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ALTERNATIVE
GOVERNANCE –
NON-STATE ARMED
GROUPS AND THE IRAQI
RECONSTRUCTION
PROCESS

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ALTERNATIVE GOVERNANCE – NON-STATE ARMED GROUPS AND THE IRAQI RECONSTRUCTION PROCESS

Reconstruction is traditionally thought of as a matter of foreign investments and loans. The debate about Iraq's post-conflict period has not been any different. With the Islamic State (ISIS) militarily defeated, Baghdad is now pushing for international financial assistance for the Iraqi reconstruction process. A conference on reconstruction, held in Kuwait on February 13, 2018, gathered international donors and managed to secure more than 30 billion dollars for areas affected by the war against ISIS.¹

But identifying the main obstacles to Iraq's recovery is equally important as securing funds for reconstruction. Iraq is currently caught in a cyclical trap where poverty, corruption, and violence mutually reinforce each other. This predicament is a direct consequence of the rocky state-building process since 2003 and the political and security vacuum that has emerged over time in different parts of the country.

After decades of war, parts of Iraq lie in ruins. About one fifth of the population lives below the poverty level, with 75 percent of Iraqis stating that poverty is the biggest issue in the country.² In many places, basic services are poorly provided, if at all.³

1 Chmaytelli, Maher, Hagagy, Ahmed: "[Allies promise Iraq \\$30 billion, falling short of Baghdad's appeal](#)", *Reuters* (online), February 14, 2018.

2 United Nations Development Programme (UNDP): "[Country fact sheet: Iraq](#)", 2014.

3 The World Bank estimated in 2013-2014 that only 52 percent of people were connected to a stable public water network, 22.4 percent could solely rely on public electricity, only 11 percent had banks accounts, and four percent had access to formal loans, see Yahya, Maha: "[The Summer of Our Discontent: Sects and Citizens in Lebanon and Iraq](#)", *Carnegie Middle East Center* (online), June 2017.

Moreover, despite a steady GDP growth since 2014 and an increase in oil production, poverty in Iraq seems to be worsening due to a lack of individual profit from revenues. While a huge amount of the GDP is allocated to public spending, most of it is either focused on defense or public administration salaries, sidelining socio-economic needs. Welfare programs are poorly targeted and inefficient, leading to huge gaps in education, health, sanitation, and more.⁴ Socio-economic infrastructure such as schools, hospitals, roads, electrical grids, water networks are sorely lacking. This will prove increasingly problematic as IDPs have begun to trickle back to their homes only to find their homes and public infrastructure still destroyed. The failure to rebuild infrastructure will make real economic growth even more difficult, prolong the humanitarian crisis, and increase public dissatisfaction.⁵

While some of the deprivation is a direct consequence of war and the ensuing humanitarian crisis, much is the result of corruption. Iraq ranks 166th out of 176 positions in the Corruption Perceptions Index of Transparency International and went down 11 ranks in the World Bank's Doing Business index in 2017.⁶ UNDP estimates that around 95 percent of bribery goes unreported.⁷ This creates immense amounts of red tape for the local economy, adversely affecting civilian populations and perpetuating poverty. While Iraqi Prime Minister Haider al-Abadi has announced his plans

4 World Bank: "[Republic of Iraq Public Expenditure Review: Toward More Efficient Spending for Better Service Delivery](#)", *World Bank Studies* (online), 2014.

5 In Mosul, for example, 75 percent of roads, 65 percent of the electrical networks, the majority of bridges, and water infrastructure have been destroyed and are yet to be rebuilt. See in Yahya, Maha: "[Looking Beyond Mosul](#), Diwan", *Carnegie Middle East Center* (online), December 2019.

6 World Bank: "[Easy of Doing Business](#)", June 2017.

7 United Nations Development Programme (UNDP): "[Country fact sheet: Iraq](#)", 2014.

to tackle corruption, the political and economic system is still dictated by affiliation, patronage networks and nepotism, seeping into the economic sector and affecting daily livelihoods. Economic life in Iraq has become a political exercise of power and influence – at the cost of effective governance.⁸

Sectarian violence is another major cause for instability in Iraq. In 2016, the Global Terrorism Index listed Iraq as the most dangerous country in the world in terms of deaths, injuries, damage, and incidents. The instability caused by violence is one of Iraq's greatest obstacles to development—it affects human capital and livelihoods, becomes a breeding ground for illegal economic activity and makes foreign investments tenuous, while perpetuating social and political divides.⁹ Given that the bulk of the violence in Iraq is due to the sectarianized nature of political, economic, and social life, national reconciliation is indispensable to a lasting reconstruction.

This cyclical trap is exacerbated through the presence of a plethora of Non-State-Armed-Groups (NSAG) in Iraq.¹⁰ Pervasive corruption and poor overall governance have left a power vacuum in Iraq that has been repeatedly filled by NSAG, such as militias, tribal forces, and paramilitary groups. These organizations have become pivotal actors in local affairs, engaging in alternative

8 Yahya, Maha: "[The Summer of Our Discontent: Sects and Citizens in Lebanon and Iraq](#)", *Carnegie Middle East Center* (online), June 2017.

9 Vernon, Phil: "[Redressing the Balance: Why we need more peace building in an increasingly uncertain world](#)", *International Alert* (online), September 2017.

10 NSAG in Iraq, for the purpose of this paper, are defined as sub-state actors (Hashd) and non-state actors (tribal forces and criminal gangs that emerged from power vacuums and chaos in places like Basra and Mosul). They vary in ethno-sectarian nature as well, as Hashd groups include minority unites such as Sunnis (Hashd al-Asha'iri), Turkmen, Shabak, Assyrian, Chaldean (Babylon Brigades), and Christian. See Derzsi-Horvath, Andras, Gaston, Erica: "", *Global Public Policy Institute* (online), March 2018.

governance wherever they are present. As such, they have taken over activities that are generally under state responsibility. While some of them, like the Hashd Al-Shaabi (“Popular Mobilization Units”, or PMUs), are formally integrated into the Iraqi security apparatus, they remain effectively independent and exert control over land, resources, and the local economy. Despite having been essential in fighting ISIS, their control over local dynamics poses a challenge to reconstruction after the latter’s military defeat. First, because the NSAGs in Iraq exist along ethno-sectarian lines and are not inclusive actors by nature; and second, because they have developed alternative governance mechanisms that significantly weaken the state. For any future development and reconstruction plans in Iraq, the influence and power of these Non-State-Armed-Groups must be taken into account.

The Rise of NSAGs in Iraq

It is not surprising that NSAG mushroomed in Iraq in the years after the US invasion. When the US removed Saddam Hussein from power in 2003, the entire state apparatus was dismantled and so, too, the Iraqi security forces, which were the main actors in providing security and enforcing the rule of law in Iraq. Disenfranchised groups unsurprisingly took advantage of this vacuum to tip the balance of power in their favor.¹¹ Activists became militants, as decades of repression under the Baathist regime created a myriad of Shi’a resistance groups like the Badr Organization and Sadr’s Mahdi Army. Throughout the years of violence and internal conflicts, smaller groups emerged or splintered off to grow into powerful independent actors like Harakat Hezbollah al-Nujaba, Kata’ib Hezbollah, Asa’ib Ahl al-

11 Bouillon, Markus E.: “Iraq’s State-Building Enterprise: State Fragility, State Failure and a New Social Contract”, in *International Journal of Contemporary Iraqi Studies*, Vol. 6, No 3, pp. 281-297, December 2012.

Haq, and the Imam Ali Brigades. The new power-sharing system that was set up after 2003 was intentionally decentralized and favored the groups which had long been oppressed. With the previously oppressed groups in power in Baghdad, their militias were eventually legalized and incorporated into the state. As these Shi'a and Kurdish militias turned into paramilitary groups and regional national guards, increasingly disenfranchised Sunni populations turned to tribal forces (Sahwa, or "Awakening" forces) to provide their own security, a process fostered by the Americans trying to counter Al-Qaeda's growing influence among Sunnis since 2006.¹² The fight against ISIS ultimately consolidated these NSAGs, as they became central pillars in liberating the country. Joining NSAGs became the most effective way to defend the interests of one's own ethnic or sectarian group and ensuring local security when the central government was failing to do so.

NSAG in Iraq were born from chaos, but it was the increasingly sectarian political system that institutionalized them. The Baathist regime of Saddam Hussein had for decades marginalized other sectarian groups in order to secure its own power.¹³ By the time Saddam was deposed, sectarian and ethnic identity defined social, political, and economic life. Nuri al-Maliki's Shi'a-dominated government (from 2006 onwards), Sunni politicians, and the Kurdistan Regional Government (KRG) all used sectarian discourse to consolidate their power and mobilize their constituencies. The regional power struggle between Iran, Saudi Arabia and Turkey as well as the Syrian Civil War further

12 Mansour, Renad: "[Rise of the Militiamen](#)", *The Cairo Review of Global Affairs* (online), 2017.

13 Thurber, Ches: "Militias as sociopolitical Movements: Lessons from Iraq's armed Shia groups", in *Small Wars and Insurgencies*, Vol. 25, No. 5-6, pp. 900-923, October 2014.

radicalized identity politics in Iraq.¹⁴ Since NSAGs profited from sectarianism, logically, they perpetuated it, catering along the very same lines. The acceptance of ISIS by many Sunni communities is a daunting example of just how pervasive confessional politics are in Iraq. While there are, of course, many other factors that led to ISIS, the lack of resistance they encountered in many Sunni areas in 2014 came in large part as a result of these populations believing that they might be better off with ISIS than with the Shi'a-dominated government in Baghdad.¹⁵

It is however dangerously reductionist to believe that the legitimacy and authority of NSAG stems entirely from confessionalism. They are embedded in Iraqi society in a more nuanced way, better described as "socio-political movements".¹⁶ Muqtada as-Sadr, for example, created a self-image as the protector of disenfranchised Iraqis. By capitalizing on his father's legacy and social and religious networks, Sadr created a movement that goes beyond a simple militia; rather, he is seen as the representative of the Shi'a underclass.¹⁷ As such, he won the majority of parliamentary seats in the Iraqi elections of May 12, 2018, mobilizing his constituency mainly in Bagdad and the Shia provinces in southern Iraq. Similarly, in the primarily Sunni regions of Anbar and Ninawa, Sunni NSAGs are deeply rooted

14 Al-Qarawee, Harith Hassan: "[Sectarian Relations and Socio-Political Conflict in Iraq. Political and Social Transformations in the Arab World](#)", *ISPI Analysis* No. 200 (online), September 2013.

15 Revkin, Mara: "[ISIS' Social Contract: What the Islamic State Offers Civilians. The Arab Spring at Five Anthology](#)", *Foreign Affairs* (online), January 2016.

16 Al-Qarawee, Harith Hassan: "[Sectarian Relations and Socio-Political Conflict in Iraq. Political and Social Transformations in the Arab World](#)", *ISPI Analysis* No. 200 (online), September 2013.

17 Alaaldin, Ranj: "[Could Muqtada al-Sadr be the best hope for Iraq and the region? The New Geopolitics of the Middle East](#)", *Brookings*, Markaz (online), August 2017.

in tribal structures. These groups, primarily operating under the PMU banner, are referred to as the Hashd Al-Ashair and are backed by local Sunni tribal leaders like former governor Atheel Nujaifi.¹⁸ The PMU itself is an umbrella term referring to the myriad of state-sanctioned militias. It is comprised of over 60 different paramilitary groups that add up to around 140,000 fighters. While predominantly Shi'a in nature, these groups include units from a variety of ethno-sectarian groups that are smaller localized security forces such as Turkmen, Sunnis, and Yazidis. Another important distinction between them is that they are not all Iranian-backed, even within the Shi'a units. These groups vary in their histories, evolutions, and goals, making it imperative not to confuse them for a homogenous, monolithic block.¹⁹

The role of NSAGs in defeating ISIS has only increased their popularity, often beyond ethno-sectarian boundaries. In Sunni regions like Mosul and Anbar, many PMU groups are respected and acknowledged for their role in liberating the areas. According to the National Democratic Institute, the PMUs have an unprecedented 74% approval rating across Iraq, including a 60% approval in the Western parts of Iraq which are primarily Sunni. The survey revealed that people are increasingly less concerned about security, while the popularity of figures like Muqtada as-Sadr and Hadi Al-Ameri, the leader of the Badr Organization, are skyrocketing,²⁰ as the election results show.

18 Gaston, Erica: "[Sunni Tribal Forces](#)", *Global Public Policy Institute*, Report (online), August 2017.

19 Haddad, Fanar: "[Understanding Iraq's Hashd al-Sha'bi. State and Power in Post-2014 Iraq](#)", *The Century Foundation*, Report (online), March 2018.

20 National Democratic Institute: "[Improved Security Provides Opening for Cooperation](#)", March- April 2017 Survey Findings", June 2017.

Alternative Governance of Non-State Armed Groups

Alternative governance in Iraq today is not to be confused with that of groups like Hezbollah in Lebanon or the FARC in Columbia. The way NSAGs have evolved in Iraq is different and very context-specific—it is not as extensive in occurrence and depth. Intra-sectarian competition among various groups doesn't allow for a monopoly in public support.²¹ In Basra, for example, both the Badr Organization and the Sadrist Movement are present and compete for support within the local Shi'a population. Ultimately, the primary focus of most NSAGs since 2014 has been the fight against ISIS. Apart from that, NSAGs in Iraq engage in certain forms of alternative governance, which will influence the Iraqi reconstruction process in the years to come.

Service Provision

NSAGs in Iraq have engaged extensively in forms of alternative governance, namely the creation of informal social assistance networks. Reports from 2008 highlighted this dynamic, declaring that militias had, at the time, a “quasi-monopoly in the large-scale provision of assistance in Iraq”²², supplementing the Public Distribution System handouts, resettling IDPs, dealing with legal matters, and filling the service gap left by the collapsed central government. There was a clear causal effect between service provision and recruitment during that period, paving the way for a similar situation in the future. When the Baathist regime fell in 2003, so did the remnants of its already decaying social contract and security apparatus —and when the dust settled, there were

21 Eisenstadt, Michael; Knights, Michael: [“Mini-Hizballahs, Revolutionary Guard Knock-offs, and the Future of Iran’s Militant Proxies in Iraq”](#), *War of the Rocks* (online), May 2017.

22 Rosen, Nir; Younes, Kristele: [“Uprooted and Unstable”](#), *Refugee International* (online), April 2008.

no existing structures to fall back on – no safety nets.²³ It is within this context of volatility and uncertainty that NSAGs in Iraq became alternative governance bodies.

Local NGO workers in Mosul confirm that NSAGs, specifically Hashd groups from Najaf, are trying to use food and aid to sway public opinion and increase their popularity.²⁴ In other liberated cities, like Fallujah, Hashd groups like Asa'ib Ahl al-Haq have been known to deliver humanitarian support. NSAGs use service provision to gain the acceptance, backing, and fidelity of populations. It is, thus, a political strategy for popular mobilization, the acceptance of a broader political agenda, all the while creating dependency and attracting new adherents.²⁵ NSAGs come to co-opt service institutions or infrastructure, making money off of what otherwise, in theory, is considered to be a public good. Locals in Mosul complain that NSAGs are increasingly setting up informal provisions due to the lack of state provision. Health clinics in the city claim they often buy their supplies back from NSAGs, who, as a way to make profit, steal their supplies and re-sell them.²⁶ With the state absent from local reconstruction efforts, the inhabitants of Mosul, just like in many other Iraqi cities, are left at the mercy of these groups that are increasingly co-opting service delivery networks.

The Sadr militia is the NSAG with the most structured social

23 Cammack, Perry, Dunne, Michele (et al.): "Arab Fractures: Citizens, states, and social contracts", *Carnegie Endowment for International Peace* (online), December 2016.

24 Interview of the author with Abdullah Zainulabdeen, "Volunteer with Us", November 2017.

25 Grynkewich, Alexis G.: "Welfare as Warfare: How Violent Non-State Groups Use Social Services to Attack the State", in *Studies in Conflict & Terrorism*, Vol. 31, No. 4, pp. 350-370, April 2008.

26 Interview of the author with Mathew Schweitzer, Research Fellow at Education for Peace in Iraq Center (EPIC), November 2017.

assistance network, particularly in Sadr City and Basra. While its service provision has diminished in recent years during the fight against ISIS, it has a long history of social assistance in Iraq. Gas stations, the Jamila market in Baghdad, and the propane canister market were controlled by Sadr's Mahdi Army, allowing it to dictate access and prices.²⁷ Similarly, after taking control of Sadr City in 2004, the Mahdi Army set up its own institutions, controlled police stations and hospitals, created food banks, and established a judicial court to deal with legal disputes. It came to provide everything the state was supposed to deliver, including security, employment opportunities, the resettlement of IDPs, medicine, and material assistance like blankets and clothing.²⁸ In 2008, Sadr created the Mumahidoon, a new branch of his movement that focused on service provision like trash collection and community projects in Baghdad and the south to which he reassigned most of the Mahdi army.

Some perceive this type of service provision as a "stop gap" measure rather than the beginning of structured welfare systems parallel to the state due to a lack of funding and organizational capacity.²⁹ There is, however, the possibility that NSAGs become even more engaged in service provision, particularly after the elections. Sadr's shadow government has been an effective service provider in Sadr City for more than a decade. It remains to be seen how Sadr's newly gained political power in the Iraqi parliament will affect the nexus of security provision and NSAG's

27 Williams, Phil: "[Violent Non-State Actors and National and International Security](#)", *International Relations and Security Networks* (online), ETH Zurich, 2008.

28 Thurber, Ches: "Militias as sociopolitical Movements: Lessons from Iraq's armed Shia groups", in *Small Wars and Insurgencies*, Vol. 25, No. 5-6, pp. 900-923, October 2014.

29 Interview of the author with András Derzsi-Horváth, Global Public Policy Institute, December 2017.

in the years to come.

Territorialism and the Monopoly on Force

In parts of Iraq, NSAGs compete with the state apparatus in security provision. In the south, where the Iraqi armed forces were almost absent after having been deployed to fight ISIS in the center and northwest of the country, militias, gangs, and tribes took informal control of cities and governorates. In certain liberated areas under formal control of the Iraqi Security Forces (ISF) like Diyala, Salah ad-Din, and parts of Kirkuk and Ninewa, groups like the PMUs have unrestricted access and operational freedom.³⁰

Basra is a perfect example of how the post-2003 environment, as well as the fight against ISIS, led to the rise of NSAGs. The fall of Saddam and subsequent British occupation of the city prompted exiled Shi'a opposition fighters, tribes, and disgruntled youth, backed by Muqtada as-Sadr, to fill the security vacuum. While the Mahdi army has since disbanded and lost most of its control in Basra, the city still suffers from tribal and mafia-like dynamics. When the majority of security forces left for the fight against ISIS, only 8,000 ISF-troops and 500 police officers remained in the city, providing the perfect opportunity for NSAGs, mainly criminal gangs and tribes, some with ties to the PMUs, to flourish. There is little rule of law in the area: armed robberies, turf wars between tribes, and bombings designed to intimidate and extort are frequent.³¹ As the heart of the Iraqi drug trade, Basra is rife with petty crime and tribal feuds. People in the city must pay fees in exchange for protection and contact tribes for justice issues. Moreover, these tribes regulate access to the port

30 Derzsi-Horvath, Andras; Gaston, Erica: "[Who's Who: Quick Facts about Local and Sub-State Forces](#)", Report, *Global Public Policy Institute* (online), August 2017.

31 Utica Risk Services: "Inside Iraqi Politics", Issue No. 171, February 2017.

as well as the allocation of government contracts concerning oil and electricity.³² Presumably, with the end of the fight against ISIS, young PMU fighters will flow back into the city. With their new found legal status and political influence, the power of these former militias-turned-state-sanctioned paramilitary groups will likely rise.

The Hashd Al-Shaabi operate in many liberated Sunni areas like Qaraqosh, Tikrit, or even Mosul—despite claims that they are not in the city.³³ Badr has managed to access the formal channels of control in Diyala where the governor, Muthanna al-Tamimi, is a member of the group.³⁴ Technically, the Hashd are not militias, but their origins and nature make them unpredictable and uncontrollable: being legally state-sanctioned has not translated into state-controlled. Their localized and tribal nature of Sunni, Yazidi, and Turkmen Hashd-groups has translated into factions that follow specific leaders, who don't always follow state commands like the Ninewa Guards headed by Atheel Nujaifi. Despite their integration into the PMU, Nujaifi and his Guards have at times tested Baghdad's commands as was apparent in July 2017, when PMU units clashed with the Ninewa guards in Mosul.³⁵ In January 2017, the state put out an arrest warrant on Nujaifi after he announced the Ninewa Guards would assume control of the city's security. In another example, aid convoys in Anbar and Ninewa are consistently stopped and asked to pay fees

32 Schweitzer, Matthew: "[Basra's Neglected Future](#)", *Education for Peace in Iraq Center* (online), September 2017.

33 Derzsi-Horvath, Andras; Gaston, Erica: "[Iraq after ISIL: An Analysis of Local, Hybrid, and Sub-State Security Forces](#)", *Global Public Policy Institute* (online), August 2017.

34 Steinberg, Guido: "[The Badr Organization](#)", *German Institute for International and Security Affairs*, SWP-Comment (online), July 2017.

35 Ali, Sangar: "[In-fighting erupts between Iraqi forces in Mosul, casualties reported](#)", *Kurdistan24* (online), July 21, 2017.

or have small amounts of their convoy stolen by various armed factions. They have set up illegal check points, screening for Sunni names and even disappearing and assassinating people without due process.³⁶ NSAGs in liberated territories enjoy an unsanctioned amount of freedom, acting sometimes brazenly against state orders, and consequently weakening state control.

According to Baghdad, the Hashd al-Shaabi are not present in Mosul, which is officially controlled by government forces. Reality, however, looks different: Ninewa security forces estimate that 30-40 armed groups were operating inside the city in early 2017,³⁷ and the numbers have likely increased. Many of these groups are either PMUs or TMFs (local tribal forces of various sectarian origins) and some of the groups known to be inside of the city at the moment include: Ninewa Guards, Hashd Shabak, Badr forces and Kata'ib Hezbollah, and other smaller criminal gangs.³⁸ Thefts, checkpoints, informal service provision, and Badr and Kata'aib Hezbollah flags across the city all highlight just how much freedom these NSAGs have to operate in Mosul. The lack of government control is most apparent when it comes to the procedure for dealing with ISIS suspects in the city. The PMUs in Mosul set up their own mechanism of security clearance and have been arresting individuals according to a non-official list. These arrests are not state-sanctioned and regular security forces have had to raid Hashd groups in order to free the detainees.³⁹ While the government has been successful in their liberation, the ability

36 Interview of the author with Arndt Fritsche, Head of Mission at Rebuilt and Relief International (RRI), November 2017.

37 Schweitzer, Matthew: "[Challenges to Peace in Post-ISIS Iraq](#)", *IPI Global Observatory* (online), June 2017.

38 Gaston, Erica: "[Mosul Report](#)", *Global Public Policy Institute* (online), August 2017.

39 Interview of the author with Mathew Schweitzer, Research Fellow at Education for Peace in Iraq Center (EPIC), November 2017.

of the Hashd to arrest and detain is indicative of the very loose government control over them.

While some NSAGs have declared their intention to hand over heavy weaponry and territory, the continued presence of insurgency elements will likely lead to continued NSAG presence with minimal oversight. This is made clear by Harakat Hezbollah's specific declaration to hand over only "heavy weaponry", rather than all weaponry, and Sadr's announcement that his Peace Companies, the successor organization of the Mahdi Army, will continue to ensure security at the holy shrine in Samarra.⁴⁰ In response to these larger NSAGs, residents in Mosul have formed small neighborhood militias to counter outside influence,⁴¹ creating a cycle of NSAGs in which their existence breeds their proliferation. The desire of minority groups to dictate their own security as well as stabilization efforts in liberated areas indicates that NSAGs are likely to retain their supremacy in the areas they operate in for the near future.⁴²

Political Participation

One very unique, but widespread occurrence in Iraq is the infiltration or informal participation of NSAGs in the political realm. Generally understood as separate and independent from the state, alternative governance in Iraq is more complex. Rather than developing parallel governing systems, many NSAGs infiltrated and controlled ministries, subverting state control. After 2006, the Sadrists won seats in the parliament, which gave them far greater access to resources as well as the ability

40 Aldroubi, Mina: "[Iraq's top Shiite cleric orders fighters to disarm after defeat of ISIL](#)", *The National (online)*, December 11, 2017.

41 Schweitzer, Matthew: "[Challenges to Peace in Post-ISIS Iraq](#)", *IPI Global Observatory (online)*, June 2017.

42 Interview of the author with Cathy Otten, Journalist based in Iraqi Kurdistan, December 2017.

to influence the ministries and other state institutions. Today, the Minister of Interior, Qasim Al-Araji, is a senior member of Badr and police stations are filled with Badr rather than police uniforms.⁴³ Local political institutions in Basra face a similar challenge, as almost all government offices are “controlled by political parties who are affiliated, in one way or another, to the Hashd”⁴⁴.

As the military fight against ISIS is over and NSAGs seek to maintain their influence, they will shift their priorities to political participation. The number of officials and, potentially, ministers with ties to NSAGs are likely to increase in 2018, as the Fatah-Alliance of Hadi al-Ameri, the leader of Badr-Organization, won 47 seats in the parliamentary elections of May 12, 2018. Ahead of the elections, Asa'ib Ahl Al-Haq was the first militia-turned-political-party to be given the license to participate in the political process. This has been succeeded by a wave of PMU leader resignations and PMU factions handing their weapons over to the state (Badr, Asa'ib, the Sadrists) with the clear intention of participating in the political process. The creation of the Fatah-Alliance, a political block consisting of mainly pro-Iran groups like Badr, Asa'ib Ahl al-Haq, the Islamic Supreme Council of Iraq, Saraya al-Khorasani, Harakat al-Nujaba, Kata'ib Hezbollah, Kata'ib Jund al-Imam, is a clear indication of NSAGs integrating into the political sphere.

The politicization of non-state groups has and will continue to spark controversy as these ex-militias and PMU leaders will almost certainly retain indirect control of the armed groups with whom they rose to power. There is a high probability that

43 Steinberg, Guido: “[The Badr Organization](#)”, *German Institute for International and Security Affairs*, SWP-Comment (online), July 2017.

44 Interview of the author with Fatima Al-Bahadly, Al-Firdaws Society Basra, December 2017.

NSAGs will successfully coopt the political process, dominating important ministries, and gaining control over government funds. Once inside the government, there will be few mechanisms in place to impose checks and balances on these armed factions.

The Nexus between NSAGs, Alternative Governance, and Sustainable Development

In their use of alternative governance as a means to tip the power balance and increase their hold on populations and territories, NSAGs have deeply politicized questions of territory, security, and access to basic necessities. While they do not replace the state entirely, they defy, weaken and further fragment it. To this day, they have mostly followed Abadi's commands, but the government's control over them is quite limited in reality. To further complicate their potential impact on reconstruction, they are now vying for the highest form of power in the country: political representation. Consequently, it is essential to examine their potential impact on the elements that sustainable development is contingent upon, namely peace, socio-economic improvements, and state capacity.

The Effects of NSAG Provision on Peace

SAGs are undoubtedly a cause of instability in Iraq. They have a history of violence against both other NSAGs and civilian populations. In the aftermath of the US invasion, the worst sectarian violence and killings were committed by militias, notably Sadr's Mahdi army, which has since then rebranded itself as the Peace Brigades (Saraya As-Salam).⁴⁵ Nonetheless, the legacy of their violent past continues to haunt them. While NSAGs provide for and protect certain communities, they need

⁴⁵ Clark, Michael David; Mansour, Renad: "Is Muqtada Al-Sadr Good For Iraq?", *The Carnegie Middle East Center* (online), March 2016.

both territorial claims and funding in order to do so. Territorial control forcefully gained and maintained by NSAGs has caused a lot of conflict. Recent examples include the fighting in Tuz Khurmatu (Saladin Province) between Kurdish and PMU-backed Turkmen forces, fighting between the 30th Hashd brigade (Shabak with links to Badr) and the Ninewa Protection Units in Qaraqosh,⁴⁶ and clashes in Mosul in July 2017 between the Ninewa Guards and a PMU faction.⁴⁷ In Tuz Khurmatu, kidnappings and killings of Turkmen, illegal detentions of Sunnis, and the destruction of homes and property have made peace impossible.⁴⁸ In Mosul as well, enforced disappearances of “suspected” ISIS members have caused widespread fear among the civilian population, resulting in armed confrontations with the Iraqi Counter Terrorism Service.⁴⁹ Stand offs between NSAGs and the Iraqi army had been happening even before ISIS was pushed back, notably in the 2000s between the Mahdi army and the Iraqi army. Both at the time and today, these tensions create a climate of insecurity, restricting the return of IDPs and delaying reconstruction projects.

Reconstruction and investments are unlikely in areas where violence is a daily occurrence. One activist from Basra stated that violence in the city is the direct result of tribal squabbles over access to roads, food, and work. The activist explained that the unrestricted militias, which are attached to the tribes, poison the stability of the city, making daily life dangerous. Since 2015, an

46 Interview of the author with Cathy Otten, Journalist based in Iraqi Kurdistan, December 2017.

47 Ali, Sangar: “[In-fighting erupts between Iraqi forces in Mosul, casualties reported](#)”, *Kurdistan24* (online), July 21, 2017.

48 Van Den Toorn, Christine: “[High Noon in Iraq’s Wild West](#)”, *Foreign Policy, Argument* (online), February 2016.

49 Interview with Mathew Schweitzer, Research Fellow at EPIC (November 2017)

average of 300 serious crimes per month have been recorded in Basra because of the proliferation of smaller militias and gangs. In places like Mosul and Basra, extortion, looting, kidnappings for ransom, oil smuggling, and the taxation of populations are methods smaller mafia-like NSAGs employ to fund themselves.⁵⁰ These activities create huge instability and fear, paralyzing communities and normalizing violence. There is no justice, no accountability, and no oversight, further weakening the frail stability of these regions. Peace in Iraq is contingent upon a certain amount of rule of law, without which no development effort will be effective.

Another destabilizing aspect of NSAGs is that they are in some cases proxies for other states or are supported by outside powers, who seek to use them in order to further their own interests. In that context, tensions between regional powers often manifest as proxy wars in other countries. Many of the larger PMU groups, like Badr and Kata'ib Hezbollah, have their origins in Iran, where their founders were exiled during Saddam's regime. They are the best-equipped and organized, because of the support they receive from the Iranian Revolutionary Guard Corps (IRGC). An increasing Iranian hold on several NSAGs has the potential to increase instability in Iraq for a myriad of reasons. Firstly, it could create civil unrest, particularly in Sunni areas. The more involved Iran is, the more powerful the Shi'a community will be to the detriment of Sunnis, or so the Sunnis believe. Secondly, Sadr, who is an outspoken opponent of Iranian presence in Iraq, could mobilize his supporters leading to intra-Shi'a clashes. Finally, Iranian presence in Iraq is seen as part of its efforts to expand its

⁵⁰ Williams, Phil: "[Violent Non-State Actors and National and International Security](#)", *International Relations and Security Networks* (online), ETH Zurich, 2008.

sphere of influence in the region, potentially increasing the risk of internal conflicts between pro- and anti-Iran groups as well as clashes with foreign militaries, such as the US, that are stationed in Iraq.

NSAGs are also detrimental to peace because they cement social divisions in the long-term. Their exclusionary nature hinders reconciliation, catering to or working against specific groups along ethnic or sectarian lines. While there has been a fair amount of intra-sectarian fighting due to the multiplicity of armed groups, NSAGs have been the primary perpetrators of sectarian violence. Hashd al-Shaabi groups in particular have been accused of committing sectarian crimes against Sunni populations in liberated areas such as Diyala, Anbar, and Salah al-Din. Enforced disappearances, revenge killings, torture, and destruction of homes were commonly reported after cities like Fallujah, Ramadi, and Mosul were liberated.⁵¹ Allegations of illegal detention centers and extra-judicial executions of suspected ISIS members are becoming more frequent, creating widespread fear among populations in northern Iraq. This has led Sunni populations to believe they are being targeted for sectarian reasons. Discontent resulting from the visible presence of Shi'a symbols around Mosul indicates how fragile the peace is and how little it would take for the city to fall back into violence.⁵² These types of incidents only serve to reinforce the social divide that has plagued the country in the last decades.

Instability, be it caused by territorialism, foreign influence, or sectarian dynamics, is an insurmountable obstacle to peace,

51 See "Iraq: Turning a Blind Eye: The Arming of the Popular Mobilization Units", *Amnesty International*, Report (online), January 2017.

52 Interview of the author with Cathy Otten, Journalist based in Iraqi Kurdistan, December 2017.

which is itself a pre-requisite for lasting development. NSAGs' ability to create violence is entirely contingent upon their militarized nature, and it is unlikely that they will permanently demobilize in the near future. In places like Basra, until there is greater government control, NSAGs will continue to roam free, using violence to stay in power. The newly created "Golan Liberation Brigade" could further undermine peace efforts, as it may lead to an increased militarization of young men in southern Iraq. There have already been reports of Hashd groups in Basra mobilizing young men with the intent of "liberating Palestine."⁵³ While these efforts may not lead to concrete actions against Israel, they perpetuate narratives and psychologies of conflict. So far, NSAGs in Iraq have served to reinforce toxic identity boundaries, militarize the youth, and destabilize already fragile areas, consequently obstructing peacebuilding in the country.

The Effects of NSAG Provision on Socio-economic Conditions

The violence and instability created by NSAGs across Iraq has negatively affected the quality of life, livelihoods, and socio-economic conditions of civilians. Conflicts between tribes in Basra, for example, have increasingly threatened oil production – Iraq's life blood – as they fight over farmland, property, and even government contracts. Threatening more than individual livelihoods, NSAG clashes endanger the entire Iraqi economy. Constant violence has transformed Sadr City, severely affecting economic conditions and making it impossible for people to have a stable, decent income. Sectarian violence by NSAGs across Iraq has specifically sought to target people's livelihoods, like the 150 fires set by PMU groups that destroyed orchards all over Diyala in the summer of 2017. It is believed that these fires were set as a

53 Interview of the author with Fatima Al-Bahadly, *Al-Firdaws Society Basra*, December 2017.

part of a larger plan of demographic displacement.

Whether through illegal checkpoints, rent collection, protection fees, or bribes, the presence of NSAGs has affected local businesses, commerce, and economic networks.⁵⁴ In Basra, “permission” fees spiked up to \$10,000 after 2014, and threats of eviction and physical violence increased, leading to the bankruptcy of many businesses.⁵⁵ Similarly, truck drivers in Diyala staged a protest against the extortion and blackmail at the militia-controlled Safra customs port. In Baiji, the largest oil refinery of Iraq was destroyed and looted by militias, jeopardizing the one economic sector that has kept Iraq afloat.⁵⁶ In cities like Mosul, there have been a string of thefts and small-scale lootings by criminal gang-like NSAGs. Health clinics were reportedly compelled to buy their stolen supplies back from militias, straining the almost non-existent health sector. Kidnappings and ransom demands have also heavily affected Iraqis who are not particularly prosperous on average. On the macro level, this disturbs local economies and on a micro level, it endangers people’s livelihoods. The presence of NSAGs and their involvement in economic activities inevitably affects the overall economic environment; presumably negatively, as they operate in the black market, mainly conducting illicit activities.⁵⁷

A perhaps less obvious effect of the NSAGs on socio-economic

54 See Mathieu-Comtois, Sarah: “[Toward Economic Recovery and Food Security in Post-Daesh Iraq. A framework for Governance Moving Forward](#)”, *Institute for Regional and International Studies*, University of Sulaimani, December 2017.

55 See Schweitzer, Matthew: “[Basra’s Neglected Future](#)”, *Education for Peace in Iraq Center* (online), September 2017.

56 Interview of the author with András Derzsi-Horváth, *Global Public Policy Institute*, December 2017.

57 Lillywhite, Louis: “[Non-State Armed Groups, Health and Healthcare](#)”, *Centre on Global Health Security*, Chatham House, Roundtable Summary (online), March 2015.

conditions is the effect of non-state provision on poverty, equality, and development. Given that the populations catered to are marginalized and lacking basic services, it stands to reason that local service provision improves livelihoods, decreases disparities, and gives people access to services and opportunities they would otherwise not have. In reality, no correlation between alternative delivery and poverty reduction has ever been proven.⁵⁸ In December 2017, for example, a child was disabled and an elderly person died due to improper drug administration from informal health clinics in Sadr City. These types of clinics operate without licenses or oversight, sometimes leading to fatal mistakes. Non-state provision is detrimental to social justice, equality, and social cohesion. Equity of access deteriorates because services are conditional—who and to what extent one gets covered is contingent upon sectarian affiliation, connections, or political activism. When Sadr’s movement was deeply involved in service provision, they provided only to Shi’a communities like Sadr City and Basra – the heart of his recruitment base. NSAGs – including Sadr’s movement – are not inclusive by design, entrenching social injustice, patronage networks, and clientelism, all of which are inarguably obstacles to sustainable development. Ultimately, rather than a step towards more universal coverage, NSAGs, as service providers, perpetuate pre-existing dynamics and their long term effects have proven nothing but negative in terms of local socio-economic conditions and poverty. Today, non-state provision—despite being in its initial stages—is replicating the patterns of social injustice and identity boundaries that led up to the formation and rise of ISIS.

58 Morvaridi, Behrooz: “The Politics of Philanthropy and Welfare Governance: The Case of Turkey”, in *European Journal of Development Research*, Vol. 25, No. 2, pp. 305-321, February 2013.

The Effects of NSAG Provision on State Capacity

Alternative governance in the form of territorial control, security provision, and service delivery limits the Iraqi state's capacity to exert influence and undermines the state building process.⁵⁹ Provision is used as a means to an end – to gain popular support in a space where the allocation of power can be challenged. If not to take over, NSAGs' goal is often to redistribute power and place themselves in positions of authority. Provision allows NSAGs to gain a monopoly on the loyalty of people, while delegitimizing the state as a necessary actor. This has been particularly true in places like Sadr City and southern Iraq. The presence of Sadr's social assistance network was correlated with heavy recruitment for his militia, popular support, and civil unrest. The sentiment towards Baghdad is one of abandonment; people no longer want the government to make decisions on their behalf.⁶⁰ Prime Minister Abadi has attempted to regulate NSAGs across the country, leading to confrontations with the army, the creation of the special operation room to monitor the groups in 2015, and Executive Order 91 in 2016.⁶¹ Nonetheless, NSAGs have continued to act with impunity, hindering state legitimacy and weakening its authority. The arrest warrant for Nujaifi in Mosul, raid on PMU groups detaining Mosalwis, presence of Iranian symbols around Mosul, and rising criminality in Basra are just a few examples of the state struggle for control over NSAGs – even those that are state-sanctioned.

59 Bortolazzi, Omar: "[Hezbollah: Between Islam and Political Society- Popular Mobilization and Social Entrepreneurship in Lebanon](#)", *John D. Gerhart Center for Philanthropy and Civic Engagement*, American University Cairo (online), February 2015.

60 See Schweitzer, Matthew: "[Basra's Neglected Future](#)", *Education for Peace in Iraq Center* (online), September 2017.

61 Jabar, Faleh A; Mansour, Renad: "[The Popular Mobilization Forces and Iraq's Future](#)", *The Carnegie Middle East Center* (online), April 2017.

NSAGs will likely be one of Iraq's greatest challenges in the upcoming years, particularly in regards to building a strong, lasting state apparatus. Often discussed is the fact that the Iraqi government does not have the monopoly on security and enjoy overall political legitimacy. When NSAGs begin to engage in alternative governance, they highlight the weakness of the government and its inability to care for populations.⁶² Non-state governance, especially by groups with a military wing, puts the state's longevity at stake. By manipulating and evading the law, they endanger the very purpose of the state.

Beyond attacking the state's legitimacy, non-state governance also compromises state capacity. Relative to its neighbors, the Iraqi central government is weak, making it susceptible to outside influence and pressure, and threatening its national sovereignty. This is only exacerbated by NSAGs, some of whom are proxy agents. Indeed, Ameri lived in exile in Iran for many years and fought alongside the IRGC during the Iran-Iraq war; Asa'ib Ahl al-Haq and Kata'ib al-Imam Ali both have close ties with Qassem Soleimani, and are trained and funded by the IRGC; and Saraya al-Khorasani is quite literally named after the Iranian Supreme Leader and was formed by an Iranian commander. Allegedly, all logistical support from Iran is sent to and distributed by Saraya al-Khorasani.⁶³ The leader of Kata'ib Hezbollah, Abu Mahdi al-Muhandis, has called himself a soldier of Qassem Soleimani and claims he fights for Iran.⁶⁴ The PMU's official status as "state

62 Williams, Phil: "[Violent Non-State Actors and National and International Security](#)", *International Relations and Security Networks* (online), ETH Zurich, 2008.

63 Derzsi-Horvath, Andras; Gaston, Erica: "[Who's Who: Quick Facts about Local and Sub-State Forces](#)", *Global Public Policy Institute*, Report (online), August 2017.

64 Majidyar, Ahmad: "[Top Iraqi Militia Leader: Fighting for Iran under Soleimani's leadership Is 'Blessing from God'](#)", *Middle East Institute* (online), April 2017.

sanctioned” has not changed the reality of these groups – their loyalties very often lie with Iran. This is clear through the presence of Iranian Basji uniforms in Mosul, Kata’ib Hezbollah fighting in Syria for the Assad regime,⁶⁵ and the road connecting Iraq and Syria being built by Harakat Hezbollah on behalf of Iran.⁶⁶ Iran very clearly exerts more control over these groups than the Iraqi government. If governments are not fully in charge and other countries’ agendas determine political dynamics, state-building becomes near impossible. Iranian influence will destabilize the Iraqi government as it seeks to solidify its power in the region by undermining the Iraqi government’s authority and capacity to dictate both domestic and foreign matters.

More than just threatening the state’s authority, the intention of NSAGs to participate in elections will create an open door for Tehran to exert direct influence on Iraqi politics. If the Iran-linked groups integrate into the political process, they are likely to prioritize their interests, which are aligned with or dictated by Iran. In the past, when members of militias held political office, resources were diverted and decisions made according to the militias’ best interests. This is likely to remain true, especially for the groups attached to Iran. The already tense political process may not be able to handle the formal integration of such brazenly sectarian actors.

Conclusion

There is a consistent, if not predictable, misconception when it comes to local reconstruction: that the only relevant actors are foreign funders and the Iraqi state. Effective and sustainable

65 Chulov, Martin: “Controlled by Iran, the deadly militia recruiting Iraq’s men to die in Syria”, *The Guardian* (online), March 12, 2014.

66 Dehghanpisheh, Babak: “The Iraqi militias helping Iran carve a road to Damascus”, *Reuters* (online), September 22, 2017.

development measures must take into account all actors that wield considerable influence on the national and local level, which in Iraq's case includes NSAGs. Alternative governance by NSAGs – namely territorialism, service provision, and political participation – will have resounding implications on state capacity, livelihoods, and lasting peace. Non-state provision of services and security, which should fall under state responsibility, will weaken state capacity and challenge its authority and ability to function properly. Their unrestricted predatory behavior has resulted in a less than desirable economic environment, inhibiting the long term improvement of socio-economic conditions. Finally, NSAGs acting as governing bodies will further polarize the Iraqi society as well as impede the reconciliation process and, ultimately, the sustainability of reconstruction.

Unfortunately, current discussions about reconstruction have not focused on these issues or the role of NSAGs in the process itself. NGOs have begun expressing problems with NSAGs, which force them to pay access fees and create difficulties regarding giving them permission to work in regions like Anbar.⁶⁷ More than just actors to consider and work around, they have begun actively participating in the reconstruction process. In Ninewa, the Hashd Shabak secured funding to rebuild the Shrine of Jonah. In Basra, two of the most powerful tribes lead the biggest construction contracting companies, effectively controlling how money and contracts are allocated. Hashd engineering units recently fixed roads, sewers, and dredge waterways in the region as well, presumably to increase popular support and entrench their role in public and political life⁶⁸. NSAG participation in the

67 Interview of the author with Abdullah Zainulabdeen, member of “Volunteer with Us”, November 2017.

68 Utica Risk Services: “Inside Iraqi Politics”, Issue No. 173, April 2017.

reconstruction of Iraq will occur along the same lines as their service and security provision: through sectarian patronage networks. Locals in Anbar are already complaining that the neighborhoods that are being primarily rebuilt are the ones where politicians, tribal leaders, or influential figures live. In areas under the jurisdiction of NSAGs, the very essence of the development mandate is in danger. When access is determined by identity and affiliation, how can reconstruction take place without feeding social divide? The foundational blocks of effective development are sustainability and inclusivity, two elements that NSAGs do not embody. Of course, reconstruction is now only in its initial stages and extreme volatility in Iraq makes predictions about the future tenuous. Nonetheless, it is important to remember that real reconstruction is not just economic recovery. It is breaking with past structural social and political norms that caused the initial conflict.

The reality of post-conflict reconstruction in Iraq is that, on the macro level, NSAGs will be involved. The May 2018 parliamentary elections resulted in the Fatah alliance winning 47 seats, coming in second above Abadi's Nasr alliance which won 42 seats.⁶⁹ Fatah is made up of ex-Hashd members under the leadership of Hadi Al-Ameri, the long standing head of the Badr Organization. While the members of the Fatah alliance gave up their positions in their respective PMU groups, many will remain tied to them and will likely favor their agenda. As a result, the 2018 elections will only increase the access to resources of larger Hashd groups, particularly Badr. Sadr's success in the elections is also indicative of the inevitable and irrevocable participation

69 Georgy, Michael; Jalabi, Raya. May 2018. Cleric Moqtada al-Sadr's Bloc Wins Iraq Election. Reuters. Retrieved from: <https://www.reuters.com/article/us-iraq-election-results/cleric-moqtada-al-sadrs-bloc-wins-iraq-election-idUSKCN1IJ2X0>

of NSAG in the political apparatus. While he is not the official political head of Sairoon, the alliance that won the greatest amount of seats, he is considered its de-facto leader, and their victory is hailed as his. This could be particularly troublesome as his position allows him to operate without the state restrictions and oversight imposed on government officials. Consequently, it would be a delusion on behalf of development actors to believe that reconstruction or big development projects can circumvent NSAG, and any efforts to do so would be futile as they are and will continue to be part of the state apparatus. Abadi's alliance with the Fatah coalition, albeit short-lived, shows the willingness of established government to work with the Hashd-affiliated parties and figures.⁷⁰ In order to minimize the adverse effects of the NSAGs, it is vital to rethink the traditional manner in which reconstruction and development are conceptualized; in particular, normative "economic growth"-based development which calls for an influx of foreign funds with minimal oversight. Funneling billions into the state will not lead to effective development any more than it did in the years after the US invasion. NSAGs will have access to those funds, to one degree or another, as part of the state apparatus. The cabinet created after the 2018 elections will assuredly include ex-Hashd leaders, giving them control over ministries and the power to distribute resources. History has shown that competition for reconstruction contracts in post-conflict settings with NSAGs leads to increased volatility and corruption, especially in countries where there is no distinct line between state and non-state actors.

Top-down reconstruction will perpetuate the incentives for NSAGs to engage in behavior that threatens stability, peace,

⁷⁰ Steinberg, Guido: "[The Badr Organization](#)", *German Institute for International and Security Affairs*, SWP-Comment (online), July 2017.

and local socio-economic improvements. Foreign funded development projects should instead focus on local socio-economic initiatives and national reconciliation as the framework for long-term sustainable development, first and foremost creating employment. Indeed, efforts seeking to neutralize the negative impact of NSAGs should concentrate on decreasing the incentives for participation in and support of these groups, many of which are economic. Western leaders' calls for demobilization, like Rex Tillerson's comment that they should "go home"⁷¹, fail to realize that without livelihoods or economic opportunities to go back to, demobilization and alternative governance will not cease. Rather than demanding immediate demobilization, international development efforts should work towards fostering the conditions in which demobilization can happen. Essential to this is making sure reconstruction and development are not limited to liberated areas. Recruitment opportunities for many NSAGs come from cities like Basra or Sadr City, where virtually no economic opportunities exist. Sustainable peace and effective reconstruction must include these areas, without which unrest will continue and NSAGs will grow stronger.

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⁷¹ Kalin, Stephen; Landay, Jonathan: "Go home, Tillerson tells Iranian-backed militias in Iraq", *Reuters* (online), October 22, 2017.

