as corruption, decentralisation, bad governance, lack of public services, non-payment of government salaries, lack of investment in infrastructure, etc., yet these issues have not been adequately addressed. If the protestors' calls are not addressed by the next government they could escalate violently as in other countries in the region.
- The failure of successive governments to address the disputed territories in Iraq has led to conflict and there remains a further danger of conflict. Additionally, the unresolved status of the disputed territories has hindered the development of these areas, as they remain in limbo.

2. Central Government

Government Formation and Control

Under the premiership of Nouri al-Maliki (2006-2014) a number of unconstitutional actions were taken as he attempted to centralise power under his control. Maliki eliminated political opponents through non-political means such as accusations and arrests and filled key positions with his allies. Additionally, he widened the remit of the premiership and placed many key institutions (such as the high court, election commission, central bank, etc.) under his control (Costantini, 2018; Dodge, 2013). Maliki also made himself the head of the Ministry of Defence, Ministry of State for National Security, Ministry of Interior, as well as becoming the commander-in-chief of the armed forces. He also replaced military officials with people loyal to him. When protests ensued, Maliki sent in the military with catastrophic results and the loss of many lives. The actions of Maliki contributed to the rise of IS – as he followed sectarian politics that alienated Kurds and Sunnis – and led to over four years of conflict between the state and IS. The lack of independent institutions to check these powers and hold Maliki to account contributed to his ability to amalgamate power, which led to conflict (Costantini, 2018; Dodge, 2013, 2014; O'Driscoll, 2017). Although there has been much change in Iraq and an increase in civic identity (and non-sectarian politics), as institutions have still not been made independent these actions can be repeated in the future, if the wrong type of government is formed, and once again create ethnosectarian divides that lead to conflict (Mansour, 2018b).

Another issue with the central government is the process of government formation, as governing coalitions are negotiated after the election. Historically this has meant that government formation takes months and this period of uncertainty has also previously led to an increase in conflict. Additionally, negotiations for government have led to promises on policies in exchange for backing, which has prevented the establishment, and following through, of clear policies for development. Moreover, this limits the ability of the PM to enact change, as it creates relationships based on grand compromises (Mansour, 2018b).

A further issue with the current government formation process is that promises are made in exchange for support, but when these promises are not kept, they either lead to or exacerbate conflict. An example of this is the repeated promises of implementing Article 140 of the Constitution on the disputed territories in exchange for Kurdish backing for the government. Failure to follow through on this promise has exacerbated conflict in Kirkuk and has also led to violence. A final aspect of government formation is the creation of ministerial fiefdoms where political parties are given ministries in exchange for support and they are run without the formation of clear government strategy, which in turn hinders development (Mansour, 2018b; World Bank, 2017). Moreover, due to the patronage system, there is a lack of qualified staff in positions responsible for development across multiple sectors, and returnees with skills often find it difficult to utilise their talents in this regard due to difficulties of entering or influencing the system (Paasche, 2016).

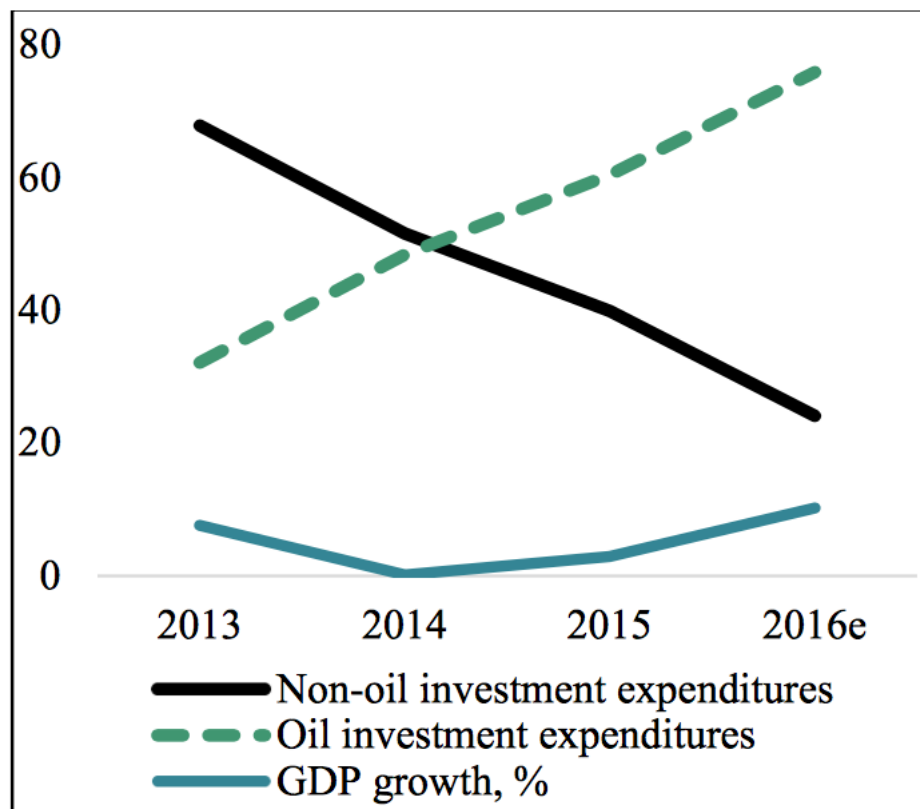
Finally, as argued Diamond and Berkuti (2017), there is a resistance to systemic change to enhance the provision of services or to address the populations' needs within the ministries in the central government, as maintaining complete control of the ministries is their key objective. There is often poor coordination between the centre and the provinces which acts as a serious disruptor to development and, in the post-IS dynamics, as a serious disruptor to reconstruction. The

success of developmental projects often require federal and local authorities to work together effectively at all stages of the process (Mansour, 2018b).

Oil Sector

Iraq has been plagued by poor governance and the mismanagement of resources and a lack of focus on, or understanding of, the needs of the population (Diamond & Berkuti, 2017). Iraq has focused on developing its oil infrastructure and has neglected its non-oil infrastructure, as demonstrated in Figure 1.

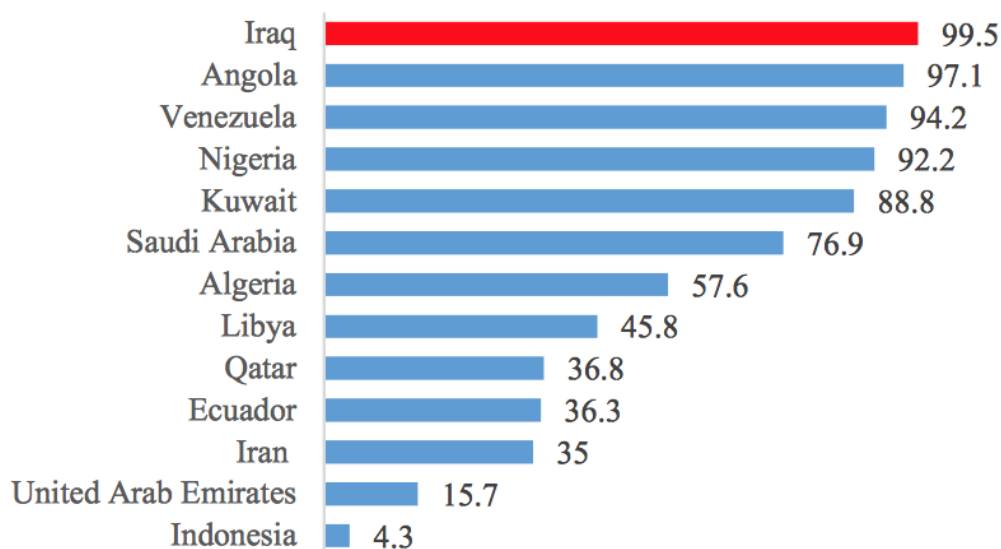
Figure 1: Public Investment as a percentage of GDP



Source: World Bank, 2017, p. 53.

At the same time, when the price of oil was high, Iraq failed to invest adequately in development or in divesting the economy away from its focus on hydrocarbons (World Bank, 2017). Figure 2 demonstrates just how dependent Iraq is on oil, as well as the political actors' failure to diversify the economy. The World Bank (2017) argues that the current reliance on the oil sector is not sustainable and that Iraq needs to diversify its economy. Iraq has a large and rapidly growing population and the oil sector cannot finance it or provide enough jobs. Additionally, due to limited government effectiveness and policy uncertainty there is no incentive for private sector investment, and thus Iraq is unable to generate productive spillovers from oil sector growth or government spending (which is connected to revenue from oil).

Figure 2: OPEC members' oil exports as a percentage of total exports



Source: World Bank, 2017, p. 14.

The oil sector also negatively influences government and development as Iraq's oil wealth has reduced the need for taxation and weakened the accountability link between citizens and the state, which to a certain extent is connected to the patronage system, but also in the failure to diversify the economy. Due to there being a lack of an effective system for managing oil revenue, the government is only able to address sudden declines in oil prices after the fact, therefore in crisis mode. Thus, the volatility of oil prices has affected the entire economy, yet policies have not been put in place to reduce the impact of the change of oil prices and deal with the issue before the price drops (World Bank, 2017).

Economy

In terms of governance in order to enhance developmental prospects, the government needs to carry out the highly unpopular task of trimming the public sector in order to free up money for investment in both economy-diversifying projects, especially skills specialisation projects, and development (World Bank, 2017).³

From an economic developmental perspective Prime Minister Haider al-Abadi (2014-present) has long had plans to privatise Iraq's electricity and banking sectors in order to make the state more competitive in the region. Additionally, PM Abadi has plans to support the emergence of small- to medium-size businesses operating in the fields of energy, oil services, manufacturing, construction and consumer goods. However, the earlier-discussed clientelism and patronage system is a significant obstacle to these plans. There are strong structural challenges from both formal and informal economies, which rely on these systems of clientelism and patronage. Thus, individuals who benefit from them use their significant influence to hinder these economic

³ See Figure 3 and 4 on page 10 for an understanding of the current cost of public sector employment

developments (Mansour, 2018b). Currently economic management in Iraq mainly focuses on short-term needs and the large spending programme largely ignores longer-term diversification. Moreover Iraq's fiscal institutions have no coherent revenue management policies, which further inhibits the development of the economy. The World Bank (2017, p. 64) argues that poor governance in Iraq hinders the development of the economy:

Good governance and strong, accountable, institutions are essential to restoring the legitimacy of the state and to reducing poverty and boosting shared prosperity. They create an enabling environment for sustained economic growth that helps to reduce poverty, they allow the effective implementation of social and distributive policies that promote social, economic, and human wellbeing and development, and they protect the population from economic and social exclusion, thereby boosting shared prosperity.

Additionally Iraq's poor regulatory environment hinders the development of the private sector. There are far too many regulations and they are often poorly designed or outdated, as old laws have not been repealed when new ones were created. Much of the Iraqi legislation works against the country's need for an open, transparent, and diversified economy. Yet, the government lack policy for regulatory review and reform. Moreover, as there is a lack of coordination between ministries, laws are also poorly enforced (World Bank, 2017).

Water and Agriculture

Environmental neglect has degraded the potential of Iraq's rivers and agricultural production. Moreover, upstream diversion of rivers by Iraq's neighbours has further limited the potential. One of the main issues relating to governance is the short-term, rather than medium to long-term planning, which has resulted in policies that focus on crude oil production and essential imports. Additionally, government policies in the agricultural sector consist of state control and subsidies, which negatively impact the development of the sector. Whilst insufficient maintenance and funding have degraded agricultural services and infrastructure. The lack of maintenance, management, and regulation of the irrigation system has had a particularly negative impact, as much of the water is highly salient and has thus seriously damaged the soil and significantly reduced yields from crops. At a ministerial level there is little institutional coordination and cooperation in agricultural planning and project implementation, which has further deteriorated the overall system particularly with regards to institutional assistance. There is very little or weak agricultural monitoring systems, which in turn hinders the effective development of agricultural policies. The Ministry of Water Resources is also endangering Iraq's future development through poor water management and it is estimated that Iraq may not have enough high quality fresh water to meet its developmental needs by as early as 2020 (World Bank, 2017, p. 96). Rapid population growth, poor systems, and waste is quickly reducing the gap between the demand and supply of water and will have a negative impact in the development in a range of sectors from oil and agriculture to manufacturing (World Bank, 2017).

3. Militias

The governance system in Iraq allows for ministries to become miniature fiefdoms with political parties taking control of them and utilising them for their own interests. As coalitions are formed after the election, the prime minister needs these parties on board to maintain the government, thus giving them a lot of leeway to push their own agenda. In this respect the militias that formed

or reformed to fight against IS have never really been under the full control of the PM. Wider control is not in the PM's hands, but also within the Popular Mobilisation Forces (PMF)⁴ many of the different groups form party militias. Due to these dynamics, as well as the popularity of the PMF following the defeat of IS, demobilising or integrating the PMF within the Iraqi army proves a difficult task. The divided and individualised nature of the PMF means that it is more likely to engage in violent conflict. For instance, there are a range pre-existing conflicts across Iraq, particularly in Nineveh, and now the groups involved in these conflicts control armed militias. The lack of governmental control over the PMF also means that there is a higher chance in them engaging in skirmishes with the Kurds in areas like Kirkuk, and there have already been threats of violence from individual militia members. At the wider level, the PMF forces have taken control of borders and gone to fight in Syria, despite the PM forbidding it (Mansour & 'Abd al-Jabbār, 2017; O'Driscoll & van Zoonen, 2017).

The PMF also compete with the central government and Iraqi Security Forces for capacity and resources. Due to their importance in the fight against IS, their popularity amongst the population, and the high position of some of the leaders within the central government, the PMF is able to exert considerable influence and pressure on the decision-making process within Iraq. Thus, the PMF leadership was able to insist on additional funds from PM Abadi and due to the above-mentioned dynamics the PM had to agree and the PMF now receive between USD 1-1.5 billion per a year. Additionally the money is managed by the groups within the PMF and the senior leadership has complete control of the spending, thus giving little oversight by the government leading to a lack of accountability and transparency over finances (Mansour, 2018a).

Mansour (2018a) argues that if the PMF-linked political parties manage to form the government in the current government-formation process then the militias gain further institutionalisation and will directly take part in state re-building. However, if Abadi or Muqtada al-Sadr (whose coalition won the most seats in the 2018 elections) manage to form the next government the PMF and its allies will act as opposition, which will allow them to exert pressure on the new PM and could also lead to conflict.

4. Lack of decentralisation

Article 119 of the Iraqi constitution allows for the formation of new federal regions through a referendum in the province/s if requested by either one-third of the council members of each governorate intending to form a region, or by one-tenth of the voters in each of the governorates intending to form a region.⁵ Whilst Law 21, which was passed in 2008 and revised in 2013 allows for the devolution of significant powers to the governorates (Culbertson & Robinson, 2017). However, decentralisation and further autonomy in Iraq has been constantly denied. Many governorates – including Anbar, Basra, Diyala, Kirkuk, Nineveh, and Salah al-Din – have talked of or attempted to gain more autonomy, as is their constitutional right, but have been denied by the government. The former PM, Nouri al-Maliki, outright denied or blocked any thoughts of devolution of power. Many of the governorates that attempted to gain further autonomy during Maliki's premiership were taken over by IS, highlighting how the refusal to engage with

⁴ The PMF, also known as the Hashd al-Shaabi, is an Iraqi state-sponsored umbrella organisation composed of a number of militias. Although predominantly Shiite, there are also Sunni, Christian, Shabak, Yazidi, Turkmen, etc. militias.

⁵ https://iraqmission.us/wp-content/uploads/2014/11/iraqi_constitution.pdf

decentralisation can lead to conflict (Dodge, 2013; Isakhan & Mulherin, 2018; O'Driscoll, 2017; Romano, 2014). During PM Abadi's term (2014-present) the focus was on defeating IS and gaining back lost territory, thus although decentralisation was one of his early promises, this did not materialise. However, the issues surrounding decentralisation have not gone away, and governorates want the chance to develop and invest in their territory. Although Iraq has changed significantly since 2014, the issue of decentralisation has not gone away and remains a significant challenge for the Iraqi central government. Without a viable solution conflict could return, as argued by Isakhan and Mulherin (2018, p. 278):

The future status of the regions freed from ISIS control and Kurdish claims over territories retaken by Iraqi forces in late 2017 certainly loom as significant challenges for Iraq's political elite and for the integrity of the state as a whole. The potential for further conflict, renewed calls for decentralization, and outright secession remains very real.

It is important to note that calls for decentralisation in Iraq are not for the ethnosectarian division of Iraq, but rather from territories that feel they have been ignored, particularly from a developmental perspective, or feel that the central government is failing to deliver on key economic and developmental goals. Basra is a good example of a governorate seeking autonomy based on these principles. Although thus far Basra's calls have remained peaceful, threats from Basra politicians that they would take control of oil fields and bypass Baghdad's control, means conflict, as witnessed with the Kurds in Kirkuk, is a possibility. This does not necessarily mean that Baghdad needs to grant a number of governorates a federal region status, but real discussions on decentralisation and addressing the issues within these governorates are needed (Isakhan & Mulherin, 2018).

There is also the argument that the current form of Law 21 would not be suitable for a number of governorates that include minorities, as it allows for most decisions to be made through absolute majority. Absolute majority, as defined in the 2013 Amendment of the law, means 50% + 1 vote. In the current political climate in Iraq, and particularly in provinces with many minorities, this would lead to minorities being marginalised in the local-level decision-making process. This in turn could lead to conflict, particularly as many of these minorities now have their own militias within the framework of the PMF (Culbertson & Robinson, 2017).

5. Corruption

Transparency International rates Iraq as the 11th most corrupt country out of 180 in their 2017 Corruption Perceptions Index.⁶ Abbas and Ismail (2017, p. 2192) argue that 'corruption acts as a main impediment to growth, development and prosperity' in Iraq. As a result of corruption there are unfinished roads, schools, hospitals, etc. (Aziz, 2017). Mansour (2018b, p. 12) argues that:

In a sense, Shia, Kurdish, Sunni and other elites all benefitted from both Iraq's oil wealth and American cash intended to help rebuilding efforts after the invasion. This wealth has not trickled down to Iraq's citizens, leading to a crisis of governance that can explain collapses.

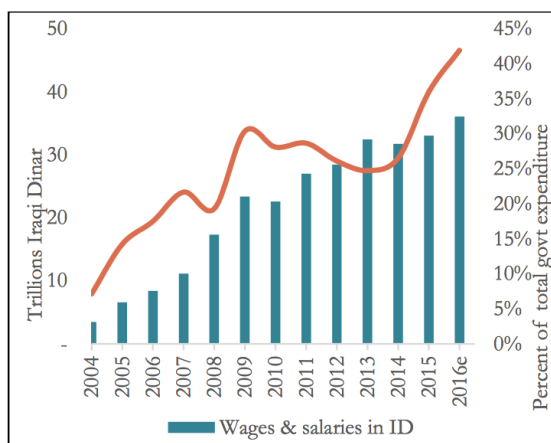
However, despite this, very little has been done to adequately tackle corruption in the country. In a country in need of significant investment in development considering the destruction as a result of the 2003 US-led invasion of Iraq, and later the war against IS, corruption has had a considerable negative impact on development within the country. For instance, the costs of

⁶ <https://www.transparency.org/country/IRQ>

development projects were often grossly exaggerated so elites and their cronies could profit from them and sometimes they were not even carried out (Abbas and Ismail, 2017). At a more local level, projects were often given to cronies who subcontracted them out, who then often also subcontracted them out, and so on – leading to very poor quality projects if even completed (O'Driscoll, 2016). Abbas and Ismail (2017) argue that an additional issue with corruption in Iraq was that it has a negative impact on foreign investment, which hinders development and growth.

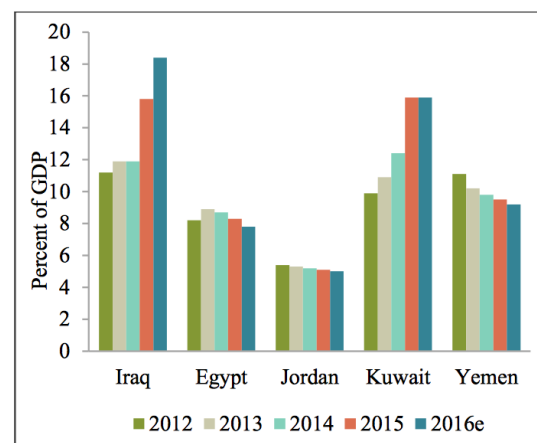
Clientelism has also hindered development for a number of reasons. In Iraq, including the Kurdistan Region of Iraq (KRI), public appointments are often connected to political parties and patronage networks. Another aspect of clientelism is ‘Ghost’ employees who are either people who are hired, but don’t turn up to work, or people who don’t actually exist and their salaries are taken by other officials. Additionally, there are a number of people receiving pensions who should not be and there are also more people receiving pensions at the top scale than have ever worked at this scale. Clientelism in Iraq impacts development in a number of ways; firstly, it results in the hiring of people who are not qualified for the job and in ministries connected to development this is a significant obstacle to progress. Secondly, this leads to an extremely large civil service, which is a drain on funds that could be used for developmental projects. It is suggested that over 70% of the budget is spent on operational aspects, leaving only 30% for investment (Abdullah, Gray, & Clough, 2018, p. 674). Figure 3 and 4 demonstrate the sheer scale of the public sector in Iraq and the drain that these salaries place in the budget.

Figure 3: Increase in public sector costs



Source: World Bank, 2017, p. 52.

Figure 4: MENA public sector salaries



Source: World Bank, 2017, p. 52.

Finally, clientelism in Iraq undermines accountability, as due to positions in the civic service being given in exchange for votes, politicians do not need to deliver on aspects connected to the development of Iraq in order to get re-elected. Abdullah et al. (2018, p. 680) sum up the impact of clientelism in Iraq as: ‘instead of voters holding their representatives to account, clientelism makes voters accountable to their representatives’. Whilst Mansour (2018b, p. 25) summarises it thusly:

The ease of receiving cash leads to expansive and bloated bureaucracies rather than cost-effective and accountable governance. Linked to corruption, the rentier state’s resources are sent to ministries, divided by the elite, and do not trickle down to the population.

Corruption has also contributed to conflict in Iraq, as it has previously resulted in the military being poorly supplied, due to missing funds, and the numbers of troops being exaggerated due to ghost troops. The non-payment of salaries or poor conditions due to lack of resources, has led to poor morale and forces selling their equipment. These dynamics are partly responsible for the Iraqi army's capitulation against relatively few IS members in the summer of 2014, which resulted in the largest conflict on Iraqi soil since the US-led invasion in 2003. Although the threat of IS led to significant investment in the various armed forces in Iraq by the international community and the Iraqi government, as this threat diminishes there is a danger that corruption could once again degrade the military and thus make conflict more likely (Dodge, 2014).

The bodies to fight corruption in Iraq are not independent, and efforts to tackle corruption are often very weak. Members of the government influence these bodies and prevent real tackling of corruption within the government. Those charged with corruption are often targeted for political reasons, rather than corruption (Abbas and Ismail, 2017). Reforms on corruption that were promised by PM Abadi, and approved by parliament, have yet to be implemented. The lack of independence of the judiciary has meant that it has remained politicised and has thus been unwilling to reform. This has resulted in decisions, such as the removal of the office of vice presidency, being overturned. Additionally, charges of corruption are not brought against allies despite there being evidence of corruption. Instead, those in positions supposed to be used to tackle corruption, use anti-corruption measures as a political tool to target opponents (Mansour, 2018b).⁷

6. Political change/protest

Linked to a number of the issues discussed above is the protest movement in Iraq calling for political change. Protests have covered issues such as corruption, decentralisation, bad governance, lack of public services, non-payment of government salaries, lack of investment in infrastructure, etc. and have emerged across the country. These protests are demand-driven, rather than ethnosectarian in nature. Despite PM Abadi forming a detailed reform plan to address the concerns of the protestors, few inroads have been made. Protests in Iraq have often been met with disproportionate violence, particularly during Maliki's premiership and protestors themselves have also turned violent (Arab Center for Research and Policy Studies, 2015; Yahya, 2017). More recently in the KRI, protestors and journalists were arrested and detained and there was widespread accusations of torture and abuse. Additionally, journalist and protestors claimed their footage of the protests was deleted by the Kurdish security forces (Human Rights Watch, 2018). As protests have routinely led to violence in Iraq and are connected to poor governance, if the issues are not addressed they could escalate violently as in other countries in the region (Arab Center for Research and Policy Studies, 2015; Yahya, 2017).

⁷ For Instance a group aligned with former PM Maliki, which included MPs such as the head of the corruption committee Haitham al-Jabouri, targeted Kurdish Finance Minister Hoshyar Zebari and Sunni Arab Defence Minister Khalid al-Obeidi and made them lose their positions, whilst others with evidence of corruption against them remain unscathed.

7. Disputed territories

The disputed territories of Iraq are those areas that had their borders changed by the previous regime and now involve disputes over the ownership of these areas. They involve Kirkuk, Diyala, Nineveh, Salah al-Din and the provinces of the KRI (O'Driscoll, 2016). Although there are mechanisms to deal with the issue of the disputed territories – Article 58 of Transitional Administrative Law (TAL) called for the normalisation of the disputed territories of Iraq, followed by a census and then a referendum on the future constitutional status (in Kirkuk's case whether it would join the KRI or not), whilst Article 140 of the Iraqi Constitution calls for the implementation of Article 58 of the TAL by the 31st December 2007 – no government has implemented them and the deadline for Article 140 has long passed (O'Driscoll, 2018). There have been many complaints from communities within the disputed territories – particularly in Nineveh – that the unresolved status hinders development. They argue that due to the administrative boundaries having not been decided, neither the Kurdistan Regional Government (KRG) nor Baghdad want to invest in the areas development for fear of losing the territory to the other. Thus, the undecided status of these territories, and the failure of successive governments to reach a resolution, has prevented the necessary investment for development projects, which is particularly relevant as these are significantly undeveloped areas that have also been negatively impacted by the war against IS. Residents of Kirkuk have complained that despite the significant oil wells, due to the competition for ownership there has been no investment in areas that would allow the population to benefit from the oil, such as a refinery (see: O'Driscoll, 2016; van Zoonen & Wirya, 2017a; van Zoonen & Wirya, 2017b, 2017c).

Competition between rival ethnosectarian nationalisms within the disputed territories for ownership and control has already led to conflict, and is likely to continue to do so, as the issue remains unresolved. For instance there have been skirmishes between rival militias in Sinjar over control of territory, and as there is a vast number of ethnosectarian-based militias within Nineveh competition for territory can easily turn violent (Abdulrazaq & Stansfield, 2016; Kaválek, 2017; O'Driscoll & van Zoonen, 2017). Additionally, competition between Kurds and Baghdad over ownership of Kirkuk has led to armed conflict between the Kurds on the one side and the Iraqi army and the PMF on the other. Although Baghdad has taken control of the area, the issue over ownership remains and the conflict has not been resolved and can therefore turn violent once again (O'Driscoll, 2018). The competition over governance and the lack of cooperation between the Kurds and Baghdad has also led to a deterioration of the security in Kirkuk and has allowed remnants of IS to carry out attacks (Oxford Analytica, 2018).

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Key websites

- Al-Bayan Center: <http://www.bayancenter.org/en/>
- Carnegie Middle East: <https://carnegie-mec.org/?lang=en>
- Chatham House Middle East: <https://www.chathamhouse.org/research/regions/middle-east-and-north-africa>
- Middle East Research Institute: <http://www.meri-k.org>
- Relief Web Iraq: <https://reliefweb.int/country/irq>
- World Bank In Iraq: <http://www.worldbank.org/en/country/iraq>

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