

KRG REFERENDUM AND BAGHDAD'S CRISES MANAGEMENT

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Despite wide-scale domestic, regional and international objections, President of the Iraqi Kurdish Regional Government (KRG) Massoud Barzani insisted on the independence referendum to be held on September 25, 2017. Although he announced the referendum would not be binding, it was not accepted internationally or at a regional level. The United States, the United Kingdom and the European Union stood out as the leading international powers rejecting the referendum. These powers warned the KRG of holding a referendum and advised it to look over the referendum decision and not to hold it. Regional powers (Iran and Turkey), on the other hand, took a stiffer and stronger stand against a possible referendum and imposed some economic, security-related and diplomatic sanctions.

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In fact, this is not the first time the Iraqi Kurds would vote for independence; in 2005, a voting was held and almost a definite positive result was obtained. However, there exists a qualitative difference

between these two incidents. While the first voting was held by non-governmental organizations, the second was assumed by the Kurdish Government and the Parliament which has been idle for more than two years, convened on September 14 and ratified it.

The recent referendum has led to a large-scale and dangerous internal rivalry with a regional dimension between the federal government and the Regional Government. The reactions towards the referendum were embodied in local, regional and international attitudes that rejected the referendum and believed that it would pose a threat to the future of Iraq and the region. The crisis gained pace in and around Kirkuk within the country while it also increased the tension outside the country, being the Iraqi-Turkish-Iranian borders where the given countries deployed more troops, and armed conflicts between Kurdish peshmerga forces and the soldiers of the federal government took place. If no way is found to resolve the crisis, it

is probable that it will be more effective.

Roots of The Crisis and its Beginning

After Mosul was captured by Daesh in June 2014, the peshmerga forces seized the Kirkuk province and other disputed territories in Mosul province; in February 2015, Kurdish leaders declared that Article 140 of the Constitution was no longer valid, the new border was drawn by “blood” and the President of KRG, Masoud Barzani announced that a referendum would be held to separate the region from Iraq. Barzani renewed his given statement in February 2016. The date of the referendum was determined in June 2017 and it was declared to be held on September 25. In the declaration, the referendum was reported to include other disputed regions, such as Kirkuk, Khanaqin, Sinjar and Makhmur, in addition to the three provinces of the region. The referendum did not receive the support of all Kurdish political forces. The Movement for Change (Goran)

and the Islamic Movement of Kurdistan opposed the referendum, suggesting that this decision could only be given by the Parliament. Since the Parliament has not been convening since 2015 due to the disagreements between the Goran Movement and the Kurdistan Democratic Party (KDP), the president of which is Barzani, those who opposed the referendum became concerned that the referendum would increase Barzani’s strength and that the KDP would come out as a more powerful actor in the wake of the forthcoming Parliament and presidential elections.

The referendum was carried out on September 25 despite the international and regional objections, and the KRG Supreme Committee of Elections announced that the referendum was successfully organized, that the Kurds support separation from Iraq, and that 92% of the votes is “yes” and the rest 7% stands for “no”. According to the announcement made by the Committee, the participation rate of the election in which 4,5 million people from

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within and outside the region voted is 72%. The minimum participation is in the provinces of Sulaymaniyah and Halabe with 55% while the highest is in Dohuk with 90%; and in the disputed areas the participation rate is over 80%. The federal government and Prime Minister Haydar al-Abadi demonstrated their reactions to the referendum results by calling out to the Kurds to nullify the referendum results and to launch a dialogue within the framework of the Constitution and not to discuss the referendum results. As for the Kurdish leaders, they explained that the positive result of the referendum has given them the authority to start negotiations with the federal government and neighboring countries.

Approach of The Federal Government To The Crisis

The approach of the federal government in Baghdad to the crisis of the KRG referendum is based on the following principles:

1. The holding of the referendum and the acceptance of its results will lead to possible distorted separations in the future. In other provinces in northern, central and southern Iraq, such as Basra, Nineveh and Anbar, autonomy or as a worst possibility independence began to appear. This happens at a time when Iraq has struggled with terror, begun to reconstruct, and been working on the return of more than three million immigrants and refugees.

2. It is out of question to bend the knee in the face of the “fait accompli” policy of the KRG after June 2014 and its taking over the disputed territories including Kirkuk which is of a major strategic priority and hosts various ethnic groups. For, on the one hand, Kurds, Turkmen, Arabs and Christian Assyrians live all together in Kirkuk and on the other, this province has one third of the whole Iraqi oil reserves and exports crude oil to the Mediterranean crossing the

Kirkuk-Ceyhan Oil Pipeline, KRG territory and ultimately Turkey.

3. To prevent the crisis from turning into haphazardness and turmoil. To dominate the territory, deter some radical armed groups from engaging in a movement that is disadvantageous for the region and to stop direct or indirect regional military operations (Turkey and Iran) –not coordinated with the federal government or without receiving its approval- which could jeopardize the national sovereignty, social peace and economic security of Iraq.

4. To be in coordination with Turkey and Iran to exert pressure in the region in political, economic and military aspects. For example, if Turkey closes the border crossings and decides to deactivate the Kirkuk-Ceyhan pipeline, the KRG will be, in a large scale, deprived of its foreign exchange earnings and it will place the region into a crushing financial and food crises.

Crisis Management Of The Federal Government

The federal government has implemented more than one method to manage the crisis with the KRG:

1. Political and legal methods: The Iraqi government, headed by Haydar al-Abadi, has endeavored to resolve the crisis through diplomatic and peaceful means in order to prevent bloodshed and to promote national unity and social peace. The Iraqi Prime Minister described the referendum as a “illegitimate and non-constitutional” step a day after it was held and stated that he did not recognize the outcome of the referendum and that he would not hold any talks with the region on this issue; he also told that the responsibility belonged to the Regional Government and not to Kurdish citizens. The federal parliament also issued a decision on the referendum on September 27 consisting of thirteen items. The following points were included in the decision: the deployment of the military forces in the region where they were

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before 2014; the opening of the judicial remedy for those, especially the president of the KRG Masoud Barzani, who are responsible for the referendum; that the referendum is contrary to Article 1 of the Constitution; the cancellation of all acts deriving from the referendum; that the commander-in-chief of the armed forces is obliged to take all constitutional and legal actions to ensure the unity and integrity of Iraq; the provision of security in these regions by dominating disputed territories, including Kirkuk; the protection of national and social ties with the Kurds, one of the main elements of Iraq; implementation of acts by the executive and legislative powers and authorities concerning the territory of Kurdistan - such as the decision for the Governor of Kirkuk to be taken from office; that all Kurdish officials in different positions continue to perform their duties, ensuring the safety of those who did not attend the referendum; requesting the ambassadors and representatives of different countries which have representative offices and bureaus to replace

their posts outside the KRG; the calling out to the president to fulfill his constitutional duties with a view to preserving the independence, sovereignty and territorial integrity of Iraq; the closing of border gates that are not within the scope of the federal authority, deeming the goods which have been passed through these gates illegal, inviting neighboring countries to assist the Iraqi government in implementing this resolution; the implementation of actions to ensure that the northern oil reserves in Kirkuk and in the disputed territories are returned to the federal forces.

On the other hand, the Iraqi government has tried to find support for its own attitude by conducting diplomatic activities in regional and international areas. In the region, Prime Minister Haider al-Abadi paid visits to Turkey, Iran, Saudi Arabia, Egypt, and Jordan on October; besides, rejecting the damage brought to the integrity of his country during the referendum and stressing its contradiction to the Constitution in the UN General Assembly

meetings, Iraqi Foreign Minister, in his joint declaration with the Turkish and Iranian Foreign Ministers, announced that these three countries ensured the territorial integrity and the security of Iraq, that they are opposed to the referendum and that they will take a common stand.

As seen, the federal government achieved to explain that it is trying to encircle the region, to isolate it from the political front, to act in coordination with the neighboring countries diplomatically, to win the support of the big states, to explain that the Iraqi attitude is constitutional in international affairs and that the referendum is to harm the integrity of Iraq and the stability of the region.

2. Economic methods: By isolating the region through economic and commercial sanctions, striking blow to its oil, tourism and trade revenues, reducing its monetary value, increasing prices in its commercial markets and claiming that it is ready to close the border with the region, the federal government tried to act in a coordinated manner with Turkey and

Iran. On September 28, the federal government declared that all financial transactions have been stopped with the KRG. As it is known, the region is based on the Iraqi banks that provide it with foreign exchange to import daily necessities in all of its financial transactions. The daily amount of foreign currency entering the region from Iraq is estimated to be around 4-5 million dollars. The private sector in the region uses foreign currency in their commercial marketings with Iran and Turkey. It imports 75% of the required foodstuffs and construction materials from these countries. What is more, it pays back to the foreign companies active in the oil and natural gas fields in dollar as it does to Turkey and Iran for the gasoline it imports from these two (respectively 300,000 and 100,000 litres). The federal government also banned both the foreign exchange sales of the regional banks and the transfer of any amount from the banking and financial transfer companies in Baghdad to the KRG in foreign currency; the transfers conducted in the Iraqi currency have been kept on a certain level

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and the Iraqi National Security Council has made a decision to launch an investigation upon the goods and the responsible of the regional banks.

The federal government also gave three days to the Regional Government to hand over the control of the airports to itself. The vast majority of foreign airlines have stopped their flights to the region in the wake of the warning made by the federal government. According to experts, this warning will lead to major losses like about \$ 250,000 loss in the tourism and transportation sectors and the unemployment of about 6,000 employees in the air transport sector. Another implementation concerning transportation is the request for the transfer of control of the border gates to the federal forces and the closure of non-official gates. The Baghdad government sent an Iraqi team to control the Iraq-Turkish İbrahim Khalil (Habur) Border Gate in Zaho, 70 kilometers east of Dohuk that the Regional Government has been running since 2003. It is estimated that the

annual trade exchange of this gate is over 12 billion dollars.

On November 6, 2017, the Federal Parliament ratified the budget law of 2018 by reducing the region's budget share from 17% to 12% (this rate had been applied before 2005). As seen from all these, the economic policy that the federal government imposed against the region is appropriate to the Constitution and it has achieved success. The said action did not directly target the life of the Kurdish citizens. For the tunnels connecting the region to the other parts of Iraq and the main highways to Iran and Turkey have been left open and the local and international air traffic has continued, but these flights were carried out not from the Arbil and Sulaimaniyah Airports but from other airports.

3. Military Methods:

Armed military power, either implied or directly resorted by the federal government, has become a crucial and definitive method for managing the crisis in the region. The federal government has conducted joint military exercises with Turkey

and Iran near their borders with the KRG. In the wake of these exercises Iraq's Chief of General Staff Osman al-Ghani visited Turkey and Iran on September 23 and 27 to discuss joint military measures to be taken for the sake of maintaining Iraq's territorial integrity. Iraqi and Turkish military troops carried out joint military operations in the Silopi-Habur region on September 26. The purpose of this operation is to take control of the joint border crossing points between Iraq and Turkey from the Iraqi Kurdistan Regional. On November 2, Iraqi and Iranian military forces carried out a joint military operation (Ali al-Ker-rar Operation) in the Pervizhan region where hosts the border crossing -which was closed by the Irani authorities to protest the referendum- between Iran and KRG. On November 16, the federal government, the Iraqi army, the federal police forces, the anti-terrorism forces and the Hashdi Shaabi forces carried out fast and limited military operations to capture a large part of the Kirkuk province,

military and oil facilities and oil reserves. With the support it received from the army, the federal police and the special forces, the anti-terrorism forces took control of the K-1 Military Base, former governor's house, Kirkuk Provincial Assembly, North Oil Company and Northern Natural Gas Company buildings, Kirkuk Air Base, Altun Kupri district and the points where highway intersection points. The federal forces have also retaken the disputed territories which the peshmerga forces had the control of after June 2014 in the Nineveh Plain, Sinjar, Bashiqa and Mahmur and the Khanaqin and Jalawla regions of the Diyala Governorate. Peshmerga forces only managed to demonstrate a weak resistance. The operations command announced on 20 October that the military operations entitled "Operation of Maintaining Security in Kirkuk" have come to an end. This success of the military operation has been a turning point in the management of the crisis with the KRG, the power balance in the field has been disrupted in favor

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Regional and International Attitudes

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financial transactions with the region.

The Kurds in Iran are close to Iraqi Kurds in terms of culture and speak the same Kurdish. Iran has also rejected the referendum and threatened to cut off all economic relations with the region in coordination with Turkey and the federal government in Baghdad if the region leaves Iraq.

At the international level, the United States rejected the referendum and suggested that the Kurdistan Government should engage in a serious and continuous dialogue with the federal government, the United States, the United Nations, and other partners over all matters of concern, instead of a referendum. The United Nations, United Kingdom and the European Union have supported the US position. The US, at the same time, emphasized that any party would not be allowed to take military steps against the Kurds in three main provinces (Erbil, Dohuk, Suleimaniyah) and that chance should be given to the negotiations. All of these show that the regional and

international stand is against the referendum and strongly supports the manner the federal government adopted. This manner has strengthened the federal government's performance in the region and contributed to its success in managing the crisis.

Consequences Of The Crisis

Although the crisis between the federal government of Baghdad and the KRG has not ended and all the secrets have not revealed yet, it is possible to say that there exist some significant consequences that we summarize below:

1. The referendum crisis has exposed and deepened the dangerous divisions among Kurdish political leaders. At the same time, it also demonstrated the growing opposition from, or at least non-accepting attitude, of the Kurdish leaders and prominent Kurdish names to the decision-making and dictatorship of the KDP. The long-awaited "self-determination" dream did not let the Kurds come

together and, on the contrary, the political contests and divisions between the main Kurdish parties have deepened in such a way that the only thing that has united the Kurds for a long time has led to their division and fragmentation.

2. The crisis has shown how narrow the horizons of the Kurdish leaders are and how wrong they are in determining the situation. Their exaggerated trust on the alliance with the US and their belief that the US would never let them down and also the miscalculations they have made encouraged them to insist on independence and to make the US face a fait accompli. The Arbil government, after 2003, has shown itself as the only force against Iran and the one who advocates democracy in Iraq. However, the fact that the Kurds ignored the position of leading international supporters rejecting the referendum and thought that they would still support them in negotiations with the federal government in case of a postponement of the referendum

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reduced the KRG to a position which contradicts with the US project to make it a successful democratic example in the region, which showed its negative effect on the crisis and prompted the US to back up the federal government for its operation in the Kurdish territory.

3. The KRG has lost a large amount of land. The peshmerga forces have largely withdrawn from all of the places both they have acquired after Daesh entered in Iraq on June 2014 and since the fall of the Saddam regime in 2003. The greatest losses came out by the withdrawal of the Regional Government from the strategic Kirkuk province, which it has been trying to establish its authority over the past years, through immigration and demographic changes. Besides, by transferring the control of the Ibrahim Khalil border crossing with Turkey, the airports that strengthen tourism and trade and its relations with the outside World, the KRG almost reached to the point “zero”.

That the Kurds have lost their dominance over the Kirkuk province has deprived the Regional Government of about 70% of its oil income. In this context, the federal government has taken back the oil reserves like Avana, Hurmala, Bay Hasan, Baba Gurgur, as well as Cambur and Habbaz. These losses have also struck a devastating blow to the Kurds' independence dreams.

4. The crisis has revealed that the KRG is not suitable and ready for a separation in economic terms. The KRG does not have the power to meet its needs with its income and its economy is in a tragic situation; as a result of the oil prices decreasing in international markets in 2015, oil revenues have gone down and this has deprived the KRG from its main source of income. The KRG's debts amounted to about 20 billion dollars and it could not pay the full salaries of the armed forces, and paid only 40% of the civil servant salaries. Oil revenues, the production of which is already low, are still

main source of income, and low prices are not enough to finance an independent state. Besides, oil exports are carried out via Turkey, and considering the fact that Turkey is against the independence of the region, the continuity of this income is doubtful.

5. The crisis has overtaken the balance of the region and created a map of new alliances that are not similar to the previous one. The KRG has lost its privileged relations with Iran and Turkey, and faced a new alliance formed among Iraq, Turkey and Iran. The objective of this alliance was “to maintain the territorial integrity of these three countries and to protect regional security and to hinder the Kurdish attempts for independence in the region”.

Conclusion

The independence referendum of the KRG, in a complete sense, created a real crisis. It showed up as an internal development and turned into a crisis with regional and international

dimensions and repercussions. Although the crisis lasted only a very short time, it became an example in the field of crisis management in terms of its mechanism, methods and objectives.

For Iraqi federal government, this crisis has been a new breakthrough for a proper mechanism in order to manage crises. This mechanism is based on logical calculations and realistic approaches and uses diplomatic methods in its execution. These methods include the call-outs made by the Abadi government to the Regional Government for dialogue and negotiation at the beginning of the crisis to provide a solution and to prevent the escalation of the crisis, and the successful initiatives the Iraqi diplomacy performed in coordination with the authorities in Turkey and Iran, and ultimately the visits realized at the highest level. High-level visits brought about the support needed to suppress the Regional Government and to isolate it from the political front. Moreover, economic pressure tools have also been used.

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These pressures have been the threat of solid economic penalties to be put into force, *de facto* implementation of some economic sanctions, and request for support from Turkey and Iran to make the KRG see that it will suffer a complete loneliness through an economic siege by land, sea and air. The federal government took advantage of the military pressure very cleverly and far from a media effect, and conducted joint military operations with Turkey and Iran; afterwards, the army organized sudden and limited operations in cooperation with the federal police, anti-terrorism forces and Hashdi Shaabi forces, and paved the way for negotiations with the region, and this time, due to the achievements it had as a result of dealing with the crisis in a successful manner, it used new methods.

From the point of view of the KRG, the rapid collapse of peshmerga forces' defense lines in front of the Iraqi federal forces reflects the political reality Iraqi Kurds have fallen into. The outcome of the misguided thoughts and weak evaluations

of the KRG leaders in the crisis management has been very grave in political, economic and military areas and the region has lost the support it received from its regional and international supporters. If the Kurdish leaders had taken another step towards secession, the consequences would perhaps be even more dangerous.

Kurdish leaders should draw lessons from this crisis. Their demands must consist of feasible things in terms of national, regional and international conjunctures. As seen from the fact that the secession demands of the Catalans were rejected by other states, such demands are not tolerated since it would lead to the division of the majority of the states in the world and pave the way for everlasting wars. Instead, Kurdish leaders should strive to enter into genuine negotiations, in a reasonable and acceptable framework, with the federal government in order to make domestic reforms, to consolidate democracy in the KRG, and to resolve issues and problems within a federal, democratic and united Iraq. The

same situation is also valid for the Kurds in neighboring countries, that is, Turkey, Iran and Syria. They must also behave reasonably and logically and follow peaceful and democratic ways to demand their rights and live in peace within their countries and societies.

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