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**AN ASSESSMENT OF THE POLITICAL, MILITARY, AND HUMANITARIAN
SITUATION IN IRAQI KURDISTAN**

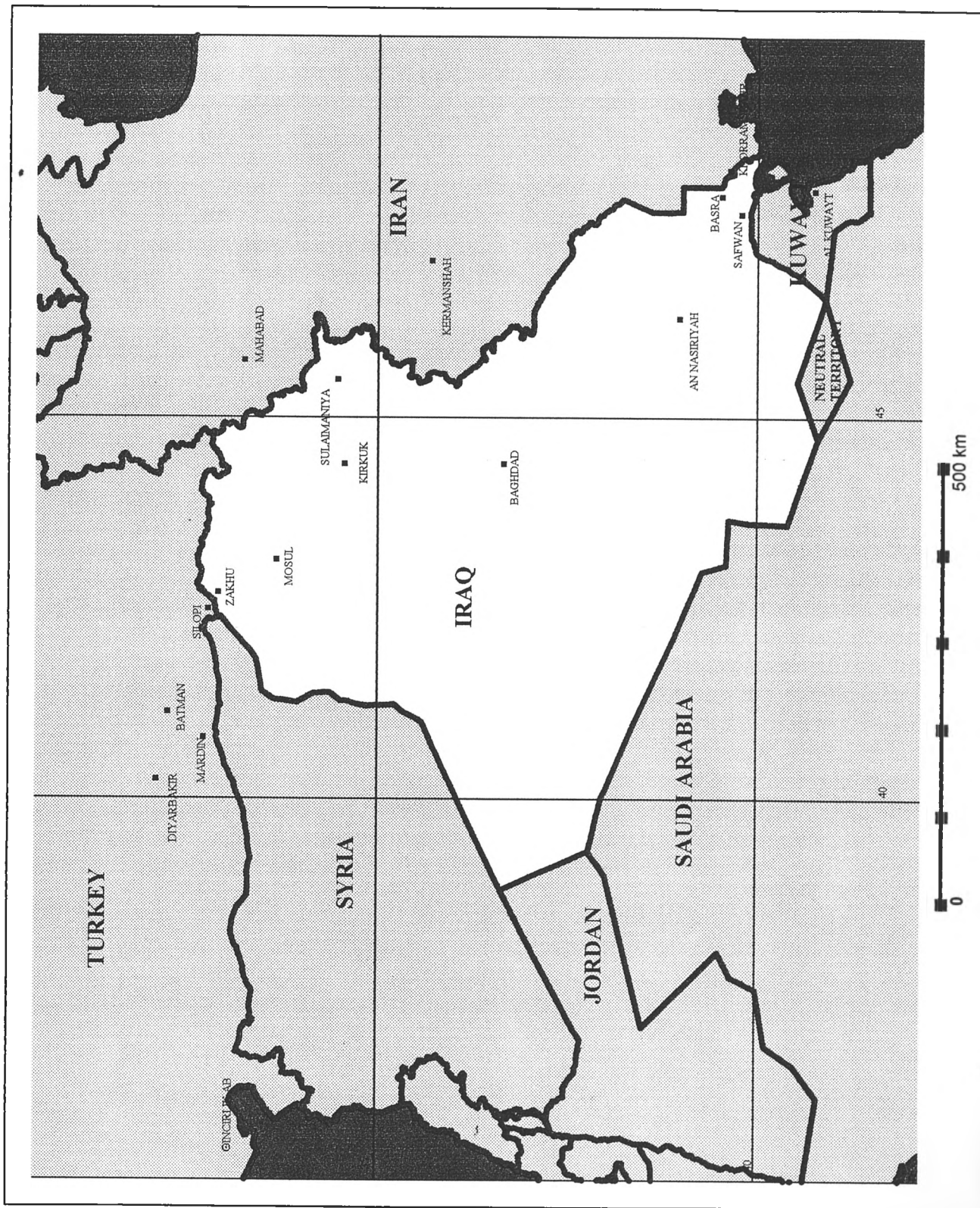
by

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The views expressed in this report are those of the author and do not necessarily reflect those of the Endowment which does not take positions.

Iraq and Surrounding Areas



PREFACE

In 1992, the Carnegie Endowment for International Peace published an assessment of the situation in northern Iraq a year after the allied withdrawal. That study noted how the Iraqi Kurds had been able to begin the process of reconstruction of their devastated homeland with help from the international humanitarian community, how the security umbrella established by the allied forces had evolved into a longer-term mission than had been originally envisioned, and how the security situation in Turkey had become as important an influence on northern Iraq as the confrontation between the Kurds and the Iraqi government. It noted that the Kurds seemed to be moving towards establishing a *de facto* autonomous administration and moving stealthily towards something more than autonomy.

Much has happened in the two years hence. Therefore, the Endowment decided to review the situation again and publish this update. An assessment mission was carried out in November 1994. This report:

- Reviews the situation in northern Iraq and the recent political and security developments.
- Identifies the changes that have taken place in the last two years.
- Assesses the humanitarian situation and the efforts of the international community to provide humanitarian aid and how they might have been affected by the recent inter-party fighting and Iraq's recent attempt to threaten Kuwait.
- Evaluates the damage done by the recent inter-party fighting to the international commitment to aid the Kurds and to maintain their security through Operation Provide Comfort.
- Assesses the likelihood that the Iraqis might take precipitous action that could create another humanitarian crisis.
- Assesses the status of the protective mission of OPC and explores what changes have occurred as a result of the security situation in southeastern Turkey.
- Suggests actions that should be taken by the U.S. at this juncture in northern Iraq.

EXECUTIVE SUMMARY

In 1992, a year after the allied forces withdrew from northern Iraq, the situation of the Kurds was stable and somewhat promising:

- The allied security structure of armed overflights, a small military monitoring mission and a large humanitarian program under the umbrella of the UN was in place and working.
- The Kurds had elected a representative assembly and established a de facto regional government. The two rival political factions had worked out a 50-50 power sharing arrangement that was hailed as a symbol of their political sophistication and ability to compromise.
- There was massive repatriation from Iran.
- The agricultural economy showed healthy signs of recovery.

The situation was so promising that many of their neighbors worried that the Kurds were moving stealthily towards independence, not just autonomy within Iraq.

In terms of security, the Kurds' main concern was that Saddam Hussein and the large Iraqi force just south of the Kurdish zone but the continuous overflights were a strong sign that the West would resist any attack on the region.

The Situation Now

In the last two years, the situation has changed, largely for the worse.

- There has been a breakdown in Kurdish unity and open fighting broke out between the two major parties in the middle of 1994. Despite their efforts to resolve their differences, a wide gulf remains and periodic flare-ups continue.
- The economic situation reached a plateau in late 1992 and has remained stagnant ever since due to the embargo (the Kurds are not exempted), the blockade by Iraq, and overzealous enforcement of the sanctions by Turkey. While agricultural production has continued to increase the last two years, it too is reaching its limits.
- The humanitarian program has continued and many of the early problems have been resolved, but support for the effort is waning and drastic cut-backs are being made. This is likely to have a negative impact on the economy since it is highly dependent on aid.

The security picture has also changed. The military standoff with the Iraqi army continues with constant skirmishing along the confrontation lines. However, there is no

immediate threat from Iraq and as long as the allies continue the overflights, it is unlikely that the Iraqis will attack.

Today the Kurds' primary security concern is Turkey. The fighting between Kurdish separatists in Turkey and government forces has spilled over into northern Iraq as a result of the guerrillas using the area as a base. In addition:

- The Turks have established a ten kilometer *cordon sanitaire* along Iraq's northern border and forced thousands of villages to evacuate their homes.
- They have carried out bombing raids on suspected separatist bases which have killed and wounded Iraqi Kurds.
- They have slowed movements of humanitarian supplies into northern Iraq.
- They have obfuscated Operation Provide Comfort from a position within the coalition and made many of their allies uncomfortable with their role in the operation.

Operation Provide Comfort, once the pride of the U.S. armed forces, is a mission adrift. Despite OPC's success, the American military would like to end the mission and neither USAID nor the Department of Defense wants responsibility for the humanitarian component. While northern Iraq is still secure and the key members of the protective coalition are still committed to the effort, there are signs of fraying. France's support for ending the sanctions on Iraq in November of 1994 is particularly troubling. Senior officers worry that Saddam Hussein may misinterpret the current situation and try to retake the region by force.

An ominous note is the increased involvement of Iran. The Iranians intervened on the margins of the fighting between the Kurdish parties (on the side of the Kurdish Democratic Party). Shortly after that:

- The Iranians carried out an air raid, through the allied no-fly zone, on an Iranian anti-government *mujahidin* base in the center of the region.
- The Kurds announced that they had agreed to try to control the *mujahidin*.
- Extensive talks were held in both Teheran and Irbil on increased trade and cooperation.

Politically and militarily, the situation is at a stalemate. The Iraqis are unlikely to attack as long as OPC continues. And as long as OPC continues, there will be no new refugee crisis. While the Turks are uncomfortable with OPC, they are unlikely to end it because they fear an influx of refugees and the impact they would have on the conflict in southeastern Turkey.

The Iraqi Kurds recognize that both Turkey and the allies are in a situation from which they cannot disengage without dire consequences. Because of that, along with internal pressures, the Kurds are disinclined to resume negotiations with Saddam Hussein and reintegration with Iraq is as far away now as it was when the allies withdrew in 1991.

Thus, all parties are playing for time, waiting until something major alters the situation and provides an opportunity to resolve the situation. During this period, the allies must continue to protect the Kurds and to provide aid and economic assistance, either as humanitarian aid or by permitting the Kurds greater latitude to provide for their own needs.

The allies need to address some major issues, including:

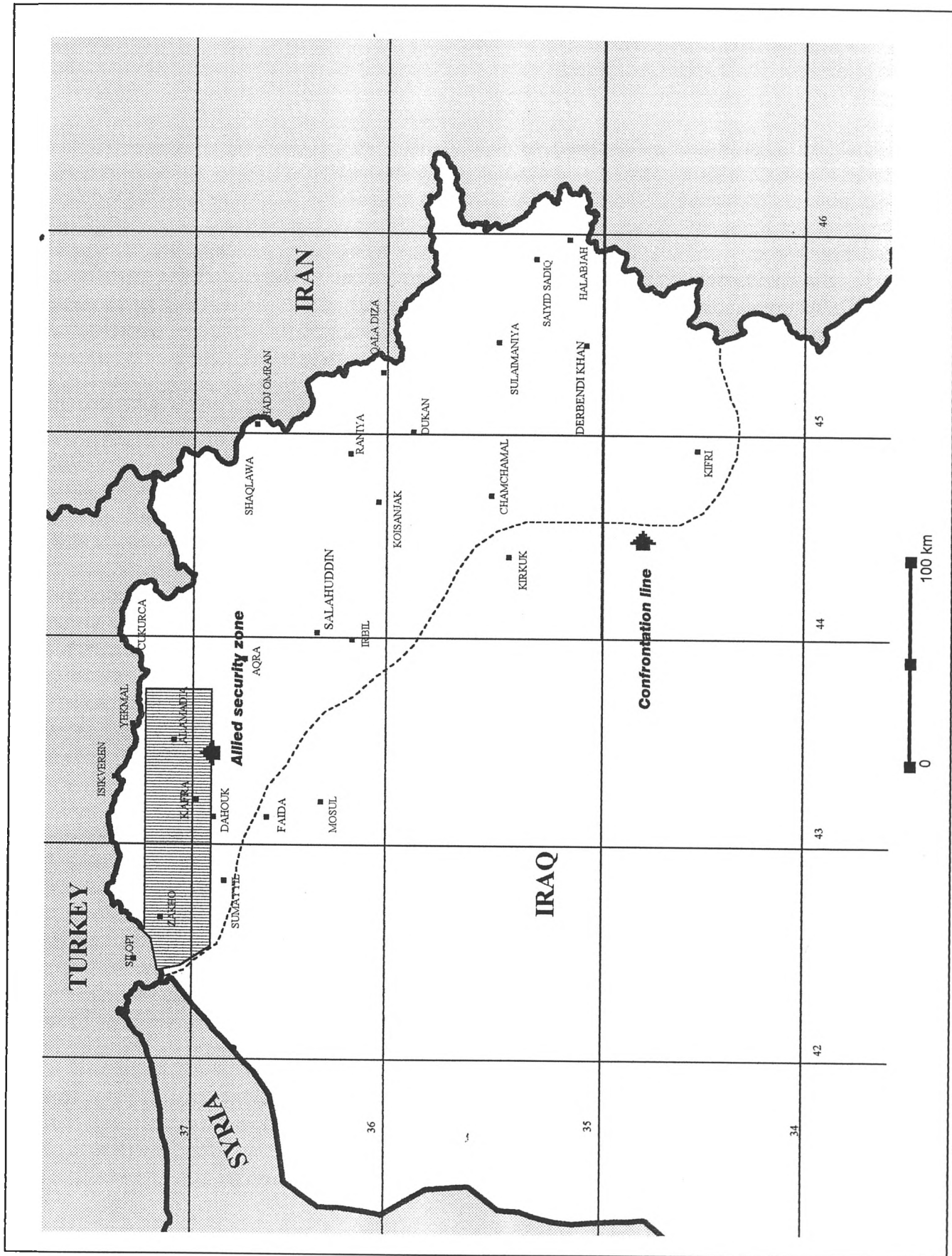
- What to do if widespread inter-party fighting breaks out again.
- How to ease the economic situation in northern Iraq in the face of declining humanitarian aid.
- The role of Turkey in OPC.
- How to respond to the increasing involvement of Iran.

Prescriptions

For the foreseeable future, the allies must stay the course. Specifically:

- Maintain the sanctions on Saddam Hussein.
- Review the U.S. position on Iraq, clarify the policy goals, and reaffirm the OPC mission and strengthen it accordingly.
- Address the problems with Turkish participation in OPC before they get out of hand.
- Continue the humanitarian program, but make it more developmental and take measures that will permit self-sufficiency.
- Exempt northern Iraq from the UN sanctions or find a way around them.

Northern Iraq



AN ASSESSMENT OF THE POLITICAL, MILITARY, AND HUMANITARIAN SITUATION IN IRAQI KURDISTAN

Three years have passed since U.S.-led allied forces withdrew from the Kurdish areas of northern Iraq where they had established a security zone to provide a safe haven for Kurds forced to flee from Iraqi government troops at the end of their failed uprising following the Gulf War in 1991. To protect the Kurds, the allies left a temporary security framework in place: armed patrols by allied, now mainly U.S., fighter-bombers, a small resident military mission, and the presence of a large number of international humanitarian relief agencies operating under a United Nations umbrella. The Western governments had also made it clear to the Iraqis that they were not to attempt to reenter the former security zone, to do so would provoke allied military retaliation. It was implied that Kurdish areas controlled by the Kurdish resistance, or *peshmerga*, outside the zone were also off limits to the Iraqis.

The allies had hoped that the Baathist regime of Saddam Hussein would fall soon after their departure or that the Kurds, who were negotiating with Baghdad for autonomy, would reach an accord with the Iraqi government that would end the need for continuing allied protection. That has not happened. Talks broke down soon after the allied withdrawal, Saddam Hussein was able to survive despite UN-imposed sanctions, and in spite of international monitoring, has been able to re-arm and once again threaten his neighbors — and the Kurds. In the meantime, the Kurds have moved to establish *de facto* autonomy in their region and embarked on an ambitious program to introduce a model democratic government in their homeland. In 1992, they held the first truly democratic elections in the history of Iraq — with universal suffrage, something almost unheard of in the Middle East. Despite their isolation, the Kurds were determined to press ahead and a year after the uprising, agriculture had rebounded and there were signs that the economy of northern Iraq would be able to adjust to the situation and expand sufficiently to give the majority of the people sufficient income to hold out until the government in Baghdad changed.

The situation in Iraqi Kurdistan has been affected by events outside its borders and the concerns and interventions of its neighbors. In Turkey, separatists of the Kurdish Workers Party, or PKK, have intensified their rebellion drawing a harsh response from the government. Reforms ushered in by President Turgut Ozal were suspended shortly after the allied withdrawal and generally ceased altogether after his death. The PKK, which receives support from the Iraqi government, had established a small number of bases in Iraq prior to the Gulf War; after the Iraqis withdrew from the border, they expanded their bases into the area and their contacts with the Iraqi Kurds. The Turkish military, already suspicious of the Iraqi Kurds, began attacking suspected PKK concentrations as soon as the allies withdrew. They also bombed villages along the border and announced a 10 km. exclusion zone within which they would attack anyone they detected. Many villages were abandoned in the northern areas despite the pleas of the Iraqi Kurds that the people were innocent and had no connection to the PKK. Since 1991, 10,000 people have been displaced.

The actions by the Turks were designed to elicit Kurdish assistance in controlling the PKK. In 1992 and afterward, the *peshmerga* under the control of Masoud Barzani's Kurdish Democratic Party carried out a series of operations against the PKK along the border and provided military intelligence on their operations to the Turks in hopes that they could allay Turkish fears. In retaliation, the PKK closed the main road leading from Turkey into northern Iraq, a route heavily used by Turkish trucks trading with Iraq which, in turn, are taxed by the Kurds — these taxes are the major source of income for the nascent Kurdish regional government. The Kurds ceased their direct operations against the PKK and reopened the road. Since then, the PKK and Iraqi Kurds have had an uneasy standoff: some bases still exist, the PKK uses Kurdistan for resting their soldiers, and they have some recruiting offices in the main towns. The Turks continue to periodically bomb the bases and suspected PKK concentrations.

Relations between Turkey and the Iraqi Kurds have become the predominant issue in the Kurds' survival. The allied planes protecting the Kurds are based at Incirlik airbase in Turkey, the Military Coordination Center (the allied monitoring team) is supported via the Turkish air base at Diyarbakir, and the safest, and only ground, access to northern Iraq is via the Turkish border. Most of the humanitarian agencies enter and leave the zone from Turkey and 90% of the humanitarian aid comes across the Turkish border at Silopi. About 60% of the Kurds' trade is with Turkey, though it is restricted by UN sanctions — and more rigorous than usual controls by the Turkish customs authorities.¹ Thus, the Kurds have had to carefully cultivate their relations with Turkey and must consider the Turks' reaction to every international, and most domestic, moves they make.

Events in Iraqi Kurdistan are also influenced by Iran. Iran has been an ally of the *peshmerga* in the past but it too is concerned about the possibility that the success of the Iraqi Kurds in establishing an autonomous administration might fuel aspirations for autonomy or independence among its own sizeable Kurdish minority. Iran also fears that the Iraqi Kurds are becoming a surrogate for American interests and anti-Iranian activities. The Kurds, in turn, know that the U.S. would be concerned if relations with Iran became too close, thus they have tended to downplay their attempts to get support or wider trade with the Islamic Revolutionary regime in Teheran.

For the most part, Syria has not been a factor. While at odds with Saddam Hussein, Syrian President Hafez Assad has not been willing to support the Iraq Kurds against his old enemy, largely because he too is concerned about possible separatist aspirations among the 750,000 Syrian Kurds.

Recent Events

From mid-1992, when the Kurdistan National Assembly was established, to May 1994, the situation in northern Iraq remained relatively static. The Kurds embarked on trying to set

¹ Trucks bound for central Iraq are routinely allowed to pass, while those known to be bound for Kurdistan with cargos other than food or humanitarian supplies are halted.

up a regional government within the framework of Iraq and along lines generally agreed to in the 1970 agreement between the Kurds and the Iraqi government (though it was never honored by the central government). International aid continued but the UN and donor countries bent to Turkish pressure to limit it to "relief" which would supposedly prevent Kurdistan from becoming independent. This, coupled with the hardships imposed by the embargo on Iraq — from which the Kurds are not excluded — has resulted in a stagnant economy. There has been little reconstruction of industry or business, spare parts are hard to find, and there has been little investment in basic infrastructure. The Kurds have even been slowed in rebuilding the housing destroyed during the uprising or by Saddam Hussein's Anfal campaigns (the systematic attempt to destroy the Kurds and their way of life which human rights groups have labeled as genocide);² only traditional mud housing can be built because roofing materials and cement are too costly.

A major political move was made in 1992 when a coalition of the Iraqi opposition was formed in Vienna. The Iraqi National Congress, made up of most of the democratic movements and political parties in opposition to the Iraqi Baathist regime as well as the Kurds, decided to locate their headquarters in Salahuddin and has since attempted to coordinate the resistance to Saddam Hussein.

The military situation vis-a-vis the Kurds and the Iraqi government forces has not changed since the allied withdrawal. The Iraqis have made only minor shifts of troops and have kept their planes south of the 36th parallel and out of the no-fly zone. However, they have remained a potent force and *peshmerga* leaders know that Iraq could easily overwhelm the Kurd's frontline defenses and take the cities on the plains south of the mountains and close the western access routes into the region from Turkey. In January and February 1993, the Iraqis fired on U.S. planes patrolling the zone but the new American president, Bill Clinton, responded with force and the Iraqis backed down.

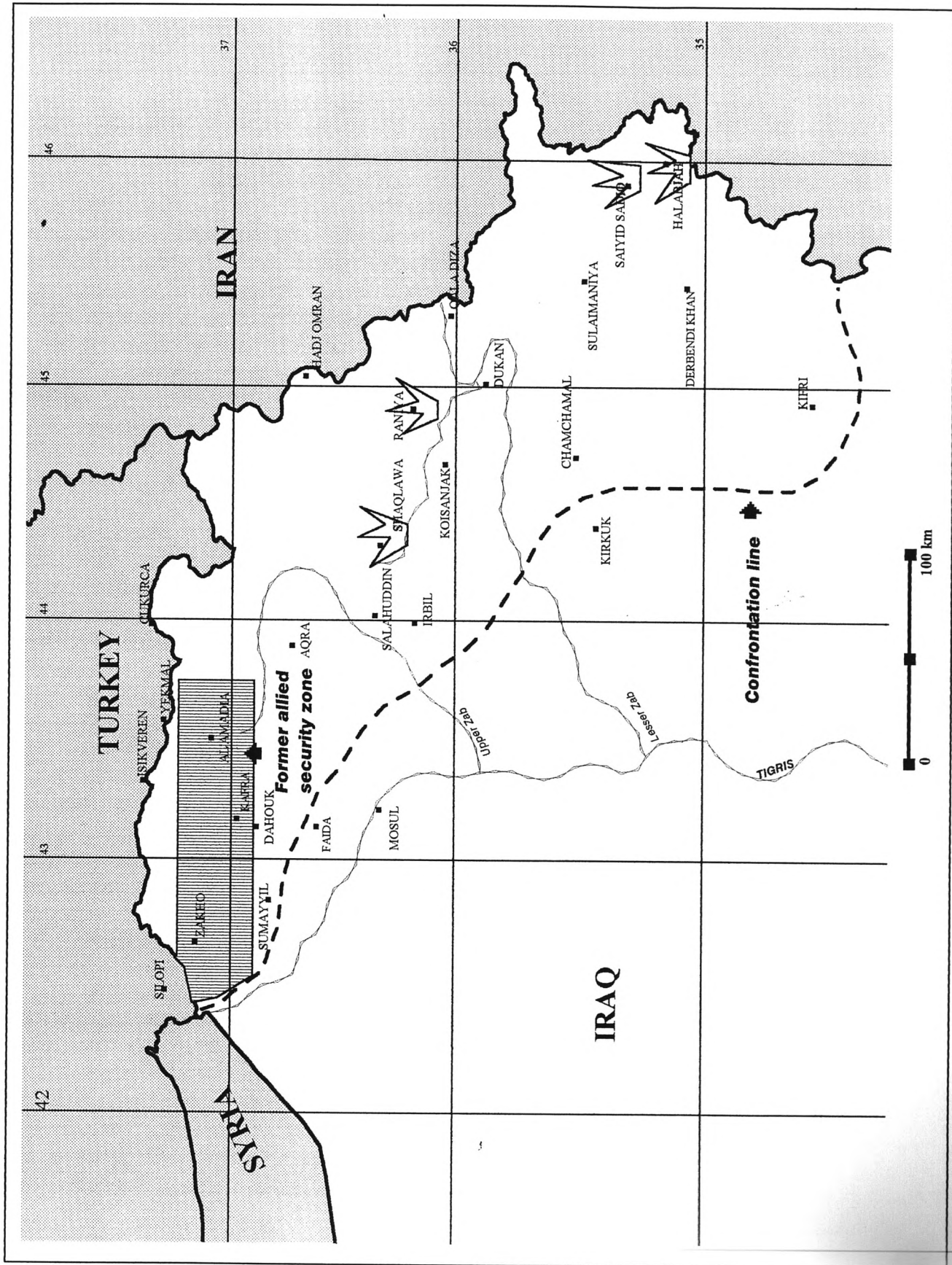
April 1994 saw the tragic downing of two American helicopters ferrying an allied delegation to Salahaddin, an area in eastern Kurdistan outside the former security zone. The helicopters were shot down by U.S. fighters in a case of mistaken identity. Immediately allied air patrols were stepped up to prevent the Iraqis from taking advantage of the situation but flights by the MCC were curtailed until new recognition and control procedures were established for all aircraft flying in the area. The downing also resulted in a review of the overall mission in northern Iraq and some operational changes that have had the effect of reducing allied contacts with the Kurds.

² "Anfal" was the Iraqi codeword for a series of eight coordinated military attacks on the Kurdish populations of northern Iraq conducted between February 23 and September 6, 1988. Ostensibly a counter-insurgency campaign, the Anfal, meaning "spoils," employed a variety of terror tactics including aerial and artillery bombardment of civilian settlements designed to kill the maximum number of people; the use of chemical weapons against civilian populations; mass arrests, deportations, and summary executions; and forced relocation to controlled settlements. In captivity, thousands of people were tortured and afterwards, many were executed or disappeared. The goals were to kill or remove the population that supported the *peshmerga*.

From an internal point of view however, the most significant event was the flare-up of fighting between the two most powerful *peshmerga* groups, Barzani's KDP and the Patriotic Union of Kurdistan (PUK) headed by Jalal Talabani. Over two thousand people died in the fighting. The two parties signed a peace agreement in November but outbreaks have continued and have done considerable harm to the Kurd's image and to the democratic process they had started. However, the Kurdish assembly and its leaders contributed considerably to ending the summer fighting and efforts to normalize the situation are continuing under its auspices. The French have also played a major role in trying to resolve the dispute. Both sides recognize the damage that has been done to their cause.

In October of this year, Saddam Hussein moved troops into a threatening position across the border from Kuwait. The U.S. and its principal Gulf coalition partners swiftly moved major forces into position to counter any Iraqi aggression towards Kuwait and Saddam backed down. During that period, there were no serious changes in the Iraqi forces facing Kurdistan, though there were some troop rotations (some armored units were replaced by infantry). The biggest question that arises out of this event is that now that he has been thwarted in the south, will Saddam turn his attention north?

Main Areas of Inter-party Fighting



THE POLITICAL SITUATION

The Current Situation

Major inter-party fighting between the KDP and PUK broke out on May first. It was brought under control in July but flare-ups have continued. The two sides have tried to resolve their differences and both have made concessions to try to contain the pressures that led to the troubles. Nonetheless, serious damages have occurred and suspicions of each other linger that will lead to misunderstandings in the future. In a society renowned for its blood feuds and tribal conflicts, the fighting has undoubtedly created some local hatreds and left residual tensions that could reignite unless tight controls are maintained by both sides. In the aftermath of the fighting, there was a marked increase in emigration from Kurdistan; the situation since 1991 had been hard enough, but the fighting between the two rival groups was the final straw for many people. Of special concern is the fact that a high percentage of those leaving were the educated and skilled young people.

The extent to which the fight was preplanned is disputed. The trigger was a local dispute over property. But what started as a local showdown sparked a highly volatile situation. There had been sporadic flare-ups before, but they had been quickly controlled — often with the intervention of the MCC. But the underlying tensions had not been resolved and this time the MCC was essentially out of commission as it was being rebuilt in the aftermath of the helicopter tragedy. (There were direct calls from Washington and London to both parties urging an end to the fighting but there was no on-site intervention as in previous incidents.)

The underlying causes of the conflict were:

- the rivalry between the two principal *peshmerga* leaders,
- attempts by both sides to consolidate and expand their power bases at the local level,
- frustration caused by the 50-50 power-sharing arrangement that has existed since the Kurdish National Assembly was established, and
- disputes over patronage and how government revenues should be collected and spent.

These were fueled by the frustrations that many Kurds have experienced as a result of the continuing uncertainty of the security situation and the stagnant economy with its high unemployment, increasing costs of living and lack of economic opportunities. In addition, many of the proud, normally self-sufficient Kurds harbor strong resentment that they are being made wards of the international community and are being prevented from enjoying a normal life. Nowhere was this felt stronger than in the main towns and cities where slums have sprung up to house refugees returning from Iran and Turkey and people displaced by Turkish military actions along the northern border.

The standard of living in the slums (as well as in many of the newly reconstructed villages) is far below what the Kurds had come to enjoy. In recent decades they had been able to share in Iraq's oil wealth and the standard of living had risen significantly. Even in the collective villages, the towns where people had been forcibly resettled during the counter-insurgency campaigns of the Iraqi government, most had houses made of cement block with indoor plumbing and electricity. Now, as the people return to rebuild their villages, many families in the rural areas do not have electricity and sanitation is rudimentary.

Due to the sanctions on Iraq and Turkish pressures on the relief agencies not to engage in economic reconstruction or development, the economy has been stagnant and unemployment and underemployment rates are high. Faced with a lack of job or educational opportunities, many young men have turned to the parties for jobs; some have gone into the *peshmerga*, others have been given government jobs which have been allocated along the same lines as the power-sharing arrangement in the government, 50-50. Created as a means of preventing conflict, the arrangement has essentially polarized the population, forcing people to choose sides in order to obtain access to benefits or services. The increasing number of people pledging allegiance to each party, as well as an expansion of their military forces, created a sense within each camp that they were strong enough to force their will on the other and, at some local levels, bullying crept into some of the inter-party dealings. Thus, in a basic sense, the fighting represents a test to see if a major shift had occurred.

The fighting started in Shaqlawa in central Kurdistan and quickly spread in that area and eastward. The PUK took control of Sulaimaniya and several nearby towns. Jalal Talabani was out of the country when the fight broke out and it was some time before he could be reached and persuaded to issue an appeal to his forces to stop.³ The KDP was surprised by the fighting and thought that it would quickly die out. At first, they took up a mainly defensive posture in the central and eastern governorates, but in their strongholds, such as Zakho and Dahouk, they surrounded and disarmed the PUK in their offices without incident.

In the early stages of the feud, most of the fighting was highly localized and centered around party offices (which also serve as military centers for each group's *peshmerga* militia). One party would surround the other's office, demand that they surrender and if it didn't, would attack. (There were some executions of prisoners which has created some residual distrust and has resulted in some localized killings and attacks.) All sides put up roadblocks and there was often fighting around them.

Despite pleas for calm, the violence continued, then began to spiral out of control. The leadership of the Iraqi National Congress tried to intervene. Dr. Ahmad Chalabi and General Hassan al-Neqib traveled to the headquarters of each faction and pleaded with them to end the conflict.

³ Talabani had also been out of town during previous flare-ups of fighting, something that the KDP believes shows that the fighting was planned. If it went well, he would come back and take control, if it went badly, he would come back and stop it — and take the credit.

The PUK appears to have been ready for a major fight. Within two days after the initial incident, they moved a large force from Sulaimaniya towards Shaqlawa to threaten the KDP headquarters of Masoud Barzani in Salahaddin. Barzani called on reinforcements from his western strongholds in Dahouk and Barzan and by May 6 a major battle was shaping up in the vicinity of Shaqlawa as thousands of KDP *peshmerga* arrived. At this point, Dr. Chalabi was able to convince prime minister Kosret Resul (of the PUK) to intervene with the PUK to stop the fighting and, together, they arranged for a disengagement of forces. Soldiers from the INC were used as an interpositional peacekeeping force.

On May 11, the situation became more complicated. A group of Hisbollah militia from Iran under the control of Adham Baranzi (an Iranian) crossed into Kurdistan and killed a PUK leader in Choman in the Soran area. On the 19th, the PUK attacked Koysanjak in retaliation, then the KDP retaliated by attacking Shaqlawa. The INC managed to obtain a cease-fire and convinced Barzani, who was about to win in Shaqlawa, to withdraw. But on the 23rd, the KDP occupied the heights overlooking Shaqlawa posing a major threat to the PUK. On the 24th, the PUK launched an assault on the position but failed to take it and sustained heavy losses. Again, the INC intervened and Barzani withdrew.

On May 26, the PUK tried to take control of the Iranian border region. There was major fighting in Saiyid Sadiq and Halabja.⁴ During the battles, Iranian forces across the border shelled the PUK positions. In Halabja, over 1,000 people were killed. The enormity of the bloodshed in the final battles finally brought the parties to their senses and serious cease-fire discussions were started.

On June 2nd Talabani managed to get back into Kurdistan and immediately ordered his troops to disengage and publicly ratified all the cease-fire agreements that the INC and the two forces had worked out. There were several meetings in Irbil and Turkey to try to work out tougher measures but they were not completely successful and the fighting continued to flare up throughout the central and eastern zones.

The fighting was mainly centered in the eastern and central zones. The Dahouk governorate and all the former security zone remained calm (though earlier there was a brief flare-up in the west near Aqra) as did Irbil, the capital of Iraqi Kurdistan and seat of the Assembly.⁵

How the Summer Fighting was Stopped

Attempts were made to stop the fighting as soon as it broke out. The first to take action was Dr. Chalabi of the INC. He persuaded the prime minister to join him and soon various

⁴ The town gained international attention in 1988 when the Iraqis attacked it with chemical weapons and killed 3,200-5,000 people. For more information see: *Genocide in Iraq*, Middle East Watch, New York, 1993.

⁵ There were some minor attacks by the two parties on each others offices but no deaths were reported.

members of the government including the deputy prime minister (KDP) and the speaker of the assembly (KDP) were active.

The allied governments also urged the leaders to stop the fighting. Both leaders received direct calls from senior administration officials in the U.S., Britain and France warning them of the harm the fighting was doing to their cause. Nonetheless, the leaders seem unable to control events.

The assembly leaders, along with Dr. Chalabi, persuaded Barzani and Talabani to agree to a basic framework for a cease-fire. Once the general terms were agreed upon, members of the assembly went into the countryside to spread the word. If fighting persisted, a delegation would go to the trouble spot and try to mediate the dispute. Often they would offer themselves as hostages or as personal guarantors of safety for the exchange of prisoners or for the return of properties. The assembly adopted a series of measures to normalize the situation and published them in the newspapers and broadcast them over the radio. They established a committee for normalization and sent multi-party delegations to areas that remained tense to hear grievances and try to resolve the issues. Today, many people give the assembly and its work a major share of credit for ending the fighting. Foreign aid workers and military observers in Kurdistan were impressed with the efforts of the assembly during this period. At one point, when it looked like the cease-fire was going to break down, the assembly invited both leaders to the assembly building, and refused to allow them to leave until they had reached an agreement.⁶

The INC played a key role; along with serving as interpositional forces, their troops gradually took over roadblocks from the factions; this stopped the fighting for control of the roads and allowed road traffic to resume.

The role of the Kurds' international supporters was an important factor. But it was the French, acting through Madame Danielle Mitterand, wife of the French president, who did the most. When the two parties had reached a tentative understanding on stopping the fighting, the French invited the two factions to Paris and helped them work out a formal agreement.

The principal deputies of the two parties hammered out an agreement during the following weeks. The Kurds invited the U.S., Britain, and France to witness the agreement. However, Turkey was left out and, with Iran, subsequently pressured the French not to host the formal signing which was to be held a month later. Thus, the Paris Agreement, as it has become known, was not immediately ratified by the two sides and further discussions were

⁶ On a local level, the role of the tribal chiefs should also be emphasized. Many of the disputes developed between traditional rivals and revolved around pre-existing local disputes. The chiefs were able to resolve many of these issues without involving the parties.

continued in Kurdistan. Finally, on November 24, the two leaders signed the agreement. The main points were:

- A census will be carried out before May 19, 1995 followed by general elections.
- The two parties agreed to continue the 50-50 power sharing arrangement until the general election.
- The cabinet will be reshuffled and a number of posts will be given to the smaller parties.
- The towns will be demilitarized (i.e., the *peshmerga* forces of each group will be moved out of the towns) and the size of the two *peshmerga* groups will be reduced.

However, the primary problems — the fact that the real power and resources are outside, rather than in, the government, and the fact that there is no strong executive — have still not been resolved and many observers believe that sporadic fighting will continue.

Iraq's Posture During the Fighting

The Iraqi government has not made any overt moves against the Kurds since the fighting started. It is known that Saddam Hussein had contact with the Turkish government during the period. There was some intensification of shelling along the confrontation lines, especially in the vicinity of Chamchamal but there was no apparent change in the force levels. *Peshmerga* intelligence officers claim that during the crisis, Saddam gathered Baathist supporters from Kurdistan, armed them and prepared to infiltrate them into the north. The plan was to have them create the appearance of a pro-Iraqi uprising in Irbil and then call for his intervention. But nothing ever came of the plan.⁷

Involvement of Iraq's Neighbors in the Conflict

Both Iran and Turkey interfered in the situation and outside political groups in both countries contributed to the hostilities. At the outset, Turkey tried to prevent Talabani, who they suspect of being involved with the PKK, from returning to Kurdistan, probably hoping that without him to lead the PUK forces, the KDP would be able to inflict major harm on their rivals. Later, the Turks changed their minds and arranged for him to fly into Irbil via a Turkish gendarmerie helicopter. Turkey also carried out several raids in PUK areas which added confusion to the situation and forced the PUK to draw off troops at critical periods. The PUK also claims that the Turkish Air Force attacked their bases near Zakho on the pretense that it was a PKK facility. However, Turkey played a role in getting the two parties together for the initial talks. Several *peshmerga* leaders credit the Turks with providing the framework that ended the

⁷ The group was still around during the subsequent Kuwait crisis and apparently, a similar move was contemplated, but again, nothing happened.

summer fighting. They believe Turkey feared the fighting would create a vacuum in Kurdistan that would benefit the PKK.

Iran became active in supporting the KDP and its allies early in the fighting. When the PUK attempted to gain control of the border, Iranian artillery shelled PUK forces near Halabja. They also allowed military supplies to cross the border for the Islamic Movement of Kurdistan, a faction allied to the KDP.

Since the fighting, Iranian troops have been seen moving back and forth across the border and their helicopters have been spotted by NGOs working in the east. They are believed to be taking actions against anti-Iranian government groups based in Kurdistan. On November 9, Iranian planes raided a camp of anti-government guerrillas near the town of Koisanjak; their flight violated the allied no-fly zone.

There are rumors that the PKK lent support to the PUK in the vicinity of Raniya but beyond that, they stayed out of the fighting. However, they did use the vacuum created by the fighting to build up several of their bases in Badina.

From Iran, the KDP-Iran, a group which has received support from the KDP, crossed the border to reinforce the KDP in the east. Their actions in Soran against the PUK fueled the fighting and undermined an early cease-fire.

Consequences of the Dispute

Internally, the fighting has seriously strained the relationships between Barzani and Talabani and deepened the distrust between them. It has also undermined the confidence of the Kurdish people in their leaders as well as the democratic experiment. For a while, repatriation from Iran stopped altogether, lately it has resumed but at a much slower rate. Worse, many people, especially the young, educated and professional workers have lost faith with the movement and have left the area. The health sector has been especially hard hit as many doctors left after the fighting.

Impact on Internal Political Arrangements

On the political scene, the fighting has led to a reexamination of the political arrangements in the government but no clear pattern has yet emerged. Many people now question the 50-50 power sharing deal, others believe that it is time that the two major leaders formally join the government.

Elections were scheduled for May 1995 but the fighting has delayed them. Both sides want a new census and have agreed to postpone the elections until it is complete.

Impact on the Kurds' International Support

On the international front, the fighting did serious damage to the Kurds' image as a mature, democratic movement. Most alarming was the apparent difficulty that the two leaders

had in controlling their own forces at various times. Allied military leaders, who have opposed on-going support for Operation Provide Comfort fearing that it could draw the West into an internal conflict, claim the strife confirms that the Kurds are still divided and driven more by tribal and clan divisions than by a common desire to oppose Saddam Hussein. Despite these concerns, support for continuing the mission remains firm among U.S., British, and French officers in the Combined Task Force in Incirlik (though the Turks are cool to it).

It is hard to assess the political damage done to the Kurds. For the time being, support appears to remain strong but there were mounting pressures from France, Russia, Turkey and even Britain to lift the sanctions on Iraq before Saddam's recent threats to Kuwait. The Kuwait crisis may have halted any moves to normalize relations with Iraq for now but at some point, they are bound to re-emerge. The U.S. may find itself alone in calling for continuing the sanctions until Saddam has been replaced. Technically, the Security Council resolution that authorized the sanctions calls for them to be maintained until Iraq has complied with all relevant Security Council resolutions but the key provisions are that 1) the UN verifies that all weapons of mass destruction and their production facilities have been destroyed or dismantled, 2) that Iraq formally recognize Kuwait and its borders — a condition that was met on November 10, and 3) that it stops persecuting its own people. As Iraq moves closer to compliance, supporters of lifting the sanctions will surely point to the Kurds' internal troubles as proof that they should be coerced into an accommodation with the central government.

Impact on the Kurds' Defenses

Military cooperation between the two main *peshmerga* forces confronting the Iraqi government forces has been suspended. While senior leaders deny that their defenses have been weakened, the sharing of intelligence has effectively halted, coordination has ceased, and adjacent units of different parties along the entire front have only perfunctory contact. The INC has had to assume the role of mediator and has tried to ease the situation, but it remains less than ideal. There had been earlier plans to merge the two forces; when that proved unworkable, a joint staff was proposed. Finally, the parties agreed to coordinate via a "*peshmerga* affairs" committee of the assembly. The body has been dormant since May 1.

Affect on the Humanitarian Effort

So far, there has been little long-term impact on the humanitarian program. Relief operations were suspended in the conflict areas for June and July. Relief needs created by the fighting were minor and neither of the parties asked the international agencies for help. Some houses were looted and a number of fields were burned, but overall, damages were minimal. The most serious impact was that in several areas, spraying for sunapest, an insect that attacks wheat, was delayed or canceled at a critical time. Also, repatriation from Iran stopped during the critical summer months and now only a trickle is coming in.

Despite the fighting the international humanitarian agencies continue to believe their mission is vital. No UN agency or NGO withdrew during the troubles and most continued to

provide services at some level during the fighting.⁸ As soon as the fighting ended, they resumed normal operations. No UN or NGO personnel were harmed during the fighting.⁹ All believe that their work should continue and argue that expanded aid to the region and the easing of sanctions on Kurdistan would improve the economic situation and reduce the likelihood of more fighting.

It is too early to tell how the fighting will affect their funding or support from the major donor nations. Prior to the hostilities, funding had already dropped far below the levels of 1992-3 and response to the UN interagency appeal for cash and food aid were a third of what they were last year. The aid from private sources has long ago dropped to nil. Most of the aid now comes from the U.S., British and French governments, with the European Union also a major player. Funds are appropriated on an annual basis so changes in the support will not be felt until the end of the year. However, the donor representatives in the field (the Office of US Foreign Disaster Assistance and the EU's humanitarian office) believe that there will be continuing support for humanitarian assistance as long as the situation remains calm.

Lingering Effects of the Fighting

Despite the Kurds' efforts to downplay the significance of the fighting to outsiders, it is clear that deep divisions have been accentuated by the strife. The two leaders have been forced to again find a agreement that will salvage the fragile power sharing arrangement and know that they risk loosing everything if fighting resumes. However, the fighting may have created new challenges for the parties, especially the KDP. Many of Barzani's lieutenants were upset that he signed the November cease-fire before inflicting serious damage on the PUK and there is much grumbling in the ranks. Several foreign and Kurdish observers believe that Nacherwan Barzani, Masoud's closest relative, may mount a challenge for leadership of the KDP.

In any conflict where sides are chosen according to tribal affiliations and where local disputes are intermingled with larger political maneuvering, personal feuds are likely to sprout and they could lead to further flare-ups that could get out of control.¹⁰

The Iraqi Opposition (INC)

The Iraqi National Congress was formed in 1992 in Vienna. Since then it has struggled to grow into a widespread movement. Despite early Western enthusiasm for the INC and

⁸ One German group that had withdrawn earlier and was contemplating returning did decide to stay away.

⁹ Several UN personnel offered to mediate the dispute and tried to use humanitarian aid deliveries as a means of calming tensions. The mediation offers were generally refused.

¹⁰ Some Kurds say that revenge will not be a problem because personal issues are being resolved by the tribal chiefs and people in general see deaths caused by the fighting as a result of combat, not inter-tribal strife.

pledges of aid, there has been little international support to help it develop into a viable alternative or threat to the government.

In 1993, the INC moved its headquarters to Salahuddin and set up offices there to coordinate efforts to de-stabilize Saddam Hussein's regime. The principal members of the INC include the nationalist parties, the Islamic parties, the Kurdish parties and several small minority based parties (see Appendix A). The largest Iraqi resistance group outside the *peshmerga*, Da'wa, a Shi'a organization, is not a member.

The main issue confronting the membership is the role that the Islamic Shi'a (fundamentalist) organizations should play in the INC. The Kurds and several of the Arab groups feel that the Shi'a are too rigid and that their strident beliefs and calls for an Islamic state within Iraq are anti-democratic and from a practical point, will alienate the INC's main western backers. Some of the council members argue however, that the Shi'a bring manpower into the struggle and they should be admitted.

The INC has developed a military wing under the leadership of a number of Iraqi general officers who have defected to the INC side and it has been able to enlist an estimated 3,000 troops in their forces. They claim to have carried out a number of raids against the regime and say that they are coordinating military actions in the southern marshes.¹¹ However, most observers, especially the Kurds, feel their claims are exaggerated.

The Kurds obviously welcome the INC presence in Kurdistan. Not only is the INC an important military ally, in terms of intelligence if not troop strength, it lends credence to their claims that they are fighting for autonomy within the framework of a unified Iraq, not for independence.

Most of the support for their day-to-day work is provided by the Kurds. The INC's relations with the Kurdish parties is good. All the leaders say they respect Dr. Chalabi and the work he has done. However, there is quite a bit of criticism about the other members who spend far less time in Iraq than Dr. Chalabi.

The Kurdish Democratic Experiment

When the Kurds set up their regional government in 1992, many of their supporters took pride in pointing out that theirs' was the only freely elected government in the middle east. The recent fighting has called the issue into question. Some of the Kurds' critics say that the assembly was only window dressing and that the real power is still in the hands of the parties. Still others say that the fighting shows that the parties have little depth or sophistication and that

¹¹ The two principal marshes, the Al Amarah Marsh and Hawr al Hammar Marsh, are centers of anti-government resistance by the Shi'a Muslims of Iraq. The Iraqi regime has been draining the marshes as part of its counter-insurgency campaign there.

they are just personal political machines and armies of two great warlords. How then can the assembly and its role be assessed?

Everyone recognizes that, currently, the real power is still in the hands of Barzani and Talabani and that their representatives in the assembly don't take any actions unless they have the blessings of their chiefs. But that does not mean that the assembly is not an important player; it has become the mediator of disputes and the means for getting a consensus on key issues. From time to time, the assembly even responds to public opinion. The parties' positions on issues become known when they are presented and the public often exerts sufficient pressure on the parties or the legislature to change their stance.

In the summer fighting many citizens urged their parliamentarians to put party loyalties aside and take action through the assembly to stop the conflict. Various delegations visited the assembly, including a large group of women who marched from Sulaimaniya. For the first time, the people had an outlet for petitioning grievances and in the end, the assembly played a major role in sorting out the aftermath.

However important the role of mediator is, the fact remains that the assembly has a long way to go and will continue to be little more than a mechanism for working out inter-party compromises as long as the two leading figures refrain from joining the government.

Perhaps the most important contribution of the assembly to date is the intense interest that the election, the assembly meetings, and the entire parliamentary process has kindled within the Kurdish population. Everywhere there are differing views about how to improve the government and how to make it more democratic. Numerous visitors have remarked on the degree of sophistication that the people have developed about the democratic process as a result of the Kurdish experiment.

This has implications on future arrangements between Iraq and the Kurds. Having tasted democracy, flawed as it may be, the people are not going to be willing to rejoin a non-democratic Iraq, no matter how much autonomy is promised. Barzani might be able to get his followers to go along but Talabani would fall if he proposed such a deal and that would send the PUK back into the hills as an armed resistance movement.

Problems Facing the Kurdish Regional Government

Despite its problems, the regional government is the only semblance of authority in Kurdistan. It plays a key role in mediating disputes, and tries to give direction to activities in the public interest. It operates the school system, the public hospitals, and the utility systems, all fairly effectively given that it has little resources.

The biggest problem the government faces is money. Virtually all revenues go into government salaries instead of projects. Thus, it can't afford to fund projects or implement laws because it's always broke. In the meantime, the number of government workers continues to

grow — both parties give government jobs as a reward for loyalty and when one party creates a new position, under the 50-50 arrangement, the other party automatically gets one too.

As the number of positions has increased, the government has had to keep salaries at a minimum to be able to pay everyone. This has created a number of additional problems. First, with salaries so low, it is difficult to professionalize the administration. If the government is to be successful and play a mediating role between the parties, it must be able to make its staff loyal to the government, not the parties or tribes. This will be difficult if salaries remain low. Second, low salaries encourage corruption.

Beyond these internal problems, the government faces other, more fundamental challenges. They are:

- How to strengthen the government without alienating Turkey. Every move to beef up the government's capabilities draws protests from the Turks.
- How to get around the embargo and strengthen the economy.
- How to end the 50-50 power sharing arrangement without triggering renewed fighting between the parties.
- How to control the militias and, eventually, merge the *peshmerga*.

Despite its many problems, the fact that it's survived at all is something of a miracle.

Proposal for a Provisional Government

In recent months a proposal to form a provisional government from among the members of the INC, situated in Kurdistan, has been circulating. The Kurdish parties favor the idea because they believe that it will help legitimize their regional government and demonstrate to their neighbors that they are indeed fighting for autonomy within the framework of a united Iraq.

Dr. Chalabi has met with representatives of the key Arab countries who have reportedly said they would support the idea and even pledged money, but so far no significant funding or other aid has come. Supporters of the proposal believe that Turkey and Iraq have managed to convince the Arabs to withhold their aid for now.

Kurdish Aspirations for Independence

In the immediate aftermath of the allied intervention, many Kurds believed that they were on their way to realizing their dreams of an independent homeland. Only a few realistic politicians recognized that allied support was only to stop the killing and that the West wanted the Kurds to find a way to reintegrate into Iraq. The elections and establishment of the regional assembly (which is called the Kurdish National Assembly) fueled the belief among many that

if they could outlast Saddam Hussein — with allied support — that a political solution would evolve that would allow them self-determination.

In the last two years those hopes have given way to a more realistic assessment of their situation. They have begun to realize that the West will not support them forever and that eventually they will have to rejoin Iraq. Their position now is that they are willing to do so as long as:

- Saddam Hussein is removed;
- the new government of Iraq is truly democratic (no military coup or change within the Baathist regime will be acceptable); and
- that they are permitted autonomy along the lines granted in the 1970 constitution (which was never put into effect).

The Kurds have adopted the position that they will not deal with Saddam Hussein or any government that is not democratic. Privately some Kurdish leaders say that they are prepared to deal with any government that will agree to a federal relationship and autonomy for the Kurds but they feel that that goal is not really attainable with a strong central government dominated by an authoritarian leader. They worry that the preference of some allied leaders and some of their Arab neighbors for a palace coup rather than a democratic government will undermine their position. They believe that if there were a strong military leader, he would not be able to tolerate a democratic Kurdistan within his country's borders and that the Kurds would soon be back in the hills fighting the government's forces.

Ironically, the position of the allies has shifted somewhat. In 1991, the Bush administration favored a military coup that would leave the country intact (and supposedly ready to resume its role of opposing Iran). When the Iraqi military failed to revolt in the aftermath of the Gulf War and the popular uprising failed, the West tried to pressure the Kurds into accepting a much more limited degree of autonomy with Saddam Hussein still in power. Today, there is general agreement among the Western allies that a democratic government must replace Saddam Hussein and that the Kurds' only protection will come from some sort of federal arrangement (though there are some who still believe that the army is the only force that can hold the country together — and prevent a Shi'a takeover). The Kurds were heartened when the U.S. administration spoke in favor of maintaining sanctions until a democratic government replaces Saddam Hussein during the November discussions surrounding renewal of sanctions on Iraq. However, they also realize that the U.S. may not be able to hold the coalition together indefinitely and are constantly worried about what they would do if forced to negotiate with the Iraqis from a disadvantageous position.

The fighting between the two parties has brought a difference of opinion about the ultimate solution out into the open. The position of the KDP has always been that the ultimate solution to the Kurdish problem is autonomy within Iraq. The PUK is now stressing that the

solution is "self determination" *in relation to Iraq*, in other words, to work out an accommodation that will permit the Kurds to determine what the future arrangement should be. This position, with its hint at independence, could make it more difficult for the Kurds to come to a common negotiating position.

Relations with Iraq

Status of discussions with Saddam

At the present time there is no movement on discussions with the regime in Iraq. Mr. Barzani reports that there have some low-level feelers from Baghdad from time to time but that they have not been serious. The elections in the north and more recently, increasing activities of the INC have made Saddam more hostile to the Kurds and their Iraqi allies.

Current Views of the Kurds.

During the last two years, the full extent of the Anfal campaign has become clear. The publication of many of the documents uncovered during the uprising and the allied intervention have served to further harden the Kurds' against reconciliation with the current regime. Furthermore, the documents have strengthened their international public support, especially in Britain, and the Kurds hope that this will translate into political support for continuing allied protection until the Baathists fall.

Some leaders, especially Mr. Barzani, are beginning to realize that allied support is not infinite and are starting to think of ways they can strengthen their position in case the allies withdraw support. The most obvious potential supporter is Iran and there have been recent discussions with the Iranian government though the Kurds have been unwilling to disclose their content.

The Current Situation in Government-controlled Areas of Iraq

The last six months have been bad for the Iraqi people. The dinar has collapsed, wiping out many people's savings and making it more difficult for the Iraqis to import goods around the sanctions. The food situation is worsening, food supplies are not as plentiful as before and prices are very high. The government has been forced to decrease rations (recently they were cut in half) and the number of subsidized goods and luxury items has been restricted. The cost of living is skyrocketing, at the same time salaries are remaining static and buying power is decreasing. The government has restricted sales of grain by farmers (lowering rural incomes).

All of this has created discontent and some unrest. According to UN personnel working in the country, there is widespread criticism of the government and dissatisfaction is much more open than before. People were disappointed at the renewal of sanctions after Iraq recognized Kuwait's borders and are convinced that the hardships will be long-term. However, the opposition is weak; no strong leader has emerged and despite the fact that the army's morale is reported to be low, it is still solidly under Saddam's control. While many people believe the time is ripe to try to overthrow him, there is no trigger for action and anti-government forces know that the army will not desert Saddam except under extraordinary circumstances.

To quell dissent, the government has launched a reign of terror to suppress criticism. Merchants caught trading in controlled items have been executed and army deserters who are caught have had their ears amputated on the spot. The Iraqi opposition hopes that the terror will backfire and build support for the INC and other opposition groups but so far there are few indications that Saddam is any less secure now than he has been since the Gulf War.

Relations with Turkey

The Iraqi Kurds' relations with Turkey are complicated, Byzantine, and often contradictory. All the main groups have offices in Ankara and meet regularly with the Turkish ministry of foreign affairs and the military. They have shared intelligence on the PKK with the Turkish army, coordinated humanitarian relief to displaced persons in northern Iraq and have concluded a number of semi-official trade agreements. Yet, publicly, the Turks continue to denigrate the Kurds and mount obstacles to their activities. Consider the following contradictions:

- Turkey has tried to prevent the Western donors from providing assistance for reconstruction of housing and basic infrastructure in northern Iraq; yet the Turkish Red Crescent is one of the largest housing reconstruction agencies in the area.
- Turkey would presumably stand to benefit from the conflict between the KDP and PUK; yet during the recent troubles, the Turkish government tried to broker a cease-fire and when the allies refused to fly Mr. Talabani back to Irbil to help control the fighting, they arranged for a Turkish gendarmerie helicopter to return him.
- The Turks have done the most to prevent the Kurds from being granted an exemption from sanctions, yet they are the largest supplier of trade goods and the single largest source for humanitarian aid purchases (excluding food aid). They have complained that the UN is not buying enough from Turkey.

The Kurds have tried to improve their relations with the Turkish government and always consider the Turks' reaction to any political moves they make. Despite the constant problems and public posturing of the Turkish government, the Kurds have been able to develop a *modus vivendi* with their neighbors.

The Impact of the Turkish/PKK Strife on Northern Iraq

The fighting in Turkey has had a major impact on the political scene in northern Iraq. A year after the allied withdrawal, the Kurds were more concerned about possible moves the Iraqis might make; today they are equally, if not more, concerned about what Turkey may do. Turkey, not Iraq, is bombing their villages and forcing people to leave, there are larger numbers of refugees from Turkey than from Iraq, and Ankara holds the current key to their political and economic survival, not Baghdad.

The war with the PKK has exacerbated Turkish fears about the ultimate motives of the Iraqi Kurds. All the key political figures in Ankara believe that the Iraqi Kurds are secretly aiding the PKK (they especially distrust Talabani and the PUK), and believe that despite what the Kurds say, they are trying to establish an independent Kurdish state which would then support Kurdish separatists in Turkey. They believe that Operation Provide Comfort is helping the Kurds achieve that goal and condemn the allies as either naive or duplicitous for continuing OPC over their objections. In 1992, they demanded, and received, inclusion in OPC and later were made co-commanders (with the US) in the combined task force (CTF) and MCC. This has both strengthened and weakened the operation: it has strengthened it by helping to ensure that it will continue; weakened it by forcing the allies to compromise reports and tailor information and actions to the whims of the Turkish government. In the latter case, it has forced the MCC to restrict its mission and weakened its ability to deal directly with the Kurds on many important issues.

The Turkish military has even constrained CTF operations; CTF helicopters can no longer operate outside the old security zone without special permission and they have acted to try to restrict the operations of the AWACs and allied fighter overflights in the rest of Kurdistan. During the recent fighting when the allies wanted to fly photo reconnaissance missions vital to the security of the zone, the Turks delayed permission at a critical juncture.

Ironically, the inclusion of the Turks in OPC has given the Turkish military a freer hand in northern Iraq — the allies are not prone to criticizing one of their members — and the Turkish government inherently understands that if they end the mission by canceling the OPC basing arrangements, the US and other allies will surely condemn their attacks in northern Iraq and be less restrained in criticizing the way the Turks are prosecuting of the war against the PKK. Nonetheless, there are strong pressures within the Turkish government to discontinue OPC: the new foreign minister, Mr. Mumtaz Soysal, and the new chief of staff of the Turkish Army, General Ismail Hakki Karadaya, are both on record as opposing extension.

By far the most serious political consequence of the conflict has been the Turkish attacks on PKK bases and Iraqi Kurd villages. The attacks have killed and wounded Kurd civilians and forced several thousand people to leave the border areas. One purpose of the raids has been to put pressure on the Iraqi Kurds to help control the PKK. The Kurds worry that the PKK is intentionally drawing attacks into Iraqi Kurdistan to gain sympathy from abroad — it is easier for the Western media to film the aftermath of Turkish attacks in Iraqi Kurdistan than in southeastern Turkey. Earlier, the two *peshmerga* groups did participate in raids against the PKK. However, the two parties are at odds over how to deal with the problem and the issue has at times fueled the dispute between the leaders. Talabani has closer ties to the PKK than the KDP and both Turkey and the KDP suspects him of trying to enlist the PKK as allies at various times in his disputes with the KDP.

The issue has been further complicated by growing public sympathy among Iraqi Kurdish civilians about the plight of their fellow Kurds under the Turkish counterinsurgency campaign. Tales of human rights abuses, deportations, etc. have served to harden the Iraqi Kurds' view of

Turkey and to broaden support for the PKK. Neither of the two Iraqi Kurdish parties now feels that it could crack down completely on the PKK and both say that they permit the PKK to enter the region as long as they don't launch cross-border military attacks. However, they take no actions to control any possible attacks. (They argue that they cannot tell if a group of armed PKK soldiers crossing the border is simply returning to a forward base in Turkey or going to launch an attack nearby.) The apparent support of the Iraqi Kurds for the PKK has been a source of constant tension with the allies who have constantly urged them to help control the PKK to lessen the worries of the Turks.

A by-product of the fighting in Turkey has been the displacement of thousands of villagers, a small number of whom have come into Iraqi Kurdistan as refugees. The UNHCR estimates the number of refugees to be about 20,000, most currently living in the Dahouk governorate. These refugees have created a new set of problems for the Kurds. The Turks claim they are the families of the PKK and the UN is helping the "subversives" by assisting them. In fact, there is some evidence that the PKK forcibly moved some villagers into Kurdistan to try to gain sympathy from the West and to provide them with a source of recruits.

Relations with Iran

In the fall of 1994, Iran signalled a willingness to expand its contacts with the Iraqi Kurds. In October, Mr. Barzani spent two weeks in Iran discussing security issues and expanding trade between Iran and Kurdistan. Following his visit, Nawshirwan Mustafa Ali, the second in command of the PUK, paid a call on the Iranian government. In early November, the Iranians came to Irbil and held several days of discussions.

The Iraqi Kurds want more trade, the Iranians want the Kurds to control the anti-Iranian resistance, especially the *mujahedin*, operating out of Kurdistan. A deal has apparently been struck — on November 9, Iranian warplanes attacked a *mujahedin* base south of Koisanjak. Whether the Iraqi Kurds, especially the KDP, are willing to try to control the Iranian Kurdish resistance, with whom they have close ties (and from whom they may have received military support during the recent inter-party conflict) remains to be seen.

The major political issue between the two are the same as those which divide the Kurds from Turkey: namely, the Iranian government's harsh treatment of the Iranian Kurd minority. The Iranians harbor the same fears that the Kurds of Iraq are separatists in disguise and will fuel the separatist aspirations of the Iranian Kurds. Some observers in the area worry that the old regional power politics may be returning wherein the Kurds receive aid from Iran to fight against Saddam in return for giving the Iranians free rein against the Iranian Kurds.

THE MILITARY SITUATION

Status of Forces

During the inter-party fighting, the Iraqis have made no significant moves to threaten the Kurds. During the recent Kuwait crisis, the Iraqis rotated several armored units to the south and replaced them with mechanized infantry divisions. Since that time there have been some exchanges of fire along the confrontation lines southwest of Dahouk but the Kurds and MCC attribute this to nervousness on the part of inexperienced Iraqi soldiers newly placed in position.

Peshmerga intelligence officers claim that during the crisis, Saddam approached Turkey with a proposal that the Iraqi army would launch an assault in the west to take Zakho and Dahouk. They wanted Turkish support — closing the Incirlik base to allied flights — but the Turks refused.

Strengths and Vulnerabilities of the Kurds

As in the past, the main military strength of the Kurds is their knowledge and mastery of the high mountain ranges throughout Kurdistan. If they were to be attacked, they would retreat into the hills and wage a guerrilla war against the government. This time, however, they would encourage the civil population to do what they did in 1991: head for the Turkish border to try to force another allied intervention. In the eastern areas, many would again try to reach Iran. The Kurds are quite frank about their plans and state openly that this is their main strategy.

The military vulnerabilities of the Kurds have changed little in the last two years: they lack sophisticated anti-tank weapons and desperately need anti-aircraft missiles, especially the newer types that can differentiate between decoy flares and the target aircraft. They worry that while they have been denied weapons, the Iraqis have been able to rearm via arms transfers through (and sometimes involving) Jordan.

The Kurds also have another major handicap: a strong psychological fear of chemical weapons. The widespread dissemination of information about the Anfal campaign and the full extent of the chemical attacks against civilians has left an indelible mark on the psyche of the people.¹² If anything, it is more pronounced than in 1991 when the rumor of chemical attacks led to mass panic and the exodus to the borders. The *peshmerga* have been unable to develop any kind of civil defenses against chemical weapons, gas masks are too costly and could not be imported under the sanctions regime. Thus, if attacked, the people are unlikely to stand with the *peshmerga* and it might be more difficult to get soldiers to maintain defensive positions.

¹² Among the recent disclosures was the fact that artillery shells were also used to deliver chemicals, not just planes and helicopters.

Future Threats

Peshmerga military leaders believe that as long as the allies continue Operation Provide Comfort, the Iraqis will leave the Kurds alone. However, they believe that if Saddam were to make a move, the areas most threatened are:

- Irbil, the capital of Kurdistan, which could be easily cut off from the rest of Kurdistan due to its flat topography.
- The Kurdish areas south of the 36th parallel (i.e., outside the protective cover of the allied no-fly zone).

If allied protection is withdrawn or if Saddam believes that the allies would not retaliate for actions inside the former security zone, the areas they expect to be attacked first are:

- The Dahouk-Zakho corridor. An armored thrust up the road could easily succeed in cutting off the Kurds' access to Turkey and would eliminate one of the major exit routes for Kurdish refugees.
- The road from Aqra to Mosul. An armored thrust up that road would effectively cut the Kurdish-held area into two parts.

With these two attacks, it might be possible for Iraqi forces to prevent a sizeable exodus of people from going to Turkey.¹³

Impact of the Downing of the U.S. Helicopters

On April 14, 1994, two U.S. Army helicopters ferrying senior MCC officers, including both the outgoing and incoming MCC U.S. co-commanders, the CTF's political advisor, and several Kurds, to a meeting in Salahuddin were mistakenly shot down by U.S. Air Force fighters patrolling the no-fly zone. This had two important consequences. First, the loss of the senior U.S. officers meant that when the fighting broke out less than a month later, there were no experienced MCC officers on the scene to intervene. While the allies made their views known directly, the absence of trusted officers with a collegial relationship with the Kurdish leaders is cited by many as a major reason why the fighting got out of hand.

Secondly, the shutdown led the military to review the overall mission. While the incident did not lessen the U.S.'s commitment to Operation Provide Comfort, it did lead to a decision to reduce the exposure of the MCC team to similar incidents by curtailing their travel in areas outside the former security zone. At the same time, the Turkish military began refusing

¹³ Kurdish military leaders discount the possibility of an Iraqi assault into the mountain passes along the Iraq-Turkey border with paratroops or helicopter-borne forces: they believe they could easily defeat such a force since it would not have armor or artillery support.

clearance for flights outside the zone. The result of both of these actions has been a reduction of contacts between the MCC and the Kurds (Irbil is outside the zone). The Kurds feel that they are losing an important contact and the allied embassies and CTF feel that the information being sent by the MCC about political events is not as accurate as it could be.

Cooperation Between KDP/PUK Forces Since May

There has been little cooperation between the two main *peshmerga* forces since May, substantially weakening the defenses against the Iraqi government. Despite hopes that the formation of the parliament in 1992 would lead to the unification of all the *peshmerga* forces, at least at the command level, it never happened. The vehicle for cooperation was the Assembly's Committee on *Peshmerga* Affairs and there was some sharing of intelligence and coordination of forces along the line of confrontation. When the recent inter-party fighting broke out, the chairman of the committee, a member of the PUK, was an active participant on the PUK side. The committee has not been reconvened since the fighting ended.¹⁴

While the leaders of the two groups say that they would immediately resume full scale military cooperation in the event of an Iraqi attack, the fact remains that the lack of cooperation poses a number of risks. *Peshmerga* forces from the different parties guard separate, independent sections along the confrontation line and the lack of regular contact, cooperation and sharing of intelligence could give the Iraqis a substantial edge in the opening phase of any assault.

¹⁴ The former chairman has reportedly left northern Iraq.

THE ECONOMIC SITUATION

Impact of Sanctions and Iraqi Blockade

Kurdistan continues to be harmed by the application of sanctions on Iraq, more than the non-Kurdish areas. In essence, the Kurds are suffering from a triple blockade: (1) the UN sanctions on Iraq — as mentioned earlier, they are not exempted; (2) the blockade of materials from the south on orders from Saddam Hussein; and (3) limitations by Turkey on what can be imported into the area — along with over-zealous enforcement of the UN sanctions. In the meantime, Iraq has been able to import virtually everything it needs, mostly via Jordan but also from Turkey. Several thousand trucks a day cross the two borders. Not only has Iraq been able to import many luxury goods and industrial supplies, it has been able to rearm.

Table 1
The Troubles with Sanctions

- The approval process is convoluted, constantly changing, and unclear. Even the UN has trouble defining the process for getting sanctions committee clearance to import goods.
- In practice, only NGOs and the UN can bring in materials, not individuals. The demand for goods outstrips the ability of the humanitarian agencies to import them through the sanctions process.
- The clearance process is too slow, normally it takes 2-3 months. Added to that are the delays at the border. Until recently, UN and NGO trucks were facilitated at the border by the Turkish customs authorities, but that was recently suspended.

The failure to exempt Kurdistan from strict sanctions enforcement has increased poverty in the region, has slowed reconstruction of villages, stifled the economy, and increased the humanitarian burden of the international community — especially the cost of the relief operations — and created a dysfunctional economy that is increasingly dependent on foreign aid.

The Economy

The economy of Kurdistan was based on agriculture, government wages, light manufacturing, and service industries. Of the four, only the agricultural sector is functioning at near normal levels. However, the agricultural system itself is still in transition from the old Iraqi system with its highly centralized planning and subsidies to a system with limited inputs and a restricted market; agricultural experts believe it will take another three to five years to adjust to the present circumstances.

Iraqi government salaries ended in 1992 (after being briefly reinstated in late 1991). While the Kurdistan regional government now "employs" over 170,000 people, the salaries are minimal and irregular. The manufacturing sector is almost completely shut down and service industries are operating at reduced capacity due to the inability to obtain spare parts from abroad. While some parts can be obtained by smuggling, tools and equipment for workshops are difficult or costly to procure. The replacement bits for a lathe made in Germany which cost the equivalent of U.S. \$435 in Turkey cost \$1,200 in Kurdistan — used.

The apparent brisk trading in the major towns and cities of Kurdistan mask a different reality: 20% of the workforce is totally unemployed and an additional 50% is underemployed.

Currency

The currency used in Iraqi Kurdistan is the Iraqi dinar. The Kurds however, only accept the paper notes that were printed in Europe (the so-called Swiss dinars). These have a much higher exchange rate than the "Xeroxed" dinars printed by the Iraqi government in Baghdad: in northern Iraq 50 dinars can be exchanged for one U.S. dollar, in the government-controlled areas, the rate is 400-500 dinars for one dollar.

The fact the dinar trades at a much higher rate in Kurdistan reportedly infuriates the Iraqi government and there are worries that Saddam will retaliate by manipulating the exchange rates or refusing to honor certain banknotes, especially the 100 ID note. Last year the Iraqi government renounced the 10 dinar note and wiped out the savings of thousands of people in Kurdistan.

Sources of Revenue and Foreign Exchange

To the casual observer, the long lines of Turkish and Iraqi trucks crossing the border at Harbur and paying taxes to the Kurds may seem to offset some of these difficulties for the Kurds. Many of the Turkish trucks bring food, which is permitted under the sanctions regime, and simply take it to the first buyer in Iraq, often in Kurdistan, and dump it for any reasonable price, then mount makeshift fuel tanks on the chassis and go to Mosul to purchase diesel fuel to bring back to Turkey. (Many of the trucks lay flat, steel, sheets on the bottom of the truck bed under the food and as soon as they discharge their cargo, drive to one of the hundreds of welders along the road and have a makeshift fuel tank fitted to convert the truck to a tanker.) The trucks normally have one tank for the cargo bed, plus two "saddlebag" tanks slung under the cargo bed just inches from the road.¹⁵ U.S. officials recently estimated that 6,000 MT of diesel fuel is carried into Turkey on an average day.

¹⁵ The tanks are often poorly constructed and leak excessively, especially the lower saddle-bag tanks. As a result, the road between Mosul, Iraq and Mardin, Turkey is covered with diesel and has become extremely hazardous, especially in the mountain pass in Kurdistan and hilly areas of eastern Turkey.

The Kurds charge "customs" on the fuel at a rate of 7-10 dinars per liter. Taxes are paid in dinars, U.S. dollars, and sometimes a portion of the fuel. In one week in October 1994, the Kurds collected \$1,549,546 and 93.9 million dinars. Prior to the fighting, the customs revenues went to the regional government and were used to pay salaries for government workers. Since May first, the KDP has kept the revenue itself.

The other source of revenue for the government are taxes on land and income but this makes up only 10-15% of the total. There have been proposals to tax enterprises. However, the majority of small enterprises are owned by PUK supporters and they are pay taxes to the party (or make voluntary contributions). The question of taxation and revenues is one of the most difficult for the two political parties to come to grips with; each wants to protect its own sources of cash and are reluctant to put the money into the government to pay for a bloated, marginally functional bureaucracy. Thus, they turn to the donors and aid agencies with requests for basic assistance to run infrastructure that would normally be paid for by the regional government.

Prices and Inflation

Prices for most materials and manufactured goods are substantially higher in Kurdistan than in other parts of Iraq and are two to three times the cost of equivalent goods in Turkey or Iran. The price of basic foods such as grain and vegetables, is near normal but milk, meat and eggs are higher. Grain prices remain low due to the imports from Turkey related to the diesel trade and the fact that the regional government subsidized the grain price. (To keep the farmers from selling to the Iraqi government, which was offering high prices to Kurds who would bring the grain south, the regional government paid even higher prices and then sold the grain in the retail market at a heavy loss).

Cost of Living

Extrapolating data from a recent household income study funded by the UN, the cost of living in northern Iraq is currently 45% higher than before 1991. The significance of this can be seen when the unemployment and underemployment rates are recalled.

Capital Flight

Hard currency comes to Kurdistan not only from taxes on transient Turkish trucks but also from remittances from Kurdish workers living abroad. But unlike many other areas, the money returning quickly goes back out of the country. A large portion is spent on imports but a substantial amount is also sent out to be invested since there is little confidence in the long term prospects for the Kurdish economy. The amount of capital flight has not been reliably calculated but according to several Kurdish economists, it is fairly close to the amount coming in.

Morale in the Workforce

The morale in the workforce is low. With no end of sanctions in sight, a continuing lack of investment in the region, and relentless unemployment, many of the younger members of the workforce, especially urban and educated workers, have become convinced that they have no future in the region. As a result, there has been a pronounced increase in emigration from Kurdistan. (Most people exit to Turkey, then move to Western Europe).

The only sure sources of work are agriculture (though that sector is becoming more limited due to the lack of land cleared of mines), government positions (these are usually dispensed as patronage by the two parties) and the *peshmerga*.

Despite the problems, it is surprising that crime has not become a bigger problem. Observers attribute this to the rigid clan system of the area.

The Fuel Situation

Fuel for automobiles and trucks is not a problem; fuel can easily be obtained via the smugglers that ply the road from Mosul to Turkey. In addition, the Kurds have managed to obtain fuel directly from the Iraqis on numerous occasions. Prices are slightly high by Iraqi standards but very good by U.S. and European standards (about \$.40 per gallon for diesel).

Public Utilities

The Iraqi government stopped transmitting electricity to northern Iraq when they imposed the blockade in 1992. However, the Kurds have two indigenous sources of hydro-electric power, the Dukan and Derbendi Khan hydro-stations. By cannibalizing existing equipment and smuggling in some spares, the Kurds were able to extend the lines from Dukan to central Kurdistan. The only area currently without power is the governorate of Dahouk. In the spring, Turkey offered to supply the region with power from its southeastern grid but cut it off after only a couple of months. The government has stated that it is prepared to resume transmission but has been hampered by attacks on the power pylons by the PKK and higher than normal demands in Turkey (the grid only carries 10 megawatts).

Throughout the region, there are serious problems in municipal water systems, and in the larger cities, the waste water treatment plants. Most need spare parts and maintenance. In some, deterioration of equipment is becoming acute due to prolonged periods of disuse.

Trade

Due to sanctions and the Iraqi blockade, there is little formal trade between Kurdistan and any country — including Iraq. What trade that does occur with neighboring countries amounts to low level smuggling and sanctions breaking. Small quantities of manufactured goods and spares can be brought across the Turkish border by bribing customs officials on the Turkish

side but large industrial equipment and machinery is prohibited. In some cases, it has been possible to purchase goods in Turkey and get the seller to put pressure on the government to allow it to cross the frontier, but this is rare except in the case of items exempted from the sanctions.

Trade with Iran has been cyclic, the permissive cycles usually coinciding with periods of low anti-Iranian government activity originating from Iraqi Kurdistan. In late November, after the Kurds and Iranians held a number of discussions on improving relations and expanding trade, there were some indications that more goods, especially construction materials, were beginning to come across the border.

Most trade is with Iraq, though officially, such actions are prohibited by the Iraqi government. Elaborate, three-way, deals are often arranged by the Kurds using Turkish truck drivers as middlemen and a lot of small trade goods reach Kurdistan in this way. However, machinery and spares, as well as large volumes of trade goods, are not difficult to stop, thus, Iraq is not a secure source for more important items.

Economic Outlook

Neither the near- nor long-term economic outlook looks promising for the Kurds. Neither of the two strategies that have been advocated by the Kurds' supporters — exempting Kurdistan from some of the sanctions and/or creating a "blue corridor" for an expanded list of humanitarian goods — have a chance of being accepted by Turkey or the sanctions committee. In the last year, the Russian and French members of the committee (apparently in an effort to curry favor with Iraq) have become increasingly restrictive on what they approve in the way of humanitarian aid for the region. In the aftermath of the November vote by the Security Council to extend sanctions another six months, it is believed that they will become even more obstructive on the committee.

For these reasons, there are no immediate prospects for improving the economic situation beyond expanding the amount of humanitarian aid, but, even there, the outlook is bleak due to decreased donor support. Thus, the downward trends mentioned earlier are likely to continue.

Needs

The primary economic needs are:

- Jobs
- Support for three or four large employer industries to restart production of basic goods that would have a ripple effect in the economy. The best possibility would be to concentrate on the construction sector and production of basic building materials including repairing the large cement factory at Sulaimaniya. The Kurds also argue that if they could obtain the necessary supplies, the cigarette factories in Sulaimaniya and Irbil

could be restarted. This would provide the government with an important source of revenue as well as reduce the amount of hard currency spent to import cigarettes.

- Support for the agricultural sector, including spares for combines and other agricultural equipment, fertilizers and pesticides for wheat, and increased on-farm storage for grain.
- A means of getting around sanctions for northern Iraq. Ideally the allies could post a list of items exempted for northern Iraq such as building materials. At a minimum, streamlined procedures for importing goods to northern Iraq under the existing sanctions regime should be negotiated.

THE HUMANITARIAN SITUATION

Despite greatly reduced funding, the humanitarian situation is relatively good. The shelter situation has improved over the last three years, food supplies — the aggregate of locally produced foods plus food aid from abroad — are acceptable, and adequate preparations for meeting the most critical needs for this winter have been taken. There are still many people living in temporary shelters, but those are winterized and adequate heating fuel has been distributed. People have become accustomed to stockpiling and have taken numerous measures to prepare for the cold season; there is also more electricity than in previous years which families can use for heating.

There are several categories of families who require humanitarian aid:

- *Returnees from Turkey and Iran.* Within this category are the families whose homes and villages were destroyed in the Anfal Campaign¹⁶ or during the 1991 uprising. Village reconstruction is proceeding slowly, due to the lack of commercially available building materials (slowed by the sanctions). However, it is impressive to see the progress that village reconstruction has made: hundreds of villages have begun to be rebuilt and each has at least one, and usually more, NGO working with it. Until the 1995 spring, each family living in a village being reconstructed will receive a food aid ration.
- *Refugees from Turkey.* There are 20,000 refugees from Turkey, mostly concentrated in the Dahouk governorate. UNHCR is planning to move the majority of the refugees to a new camp at Kafra. The refugees are resisting and many people have moved into the towns of Dahouk and Zakho to evade resettlement. Tents have been erected at the camp site and an international organization is attempting to winterize them. Few of the refugees want to go to the camp, which is remote and isolated, and at the moment has only rudimentary facilities. However, their biggest fear is that the camp will be bombed by the Turkish air force.
- *Displaced villagers from along the Turkish border.* Approximately 10,000 people have been displaced as a result of Turkish military operations along the border. In 1992, Turkey declared a *cordon sanitaire* 10 km. inside the Iraqi border opposite Turkey and the villagers in that zone were forced to evacuate. Several villages that were destroyed by the Iraqis during the Anfal campaign are in the *cordon* and the refugees from those villages who returned from Turkey and Iran have not been able to go back to reestablish them.

¹⁶ Over 4,000 villages were destroyed between 1981 and 1990. Most destruction occurred during the Anfal Campaign in 1988 but several hundred villages were also destroyed as a result of Iraqi government actions to depopulate the border areas with Iran during the Iran-Iraq War.

There are other groups who receive assistance from the international agencies. As mentioned, all people living in Kurdistan are eligible for supplemental food aid. After the winter, rations will be targeted to the most needy families only (see "Issues" below). All public hospitals and clinics are supported by international aid since private medical institutions have been unable to bring medical supplies in under the sanctions.¹⁷ Farmers receive fertilizers and pesticides through the aid program and heating fuel for the winter is provided to most families by the UN. In short, because of the way that the sanctions have been applied, many of the basic items that the people would normally handle individually or through commercial channels must be provided by humanitarian agencies; i.e., an artificial relief situation has been created that is now dependent on continued aid from outside.

There are about 30 international organizations working in Kurdistan along with a dozen major Kurdish groups. While aid reaches every corner of Kurdistan, the majority of the effort is in the eastern areas where the Anfal campaign was most intense (seven of the eight Anfal operations were carried out east of Irbil) and where the villages bordering Iran were demolished.

The commitment of the international organizations to the operation is obvious. There is an unprecedented degree of coordination and cooperation among the agencies and they have been able to stretch the resources they have to reach a vast caseload. In the first year of OPC, the agencies expressed a great deal of uncertainty and discomfort about being involved in northern Iraq, and there were concerns that the UN might pull out under Iraqi pressure. Many felt that their mission was not clear. Those issues have largely disappeared: most agencies move in and out of the area through Turkey, not Baghdad; the UN has become comfortable and effective in its coordination role; and the major issue for them is not whether they will stay but how they will relate to the rest of Iraq. The U.S. government's aid program, funded by the Department of Defense but administered by AID's Office of US Foreign Disaster Assistance (OFDA), has provided direction and core funding for the NGOs — as well as a visible symbol of U.S. commitment to the operation.

Key signs that the NGOs feel comfortable about their roles are that none of the agencies withdrew during the recent inter-party fighting and that staff routinely extend their tours two or more times. Most NGOs say that they would continue to work in Kurdistan even if the UN were to leave as long as the allies provide protection.

Despite the success of the humanitarian mission, the present operations could be described as a period of shaking out, consolidation and adjustment of priorities. This has been prompted by declining financial and food aid support from the major donors. All the agencies interviewed reported a substantial drop in grants. The total food aid commitment via the World Food Programme for the current year is 45,000 MT (all from the U.S.) which is estimated to be 36% of the need. The UN and the NGOs were alarmed at the lack of commitments at the October 1994 pledging conference. The UN appeal was for \$289 million, but the donors only

¹⁷ Despite the fact that medical supplies are exempted from sanctions, only international humanitarian agencies have been able to bring in medical supplies; the Kurds would have to apply through the Iraqi government.

pledged \$41 million. There will be a \$31 million carryover but even with that, the amount of funding is only a quarter of what was considered a conservative budget. There is another meeting in January and they hope that a stronger commitment will be shown then. However, even with these cutbacks, it will be possible to continue most of the humanitarian activities, though at a greatly reduced level. In the food sector, the general ration will need to be stopped and food distributed on the basis of demonstrated need. The other major impact is that the pace of resettlement will be slowed.

The NGOs had hoped that the recent fighting might be recognized as a symptom of the economic condition and frustration that the Kurds are experiencing because of their peculiar situation, especially the sanctions. Many feel that the best way to prevent further fighting would be to ease the sanctions or expand the list of items that can be brought in by the agencies. They had also hoped that the fighting would reverse the downward trend in funding. They argue that increasing humanitarian aid would create more employment and would keep more people engaged in self-help activities and dampen pressures that might lead to further fighting. While there was some discussion among the donors along these lines, nothing materialized at the October pledging conference.

Reduced donations are seen to be a combination of:

- Donor fatigue;
- Other commitments (e.g., Bosnia, Rwanda);
- Concerns about the inter-party fighting;
- Low visibility of the Kurdish program; and
- Frustrations in dealing with Turkey.

Amidst the declining support, there are concerns among the agencies that donor solidarity is eroding and many are concerned that the allies' commitment to support the Kurds (and the humanitarian program) is not as strong as it once was. Their concerns have been heightened by the public discussion among the allies about how to reduce their military presence and the reluctance of the allies to come to grips with the problems caused by Turkey.

Potential Crises

There are several potential problems that could arise in the future that could have a major impact on the humanitarian situation. They are:

- Devaluation of the currency. As mentioned earlier, the Iraqi dinars in circulation in Kurdistan trade at a better rate than in the government controlled areas. If the Iraqi authorities were to take actions to weaken the currency or to bring exchange rates in the

north into line with the south, it would wipe out the savings of thousands of families and make the cost of living much higher. The impact would need to be offset by increased humanitarian aid, especially in food.

- Recall of 100 dinar notes. The mainstay of the currency in Kurdistan is the 100 dinar note. If the Iraqi government were to recall the notes or simply decide not to honor them, it too would devastate the Kurdish economy.
- Blockade of Turkish traffic. Transient Turkish traffic could be halted under several scenarios. First, the PKK could close down the Mardin-Silopi road as it did in 1992. Secondly, the Turkish government might decide to stop the traffic for a number of reasons. And finally, the Iraqis might decide to end it to punish the Kurds. Whatever the scenario, without the income, the Kurdish economy would be in shambles and food prices would rise (because the cheap food being brought into Kurdistan as a pretext for gaining access to the diesel market would stop). This would increase the cost of operations and require increased food aid.

Issues Facing the Humanitarian Program

The main issue facing the humanitarian agencies is how to meet needs with a dwindling support base. Nowhere will this be more difficult than with food aid. As mentioned, food pledges for northern Iraq for next year are a quarter of the amounts pledged last year. Until now, every family in Kurdistan has been able to receive food rations. (In government-controlled areas of Iraq, all families are entitled to purchase government-subsidized food.) In September 1994, the British Overseas Development Administration conducted a household study to determine family income levels and sources, and to provide baseline information for shifting the food program from an all inclusive distribution to a system based on needs. Aid officials estimate that only 350,000 families should be classified as beneficiaries after the winter (until then 750,000 people will receive food aid) and argue that with the reduced donations, that targeting is necessary. The Kurds however, have expressed their opposition to targeting: they argue that everyone in Kurdistan has been effected by the blockade and all have suffered from the long periods of war and Anfal campaigns. If the total tonnage is reduced, they want the UN to reduce everyone's ration by an equal amount. The UN counters by pointing out that that approach would hurt the poorest families, especially those that have no income, and would create hunger, something that doesn't currently exist in Kurdistan. Nonetheless, the Kurdish authorities have remained adamant and the issue is likely to be contentious.

Another issue that should be addressed, especially in the wake of the inter-party fighting is equalizing the distribution of humanitarian assistance. Relief agencies have generally been good about targeting aid on the basis of needs. Generally, the needs in the eastern part of northern Iraq are higher than in the central and western governorates (because of the Anfal campaigns and fighting during the Iran-Iraq War). The people in these areas have special needs: a large number of the families are headed by women whose husbands disappeared during the Anfal. The women have trouble earning full wages, getting land in the redistribution programs,

and obtaining housing reconstruction funds. More agencies work in the Sulaimaniya governorate than the other two. However, in the border areas of the east, aid tends to be less, partly because of fears of working close to Iran and the extensive number of landmines in the region. Increased assistance to that area would be helpful.

Special assistance is also needed for people along the northern border with Turkey. There is currently no international aid program for people who have been displaced by military action in the north and relief agencies' work in that area has been compromised by the presence of the PKK.¹⁸ Strategies for reaching these communities at low risk to the agencies should be developed.

Conclusions About the Humanitarian Situation

The current situation can be described as stable and good but still highly vulnerable. The agencies have done a superb job in providing relief and resettlement assistance. They have prevented hunger and have ensured that no one froze during the harsh winters. However, the situation remains precarious, mainly because of the peculiar economic restrictions and the unsettled security situation. If aid were to stop tomorrow, relief authorities estimate that 300,000 people would be at risk. The Kurdish economy is not capable of supporting people with internal resources alone (due to sanctions). Furthermore, many of the newly rebuilt settlements areas are tenuous. Foreign aid will be needed to ensure food security, provide capital and basic materials, and to serve as a means of offsetting the effects of the sanctions and Iraqi blockade. If funding falls much below the current levels, increased undernutrition may result. Aid, unfortunately, will be needed as long as the economy is artificially restrained.

Terrorist Attacks on Aid Workers

In 1992, the PKK and Iraqi agents began a campaign of terrorism aimed at foreigners to undercut their willingness to remain in the area. Saddam Hussein is said to have offered a cash reward to anyone killing a foreigner in northern Iraq. Several UN guards and NGO personnel and one journalist were killed. However, the attacks did not succeed in driving the humanitarian agencies away. The original UN guards, which were drawn from the security details of UN buildings around the world, were replaced with contingents of regular police seconded by their governments to the UN. They tightened security procedures and the *peshmerga* offered to provide protection for NGOs. Security precautions are still high, but most agencies feel the risks are acceptable. There have been no incidents since 1993 against NGOs but there are still about one incident a month against the UN guards (Saddam apparently believes that if the guards can be forced to leave, the NGOs will follow).

¹⁸ Kurdish authorities have taken responsibility for helping people displaced by Turkish bombing or PKK activities. (The displaced do get food aid and basic services from NGOs.)

The Potential for Another Refugee Crisis

At the moment there is nothing on the immediate political horizon that would stimulate another mass exodus of refugees. Most *peshmerga* leaders, as well as the international military and humanitarian personnel, are convinced that as long as Operation Provide Comfort continues, the Iraqis will not attack and there will be no refugee crisis. The only other event that could cause people to flee the area would be a renewal of widespread fighting between the Kurds. As the economy worsens, more people will try to leave for economic reasons and what is now a slow trickle could increase.

There is one other scenario under which a mass exodus might occur: if OPC were to end. The Kurdish leadership knows that the best way to get the allies' attention is to threaten a repeat of the refugee crisis of 1991. Both parties claim that if OPC were to be canceled, it would create a panic among the people and that they would immediately flee to the border. It is more likely that the people would wait and see what the Iraqis would do; if there was no immediate move by Saddam, they are unlikely to run on their own. But the Kurdish leadership might try to encourage mass flight to draw the allies back. The *peshmerga* already have plans to evacuate the people to the borders if they are attacked, and it would be easy to activate those plans if their political situation collapsed.

Table 2
Constraints on Resettlement

Despite hopes that resettlement would be completed in three years, there is still much to be done. Some of the major constraints on the resettlement program are:

- Mines: It has been estimated that 10-20 million mines have been placed in Kurdistan. De-mining efforts are laborious and time consuming and there is only one agency, the Mines Advisory Group, working in this field.
- Land shortages: Good, mine-free land is almost gone. The plots being distributed by the Kurdish authorities are becoming smaller.
- Land ownership, cadastral issues: While most families know the general boundaries of the lands they were forced to vacate during the collectivization and Anfal campaigns, legal title and exact bounds are not always clear nor are the records available. This has led to many land disputes and has slowed reoccupation of some sites.
- Water: New sources of water are needed for drinking in the villages and irrigation.

Table 3
Short List of Needs

The following needs were identified by the humanitarian agencies:

- Comprehensive medical and public health support: Medical standards have declined dramatically since 1991 (partly due to emigration of medical personnel). Hospitals are short of materials and pharmaceutical supplies. Private hospitals have a difficult time importing the supplies they need despite the fact that pharmaceuticals are exempted from sanctions.
- Investment in agriculture: The agricultural sector is the mainstay of the Kurdish economy. Increased investment, especially in irrigation and food processing, is needed to expand production.
- Veterinary vaccines: Livestock herds are growing and the need for vaccines outstrips availability. Only international agencies can import vaccines under the sanctions.
- Fertilizers: The FAO imports some fertilizers for Kurdistan but it is not enough.
- Pesticides: The FAO and OFDA have purchased pesticides in the past, but they are not enough. Aerial spraying for protection against sunapest (an insect that affects wheat) is preferred but it was prohibited by the Turks. Less effective ground spraying was carried out but it was incomplete and substantial losses resulted.
- Farm equipment and spares: A variety of equipment is needed. In 1991, many of the combines used by the Kurds to harvest wheat were taken by the Iraqis as they vacated the area during the allied intervention. Many of the Kurds also took their harvesters to Iran and were forced to sell them while they were refugees. The combines that are based south of the old security zone are now prevented from coming north to harvest the Kurd's fields by the Iraqi authorities. The few tractors, combines and other agricultural machines that are still in the area are in poor repair and are badly in need of spares.
- Water and sanitation (especially in the reconstructed villages).
- Malaria control: This old disease was once eradicated in Iraq but has returned as a result of newly planted rice fields and a lack of spraying.
- Brucellosis: This disease has returned due to increased availability of meat with a corresponding lack of public health controls on meat processing and handling.
- Education support: There are a variety of needs in the education sector including: reconstruction of schools; provision of texts and teaching materials; and financial support for teachers' salaries.

THE NEAR FUTURE: PROBLEMS AND ISSUES

It is clear that for the time being, the overall situation will change little: OPC will continue, humanitarian aid will be required, and the Kurds will need to strike a balance between development and pursuing their national aspirations. Within this context, the Kurds and the allies will need to address some fundamental issues.

The Major Issues Facing the Kurds

The biggest problem facing the Kurds is the need to end the strife and forge unity among the political factions. Unless they can reestablish a united front, allied support will wane.

Second, they must find ways of shoring up their economy in face of continuing sanctions and declining international humanitarian assistance. They are going to need Western help in this, but that depends on their success in strengthening the local administration and forging unity.

They will need to strengthen the government without alarming their neighbors. They need to cut back on the number of government employees and eliminate corruption and favoritism. Then they must find some good, solid projects to implement successfully and develop some solid proposals for strengthening the economy while protecting the poorest people.

On the international front, the Kurds must improve their political situation with their neighbors, especially Turkey. In the case of Turkey, they need to deal with the PKK. They also need to find a way to win support from some of the Arab states. Perhaps this can be done within the framework of the INC.

Finally, they need to find ways of improving their security situation. Again, the key is likely to be Turkey.

Major Issues Facing the Allies

Extension of OPC

The government of Turkey reviews and extends the OPC basing agreement every six months, thus, every June and December the issue is considered. At each review, passage has been harder. The government renewed the agreement three times, then passed the decision to the parliament which renewed it four. A majority of the parliament is known to be opposed to OPC along with most senior officials including the president, the prime minister, the foreign minister as well as the leadership of the Turkish military. If there were any other option, the parliament would end the agreement immediately. Inherently, for now, they know that there is no other option. Thus, the agreement was renewed in December 1994. But this is not to say that continuous renewal is guaranteed: the Kurds must continue to walk a fine line and not show any inclination to set up an independent country and must be especially circumspect about any dealings with the PKK. The Turks are likely to find northern Iraq in general, and OPC in

particular, a convenient scapegoat if their war against the PKK goes bad, and the chance that OPC could be terminated in a pique of anger cannot be discounted. However, the leadership seems to know that such a move could backfire and the threat of a massive refugee influx is, for now, sufficient deterrent to cancellation.

The Turks, frustrated that the situation is not theirs to control, may begin to try to force the Kurds to reenter negotiations with Iraq. Several Turkish foreign ministry officials hinted that the next renewal might be conditional on such talks starting soon (presumably within the next six month extension) and that subsequent renewals would be dependent on how the talks progress. But while this may play well in Ankara, it is unlikely to move the talks forward and the situation will probably return to the current stalemate, for ultimately, the decisions that need to be made are in Saddam's hands, not the Kurds.'

The Role of Turkey in OPC

The biggest problem confronting OPC at present is an internal one: the role of Turkey and the restrictions that the country is putting on the operation. The Turks are in a bad situation. Their war with the PKK shows no signs of ending soon and they are coming under increasing criticism for human rights abuses carried out by their army. They have a legitimate right to try to hold their country together and naturally put their national security interests ahead of protecting the Kurds from Saddam Hussein. The fact that the PKK has bases in northern Iraq and is receiving some support from the Kurdish people there makes the situation even more difficult for Turkey. Their ultimate worry is that the Iraqi Kurds could become independent with patronage from Turkey's main Western allies, then encourage and provide support for the Kurdish separatists in Turkey.

While their worries are legitimate, they are an over-reaction to the situation. Nonetheless, Turkey has chosen to intercede politically and militarily in northern Iraq and one of the vehicles they use is Operation Provide Comfort. Participation in OPC provides the Turks a number of opportunities. It gives them access to intelligence from and about northern Iraq. It gives them an entre into the territory. And it gives them a degree of control over the mission. Because Turkey is hardly a disinterested, neutral party, the other members of OPC are concerned that their own participation, and security, is being compromised. Because the allies want to maintain a solid front, they have not been openly critical of Turkey's role in OPC. Furthermore, they know that the use of the Incirlik air base in Turkey is dependent on good relations with the host country. But despite their desire to maintain the coalition, there is growing discomfort among the allies with Turkey's restrictions on OPC activities and the free access that Turkey has to the intelligence that is generated as a by-product of the OPC mission.

Prospects for Ending Allied Protection

There do not appear to be any immediate prospects for ending OPC. Saddam Hussein appears to be well entrenched despite the sanctions and unless he goes or there is a surprise deal between he and the Kurds, OPC will be needed for the foreseeable future. While that

undoubtedly worries the Pentagon and other allied military establishments, the fact remains that it is still the cheapest and most effective peacekeeping mission in the world.

Sanctions and the OPC Mission

In November, after Iraq recognized Kuwait and its borders, there was a momentary effort by Russia and France to lift the sanctions on Iraq. While the Security Council did renew the sanctions for another six months, it is clear that there will be mounting pressure from Iraq's allies and trading partners to ease the embargo.

The Kurds are concerned that the French, key members of OPC, had publicly called for sanctions to be lifted. Since that time, they have been cool to the French officers in the MCC and have expressed their concerns about the role of the French in the coalition. A senior *peshmerga* leader likened the French participation in the MCC to that of the Turks, implying that they couldn't be trusted.

The incident highlights the question of what will happen to OPC if the sanctions are eased or lifted and points to the fact that the alliance to protect the Kurds will begin to fray as time goes on. In an era where the Western alliance has been riven by dissention over Bosnia, the U.S. may find itself isolated in trying to maintain the sanctions.

Role of MCC

In the first year after the allied withdrawal in July 1991, the MCC was a major player in all aspects of the international support for the Kurds. A substantial amount of the funding for humanitarian programs came through the MCC, its officers were involved in daily consultations with the Kurdish leadership on both political and military affairs, the commander of the MCC often intervened to help settle inter-party disputes, and the team met regularly with the Iraqi military to keep problems from escalating. Some officials in the Department of Defense and the Department of State felt that the MCC was making, rather than implementing, policy. DOD reduced the commander's tour of duty from one year to six months (to keep the officers from getting too close to the Kurdish leadership) and new terms of reference were written to more tightly control the MCC's activities, especially their interventions in Kurdish politics.

About the same time, two other changes occurred which have affected the MCC. First, the allies decided to make a Turkish officer the co-commander of the MCC. As a part of that decision, the other allied officers, including the U.S. co-commander, were restricted from meeting with the Kurds unless the Turkish officer was present. This has had the affect of seriously weakening the reporting and analysis of the MCC and the dual meeting rule has sharply curtailed the number of meetings and limited the topics of discussion between the MCC and the Kurds.

A second change is the reduction of contacts between the MCC and Iraqi military authorities. In 1993, an MCC delegation driving to the Iraqi military base at Faida (just south

of the confrontation line below Dahouk) was fired on between the Iraqi and *peshmerga* lines. Since then, the weekly contacts have ended and the Iraqis must come to Dahouk if there is to be a meeting.

These changes and restrictions have constrained the MCC and reduced its ability to influence events in Kurdistan. While the desire to keep the MCC from becoming too independent is understandable, the current procedures are too restrictive. A moribund MCC is clearly not in the best interests of the allies.

Whither OPC?

Perhaps the biggest question facing OPC today is: where is it going? The original mission, to protect the Kurds, has not changed, but the political and operational environment has been reshaped, largely by circumstance rather than policy. It's time for a major review and some contingency planning. The U.S. needs to re-evaluate its policy and interests in the area and define the OPC mission vis a vis the U.S. relationship with Turkey and our long-term goals vis Iraq.

OPC is in a peculiar position. It has become an orphan within the foreign policy framework of the region. Despite its success, it has few champions; the military would love to jettison the mission, state can't decide which bureau — Near East or Europe — should have sway, AID doesn't want the humanitarian mission (it's not development), and DOD doesn't want to be in the humanitarian business. No one in Washington likes the security situation in northern Iraq, and many decisions are made on the basis of which of the Kurds' neighbors will be least offended.

The U.S. will need to address some fundamental questions, including the mission, the allies' relationship with Turkey, the role of Turkey in the mission, the probability that sanctions could be lifted before Saddam Hussein is removed from power and how to deal with the increasing involvement of Iran in Kurdistan. Operational questions must also be addressed, especially the role of MCC and rules of engagement.

It is clear that the allies are not prepared for precipitous actions by Turkey; the range of possibilities needs to be explored and contingency plans and preventive actions need to be taken.

The allies are also unprepared for interventions by Iran. Immediate planning on this issue needs to be carried out. One immediate question is: would U.S. fighters shoot down an Iranian plane if they encountered it in the no-fly zone?

There is some concern about what might happen if Russia does what the U.S. did in Bosnia, i.e., independently refuses to honor sanctions. Such an action could have major consequences for the allied mission.

Finally, some actions should be taken to demonstrate continued allied resolve in northern Iraq. There is decreasing confidence among NGOs and Kurds that the U.S. would respond to an Iraqi move. If those who are dependent on the allies feel the indecision, it is a sure bet that Saddam Hussein has sensed it — and that could lead to another major miscalculation on his part.

RECOMMENDATIONS

In this period of waiting for new opportunities, there are some actions that should be taken to improve the allied position and to better position them to manage the situation until major openings occur. The U.S. government should consider the following recommendations.

- *Help the Kurds end the inter-party strife.* It appears that only strong political intervention by the U.S. can end the Kurds' squabbling. This intervention needs to take place soon.
- *Maintain and tighten the sanctions on Saddam Hussein.* While Iraq has been able to smuggle large amounts of materials despite the sanctions, there is no doubt that the embargo has had a major impact and has caused the government continuing political problems. The U.S. should take the lead in trying to strengthen sanctions enforcement, especially on the Jordanian frontier, and work to ensure that the French remain strongly committed to continuing them — and do not propose partial relaxation. The U.S. should also develop a policy and contingencies for the possible lifting or easing of sanctions before Kurdish situation is resolved.
- *Review the U.S. position on Iraq, clarify the policy goals, and reaffirm the OPC mission and strengthen it accordingly.* There appears to be much ambiguity in U.S. policy towards Iraq, and especially the situation in northern Iraq. The National Security Council should coordinate a review of the policy and define *inter alia*:
 - U.S. objectives in Iraq;
 - the U.S. long-term position on the role of OPC,
 - the extent of U.S. support for the Iraqi opposition especially INC.
- *Address the problems with Turkish participation in OPC before they get out of hand.* It is likely that the U.S. and Turkey are on a collision course over their conduct of the counter-insurgency campaign and this will need to be taken into consideration in contingency planning. Turkey is an important U.S. ally in the region but some limits must be set. It will be far better to deal with this problem now while the problems are still at a manageable level than to wait until an unforeseen incident leads Turkey to take precipitous action. The U.S. should also have a contingency plan in case Turkey were to suddenly end OPC so that the Iraqis do not attempt to invade the area and create another massive exodus of refugees.
- *Continue the humanitarian program, but make it more developmental and take measures that will permit self-sufficiency.* The humanitarian component of OPC will need to be continued for the foreseeable future. However, with declining donor commitment the only way it will be able to meet the needs is if a greater emphasis is placed on

developmental programs and strengthening the economy. While Turkey may object to this approach, it is the only way to prevent widespread destitution among the population.

- *Exempt northern Iraq from the UN sanctions or find a way around them.* Maintaining sanctions on northern Iraq no longer makes sense either from a practical or a policy point of view. First, it represents a case of punishing the victim, especially since they are also blockaded by Iraq and cannot join in that economy. Second, weakening the Kurds while Iraq has no trouble breaking the sanctions will only encourage Iraqi risk-taking. Third, restricting the Kurds, who are the backbone of the opposition to Saddam Hussein, sends a confusing message to other members of the opposition — rewarding the Kurds would be a much stronger statement. Fourth, and of most immediate importance, maintaining sanctions is creating artificial humanitarian needs where there should be none — northern Iraq could easily support itself with food and other basic essentials. Why should the West, whose humanitarian resources are already overstretched, have to import food to a region that usually produces a surplus? Fifth, improving the economy is the best way to undercut the tensions among the Kurds and preventing further fighting.

Permitting northern Iraq to become economically solvent may also be the best way to ensure that it maintains ties to Iraq. The region has no other real market for its goods, especially agricultural products and Iraq has shown that it is willing to pay for the goods, despite the self-imposed blockade.

- *Review the U.S. position on supporting the Iraqi opposition, especially the INC.* The U.S. has sent mixed signals about how much it is willing to support opponents of Saddam Hussein. In the aftermath of the allied withdrawal from northern Iraq, it was apparent that the U.S. had become resigned to Saddam's hold on the government and expected the Kurds to quickly reach an accommodation. A year later, the U.S. showed interest and support for the INC and hailed it as a major step. However, there has been little real support for INC since then and the U.S. has not been willing to persuade its Arab allies into giving INC support either. The U.S. is in danger of being put in the same position as President Bush was after Desert Storm, i.e., seeming to encourage an uprising then not giving it support. In the policy review mentioned above, the U.S. should clarify its position and remove the ambiguities. At a minimum, the U.S. should state under what conditions it will support lifting sanctions: when all UN resolutions are met or when Saddam Hussein is ousted from power.
- *Develop policies for dealing with the growing influence of Iran.*
- *Develop some contingency plans and guidance for OPC commanders:* On a practical level, OPC commanders are faced with some immediate problems for which there may be inadequate preparation. Specifically, policy and guidance should be developed for:
 - 1) attacks by Iraq on Kurdish areas outside security zone,

- 2) attacks by Iraqi forces on Kurdish areas below the 36th parallel (outside the no-fly zone),
- 3) encounters with Iranian jets inside the no-fly zone,
- 4) precipitous actions by Turkey.

CONCLUDING REMARKS

Politically and militarily, the situation in northern Iraq is static. The Iraqis are unlikely to attack northward as long as the allies continue OPC and the protective overflights and therefore, a new refugee crisis is unlikely in the foreseeable future. While the Turks are uncomfortable with OPC, they realize that there are no other alternatives at the moment and thus, they are unlikely to end it. They fear an influx of refugees and the impact they would have on political situation in the country and the conflict in southeastern Turkey more than they fear the possibility that the Kurds might try to set up a government independent of Iraq. However, this doesn't mean that the possibility that there could be a sudden change of policy can be discounted. But for the time being, Turkey will continue to support the operation, though grudgingly.

The Iraqi Kurds recognize that both Turkey and the allies are in a situation from which they cannot easily disengage without dire consequences. Because of that, along with internal pressures created by the people's realization of the full extent of the Anfal and other Iraqi anti-Kurd actions, the Kurd's leaders are disinclined to resume negotiations with Saddam Hussein and reintegration with Iraq is as far away now as it was when the allies withdrew in 1991.

Thus, all parties are playing for time, waiting until something major alters the situation and provides an opportunity to resolve the situation or points to a new direction. During this period, the allies must continue to protect the Kurds and to provide aid and economic assistance, either as humanitarian aid or by permitting the Kurds greater latitude to meet their own needs. However, the protection is dependent on Kurdish unity; a breakdown of cooperation between the leader and a return to fighting will make it impossible for allies to continue protection and would provide the Iraqis, and possibly Turkey, with an opportunity to end OPC.

These problems should not obstruct the fact that OPC has been, and continues to be, a highly successful operation. Allied protection has brought some temporary stability to the area and while it is not permanent, the *status quo* is not bad. And for all its faults, Operation Provide Comfort is still the cheapest peacekeeping mission around and provides a good model for what could be done in other troubled areas.

Appendix A

The Major Parties and Groups Forming the INC Coalition

"Nationalist" Parties

Al-Wifaq
Independent Iraqi Alliance
Iraqi National Reform Movement
Democratic Party of Iraq
Union Of Iraqi Democrats

Islamic Parties

SCIRI (Supreme Council for Islamic Resistance in Iraq)
Islamic Action Organization
Jundil Imam
Cadres of the Da'wa Party

Kurdish Parties

Kurdistan Democratic Party
Patriotic Union of Kurdistan
Islamic Movement of Kurdistan
Democratic Party of Kurdistan
Communist Party of Kurdistan

Other Minority-Based Parties

Assyrian Democratic Party
National Turkoman Party