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Iraq War Note: Developments in Iraq
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There are several points about current developments in Iraq that are easy to lose sight of in the current turmoil, which should be considered in any analysis of the country:

1. Follow the Money

This is not a democratic society although everyone knows how to use the word. It is a society where politics are the politics of power, and --absent military force -- power is money. In practice, this means oil revenues. There is no real tax structure and more than 70% of all state revenues come from oil exports. Today's local and factional fights are interesting, but follow the control over oil and oil revenues if you want to know what counts.

- As an aside, the coverage of the Shi'ites is a bit too innocent. There is little real opportunity in the south and much of the income in shrine cities comes from the religious visitors and pilgrims. There have been local and family power struggles over this money and prestige for centuries.
- At another level, the regime is reported to have had \$billions somewhere. This may not be true, but looking for Saddam's money is soon going to be another source of potential wealth for whomever takes over the government.

2. The National Iraqi Oil Company is a key power center

Mayor of Baghdad? Who cares? The Petroleum Ministry, control over the National Iraqi Oil Company, and being the Iraqi player in OPEC really do matter. So does the split of power and wealth and management/control over regional oil fields.

3. No surprises in the Shi'ite South

If anyone in the Administration is surprised by what is happening, it is because they simply did not want to listen. Anyone who sat in on the interagency meetings planning for nation building in Iraq heard plenty of warnings about the attitudes of Shi'ites in the south, and the religious divisions and reactions that could be expected. The warnings came from State, regional military experts, the intelligence community, and area experts. They also came from friendly governments like Saudi Arabia, Bahrain, and Kuwait -- which were afraid of what a Shi'ite dominated Iraq might mean for the region.

Anyone who reads a history of Iraq also knows that similar tension affected the Ottomans, the British, the Hashemites, etc. etc. If anything, the problem is worse because there is no political structure in Iraq now that Saddam is gone. Few had any faith left in the Ba'ath Party and the



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only surviving element of power was the Shi'ite clergy. Couple that to ten years of active military repression by Saddam after 1991, and what is happening becomes grimly predictable.

4. This means a fundamental ethnic and religious struggle for power

The current power vacuum is far more than a local Shi'ite problem. First, to the extent there is a national political consciousness, it lies largely in having an Iraqi, Arab, and Islamic identity -- all of which means people with no real political experience see the US and Britain as occupiers and not liberators.

More generally, however, a new power structure is likely to emerge in which Shi'ites gain a representative share of power and money at the expense of Sunnis who are not likely to be happy about the process.

5. Of course Iran is involved

While Chalibi's INC and the INA may have made noise about the military operations in Iraq, their movements have few real roots even in the Shi'ite south. Virtually all of the fighting and presence came from the Iranian backed SCIRI and the Hakim faction. They got support from Iran, although the Kuwaitis and Saudis gave them some money. There are real tensions here between river and plateau dweller, Arab and Persian, and over religious interpretations of Shi'ite practices. The Iranians have been involved in Iraq since Iraq attacked in 1980, however, and were a key force behind SCIRI from 1992 on. The idea that Iran would now be totally passive or is suddenly sending in agents is ludicrous.

6. The Kurds

The Kurds have lost nearly everything they gained in 1991-1992: Oil for food and smuggling revenues and US military protection of a separate enclave. They do, however, have the opportunity to try to grab Mosul and Kirkuk and oil fields/revenues. The wild cards in their play are:

- a lack of any real military strength.
- only 12-15% of the population.

7. Syria, Turkey, and Saudi Arabia

It isn't just Iran. No other neighboring country is going to keep their hands off. Critical national interests are involved, many of which differ from ours and those of Iraqis. US pressure may keep the power plays down to polite levels but cannot halt them. This is also a region where these countries have a lot more patience and experience in playing the game.

- Local competition from Turcomans.



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- External pressure from the Turks.
- The fact no Kurdish struggle for power in Iraq's history has failed to see the Kurds turn on the Kurds, and the central Kurdish government is a thin shell imposed over Barzanistan and Talibanistan that may collapse now that smuggling money and oil for food revenues are not secure and Barzani and Talibani may again start competing.