Iraqi Prime Minister Mustafa al-Kadhimi was in Washington this week for high-level bilateral meetings known as the US-Iraqi Strategic Dialogue. Kadhimi has been hard-charging toward reforms in Iraq that would combat Iranian influence and prevent the country from collapse, but these efforts will be undermined by Trump's call to leave Iraq soon. In this episode of Overwatch, Nicholas Heras and Katherine Lawlor discuss Kadhimi's position, the future of Iraq, and whether he remains a viable US partner.
States for Iraq moving forward.

**Jacob:**
So despite the optimism, Kadhimi came to Washington while he’s battling multiple crises at home in Iraq. Which of those crises does Kadhimi need the most help from Washington on?

**Katherine:**
Well, Iraq has faced a collapse in oil prices in recent months, as well as a surge in coronavirus cases, and those are definitely Kadhimi’s most pressing concerns. But he also urgently needs to establish a more secure environment, which the US may be unable to provide, frankly. But the US can provide security assistance, economic support, humanitarian aid, and medical aid to help combat the coronavirus, as well as some debt relief and assistance regarding Iraq’s financial crisis.

**Nicholas:**
So I agree with Kat, US support is most needed at the present time to shore up Iraq’s wagon economy to win sustained and substantial investment in Iraq’s infrastructure, especially electricity, but also roads and the agricultural economy. And to address the scorch of the COVID-19 crisis that could run rampant through Iraq. There’s a lot of things that are on Kadhimi’s plate right now.

**Jacob:**
Now what about Iran? Iran has numerous proxies in Iraq’s territory and government, and are they supporting Kadhimi or opposing him?

**Katherine:**
So that’s a great question. Iran initially forced its proxies to help Kadhimi ascend to the office of prime minister. He wasn’t their first choice, but they saw him as a viable partner to help avert what looked like state collapsed potentially. And Kadhimi quickly showed that he was not going to play favorites and has lost therefore some of his popularity with Iran-backed actors, if he had any to begin with.

So his support of the popular protest movement and anti-corruption efforts, non-sectarian governance, all of those are frankly antithetical to Iran’s project in Iraq. And there was a substantial pause, about a two month pause, in Iranian proxy attacks on US and allied forces in Iraq during the two months of Kadhimi’s government formation. But proxies restarted their attacks within hours of Kadhimi’s government being complete. Those include rocket attacks on US facilities and IED targeting of contractor convoys that are working with the US-led coalition. But those attacks have also begun to target the Kadhimi government. So we’ve seen the assassination of a prominent Iraqi security analyst who was an advisor to Kadhimi, and we’re likely not seeing more subtle but direct threats behind the scenes as well. So Kadhimi has a lot to deal with in terms of Iran’s proxies, and they also control one of the largest political blocks in parliament, which can exert lots of pressure on Kadhimi in that realm.

**Nicholas:**
So I want to build off what Kat said, because Kadhimi is going to be fighting a long battle against the Iranian-backed militias and the endemic corruption that they support in the Iraqi system. Now there can be a US role to support him in this effort, but it’ll have to be a subtle role that leverages the power of the US to pressure these Iranian-backed militias, and also just your garden variety, corrupt Iraqi official through sanctions pressure, such as the Global Magnitsky Act. Now sanctions have already been levied by the US against some of Iraq’s most egregiously corrupt politicians and the worst of the Iran-backed leaders and militias.
Katherine:
I absolutely agree. And it is worth noting that Kadhimi will have to work with Iran long-term, Iran will always be Iraq’s neighbor. But he can push back and attempt to mitigate some of the current domination by Iran of the Iraqi state.

Jacob:
Nick, quick clarifying question. Has the US used the Magnitsky sanctions against Iranian militias specifically already, or is that just a theoretical course of action?

Nicholas:
The United States has actually used Magnitsky sanctions quite frequently over the last year against Iranian-backed militias in Iraq. There were two particular incidences in July, 2019 and December, 2019, when the US has actually used these sanctions to identify to Iraq’s, but also to the international community, that they don’t support what these corrupt Iranian-backed leaders are doing.

So a good example is in December, 2019, the US actually sanctioned Qais Khazali and his brother, Laith Khazali, who are the leaders of the Iranian-backed militia Asaib Ahl al-Haq. Now it’s noteworthy because Asaib Ahl al-Haq has tried to institutionalize and bury itself into Iraqi state institutions, while maintaining a large militia network that defies the Iraqi state. The US has also used Magnitsky sanctions in ways to try to prevent corruption with humanitarian assistance. For example, in Northwest Iraq, in Nineveh province, in an area that’s been ravaged by the ISIS war, there are a little small Iraqi militias that are backed by Iran, such as the Babylon Brigades and the Shabak Brigades that are actually trying to extort the local population and prevent the return of people that have been displaced from their homes. As well as to profit from industries that support reconstruction of these areas. So the US has actually imposed Magnitsky sanctions on the leaders of these brigades, as a way not only to signal that humanitarian assistance and reconstruction has to be done right in Iraq in post-ISIS areas, but also that the US will not tolerate Iran benefited from the reconstruction of Iraq at the expense of the local Iraqi population.

Jacob:
Since you brought them up, let’s talk about where things stand with the fight against ISIS in Iraq. That group is spreading out, is spread out across many countries at this point, but it remains active in Iraq, right?

Nicholas:
You’re right. Jacob, the counter-ISIS fight will remain important, but all the indicators that are coming from both the US and Iraqi sides, is that the scope of the role of the US and Iraq to fight ISIS will be a constant negotiation. And that there is significant domestic pressure on Kadhimi from a range of actors, including Iranian proxies and the Iraqi nationals cleric, Muqtada Al Sadr, that might lead to a smaller and far less visible US military presence moving forward.

Kadhimi clearly sees the value of a sustained US military presence in Iraq to help advise and assist the Iraqi security forces in the war against ISIS. But the reality of Iraq’s internal politics is significantly constrained how active that US military role could be.

Jacob:
So presumably Washington is assessing Kadhimi on how well he’s able to address this threat, the threat that Iranian-backed Iraqi militias, specifically the threat they pose to US and coalition forces in Iraq. What grade would you assess the US has given Kadhimi thus far in his term of office for combating Iranian-backed Iraqi militias?
Katherine: 
Kadhimi made several really bold moves right out of the gate that ultimately proved to be fairly ineffectual and actually dangerous for his personal safety and security, and the security of his advisors. So he’s well-intentioned, possibly was a little overconfident at first, but US foreign policy decision-makers, I think, too commonly conflate having the right guy in office with having the ability to make change.

But everywhere, and in Iraq in particular, institutions as well as individuals make lasting progress. And so Kadhimi has opened up new institutions as areas of competition, particularly the thoroughly Iranian infiltrated Ministry of Interior, the office of the prime minister, et cetera.

Jacob: 
And Kat, if you had to give a letter grade?

Katherine: 
Are we grading on a curve? I’d probably give him a B minus, but he’s also top of his class by far.

Jacob: 
Nick?

Nicholas: 
That’s a great question, Jacob. I agree with Kat. Kadhimi is probably getting a B so far, but [inaudible 00:11:00] still in progress. And Washington will also probably have to grade him on a curve I think. Kadhimi is locked in a standoff with Iranian proxy militias, the most powerful of which is Kataeb Hezbollah. And that standoff will be his main body of work on this front likely for the foreseeable future. So we’ll have to see what grade he gets after.

Jacob: 
Could you explain a little bit more, what is the nature of that standoff?

Nicholas: 
So Kadhimi is essentially locked in an existential struggle with one of the most powerful Iranian-backed militia and social and political groups in Iraq, Kataeb Hezbollah, or KH. Now KH hates Kadhimi, KH blames Kadhimi in his former role as a head of Iraq’s Intelligence Services for engaging in series of lines of efforts that counter-acted KH influence in Iraq. And also blame Kadhimi for supporting the US operation that killed a former head of the Iranian Islamic Revolutionary Guard Quds Force, Qasem Soleimani, as well as the former KH leader, Abu Mahdi al-Muhandis, who was also a high-ranking officer in the Popular Mobilization units, the PMF.

So KH has tried as hard as they can to try to support military activities against Kadhimi. There’s been a stint between Kadhimi and KH when Kadhimi ordered raids against KH officers that were planning attacks to US and coalition forces. And this battle, this battle between Kadhimi and KH, will in many ways define how Kadhimi is looked at by historians.

Jacob: 
And is Kataeb Hezbollah the main Iranian proxy threat to Kadhimi, or are there other notable proxies?

Katherine: 
I assess that Iran’s entire proxy network in Iraq is likely involved in the wider Islamic Resistance in Iraq movement that’s opposing US presence there, and opposing to a lesser extent Kadhimi. But KH is definitely the most vocal
and has a more personal beef with Kadhimi. So as Nick mentioned, KH blames Kadhimi for giving the US intelligence that allowed the United States to kill the KH founder, Abu Mahdi al-Muhandis. The attacks on US forces recently have been claimed by a group of what we call shadow militias, which are previously unknown Iranian proxy groups that have popped up and announced their existence since the January 3rd killing of Qasem Soleimani and of the KH founder, Abu Mahdi al-Muhandis.

So some of these so-called attacks are false propaganda and are denied by the US and Iraqi governments, but many are real. And they’re muddying the information space and the ability of Kadhimi or of anyone else to retaliate against the actual perpetrators. These groups are likely linked to pre-existing proxy militias, like Kataeb Hezbollah and others.

**Nicholas:**
So to build on what Kat said, Kadhimi is definitely locked into a battle with these shadow militias, and we’ve been tracking this battle pretty closely here at ISW. These shadow militias may or may not be splinters or subsidiaries of KH, we don’t know for sure. But what is for sure is that the shadow militias are actively targeting US and coalition forces that are co-located with Iraqi security forces on bases. And they’re also targeting logistic convoys that are run by Iraqi contractors to support [inaudible 00:14:29] coalition in the war against ISIS. So if Kadhimi wants to get a passing grade from the US, he’ll definitely need to address these shadow militias.

**Jacob:**
Are there any other groups or factions that pose a problem for Kadhimi?

**Katherine:**
Absolutely. Kadhimi is more of a technocrat, and he came up through the government as head of the Iraq’s National Intelligence Service, which means he doesn’t actually have a political base to back him up. So Iraq’s traditional political elites and entrenched and corrupt interests, including but not limited to Iran’s proxies, are opposed to Kadhimi’s attempts to reshape or professionalize the government and end a lot of the patronage systems currently keep the system running.

He’s trying to limit the incredibly bloated Iraqi public sector. All of his austerity measures and pushes for electoral reforms are facing tremendous opposition from entrenched political elites, but may provide him with a little bit more cachet and popularity on the Iraqi street and with the popular protest movement that is calling for those early elections.

**Nicholas:**
So I just want to pick up on what Kat has discussed here, because it’s very important. One of Kadhimi’s main lines of effort in trying to address this awful relationship between corruption and Iranian-backed militiaization that’s occurred in Iraq, has been something of a campaign of the border points that he has launched via the Iraqi security forces that he can control. Which he’s trying to assert some dominance over the thoroughfares into and out of Iraq, particularly on the Iraqi-Iranian border in Eastern Iraq.

Kadhimi has deployed, in some cases, the elite US-trained counter-terrorism forces to some of these border points on the Iraqi-Iranian border. And while he has yet to challenge the Iranian proxy control over much of the Iraqi-Syrian border in Western Iraq, this campaign for the borders has drawn a lot of attention, particularly inside Iraq for the domestic audience that he’s trying to play to. Now, we can say that this campaign might be for show, but it’s also an important indicator of the length that Kadhimi is willing to go to demonstrate to the international community, especially the US, and to his domestic Iraqi rivals, that he means business when it comes to
signaling that he can assert something of state authority wherever he wants to in federal Iraq.

Jacob:
I think it’s fair to say that a lot of Iraq’s current problems are systemic and have been piling on for a very long time, but it does seem that Kadhimi has come into office at something of an inflection point in Iraq’s modern history. And that this is going to be a period of time that’s very closely examined by historians and politicians into the future.

So what do you project the next six months will look like in Iraq? Is the country heading towards something as bad as outright collapse? And if so, is there anything that Kadhimi can do to stop that from happening? Or alternatively, are you optimistic? Do you see the country headed toward an upward trajectory?

Katherine:
So beyond those immediate crises that we talked about, like the coronavirus pandemic, like the collapse in oil prices and the subsequent collapse of the Iraqi economy, which relies so heavily on those oil prices, most of Iraq’s problems are both systemic and institutionalized. Kadhimi is chipping away at some of those broken or problematic institutions.

I do think the country is further from collapse then when he took office three months ago, but again, Kadhim is only one guy without a political base, without his own personal militia or anything along those lines. And I assess that he will muddle his way toward promised electoral reforms or early elections, while attempting to overcome a lot of those entrenched and anti-reformist political elites that oppose his measures. I don’t think he’ll be able to make substantial changes within his remaining time in office, which is maximum two years until the next constitutionally mandated election, but likely one year until the early election that he’s trying to hold. And it’s very unclear whether he’ll run again.

But what Kadhimi can do is put the state on a trajectory toward longer term stability and institutionalized reforms, which is not something that previous administrations have been able to accomplish. So I would say I am fairly optimistic that he can at least set conditions for future success, if not achieve it during his time in office.

Nicholas:
So I think Kat raises a great point. Kadhimi has got to build a political base if he’s going to survive to the end of his premiership. But I think it’s not certain that he can rely on the Iraq street, or whether he has enough strength and support from the street to be able to move forward his agenda. He can’t rely on the protestors.

There’s also a real risk, and perhaps I’m a bit more pessimistic than Kat, that Kadhimi will not be able to accomplish anything and that he will instead preside over the full collapse the Iraqi state. Iraq has already become something of a failed state and the underlying structural issues in Iraq are not getting any better. In fact, they’re getting worse rapidly. These issues are way too much for one man to handle in one term. But if Kadhimi can represent the start of a new term in Iraq’s political order, then he can perhaps accomplish something that would be big. And perhaps those big feats can prevent Iraq from collapsing.

Jacob:
On that note, thank you both for being here and sharing your expertise with us today.

Katherine:
Thank you so much, Jacob.
Nicholas:
Thank you, Jacob.

Kim Kagan:
Thank you for listening to this episode of Overwatch, we look forward to your feedback on this episode and previous ones. Visit www.understandingmore.org to learn about ISW’s work and to sign up for our mailing list.

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