



Iraqi Kurdistan: The Internal Dynamics and Statecraft of a Semistate¹

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The semistate possesses many of the features commonly associated with the modern nation-state but remains unrecognized as a sovereign entity. Semistates (such as Abkhazia, Nagorno-Karabakh, South Ossetia, Transnistria, and Iraqi Kurdistan) inhabit the central conflict fault-lines of Southwest Asia's strategic landscape at the dawn of the twenty-first century. In order to concoct effective conflict management approaches, policymakers must develop a framework for comprehending internal dynamics and statecraft of these entities. How do they function in the absence of international recognition? What impact did the dynamics of conflict and political development under such conditions have on the nature of the semistate? What is the entity's resultant worldview and statecraft?

Knowledge of the factors that contributed to the ambiguous status of Iraqi Kurdistan in the aftermath of the first Gulf War is imperative to analyzing the behavior of the Kurdistan Regional Government (KRG) in the post-Saddam era. After a cursory introduction to the concept of the semistate, this paper will explain what sustained Iraqi Kurdistan's ambiguous status throughout the 1990s and the impact it had on Kurdish politics.

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The Logic of Semistates

Since the attacks of September 11, 2001 directed attention to the failed state of Afghanistan, the dangers that weak and failing states present to international security have been well documented. However, the preoccupation, among policymakers and academics alike, with the stark bipolarity of "strong" and "weak" states has obscured the fact that the modern nation-state comes in innumerable forms. Article I of the 1933 Montevideo Convention on the Rights and Duties of States outlines the four basic elements of statehood: 1) a permanent population; 2) a defined territory; 3) a government; and 4) a capacity to enter into relations with other states. Yet already in 1981, before it became fashionable to proclaim the fading of the state as the central actor in international relations, political theorist David Easton, highlighted the multiple conceptions of the term by identifying over 140 definitions.²

The relevance and future of the state to international politics came under increased scrutiny as the pace of "globalization" hastened at the end of the twentieth century.³ The octogenarian protagonist in this narrative, James Rosenau, argued that "the dynamics of

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globalization, taken together, contend that the new, post-Cold War arrangements have lessened the role of the state, that a central feature of the arrangements is a continuing disaggregation of authority in all parts of the world and all walks of life.⁴ The defining tension, he suggests, is between “worldwide forces pressing for integration and those fostering fragmentation,” a phenomenon he coined as “fraggementation.”⁵

Rather than decrying the passing of the nation-state, however, it is instructive to recall J.P. Nettl’s view of “the state” as a conceptual variable, as opposed to a generic unit of analysis. This view allows for analysis that is more discriminating and sees the state as being more or less “state-like” along a continuum of “stateness.”⁶ To demonstrate, it is certainly the case that some states fall short of virtually all performance-based criteria of internal legitimacy, yet retain their international recognition, or “juridical statehood” as equal sovereigns. These “quasi-states,” or what today one calls failed states, hold on to their legal protections from intervention and interference but lack the capacity or will to provide the services and resources their citizens demand of them.⁷ Contrast this with the semistate (or the more accepted, but problematic, *de facto* state) that fulfills the four features of the Montevideo treaty but lacks the international personality of quasi-states. Scott Pegg explains: “The quasi-state is legitimate no matter how ineffective it is. Conversely, the *de facto* state is illegitimate no matter how effective it is.”⁸

Absent legitimacy, the semistate still displays “impressive longevity.”⁹ Although the particularities of each individual entity are influenced by the state from which it is seceding, scholars have identified commonalities of internal and external dynamics that contribute to protraction of ambiguity. Charles King contends that a key factor is the benefits that both the parent and the separatist states accrue from stalemate:

It is a dark version of Pareto efficiency: the general welfare cannot be improved – by reaching a genuine peace accord allowing for real reintegration – without

at the same time making key interest groups in both camps worse off. Even if a settlement is reached, it is unlikely to do more than recognize the basic logic and its attendant benefits.¹⁰

Pål Kolstø argues that five factors contribute to the viability of unrecognized states in the absence of strong state structures.¹¹ First is the successful nation-building that these semistates have undertaken, which is premised on the common experience of conflict with the state from which they are trying to secede, the existence of a common enemy, and the relative homogenous population that exists within the separatist entity. Second, semistates are militarized societies. The armed forces play a crucial role in deterring the parent state and, as a result, military leaders have become political and economic figures as well, often with a keen interest in maintaining their positions of privilege. Third, the parent state – be it Iraq, Somalia, or Georgia – is typically a weak state unable to retake the separatist state or to attract the breakaway population to return to its domain. Fourth, external patrons provide a vital lifeline for the semistate. Finally, the “international community” plays a crucial role, for as long as it facilitates an ongoing and frequently stalled negotiation process between the breakaway region and the parent state, it is complicit in the prolonged existence of the semistate.

The semistate’s “economic pathologies” are an important product and driver of the benefits of stalemate equation.¹² Most semistates fail to develop self-sufficient economies due to several factors: the destruction wrought by the protracted insurgency and conflict with the metropolitan state, the inability to construct a favorable investment climate due to an uncertain legal climate (what Pegg refers to as the “economic cost of non-recognition”), and the presence of a substantial illicit economy and its linkages with the ruling elite, all of which are exacerbated by the absence of international monitoring and accountability.¹³ Before analyzing the case of Iraqi Kurdistan, it is instructive to place it in its appropriate historical context.

Kurdayeti and the Challenges to Kurdish Nation-Building

The segmented nature of Kurdish society and the intra-group dynamics in Iraqi Kurdistan consistently combined to undermine *Kurdayeti* (Kurdish national identity) and the political objectives of their decades-long struggle. The Kurds were historically divided among three ethnically defined communities (Arab, Persian, and Turkish) and lived on the fringes of powerful empires (The Ottoman to the west, and the Safavid and Qajar to the east). After World War I, in the wake of the collapse of the Ottoman Empire, the Kurdish population soon found itself spread across four new regional nation-states - Syria, Turkey, Iraq and Iran. The nature of political space in each country created differing narratives of group history and status that in turn impacted the opportunities for political action for Kurdish nationalists.¹⁴ For example, the unchanging restrictive political space in Turkey, lowered the opportunity for a constructive relationship between Ankara and the Kurds in the southeast, and in turn encouraged armed insurrection and alienation. In Iraq, by contrast, the political space was far more ambivalent, which resulted in a great variability in the expression of nationalism over time. In addition, the Kurds lack a unified or systemized dialect; they never managed to embrace religion as a uniting factor; and they consistently found greatest resonance in strong micro-societal (i.e., tribal) attachments.

The latter allowed Baghdad and regional neighbors to divide the Kurds to turn a struggle against it into an intra-Kurdish conflict. Moreover, this segmented nature of Kurdish society combined with specific intra-group dynamics in Iraqi Kurdistan to undermine the political objectives of the Iraqi Kurds decades-long struggle. At three crucial moments in the history of the Iraqi Kurds—the post World War I effort at independence, the 1961-1975 Kurdish Revolt, and the birth of the semistate in 1991—internal struggles doomed their aspirations.

On November 7, 1918, the British and French declared their shared goal of liberation for the Kurds, “who have for so long been oppressed

by the Turks.” The installation of *Shaikh* Mahmud Barzinji as governor of Sulaimaniyah by the British was premised on the belief that British recognition of his status would grant him sufficient authority to govern over Kurdistan. When the disastrous 1920 Arab Revolt shifted the focus of the colonial administration from nation-building to exit, the British concluded that the “clannish” Kurds would be unable to construct a single Southern Kurdish state and thus discouraged the colonial administration from taking any risks in supporting their autonomy. Intra-Kurdish strife bolstered those voices advocating for disengagement and consolidation of Sunni Arab rule. Resultantly, the British experience in Iraq—not unlike the present American experience—was one of grand ambitions subdued. The British state-building aspiration for Iraq, devolved to the construction of a “quasi-state,” one which bore the appearance of a *de jure* national polity but whose institutions were in fact a façade built in order to allow Britain to disengage.”¹⁵

During the Kurdish Revolt of 1961-1975, Sunni-chauvinism; an unstable political center in Baghdad; Kurdish internal splits in the north; and the obstructionist behavior of regional neighbors and great power competitors would consistently merge to undermine the resolution of the Kurdish issue in Iraq. In an effort to expand its control across the country, each new leadership cadre in Baghdad would reach out to the Kurdish leadership with offers of autonomy and democracy. Baghdad’s Kurdish management policies, however, “were not real attempts to open political space, but rather time-gaining tactics to help consolidate power.”¹⁶ Over time, the wide gap between the rhetorical overtures and the leadership’s willingness and ability to carry out tangible policy changes would undermine the relationship and compromise would once again fluctuate towards hostility.¹⁷

Beyond competing Arab and Kurdish nationalisms and shifting power struggles between the civilian and military elements in Baghdad, the internal clash in the 1960s pitted the traditional players of Kurdish nationalism—the tribal and religious leaders led by Mullah

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Mustafa Barzani and his Kurdish Democratic Party (KDP)—against the new, urban-led intelligentsia of Jalal Talabani and Ibrahim Ahmad. The division was essentially “a contest between the religious and the secular, the primordial and the nationalist, tradition versus atheistic Marxism.”¹⁸

The actions of Abd al Salam Arif, who overthrew Iraqi leader Abd al Karim Qasim in February 1963, exemplified these dynamics. In an effort to consolidate his power and unwilling to repeat the failures of his predecessors in countering the fighting prowess of the Kurdish *peshmerga* forces (literally, “those who face death”), Arif sought to infiltrate the Kurdish movement. He invited Mullah Mustafa to sign a peace agreement with him in Mustafa’s personal capacity rather than as the leader of the KDP. Mustafa accepted, and like *Shaikh* Mahmud before him, prioritized personal hegemony in Kurdistan above Kurdish autonomy from Baghdad. As a result, the Talabani-Ahmed group broke with the KDP and proceeded to accept arms and assistance from Baghdad to fight the KDP’s forces. Thus the revolt against Baghdad came to a standstill.

In the eyes of many Kurds, the tragic internal Kurdish war of 1994-1998 undoubtedly serves as “the blackest moment in Kurdish history.”¹⁹ The preconditions for the war between the KDP and Talabani’s Patriotic Union of Kurdistan (PUK)—animosity between two major factions, competition for resources, destructive international aid efforts, and interference from neighboring states—had much in common with earlier periods of strife in the region, and the consequences—the failure to secure the goals of the insurgency—were the same. The Kurdish uprising in March 1991, just weeks after US President George H. W. Bush called on Iraqis to rise up against Saddam Hussein, was brutally suppressed. Hussein, however, was unable to reach an agreement with a divided Kurdish leadership. Admitting that the *peshmerga* indeed controlled the urban centers, he withdrew his forces and entire administrative capacity from Iraqi Kurdistan. The Kurds suddenly found themselves obliged to govern and administer the entire northern region of Iraq.

In an effort to achieve internal legitimacy, the Kurdish leadership organized immediate

elections; a dead-heat and an ensuing power-sharing agreement between the PUK and KDP resulted. Incredibly, the parties did not differ over the political future or identity of an emerging state. As Gareth Stansfield argues, “After 1991, attempting to describe how the parties differed in their social bases and political program was a futile exercise; only their mutual antipathy remained.”²⁰ Beyond historical animosity, however, the two parties’ asymmetric access to revenue heightened competition. The KDP controlled the western portion of the country, including the strategic Ibrahim Khalil (Khabur Bridge) border crossing with Turkey. The customs fees on licit and illicit trade with Turkey provided the regional authorities with their seemingly sole source of income, estimated at approximately \$750 million annually. The PUK held the eastern portion of the country, where its trade with Iran paled in comparison.

The international aid program exacerbated the tension over revenue in several ways. First, the absence of a long-term development plan combined with the injection of humanitarian aid contributed to the emergence of an underground economy controlled by networks of traditional families and entrepreneurs, both deeply connected to the political parties. Second, in this new economic landscape accelerating disparity came about between those who organized to profit from the new sources of income and the majority who still lived in abject poverty. Third, the aid community further fragmented the territory of Iraqi Kurdistan by creating price differentials between different regions, which in turn set off internal rivalries and power struggles among entrepreneurial elements of the KDP and PUK. As Natali concludes, “Rather than trying to strengthen intra-Kurdish unity, donor agencies and foreign governments encouraged fragmentation by treating the two main leaders, [Massoud] Barzani and Jalal Talabai as individual party leaders.”²¹

The degree to which each party had become dependant on external rival sponsors further exacerbated the economic drivers of conflict. Turkey paid the KRG \$13.5 million in August 1993 after the KDP gave it the green light to conduct cross-border operation against the Kurdistan Worker’s Party (PKK), a guerilla group waging a bloody battle with Turkish security

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forces. At the same time, however, Turkey cooperated with Hussein's economic tactics against the Kurds by taking the Old Iraqi Dinar (no longer in circulation in the rest of Iraq) out of the economy, limiting cross-border trade, and creating incentives for commercial traffic to go through Mosul, which was under Saddam Hussein's control.²² Similarly, Iran guaranteed support to the PUK in return for the party's assistance against the Kurdistan Democratic Party of Iran (KDPI), at the same time that it gave financial support to the Islamic Movement of Kurdistan (IMK) to fight the PUK. Complicating the picture further, the KDP secretly negotiated with Hussein to remove the PUK from Erbil. In what became known as "The Invasion of Erbil," the KDP fought alongside Iraqi government forces and repelled the PUK from the regional capital. The PUK recovered, however— with Iranian support—and a ceasefire line between the parties held and served as the *de facto* partition of Iraqi Kurdistan. Thus, the "endless opportunities" that followed the 1991 elections were squandered.²³

The repercussions of the conflict that began in 1994 and ceased only in 1998 after significant international intervention were multifold. First, it enabled opponents of Kurdish autonomy to frame the independence movement as "pre-modern, divided, tribal, and hence incapable of representing Iraqi Kurdistan in any institutionally enshrined autonomy or political self-determination."²⁴ Second, internally, Kurdish society took on elements of a "post-civil war society," in which the heritage of domestic conflict has strengthened and even institutionalized the patronage relations, primarily through the maintenance of different forms of scarcity.²⁵

Today's KRG is a product of the evolution and trajectory of the Kurdish struggle for self-rule. An oft-repeated Kurdish proverb says that the Kurds have no friends but the mountains. The above brief review of Kurdish history ought to reveal that they might indeed have no worse enemies than themselves. The internecine conflicts in Kurdistan consistently prevented the maturation of the Kurdish "insurgent state" towards either fully autonomy or independence, causing important repercussions for the present internal politics and the worldview of the Kurdish leadership.

The "Logic" of Semistatehood in Iraqi Kurdistan

Several internal and external drivers served to sustain the ambiguous status of Iraqi Kurdistan for over a decade. As will be demonstrated, these drivers simultaneously reinforce and chafe one another and have created important repercussions for the region today.

External Drivers

The end of the Cold War (and the increased pace of globalization typically associated with it) brought about a marked expansion in the Kurds' access to transnational space, defined as the "externally based opportunity structures such as diasporic networks, international governmental organizations, host-country democratic systems and advanced telecommunication systems that provide new forms of support or constraint to Kurdish nationalist ambitions."²⁶ The external drivers that allowed Iraqi Kurdistan to survive on the margins of the state system are in large measure a by-product of this space. These drivers served to simultaneously advance, reconfigure, and place limitations on *Kurdayetî* and the nature of Kurdish autonomy and self-rule.

Kolstø argues that, "for most quasi-states, the support from an external patron is crucially important, and their survival chances would be drastically reduced should it be withdrawn."²⁷ International protection sustained Kurdistan's ambiguous status by safeguarding it from the Iraqi parent state and perturbed neighbors on the one hand while at the same time placing limitations on Kurdish self-rule on the other, through the unintended consequences of international aid. The aid effort, which feared abrogating Iraq's territorial integrity, proved unwilling to transition from emergency humanitarian support to a more sustainable program, and thus failed to encourage "social restructuring at the local levels."²⁸ This only increased the resonance of party, tribal, and geographic identities that have consistently challenged Kurdish nationalism. Thus, by neglecting to work to establish the preconditions for a self-sufficient economy, a productive industry, a functioning agricultural sector, a functioning system of higher education and human capital, political development, and structural reform, external patronage allowed Iraqi Kurdistan to survive, but not to thrive.

Lowered barriers to participation in the global economy, combined with the simultaneous technological and information revolutions, also contributed to the KRG's ability to survive in an otherwise most unpropitious disposition. The technology and information revolutions gave the KRG access to the Kurdish diaspora, and helped it fill the knowledge, advocacy, and resource gaps created by the unwillingness of the "international community" to invest in long-term development and institution building in Iraqi Kurdistan. Lowered barriers to participation in the global economy were partially responsible for the emergence of "illicit economies," which played a pivotal role in Iraqi Kurdistan's functioning. However, like other facets of the changing transnational space, the effects of these on Kurdish self-rule were mixed; they advanced it by bringing in much needed revenue and other resources, but they undermined the development of strong state-institutions and served as a principle factor in the factional fighting of the mid-1990s.

The notion that the regional environment is hostile to an emerging independent Kurdish state or even hardened Kurdish autonomy is an understatement. Iraqi Kurdistan's neighbors used it as a leverage point on Saddam but were equally comfortable colluding with him against any developments in the north inimical to their interests. After the 2003 war in Iraq, this dynamic has been heightened, by fulfilling neighbors' fear that it would embolden Kurdish national movements in their respective countries. However, some policymakers are beginning to believe that a stable and autonomous Iraqi Kurdistan might advance key interests. For example, one view in Turkey's diplomatic and military circles argues that bringing Iraqi Kurdistan under Turkey's sphere of influence could create an important buffer against an Iranian-dominated Shi'i Iraq.²⁹ It remains to be seen whether the post-Iraq war strategic calculus of neighboring states will alleviate or exacerbate historic tensions with Iraqi Kurdistan.

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Internal Drivers

Through the course of the Kurdish struggle, each of the polity's centers of power built, sustained, and maintained political and economic support networks heavily intertwined with tribal and geographic identities. The "accidental" arrival of self-rule, and the ensuing formation of the KRG, did not eliminate these patronage networks. Instead, they were institutionalized in a form of neo-tribal confederations wrapped around the flag of democracy. Like mafia families delineating their spheres of authority, the two Kurdish parties divided up Iraqi Kurdistan into separate governance zones after the civil war. This arrangement of "elite accommodation"³⁰ brought a notable degree of stability to Iraqi Kurdistan from which the parties and their affiliated support networks profited. The "international community's" comfort level with, and interest in, the status quo, reinforced the division.

Despite positive gains in terms of increased stability, these divisions severely undermined the project of state building. To do this more effectively, the Kurdish leadership adeptly manipulated the "politics of fear," by reminding their constituents of the external threat from their neighbors and the looming specter of Hussein's return. The result was that internal opposition was suppressed as any additional internal challenge would invite external intervention, as it did in past episodes. The expectations of the KRG were thus low as nearly any alternative to Hussein was seen as an improvement. Low public expectations for state-building efforts, in turn, led to inadequate attention to the rule of law, healthy civil-military relations, and investment in other elements of the public sector. Moreover, fears of redistribution of control inhibited existing leadership from attempting to clarify the status of Iraqi Kurdistan. This lack of incentive for clarifying the area's status existed on Hussein's side as well; he feared a response by the "international community" if he forcibly retook the north, and, under the sanctions regime, benefited from having five million less people to feed.

The dependency on external sources of revenue, monetary constraints, unemployment and economic recession, illicit economy,

corruption, and rent-seeking behaviors, all served to allow little maneuver room for the Kurdish leadership. They simply lacked the means to pursue the kind of state-building project that could sustain a truly autonomous entity.

At the same time, a multitude of other economic problems also undermined state building in Iraqi Kurdistan. Primary among these, the KRG was not able to resurrect the

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commercial agricultural sector. Most Kurds deserted the sector and pursued economic activities that could provide them with short-term capital accumulation. This included the selling of capital assets, smuggling, chopping down trees, and collecting scrap metal.³¹ Unemployment during this period was estimated at around 80 percent. Those employed typically earned wages far below the 1,500-2,000 Swiss Dinar UNICEF estimated as needed to support a family of five. By the year 2000, only 15,000 people were able to pay any sort of taxes to the KRG,³² and 20 percent of Kurds still lived in the *mujamma'at*, or Hussein's settlement towns.³³ The vast majority of Iraqi Kurds lacked consistent access to electricity, water, and other basic services. Those with the means to leave the region, typically the skilled laborers and highly educated cadres, did so, resulting in a ruinous brain-drain.

By all accounts the "black market" became the most important component of the economy. This had important socio-political repercussions. It increased income disparities and created "an uneasy dichotomy in Iraqi Kurdistan between the majority who are destitute and a minority of merchants who are extremely wealthy."³⁴ Coupled with the existence and dominance of the neo-tribal networks, this offered incentives for the continuance of the status quo.

Finally, although the political imperatives of securing self-rule and autonomy are indeed high, the Kurds have shown, particularly after 2003, an inclination toward flexibility in their demands for sovereignty—for the sake of economic stability and growth. As Natali argues, "Contrary to popular claims, most Kurds today would prefer

continued stability and growth rather than economic decline or conflict for the cause of independent statehood."³⁵ This is largely due to the fact that the clientelist networks that sustain the current leadership rely on this far more than they do on securing independence or hardened autonomy.

The Statecraft of the KRG in the New Iraq

In the lead-up to and aftermath of Operation Iraqi Freedom, the Iraqi Kurdish leadership, cognizant of the persisting endogenous and exogenous constraints on its behavior, adopted a shrewd and realistic strategy whose principal interest is to preserve the *de facto* independence of Kurdistan. To secure this stated vital interest, Iraqi Kurds made a strategic decision to participate fully in the Iraqi national project, support the U.S. occupation, and work to accelerate the political and economic development of the Kurdistan Region.

The Kurdistan Region was recognized as a legal region of a federal Iraqi state by the permanent constitution, adopted in the October 2005 referendum. The provisions of the constitution served to legitimize, on an international level, Kurdistan's *de facto* autonomy and self-rule. In fact, the arenas in which where federal law supersedes regional law in the Iraqi constitution are limited and severely circumscribed. These are: control over foreign affairs (although federal regions are granted offices within Iraqi embassies), defense policy (even though the KRG retains control over its own military, or "Guards of the Region"), the printing of money (importantly, Baghdad cannot levy taxes against the will of a regional government), and regulation of weights and measures.

Nonetheless, important elements of dependency endure. The KRG minister of finance suggested that Iraqi Kurdistan's economic picture deteriorated after the Iraq war. While the economy of the KRG was smaller before the war, the KRG could exercise more control over it. Since the fall of Saddam, billions of dollars were injected into the Kurdish economy from state coffers and international investment, but the KRG lost significant levels of control to the central government. Since 2003, 95 percent of the revenue of the KRG has derived from the central government's oil revenues, a share that amounts to 17 percent of the total Iraqi national budget.

Under this arrangement, the central government can exercise significant leverage over the KRG.

The persistence of patronage and clientelist networks exacerbate poor development indicators in the region. Rather than using the new sources of capital to improve the desperate condition of the agriculture and infrastructure sectors or to develop other sustainable industries, the Kurdish leadership allocated 64 percent of its budget to government salaries—in essence paying people not to work and furthering patronage behavior. Although the KRG passed a law in January 2006 unifying the PUK and KDP administrations, some ministries, including Finance, *Peshmerga* Affairs, Justice, and Interior, remain bifurcated. The government in Erbil remains largely symbolic; Prime Minister Nerchivan Barzani still has no executive authority in PUK-territory. Moreover, the benefits to be gained from the division of the spoils of Iraqi Kurdistan remain. For instance, as of October 2007, the KDP (Korek) and PUK (Asiacell) maintain separate cell phone companies in their respective territories, and the services do not communicate with one another.

However, to improve its image and prevent a return to economic isolation, the KRG launched a massive public relations campaign called “The Other Iraq.” The campaign was the product of a partnership between the Kurdistan Development Corporation (KDC) and the KRG to “promote and implement inward investment opportunities in the stable and prospering Kurdistan Region in Iraq.”³⁶ The KRG’s approach was to paint itself as a second Dubai—a global hub of business and telecommunications. Othman I. Shawni, the KRG’s Minister of Planning, asserted, “The region will attract more than \$2 billion in the first year [of the plan] in four major sectors and high return on investment is guaranteed due to the big demand for these facilities.”³⁷ As part of these efforts, a massive mall is being constructed in Erbil, directly across from the historic citadel and the ancient *souk*, which will be home to 6,000 stores and offices as well as a massive underground garage. The citadel itself, the oldest continuously inhabited place in the world, was recently emptied of its inhabitants and is currently being renovated as a tourist attraction. The “Dream City” – a shopping and amusement

complex – is being built outside Erbil. The Korek Tower promises to be the tallest building in all of Iraq and the American Village, a housing complex eerily reminiscent of the suburbs of Arizona or New Mexico, is nearly complete.

The Kurdish leadership is trying to advance its interests in a methodical and prudent fashion.

Whether or not it succeeds remains to be seen. Although it has thus far managed to stave off destabilizing behavior from its neighbors, the prospect of intervention remains realistic. A cross-border skirmish with the PKK in the fall of 2007 suggests that Turkey’s patience with the PKK safe-haven in northern Iraq is coming to an end. Should the Iran crisis escalate, opposition Kurdish elements, based in Iraqi Kurdistan,

might be encouraged to intensify their anti-Ahmadinejad operations, prompting Iranian special forces to take action as well. However, the event that looms most closely on the horizon is the referendum on Kirkuk, originally scheduled to take place before the end of 2007, but presently delayed to a future, yet unannounced, date. As the different parties organize to proclaim the oil-rich city, northern Iraq is sure to experience new levels of violence and foreign interference heretofore unseen in that part of the country.

Internally, there is also reason for concern, as evidence suggests that the KRG is “losing the race for good governance.”³⁸ The post-2003 boom in the economy has improved the lives of only a small minority of the Iraqi Kurdish population. Ongoing resentment over the lack of improvement in the provision of basic services has strengthened the only political actors able to challenge the PUK-KDP-dominated public sphere: the Islamic parties. In Halabja, the town decimated by Hussein’s chemical weapons attack, citizens demonstrated their displeasure with the KRG by setting fire to the monument for the victims on March 16, 2006. During the same month, students from the University of Sulaimaniyah took to the streets in a Ukrainian-style “orange protest” against KRG corruption. Mohammed Ihsan, Minister of Extra-Regional Affairs, argues that the the hurdles to mobilize the population behind the Kurdish National

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project are now much higher now than they were in 1992: "People are no longer willing to live in abject poverty for the sake of the nationalist cause. The democratic experience has brought high expectations."³⁹ Denise Natali elaborates:

The commitment to Kurdish nationalism that once defined political life in pre-2003 Iraqi Kurdistan has vanished. What has emerged instead is an undertaking to protect Kurdish interests at politically expedient moments, but no strategy to ensure the ideological and political engagement of the masses in the long term. Absence of social capital - networks, norms, and social trust that facilitate coordination and cooperation for mutual societal benefit - has further weakened societal engagement to Kurdish nationalism. Changing norms in the liberalizing Iraqi state have encouraged short-term interest maximization, namely revenue generation, and not a shared sense of struggle and suffering for the Kurdish nation.⁴⁰

It remains to be seen how this shifting "social contract" will impact the behavior of the Kurdish leadership. While one official admitted that without a "leadership purge" things will not change, others were more confident that change will come through a gradual, long-term transition.

Conclusion

The dynamics inherent in of Iraqi Kurdistan's protracted state of ambiguity have greatly undermined its chance for long-term sustainability as an independent entity. In his research, Kolstø found that "there are strong reasons to believe that, if any of the unrecognized [semistates] of today's world should succeed in achieving international recognition, most of them will end up not as 'normal' or fully fledged states but instead transmute into recognized [failed-states]."⁴¹ Moreover, the imperative of stability in northern Iraq over the coming years suggests that the status quo will persist. This implies that the economic and political dilemmas that undermine sustainable development in Iraqi Kurdistan are only likely to continue—and in turn cause the type of authority crisis often associated with the deficient internal legitimacy of weak and failing states.

The future of Iraq, Somalia, the Balkans, and other conflicted regions will require policymakers and academics alike to confront the realities of semistates. The dilemmas they are likely to face will go far beyond the issue of recognition and the redrawing of state borders. Such solutions might provide short-term stability but will likely sow the preconditions for future conflicts. As this case study exemplifies, the drivers that sustain the ambiguous status of semistates require a much more sophisticated approach than the cartographic entrepreneurship that brought about their existence in the first place.

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The views and opinions expressed in articles are strictly the author's own, and do not necessarily represent those of Al Nakhlah, its Advisory and Editorial Boards, or the Program for Southwest Asia and Islamic Civilization (SWAIC) at The Fletcher School.

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