

INSS Insight No. 1240, December 24, 2019

<u>Political Instability in Iraq: A Serious Threat to Iran's Interests</u> Eldad Shavit, Sima Shine, and Bat Chen Feldman

The ongoing popular protests in Iraq reflect the public's rejection of the highly corrupt political system that is unable to advance changes and reforms, as well as Iran's profound involvement in Iraqi affairs. Iraq's political system and Iran's leadership are well aware that the protests are a very significant threat to Iraq's internal stability. Nonetheless, at this stage, neither side seems willing to adopt any of the protesters' demands that threaten both the future of the Iraqi political elite and Iraqi assets acquired by Iran, and thereby pose a substantive risk to fundamental components in Iran's security strategy. For now, Iran is careful to proceed gingerly, continuing its attempts to affect events without intervening directly in efforts to suppress the protests. Still, the longer the protests continue, and certainly if they spread, Tehran will have to expand its involvement and incur many more risks to prevent scenarios liable to damage Iranian interests directly.

For more than two months, Iraq has experienced the highest level of unrest it has seen in many years. The public has taken to the streets to protest political corruption, inattention to the economic situation, high unemployment, and Iranian involvement in Iraqi affairs. Despite several hundred deaths and about twenty thousand wounded in confrontations with Iraq's security forces and Shiite militias identified with Iran, the protests continue and for now, there is no solution on the horizon that is likely to appease the protesters and lead to calm. Even the resignation of Prime Minister Adel Abdul Mahdi, who headed a technocratic government formed recently, failed to still the waters.

The ongoing protests reflect the public's rejection of the highly corrupt political system that is unable to advance changes and reforms. Clearly the coalition established after the May 2018 election comprising two rival Shiite blocs failed to advance resolutions to the social and economic situation. Moreover, Iran's efforts to penetrate Iraq's economy, which grew in light of the US sanctions on Iran, have fanned the flames of the anti-Iran protests. The protesters demand changes in the political system established in Iraq after Saddam Hussein's ouster, and in particular the replacement of the entire political elite currently governing the country. The practice is that there be a Shiite prime minister, and in the last two decades, the Shiite political parties presented candidates and had to reach a consensus. This time, the protesters demand to be part of the decision making process. They have made it clear they will only support someone who is unaffiliated with the

central political blocs and has no ties to Iran; this person will also have to act quickly to advance political reforms and hold free democratic elections.

At the outset of the unrest, the protests were aimed primarily at the Iraqi political establishment, but over time, the anti-Iranian voices grew louder throughout Iraq, including in Shiite regions. The protests have included anti-Iranian slogans, the defacement of posters of Iranian leaders, and an attack on the Iranian consulates in Karbala and Najaf. The anti-Iranian theme is also evident in the oft-heard slogan "We want a homeland," meaning the desire to liberate Iraq from foreign interference. Iran stands accused of involvement in Iraq's domestic affairs and manipulation of Iraqi politicians who in turn are accused of political corruption. In fact, the *New York Times* recently published documents attributed to Iran's Foreign Affairs Ministry that contain a great deal of information about the Iranian connections of the senior political elites in Iraq.

Both the Iraqi political system and the Iranian leadership know that the protests represent a highly significant threat to Iraq's internal stability. Nonetheless, at this stage, neither side seems willing to adopt any of the protesters' demands, which threaten the future of the Iraqi political elite, damage the political assets Iran has acquired in Iraq over the last two decades, and affect Iran's long term influence over politics in Baghdad. In any case, it is doubtful that the Iraqi parliament, consisting of rival blocs, will manage any time soon to agree on a candidate for prime minister, and even if it does, it is unlikely the choice will be acceptable to the protesters, because all the candidates who have been mentioned to date by the competing political blocs are members of the old cliques. Ayatollah Ali Sistani, the senior Shiite cleric in Iraq, has called for another election, saying this is the only way out of the current political impasse.

Tehran now faces the need to formulate a policy relevant to the new situation, which poses a clear and present risk to the policy in Iraq spearheaded by Qasem Soleimani, commander of the Quds Force of the Revolutionary Guards. From Iran's perspective, the ability to control developments in Iraq is a fundamental component of its security strategy. In recent years, Iran has invested massive efforts in expanding its economic, cultural, and religious influence in Iraq, while exploiting its ability to maneuver among the country's Shiite factions and relying on its allies in the Shiite militias it trained and armed to fight against the Islamic State. Thanks to the militias' success and the status they attained with Iranian assistance, they also managed to entrench themselves as a leading political entity in the last election. In the background is the reduced United States motivation and political clout in Iraq. While the United States still maintains a military presence in Iraq, it has few means to confront Iran's moves.

Moreover, in Iran's view, the protests in Iraq have the potential to creep across the border and affect Iran's own sensitive domestic situation. Indeed, in November, Iran experienced one of the most serious waves of protest the country has known in recent years. The unrest there broke out because of the increase in fuel prices and was suppressed with great violence and many fatalities, injuries, and arrests. There have also been protests in Lebanon, and while there have been no anti-Iran calls as in Iraq, there are certainly concerns that the protests will have an impact on Lebanon's internal stability, even if there is no risk to the status of Iran's major ally in Lebanon, i.e., Hezbollah.

At this stage, is seems that the Iranian leadership is determined to take a hard line. According to reports from Iraq, this includes the dispatch of Basij forces and possibly also Revolutionary Guards to suppress the protests. In tandem, Tehran is involved in Iraq's political effort to ensure that whatever solution emerges does not oppose its own interests in the country. The frequent visits by Qasem Soleimani to Iraq in recent months should be viewed in this context: he holds the Iraq portfolio and is personally involved in the effort to influence the choice of the next Iraqi prime minister. His efforts are primarily invested in opposing Mugtada al-Sadr, a prominent Iraqi Shiite cleric and the leader of the largest bloc in the Iraqi parliament, who leads the struggle against corruption and is an outspoken supporter of the protesters. In December, a UAV targeted al-Sadr's home with fire, and there also seems to have been an attempt to assassinate the son of his political spokesman. For now, even after it was made public that al-Sadr closed almost all his institutions in Iraq and moved to the Iranian city of Qom where he is now studying, his forces on the ground continue to defend the protesters against the Shiite militias. At the same time, the US Embassy compound in Baghdad came under live fire, and while there were no casualties, US Secretary of State Mike Pompeo warned Iran of the price it would have to pay should any harm come to US forces.

The combination of the emerging threats to Iranian interests, the protesters' determination, and the absence of a practical solution to the protests brings Iran's dilemma regarding the developments into stark relief. The Iranian regime is resolved not to allow the protests to harm its achievements and the individuals it has promoted and supported over many years; on the other hand, greater Iranian involvement, inter alia by directly and violently suppressing the protests, will only serve to fan the flames of opposition and might lead Iraq to the brink of a civil war. Such a scenario would play into the hand of the Islamic State, which would try to ally itself with anti-Iranian factions and thereby aggravate the situation.

Therefore, for now, Iran is careful to proceed gingerly in Iraq to avoid being accused of direct involvement, continuing efforts to influence developments without intervening directly in efforts to suppress the protests. Still, the longer the protests go on and certainly

if they spread, Tehran can be expected to expand its involvement and take many more risks to prevent scenarios liable to directly damage Iranian interests.