

Mounting social crisis in Kurdish Iraq

By Joseph Baker
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While the presence of 800 international companies, including Chrysler, Ford and Exxon Mobil, at a recent international trade show in Erbil, the capital of the semi-autonomous region of Kurdistan in northern Iraq, reflects growing confidence on the part of the international business community in the Kurdish nationalist regime, increasingly broad sections of the region's population of 5.5 million are prepared to defy the authority of the government.

Recent media reports from the region indicate a significant increase in anti-government protests. This is the result of many persistent problems such as a lack of basic services, rising inflation, corruption and the violation of democratic rights. Because the two main Kurdish nationalist parties, the Kurdistan Democratic Party (KDP) and the Patriotic Union of Kurdistan (PUK), have failed to deliver on their promise that a major increase in seats in the Iraqi parliament would pave the way for the region's independence and bring prosperity to all, popular disaffection is growing. In the past several months, at least five strikes, seven demonstrations, and one general strike have been reported.

The popular independent local newspaper *Hawlati* recently reported a strike by school teachers in the towns of Kalar and Chamchamal as well as staff at the University of Sulaimaniyah. The strikers demanded higher wages and improved working conditions.

In late July, the British *Guardian* reported that 3 workers were killed and another 13 wounded when guards fired on a strike by workers at the Tasloja cement factory. According to other reports, at least 700 workers at the factory, the biggest in the region, went on strike demanding higher wages and the reinstatement of 300 workers laid off by the new management.

The shooting prompted widespread outrage which led the mayor of Sulaimaniyah to hold a press conference announcing the arrest of 40 guards at the factory. The factory had been sold earlier in the year by the Kurdistan Regional Government (KRG) to an Egyptian company.

The biggest challenge to the KRG was when thousands of people participated in week-long demonstrations from the 5th to the 13th of August in most towns and cities across the region's three provinces. Footage of these demonstrations was shown on local TV stations and satellite channels, and pictures were posted on Kurdish Internet sites. The demonstrations came amid the worst crisis to hit the region and Iraq as a whole, while temperatures soared to 45 degrees Celsius.

Fox News reported in August that the country was facing a fuel shortage and that the price of a gallon of gasoline had reached \$4.92, eight times higher than the official price. The demonstrations erupted first in Kalar and Darbandikhan, where people protested the lack of basic services such as electricity and water as well as the soaring price of fuel. Soon residents of other cities joined the protests and demands were extended to include a curb on corruption and an expansion of democratic rights such as free speech and the right to strike.

On August 8, a committee was established to organize these protests at the national level and a general strike was called for the entire region. On August 13th, despite the government's threat to punish those defying its warning not to strike, hundreds of thousands of people stayed home and shops and offices were closed. Thousands demonstrated in the city center

of Sulaimaniyah, the second largest city in the region.

Although leaders from both the Patriotic Union of Kurdistan (PUK) and the Kurdistan Democratic Party (PDK), who have in effect been ruling the region since 1992, have conceded the right of the people to demonstrate, the security police (Asayesh), together with a riot police unit established this spring in response to the increase in anti-government protests, have used excessive force to suppress these protests and have even fired upon demonstrators in many towns.

According to a final estimate by *Hawlati*, in Sulaimaniyah alone one person was killed and more than 280 arrested. Among the detainees were many journalists, such as Doctor Hakim Sabir Aziz and Ali Hama-Salih, a correspondent of *Hawlati*. The London-based *Kurdish Media* reported on August 15 that security forces were still doing house-to-house searches for the leaders of the demonstrations.

Among those arrested was Baxtyar Hama-Saaed, a lawyer and member of the Sulaimaniyah strike committee. On August 20th, about 110 lawyers went on strike and demanded his immediate release. Hushyar Abdullah, vice-president of the Sulaimaniyah Branch of the lawyer's Association, told *Hawlati* "we will continue this strike until our colleague is unconditionally released."

Fearing that the lawyers' strike would further ignite the anti-government sentiment already at levels unprecedented for the past 15 years of the Kurdish nationalist regime, the Asayesh released Baxtyar and all other detainees that night. Asayesh later issued a public statement condemning the lawyers' strike in the *Kurdistani Nwe*, the PUK's main newspaper.

Speaking to the *World Socialist Web Site* about the charges laid against him and about the arrests, Baxtyar said he had been arrested in the late afternoon of August 13 by Asayesh on charges of organizing the demonstration. He added that "along with 65 other demonstrators, later reduced to 32, I was put in prison for about 7 days."

When asked why the masses are opposing the Kurdish government, he replied that "people in Kurdistan have witnessed an incredible rift between poor and rich in the past two years . . . and small numbers of the rich, who are either members or affiliated with the two Kurdish parties—the PUK and the PDK—with support from the US administration in Iraq have gained substantial control over the wealth generated in the region." He added that "people have no expectation anymore that their living conditions will improve and have no choice but to demonstrate."

Despite the recent discovery by a Norwegian company of oil in the region and an increase in the regional government's share from the central government's annual budget—from \$1 billion a year before the invasion to about \$5.6 billion in 2006 (according to figures from the Iraqi Central Bank)—along with the imposition of a 15 percent tax on personal and company incomes, the KRG has done nothing to improve basic services or less social inequities.

Spero News reported in mid-July that "drivers have to wait days to get their petrol shares." As for electricity supply, the newspaper reported that the "local authorities announced that they would cut power from 16 to 9 hours per day."

Soran Mohammad, a 27-year-old from Chwarqurna told the newspaper

that “in the heat of summer they cut power, but they [officials] have it for 24 hours.” In July, the United Nations news agency reported a lack of power for schools and hospitals in Erbil.

An article published in mid-September in the *Peyamner Daily News*, a news agency affiliated with the PDK, said of the protests, “[A]lthough the spark may have come from the fuel crisis, in principle frustrations have been brewing slowly in the region. House prices increased significantly without a real increase in wages in key sectors, with many accusing the government of corruption.”

In March, a report from the World Bank estimated that a total of \$37.4 million is needed to ease the current power supply deficit in the two main power stations of the region—Dokan and Derbandikhan—which produce a combined total of 649 megawatts. According to KRG officials, 1000 megawatts is needed to meet local demands.

The PUK and PDK have been controlling the region since 1992 when the Iraqi government withdrew its forces so as to avoid confrontation with the US and allied powers, which had declared the region a no-fly zone. Yet the nationalist parties have failed to allocate enough revenue to meet the local demand for electricity.

Both parties were also responsible for the 1991 looting, following the first Gulf War, of the \$2 billion Bexma dam project near the town of Rania, close to the Iranian border. UN reports had estimated that the project was in its final stages and would have been capable of producing enough electricity for the entire region.

The frustration of the public with the lack of power is not surprising, especially given the fact that Iraq in the early 1980s had enough electricity for all its regions and was even able to export \$20 million of electricity annually to neighbouring Turkey.

During the recent protests, the masses demanded a quick reaction from the government to fight rising inflation and corruption. According to the Iraqi Central Bank, inflation had risen to 70 percent by the end of July, compared to 52.5 percent in June. This increase amounts to almost 125 percent relative to the inflation rate in 2005, according to the estimate of the World Bank. This significant increase prompted the International Monetary Fund to declare, in its latest report about the state of the Iraqi economy, that “the overall economy is sinking in what is called stagflation.”

The unprecedented increase in the cost of living and the level of corruption in the region have even forced TV and radio programs to devote some attention to these issues in the past two months. The popular comedy program “Barnamay Barnama” (the Program) of the KURDSAT, the PUK’s TV satellite channel, ridiculed the KRG’s explanation for soaring inflation and demanded that the government take full responsibility.

Massoud Barzani, the president of the KRG, recently acknowledged the pervasive corruption within his government, but the KRG has refused to take any responsibility for the deterioration of basic services and the growth in social inequality. Barzani told the Kurdish radio of the Voice of America in early August that “if corruption persists, I don’t want to be the president of a corrupt government.”

Facing enormous pressure from the public, and having failed to improve basic services even after two weeks of protests, the KRG has tried to deflect public attention by launching a political war with the federal government in Baghdad. On September 1, a decree issued by the president of the KRG ordered that all Iraqi flags be removed from government offices in the region, stating that the flag represents the era of the Saddam Hussein regime, under which the Kurds suffered much.

This “flag war” prompted a strong reaction from both Shiite and Sunni politicians, who accused the KRG of seeking independence. The federal prime minister’s office issued a statement rejecting the Kurd’s proposal and demanding that “Iraqi flags should be the only flags raised over any square inch of Iraq.”

In another development, the Associated Press reported that Saleh Mutlaq, a leading Sunni lawmaker, responded harshly to the KRG position and warned the Kurds that “what is taken by force today will be returned by force another day.” Media reports also indicate increasing calls from clerics in Baghdad and other cities to oppose harshly to any move by the Kurds to separate. *Hawlati* also reported in a recent edition that thousands of Kurds who study in universities outside the region have been seeking alternative universities after receiving death threats.

The KRG does not intend to separate. In a political campaign to salvage the image of the KRG among Arab politicians, the leaders of the PDK and PUK, Massoud Barzani and Jalal Talabani, have repeatedly expressed their surprise at the campaign against them and offered their reassurances that they are strong defenders of federalism. The main aim of the KRG was to use an emotional topic such as an independent Kurdistan (supported by 95 percent of Kurds according to a 2004 poll) in order to deflect public attention away from the current social and economic crisis.

The KRG has repeatedly blamed the central government for the shortage of fuel and electricity supplies. Local media reported Kurdish officials complaining that the current crisis was due to Baghdad’s decision on June 25 to cut supplies to the region by half.

Jamal Abdullah, the deputy prime minister of the KRG, recently told the *Kurdistan TV*, the PDK’s main TV channel, that “95 percent of the problems that led to public frustration are from outside and we have no control over them.”

Abdullah’s solution to the lack of basic services was to press for the full-scale privatization of the region’s economy. He claimed that if privatization is expanded, the 1.1 million employees currently on the government’s payroll will leave government posts and reduce the pressure on the budget. This is in line with the policy of the Bush administration, which has pushed relentlessly to impose its profit-driven policies and destroy the public sector.

In the past three years, the KRG has been actively privatizing much of what remains of public institutions such as water, electricity and fuel distribution agencies. In late July, the Kurdish parliament passed a law that allows foreign investors to own 100 percent of local companies, with a tax break for up to 10 years. It is no small wonder that foreign companies were enthusiastic about participating in this year’s Erbil trade show, especially after the news that 100 million barrels of reserve of oil had been discovered in a town close to Turkish border.

While the Shiite elites are pushing for legislation in the Iraqi parliament to introduce a regional government in the south of the country similar to the one in the north, the experience of the last three years has shown that such a regional government, even if it survived sectarian violence and insurgency, would bring nothing but hardship for the overwhelming majority of the population. But for the rich, such a regional authority would be “an oasis of peace and prosperity”—the words used by US Congressman Gil Gutknecht of Minnesota during his visit to the Kurdish region last July.

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