



# THE SAGA CONTINUES

## Iraq-Gulf Relations in a Changing Region

*By Cinzia Bianco*

Among the most crucial dossiers on the desk of the newly appointed President of Iraq, Barham Saleh, and the prospective new Prime Minister, Adel Abdul-Mahdi, is Iraq's relationship to the countries of the Gulf Cooperation Council (GCC). Iraq-GCC relations strained in the aftermath of the 2003 US-led invasion of the country and worsened under (former) Prime Minister Nouri al-Maliki—leader of the Shia-dominated Da'wa party and Iraqi Prime Minister from 2006 until 2014. Al-Maliki was regarded, in the GCC, as being too close, almost dependent, on Iran. During those years, relations between the Arab Gulf monarchies and Iraq went from icy to outright tense as the region descended into a sectarian confrontation with Baghdad as a key flash-point.

When al-Maliki resigned (2014), his successor, Haider al-Abadi, sought rapprochement with Iraq's Arab neighbours. Merely a year later and Saudi Arabia reopened its embassy in Baghdad after 25-years of diplomatic deepfreeze. In 2017, the two countries inaugurated a Coordination Council, aimed at strengthening cooperation in trade and investments, people-to-people ties, and, importantly, security and post-war reconstruction. Al-Abadi had to walk a tightrope, balancing his country's relations with Iran, still an important actor for Iraq, the GCC ridden by the Qatar crisis, in which al-Abadi maintained neutrality, and international players such as the US and Europe, heavily involved in the fight against the so-called Islamic State (Daesh) on Iraqi territory.

As Daesh was territorially defeated in 2018, Iraq's priority has centred on rebuilding the country, in terms of infrastructures, governance, national unity, and security. Support is sorely needed from international partners and from its neighbours. Among the GCC countries, Kuwait seems to be at the forefront of these efforts. For a small state, Kuwait, which shares a 240km-long border with Iraq, a more stable and more secure neighbour is a matter of national security. In February 2018 Kuwait organised an International Conference for Reconstruction of Iraq, co-chaired by the European Union (EU). During the conference, Kuwait pledged \$1 billion in loans and another \$1 billion as investments, the highest pledge in relative terms of the total \$30 billion raised. Kuwait also stepped in as a conduit for another significant and impactful item of Iraq-GCC cooperation— electricity.

In summer 2018, large-scale protests erupted in the Basra region of Iraq after the Iranian government cut one-third of the total electricity used in the region. Iran pointed the finger at the combination of the reimposition of US sanctions, spiralling energy demands, its own economic woes and non-payment of bills from Iraq. Iraq turned to Saudi Arabia, and Riyadh agreed to provide the region of Basra with emergency fuel, and to enter into tripartite negotiations, with Kuwait, for a long-term solution. Indeed, Kuwait has been keen to discuss a plan to extend the GCC electricity grids to Iraq. Saudi Arabia would build a 3,000-megawatt solar power plant and export cheap electricity to Iraq via Kuwait, once the existing interconnected grids would be reinforced. This long-term project of electricity diplomacy might provide just the kind of interlinkages needed to strengthen Iraq-GCC relations at the deep level of good governance, a strategic goal for Iraq.

Against this background, President Saleh toured Gulf capitals in November 2018; to shore up regional support for his nascent administration and start building personal ties to the neighbours. He began his tour in Kuwait City where talks were held with the Kuwaiti Emir Sheikh Sabah Al-Ahmed Al-Jaber Al-Sabah and Prime Minister Sheikh Jaber Al-Mubarak Al-Hamad Al-Sabah. Iraq's President then visited Abu Dhabi where

he met with the Crown Prince and deputy supreme commander of the UAE Armed Forces Sheikh Mohammed Bin Zayed Al-Nahyan. In the same days, Prime Minister Adel Abdul-Mahdi was receiving Saudi Minister for Energy, Industry and Mineral Resources Khalid Al-Faleh in Baghdad.

While the premise for reinforcing Iraq-GCC relations have been, arguably, already mapped, challenges remain. The economic influence of Iran is still very much entrenched in the country's system. During the Baghdad International Fair, which took place 10-19 November — and is one of the most important events of its kind — some 60 Iranian firms were present in contrast to a single UAE company and none from Saudi Arabia. President Saleh is expected to visit Tehran soon. While there is hesitation in the Arab Gulf monarchies to deepening engagement before a definitive government is formed, political machinations should not restrict state-to-state engagement. Finally, there is the question of the intra-GCC crisis re-erupted in June 2017, when Saudi Arabia, the UAE, Egypt and Bahrain cut relations with Qatar. This crisis inevitably reflects on Iraq-GCC relations: first, a key issue of contention with Qatar is that Doha paid a large ransom to Iran-allied Iraqi militias to free a group of Qatari royals taken hostage in the Iraqi desert, and this episode has negative impacts on the perception of Iraq-Qatar relations for a number of regional government. At the same time, while Iraq has refused to take sides in the dispute, Baghdad is pushing behind the scenes for the conflict to be resolved as regional tensions are often mirrored in highly-tense and sectarian Iraqi domestic politics. Thus, prolonged intra-Sunni tensions can effectively function as an obstacle to developing much-needed enhanced relations between Baghdad and its royal neighbours.

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