

مركز البيان للدراسات والتخطيط
Al-Bayan Center for Planning and Studies



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The United Kingdom's policy towards Iraq

Al-Bayan Center Studies Series

5

December 2015

Al-Bayan Center for Planning and Studies

About

Al-Bayan Center for Planning and Studies is an independent, nonprofit think tank based in Baghdad, Iraq. Its primary mission is to offer an authentic perspective on public policy issues related to Iraq and the neighboring region. Al-Bayan pursues its vision by conducting autonomous analysis, as well as proposing workable solutions for complex issues that concern academia and policymakers.

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The United Kingdom's policy towards Iraq

The coalition government in the United Kingdom during the years 2010-2015 had a cautious approach to Iraq and later Syria. The legacy of the invasion in 2003 and the Bush/Blair alliance led to the UK public being averse to foreign intervention, and the financial crisis of 2008 meant that politicians were forced to dedicate most of their attention on the economy at home, which necessitated less involvement abroad. Countries like the Gulf Arab countries and China were courted because they were cash rich and keen to invest in the UK, but countries like Iraq which needed investment from the UK were not a priority for the coalition government. The British Parliament opposed military strikes in Syria and action in Iraq came as part of the international coalition led by the United States and at the request of the Iraqi government. This role was limited to airstrikes and British military advisors, but the role of the UK in the coalition made up less than 10% of overall efforts. On the political front the UK was supportive of the US stance on the Maliki government and while it backed the new Abadi government, it did not increase its role in Iraq in any significant way.

Following the Conservative party victory in the May 2015 general elections and Cameron's new majority in parliament, he sought to increase UK military involvement in the international coalition. Terrorist attacks in Europe and the US, particularly the one in Paris, have encouraged Cameron to win support from parliament and the the public for airstrikes in Syria and more action in Iraq. Currently the UK is careful to liaise with Baghdad but maintains a very close relationship with the KRG and it is likely that this will become stronger in the coming years. While the UK government mirrors the US stance on a united Iraq, it is also seeking more autonomy for Sunni majority provinces and likely has plans to deal with a newly created independent Kurdistan.

The study looks at the UK's involvement in Iraq from 2010 until, and the humanitarian, economic, and cultural aspects, in addition to the military and political ones. Possible scenarios of a resurgent Daesh, Russian

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intervention in Iraq, fluctuations in oil prices, and acceptance of Iran, and their effect on UK policy in Iraq are also addressed. Public and official records are used to show the UK government's policy in Iraq, as well as data and figures on trade.

In essence the UK government has looked at its role in Iraq in terms of UK security until now and this is likely to be the main influence on policy in the short and medium term. The legacy of the 2003 war, the financial crisis of 2008, and the challenges from terrorism in Europe, means that the current UK government will likely maintain a similar policy for the next 5 years in Iraq to the one it has had in these past years. At the moment the UK is happy to play a minor role in Iraq alongside the US and will act as part of a strategy to guarantee security at home and to protect British investment in Iraq.

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Introduction

This report is aimed at analysing the UK's foreign policy towards Iraq in 2014 and 2015. It will identify Britain's main priorities in Iraq and the main results of the countries' cooperation in 2014 and in the beginning of 2015. In May 2015, after the General Election, a new Conservative government was formed in Britain. This resulted in changes in the UK's priorities, interests and opinions on its foreign policy in Iraq. These changes will also be depicted in the report. This report will cover the following: security, economics, humanitarian aid and culture. Another important question which will be discussed separately is related to Kurdistan.

Content-analysis of official materials (see the full list of sources used in Appendix 1) suggests several conclusions regarding the changes and tendencies in current UK policy:

The new Government's current main focus is domestic issues. In foreign policy it is rather concerned with developing relations with old allies (such as the US, the West and India), developing new beneficial economic ties with China, and organizing the EU referendum. These conditions suggest that the Government prefer to pursue the continuity of policy.

It is evident that security has become even more important for the new Government. Humanitarian aid is also going to be a priority for a new Cabinet. However such areas as economics and culture are in serious decline.

Kurdistan seems to be a focal point of the UK's foreign policy, in many aspects, even gaining advantage over Baghdad. It has been repeatedly pointed out that inclusive government is a must for progress in all spheres of bilateral cooperation.

It should be noted that there are some limitations to be taken into account in order to use this report effectively. The research was conducted based

only on open source data (online government publications, public speeches and interviews). Therefore, it reflects exclusively the official position of the British Government and does not take into account possible covert debates and considerations.

The report proceeds as follows. The first part explores the UK's main priorities and actions in terms of security before and after elections. The second is dedicated to economic and business cooperation before and after Election. The third presents observations on humanitarian aid. The fourth presents observations on culture and education and the fifth presents observations on the UK's foreign policy in relation to Kurdistan. The final section predicts the UK's reaction to five scenarios that may develop in the near future: the growth of Daesh; Russian intervention in Iraq; continuation of the bear momentum in the oil market; the rising international role of Iran; and Kurdistan's intentions to become independent.

Security

Security has always been considered one of the main priorities for the UK's foreign policy in Iraq. In years 2014-2015 with the growing activity of IS (Daesh) it became the central topic in all discussions – parliamentary debates, speeches and official documents.

2014-2015, before the General Election May 2015

In 2014 the UK Government admitted that IS's military successes require the West, including the UK, "to take more concerted action"¹ in Iraq. Moreover, it was often said that the actions taken by the West and the UK in particular were insufficient and inefficient. On 5 February 2015 the UK's Defence Committee published a report which concluded that the UK is not making enough effort in Iraq to fight ISIS. The UK military commanders were heavily criticized for their "inability or unwillingness" to articulate the

1. Military and Humanitarian Assistance to Iraq. House of Commons, September 8, 2014, <http://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN06960>, accessed 24 September 2015.

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UK's strategic plan and objectives in Iraq.² The Committee's experts also established that even though the UK took part in air strikes, its contribution was insignificant: only 6% of the total number of air strikes were conducted by the UK.³ Furthermore, "there were only ³ UK military personnel outside the Kurdish regions of Iraq (compared to 400 Australians, 280 Italians and 300 Spanish)».⁴ In addition, there were no UK personnel on the ground with deep knowledge and understanding of the situation.⁵

To summarise, the Chairman of the Committee, Rory Stewart MP, noted: "The UK has the expertise and resources to play a much larger role in analysing the Daesh threat"⁶ as well as to support the Iraqi government in fighting them. The UK's priority here should be investment in military staff which would allow to better understand the problem on the ground and create an effective strategic plan to defeat ISIS.⁷ A further priority is increasing cooperation with regional powers – particularly Turkey, Iran and Saudi Arabia and an increase in military support for Iraq is needed.

Despite this criticism, according to recent statistics published in September 2015, Britain has become the second major contributor to air strikes.⁸ The report confirms that by September 11, 2015 Britain had conducted 'over 1,100 sorties to date, including 251 strikes against ISIS targets. Nearly 30% of the intelligence effort mounted by the coalition is also British'.⁹

Along with the pitfalls of the UK's foreign policy in Iraq, serious problems that are currently inherent to the Iraqi political system and society were also detected. These are the following:

1) Weakness of the Iraqi military;

2. UK should do more in Iraq, says Committee, House of Commons, 5 February 2015, accessed 24 September 2015, <http://www.parliament.uk/business/committees/committees-a-z/commons-select/defence-committee/news/report-situation-in-iraq-and-syria-and-the-response-to-daesh/>.

3. Ibid.

4. Ibid.

5. Ibid.

6. Ibid.

7. Ibid.

8. ISIS/Daesh: military response in Iraq and Syria, House of Commons, 11 September 2015, accessed 24 September 2014, file:///Users/admin/Downloads/SN06995%20(1).pdf, p.21.

9. Ibid.

- 2) Deep polarization between Shia and Sunni governments;
- 3) Antagonism between regional players.¹⁰

The report concludes that both the Kurdish Peshmerga and Iraqi Security forces are in urgent need of structural reform.¹¹

As the issue of the sustainability of the current UK's mission in Iraq has come up, another question closely related to it has been raised. In 2014 some of the UK's former military chiefs (Lord Danatt) and parliamentarians (Mr John Baron, Dr. Liam Fox) started expressing ideas about the necessity of sending the UK's land forces to Iraq.¹² However, the House of Commons' report from June 2014, dedicated to possible military options in Iraq, excluded deployment of combat troops there.¹³ In September 2014 the Parliament voted for the motion "Her Majesty's Government will not deploy UK troops in ground combat operations"¹⁴. Later David Cameron publically confirmed that decision.¹⁵

Another issue of concern for the Government was the situation of the persecution of Christians in Iraq by ISIS. Philip Hammond pointed out that Iraq should work on creating an inclusive government which would allow better protection of minorities.¹⁶

2015, after the General Election

In sum, the formation of the Conservative government did not change much of the UK's foreign policy vectors. It has rather intensified the existing trends. Thus, David Cameron in his July speech said that he

10. UK should do more in Iraq, says Committee.

11. Ibid.

12. ISIS/Daesh: military response in Iraq and Syria, House of Commons, 11 September 2015, accessed 24 September 2014, <http://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN06995>, p. 39-40.

13. Military options in Iraq, House of Commons, 16 June 2014, accessed 24 September 2015, <http://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN06917>.

14. Ibid.

15. Ibid. P.37.

16. Developments in UK Foreign Policy, 9 September 2014, House of Commons, accessed 25 September 2015, <http://www.parliament.uk/documents/commons-committees/foreign-affairs/DEVOE0001.pdf>.

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“wants Britain to do more”¹⁷ in Iraq in order to fight ISIS. In practice this desire was expressed in announcing the Government’s decision to send 125 more military advisers to train Iraqi Security Forces.¹⁸ Thus, the total number of British training personnel would come to 275.¹⁹ The UK’s Foreign Secretary also announced that Britain would provide Iraq with £2 million to fight ISIS.²⁰ During one of the Q&A parliamentary sessions Mr Hammond emphasized, however, that it is impossible to effectively fight ISIS without the creation of an “inclusive Iraqi government”²¹ which would allow discords existing between different religious and ethnic groups to dissolve.

The UK’s position regarding the possible deployment of combat troops has not changed. The majority of MPs²² as well as the UK’s Ambassador to Iraq, Frank Baker,²³ have confirmed that the UK would refrain from any ground operation, having emphasized that the leading role in combating ISIS should be performed by Iraqi Security along with Kurdish Peshmerga. Britain would provide support from the air²⁴. In addition, the fact that after the elections, Mr George Osborne, who has publicly expressed his negative opinion on the deployment of UK’s forces in Iraq²⁵, was appointed First

17. David Cameron: “I want Britain to do more” fighting Isis in Syria and Iraq, PM tells NBC’s Meet the Press, Daily Mail, 19 July 2015, accessed 24 2015, <http://www.cityam.com/220427/david-cameron-i-want-britain-do-more-fighting-isis-syria-and-iraq-pm-tells-nbcs-meet-press>.

18. Britain to expand Iraq training mission to counter IS – Cameron, Reuters, 7 June 2015, accessed 24 September 2015, <http://uk.reuters.com/article/2015/06/07/uk-mideast-crisis-britain-idUKKBN0ON0RQ20150607>.

19. Ibid.

20. Britain to ramp up financial aid to Iraq after country’s beleaguered PM pleaded for more help to fight Isis, Mail Online, 3 June 2015, accessed 24 September 2015, <http://www.dailymail.co.uk/news/article-3109010/Britain-ramp-financial-aid-Iraq-country-s-beleaguered-PM-pleaded-help-fight-Isis.html>.

21. Oral Answers to Questions. Foreign and Commonwealth Office, House of Commons, 9 June 2015, accessed 24 September 2015, <http://www.publications.parliament.uk/pa/cm201516/cmhansrd/cm150609/debtext/150609-0001.htm>.

22. The situation in Iraq and Syria and the response to al-Dawla al-Islamiya fi al-Iraq al-Sham (DAESH) – Defence, House of Commons, 5 February 2015, accessed 24 September 2015, <http://www.publications.parliament.uk/pa/cm201415/cmselect/cmdfence/690/69008.htm>.

23. Fight against ISIS ‘must be led by Iraqis’ – UK ambassador, RT, 15 February 2015, accessed 24 September 2015, <http://www.rt.com/uk/233487-iraq-ambassador-military-aid/>.

24. Ibid.

25. Osborne message on Iraq ‘action’, Mail Online, 7 September 2015, accessed 24 September 2015, <http://www.dailymail.co.uk/wires/pa/article-2746703/Osborne-message-Iraq-action.html>.

Secretary of State – the second man in the Government after the Prime Minister. This suggests that the idea of non-intervention will be pursued by the new Cabinet.

There has not been much discussion over the situation of Christians and other religious minorities in Iraq recently. However, on 27 May 2015 the House voted in favour of the motion calling the Government to ensure that religious minorities are protected in Iraq.²⁶

Humanitarian aid

2014-2015, before the General Election May 2015

In September 2015 a report summarising the UK's main achievements in the humanitarian sphere was published. According to it in 2014 the UK donated £59 million in humanitarian aid to Iraq. Part of this money was spent in 2014 to provide victims with essential help. Furthermore, £23 million from this sum was spent on “emergency life-saving support” with the help of the UN and various NGOs²⁷ £16.5 million was spent to help people in winter 2014 by providing them with winter essentials and cash assistance²⁸

In addition the following results of humanitarian efforts of the UK were reported:

Over 100,000 children were vaccinated against measles

100,000 people benefited directly from the distribution of medicine and emergency health kits

Over one million square meters of contaminated mined land was cleared in order to establish 6 camps

More than 120,000 people benefited from the distribution of winter kits²⁹

26. Early Day Motion 35. Christians in Iraq, 27 May 2015, House of Commons, accessed 25 September 2015, <http://www.parliament.uk/edm/2015-16/35>.

27. Iraq Crisis: UK Humanitarian Response Factsheet, 8 September 2015, Gov.UK, accessed 25 September 2015, <https://www.gov.uk/government/publications/iraq-crisis-uk-humanitarian-response-factsheet>.

28. Ibid.

29. Ibid.

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2015, after General Election

The new Government continues to provide Iraq with humanitarian aid. £20 million will be given to the Iraq Humanitarian Pooled Fund under the UN's management. Part of this money will be aimed at providing people with adequate help. Another part will be given to Iraq and Kurdistan in order to facilitate better mechanisms of coordination and joint response to current problems.³⁰

An additional £10 million will be allocated to the cross-Government Conflict Stability and Security Fund launched in April 2015.³¹ This fund is mainly focussed on “stabilization activity”. Under the Fund's umbrella, targeted calls for bids are expected to be announced at least three times per year.³² On 4 September 2015 Philip Hammond also announced on Twitter that Britain would allocate an additional £100 million aid for Iraqi refugees.³³

Economics

2014-2015, before the General Election May 2015

In this period economic cooperation was more active. According to data from the Iraq Britain Business Council almost 100 tenders for various areas of the Iraqi economy (energy, communications, electricity, housing) were conducted.³⁴ In 2015 no business tenders have been yet announced, however, various events demonstrating the UK's business interest in Iraq – conferences, consultations, round tables etc.³⁵ - have been held throughout the year.

The government report of 2014 pointed out that Iraq needs to build a “healthy business environment”.³⁶ Also it stressed that most UK companies

30. Ibid.

31. Ibid.

32. UK-Iraq: Conflict, Stability and Security Fund, 2 August 2015, Gov.UK, accessed 25 September 2015, <https://www.gov.uk/government/publications/uk-iraq-conflict-stability-and-security-fund>.

33. UK in Iraq, 4 September 2015, Twitter, <https://twitter.com/ukiniraq>.

34. IBBC: News, Tenders, IBBC, last modified 25 September 2015, <http://www.webuildiraq.org/news-room/tenders/>.

35. IBBC: Events and conferences, IBBC, last modified 25 September 2015, <http://www.webuildiraq.org/events/2015-2/>.

36. Iraq: Commercial opportunities in a changing business environment, July 2014, Gov.UK, accessed 25 September 2015, <https://www.gov.uk/government/publications/iraq-commercial-opportunities-in->

are willing to remain in Iraq and continue running new contracts. The report noted that there are a lot of areas in the Iraqi economy which need investment – design, consultancy, project finance/management of major infrastructure projects, housing, education, healthcare, and the development of the financial and business services sector. These are also areas where the UK businesses will be able to develop successfully.³⁷ The energy sector remains the priority however.³⁸

At the same time, despite all these positive declarations and steps, there are negative signs in the countries' bilateral relations. A dramatic decline in trade relations between the UK and Iraq in 2014 was detected. According to the UN Comtrade data, both export and import to/from Iraq have fallen 2-3 times in almost all major trade areas in comparison with the year 2013 (see Appendix 2). Data for 2015 has not been released yet.

2015, after the General Election

At the Iraqi Petroleum Conference on 9 June 2015, Andrea Leadsom, the UK's new Energy Minister, expressed the main UK aspirations in relation to the countries' bilateral economic cooperation. The UK, according to Leadsom, wants to become Iraq's "partner of choice".³⁹ The Minister underlined significant successes made by British companies as well as prospective ambitious plans for further enlargement: "BP is running one of the world's largest fields in southern Iraq and has goals to increase this and aim to triple production. Shell has recently signed a Heads of Agreement to build an \$11bn petrochemical plant in Basra which will be one of the largest in the world and will generate around 40,000 to 50,000 jobs and will contribute significantly to Iraq's economic recovery, as well as supporting sustainable and inclusive growth".⁴⁰

While the UK is committed to further development of business relations, there are several issues that should be tackled beforehand:

a-changing-business-environment-july-2014/iraqi-commercial-opportunities-in-a-changing-business-environment-july-2014.

37. Ibid.

38. Ibid.

39. Iraqi Petroleum Conference, 9 June 2015, Gov.UK, accessed 25 September 2015, <https://www.gov.uk/government/speeches/iraqi-petroleum-conference-2015>.

40. Ibid.

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maintaining of the rule of law and strong political and economic institutions
«good governance» implying a strong partnership between the Government
of Iraq and Kurdish Regional Government
the necessity of economic diversification and expansion of the private
sector

providing security (mainly from ISIS).⁴¹

These issues indeed seem to be particularly acute for the new government. On 16 July 2015 the report overseeing business risks in Iraq was released. It reiterated the importance of coping with these problems.⁴² It also expressed concerns over the negative situation with human and business rights in Iraq.⁴³

There is no record on the IBBC website regarding any significant events since June 2015⁴⁴ or tenders since 2014⁴⁵. Nor has there been any mention about economics in the Parliament's resources. The same could be said about British oil companies operating in Iraq – the most recent news is dated 22 April 2015 announcing the extension of BP's contract in Kirkuk which is a cause for tension between Baghdad and Kurdistan.⁴⁶

Kurdistan

Kurdistan is another important issue within UK policy. Overall tendency seems to be that the UK sees the Kurdish Regional Government as an important partner by itself as well as a key factor to successful cooperation with the central government.

41. Ibid.

42. Overseas Business Risk – Iraq, 16 July 2015, Gov.UK, accessed 25 September 2015, <https://www.gov.uk/government/publications/overseas-business-risk-iraq/overseas-business-risk-iraq>.

43. Ibid.

44. IBBC: Events and conferences.

45. IBBC: News, Tenders.

46. BP's Kirkuk Contract Extended, 22 April 2015, Iraq-Business News, accessed 25 September 2015, <http://www.iraq-businessnews.com/2015/04/22/bps-kirkuk-contact-extended/>.

2014-2015, before the General Election

According to the 2014 UK Foreign Affairs Committee report “the UK did not take the Kurds seriously for a long time”⁴⁷ It is now becoming evident that Kurdistan is becoming a serious power within Iraq with its increasing energy self-sufficiency, economic blossom and developing democratisation.⁴⁸ Concerns about insufficient UK economic involvement in Kurdistan were expressed. Britain was reported to have left behind Russia and other European countries, who have been actively engaging in Kurdistan economically.⁴⁹ However, a tendency to increase economic cooperation in 2014 was detected.⁵⁰

Kurdistan was announced a key partner in maintaining security in the Middle East. At a Q&A session on 9 September 2014 Foreign Secretary Philip Hammond pointed out that “Kurdistan Kurds are key to fighting IS”.⁵¹ Mr Hammond once again emphasised that it is important to create an “inclusive government” which would take into account Kurdish interests.⁵² In August 2014 it was announced that the UK would supply Kurdish Peshmerga with additional military aid⁵³, which was done later.

In January 2015 the question of KRG’s political status became a focal discussion point. It was noted that “It is far better that Iraq seeks to recover its unity and strength in order to defeat the common enemy of ISIS”.⁵⁴ However “Kurdish desire to be more independent is also understandable”. A relatively loose federal model was called Iraq’s “last chance to remain a united and sovereign state”.⁵⁵ It was also underlined that a possibility

47. UK Government Policy on the Kurdistan Region of Iraq, 6 May 2014, Foreign Affairs Committee, accessed 28 September 2015, <http://www.parliament.uk/business/committees/committees-a-z/commons-select/foreign-affairs-committee/news/kurdistan-region-of-iraq-1st-session/>.

48. Ibid.

49. Ibid.

50. Ibid.

51. Development in UK Foreign Policy.

52. Ibid.

53. UK arms transfer to the Peshmerga in Iraqi Kurdistan, 18 August 2014, House of Commons, accessed 28 September 2015, <http://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN06963>.

54. The Kurdistan’s region constitutional future: UK policy, 21 January 2015, House of Commons, accessed 28 September 2015, <http://www.publications.parliament.uk/pa/cm201415/cmselect/cmfa/564/56411.htm>.

55. Ibid.

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of Kurdistan becoming independent is now higher than ever.⁵⁶ The UK's Foreign Affairs Committee admitted Saddam Hussain's campaign against Kurdish people on the Anfal to be genocide, even though the UK Government has not officially recognised it as one.⁵⁷

2015, after the General Election

The new government has reiterated its position on Kurdistan as a key partner in defeating ISIS as well as the necessity of establishing an inclusive government where Kurds would find their place.⁵⁸ It also seems that the UK is currently pursuing a policy of enhancing economic cooperation with the KRG. On 9 September 2015 the KRG Minister of Water Resources and Agriculture met with British officials to discuss the perspectives of bilateral cooperation in this sector.⁵⁹ During October 2015 the UK Trade Mission had intentions to hold a British business development mission in Kurdistan.⁶⁰ Overall the impression is that the UK is more economically active in Kurdistan rather than in the rest of Iraq and continues to pursue economic interest in Kurdistan.

Culture and Heritage

These areas seem to be of the least interest at the moment. For 1.5 years both UK governments have not really touched upon any of these issues with several exceptions.

2014-2015, before the General Election

The government expressed deep concerns over the destruction of historic

56. Build Kurdistan relationship or risk losing vital Middle East partner. 21 January 2015, House of Commons, accessed 28 September 2015, <http://www.parliament.uk/business/committees/committees-a-z/commons-select/foreign-affairs-committee/news/report-kurdistan-region/>.

57. Ibid.

58. ISIS/Daesh: one year on.

59. Minister of Agriculture and Water Resources meets with British officials and institutions, 10 September 2015, KRG UK Representation, accessed 29 September 2015, <http://uk.gov.krd/articles/detail.aspx?lngnr=12&smap=010000&anr=37317>.

60. Trade Mission to Iraqi Kurdistan, 10 September 2015, Middle East Association, accessed 29 September 2015, <http://uk.gov.krd/articles/detail.aspx?lngnr=12&smap=010000&anr=37317>.

monuments in Iraq.⁶¹ It has been suggested that this problem could be solved via three modes of action:

- 1) increasing diplomatic actions through UN resolutions and bilateral efforts with the Gulf states
- 2) establishing a commission to gather information about such cases
- 3) bringing the issue to the UK counter-terrorism agenda⁶²

Even though this initiative was met favourably, it has not yet received any further development.

2015, after the General Election

The new Government is still concerned about the Iraqi cultural heritage⁶³, but at the moment there is no any significant progress or enthusiasm on this path.

Possible scenarios of future developments in the UK foreign policy towards Iraq

A general observation obtained from the Conservative party's manifesto is that the new government is now more concerned with domestic issues (primarily with economy and immigration).⁶⁴ As for foreign policy the government seems to prefer to pursue continuity here – most of the points listed as UK's foreign policy priorities in the manifesto do not really differ from what has been enacted by the previous government (e.g. “uphold the sovereignty of Ukraine”, “work for peace, stability and inclusive settlement for Syria and Iraq”⁶⁵, etc.). Separately, it has been stressed that the UK has intended to develop closer ties with China and reiterated its special

61. MPs debated destruction of historic sites in Syria and Iraq, 12 February 2015, House of Commons 2015, accessed 29 September 2015, <http://www.parliament.uk/business/committees/committees-a-z/commons-select/backbench-business-committee/news/mps-debate-destruction-of-historic-sites-in-syria-and-iraq/>.

62. Ibid.

63. House of Commons Q and A session with Philip Hammond.

64. Conservative manifesto 2015, p.7-47, <https://www.conservatives.com/manifesto>, accessed 20 October 2015.

65. Ibid, p.75.

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relationship with the US and India.

In addition, the new government is now concerned with the future referendum of the UK's membership in the EU. Preparations for it would require not only significant financial resources but also a calm and favourable atmosphere inside the country. Thus the UK decision-makers may be unlikely to engage with any radical changes in foreign policy within the next couple of years.

The last important point is that after the General Elections David Cameron became the main actor in the UK's foreign policy decision-making process. His public statements show that he is the main driver for carrying on the above mentioned policy line. Therefore the UK's policy towards Iraq would probably also be aimed at maintaining the status quo.

Scenarios:

Daesh grows

The activity of DAESH (ISIS) has become one of the main priorities of the UK's relations with Iraq in the last two years. As it has been noted earlier, further cooperation with Iraq is in many ways conditioned by its successful countering of IS. Despite the UK and the Western coalition taking a lot of action in order to eliminate the IS threat from the air and on the ground (by helping the Iraqi government and Kurdish Peshmerga with training and arms), IS are still resisting and have a good chance not only for survival but to become even stronger.

Should this happen, the UK might continue supporting the Iraqi government and the Kurds by supplying them with humanitarian and military aid as well as providing them with training. The UK's status as the second contributor to the anti-IS Western coalition would probably make the Government further increase the amount of aid and increase their air strikes. However, it is quite unlikely that the UK would go beyond these activities and put "boots on the ground". Though voices favouring this decision are becoming louder, a

vast majority of MPs headed by Mr Cameron reject this possibility.⁶⁶

Russian intervention in Iraq

Russian growing activity in the Middle East and mainly air strikes in Syria aimed at eliminating IS (as Russian officials claim) as well as its enhanced cooperation with Iraq on security and intelligence issues (Iraq, Syria and Russia have recently formed an intelligence gathering cell, and Iraq's ruling alliance is known to urge the prime-minister to request Russian military aid),⁶⁷ has posed a serious concern for the UK government. Despite rumours spread by UK's tabloids about permission given to British pilots to attack Russian jets⁶⁸, real military confrontation is unlikely. Britain might however try to enhance its dialogue with the Iraqi government in order to persuade them not to engage with Russian aid (what is already being done by their American colleagues⁶⁹). Since the UK is one of the main humanitarian and military aid donors for Iraq it might try to use this as an argument in the discussion.

Oil price fluctuations

Further decrease in oil prices might become a serious hit on UK-Iraqi business relations. Despite all declarations about intentions to diversify the areas of the countries' economic cooperation⁷⁰, oil still remains the main area where cooperation is actively ongoing.

Low oil prices have already created a large pending debt for the Iraqi government to foreign oil companies. This has already curtailed the companies' income and prevented them from further investments (into new oil-fields exploration)⁷¹, and so if this tendency persists a further decline in

66. Fight against ISIS 'must be led by Iraqis' – UK ambassador. The situation in Iraq and Syria and the response to al-Dawla al-Islamiya fi al-Iraq al-Sham (DAESH)

67. Iraq's ruling alliance, militias urge PM to seek Russian strikes, Reuters, 21 October 2015, <http://www.reuters.com/article/2015/10/21/us-iraq-russia-idUSKCN0SF0HU20151021>, accessed 21 October 2015.

68. Britain dismisses reports about air force orders in Iraq, Reuters 11 October 2015, <http://uk.reuters.com/article/2015/10/11/uk-mideast-crisis-russia-britain-idUKKCN0S50S820151011>, accessed 21 October 2015.

69. Iraq's ruling alliance, militias urge PM to seek Russian strikes.

70. Iraqi Petroleum Conference.

71. Нефтяное будущее Ирака под угрозой, Нефть России, 22 October 2015, <http://www.oilru.com/news/484417/>, accessed 22 October 2015.

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export and investments is very likely.

Another tendency is an attempt of the Kurdish government to cope with this crisis by separating their oil income from Baghdad.⁷² If the Kurds manage to do this, there might be a possibility for British companies to shift the focus from Baghdad to Kurdistan, making it their main and sole partner.

International recognition of Iran

The deal over lifting sanctions from Iran this summer has posed a question of further international recognition of this country.

Iran and Iraq have very strong ties in many areas – religious (Iraq is the second largest Shi'i population in the world)⁷³, economic – Iraq has become a key partner for Iran after imposing on it sanctions – and political⁷⁴– Iran with its strong and well-prepared army can be an important factor in fighting IS and maintaining Iraqi security. UK scholars claim that Iran could use IS as an opportunity to “act as a natural partner within the community of nations”⁷⁵ in defeating IS. At the moment however, Iran prefers a strategy of “leading from behind”⁷⁶, keeping boots on the ground to a minimum and sending military advisers and training Iraqi soldiers instead. Such a strategy allows Iran to focus on building national unity in Iraq.⁷⁷ Moreover, with the help of Iran, Iraqi and Kurdish forces were able to push IS back from several Northern Iraq's regions.⁷⁸

There were talks about the prospective participation of Iran in the anti-Daesh international coalition that the UK is part of.⁷⁹ However, it is quite unlikely to happen in the near future. On the one hand, there is a serious discord between the West and Iran over its support for Bashar Al-Assad.

72. Ibid.

73. Iran's ISIS Policy, Chatham House, 2015, https://www.chathamhouse.org/sites/files/chathamhouse/field/field_publication_docs/INTA91_1_01_Esfandiary_Tabatabai.pdf, accessed 22 October 2015.

74. Ibid.

75. Ibid.

76. Ibid.

77. Ibid.

78. Ibid.

79. Ibid.

On the other hand, while the idea of cooperation has been discussed in the lobbies, Supreme Leader Ayatollah Khamenei decided not to engage with it, as the role of political hard-liners opposing the rapprochement of the West is still quite significant in Iran.⁸⁰

However the UK and Iran have historically had quite strong economic ties, primarily in the sphere of oil production. Iran's recognition would open a new oil market for the UK's companies. Moreover, the UK seems to be quite eager to push the recognition process – in August 2015 Philip Hammond, accompanied by British businessmen, reopened the UK embassy in Iran.⁸¹ Bearing in mind Iraqi economic and security problems mentioned earlier a shift of the UK's oil companies towards Iran is quite possible.

Kurdistan becomes independent

In many aspects the UK treats Kurdistan as an independent entity. There is a Kurdish representative in London. Kurdistan has started doing business with UK oil companies separately from Baghdad, and very often there are separate agendas for Iraq and Kurdistan in the UK's Parliamentary discussions.

Therefore Kurdistan becoming independent will negatively affect Iraq as British relations with the seemingly more stable Kurdistan will flourish at the expense of engaging with Baghdad. Kurdish independence would likely see greater investment and interest from British players in the region and consequently rapid development in comparison to Iraq.

80. Ibid.

81. UK and Iran take steps to rebuild historic ties, ITV, 26 October 2015, <http://www.itv.com/news/2015-10-26/uk-and-iran-take-steps-to-rebuild-historic-ties/>, accessed 27 October 2015.

The United Kingdom's policy towards Iraq

Appendix 1

The list of sources the report is based on:

Publications of the House of Commons: discussions, debates, motions
Public speeches of major British political figures (David Cameron, Phillip Hammond)

Twitter accounts of the British Ambassador to Iraq Frank Baker and the Embassy of Britain in Iraq

The British Government's publications (conference reports, speeches, statistics)

Materials from KRG UK Representation's website

Materials from The Iraq Britain Business Council

Appendix 2

UK-Iraq Trade 2013-2014

Year 2013⁸²

Top Exported Commodities in the selection		
Code	Description	Trade Value
84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	\$200,890,696
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof	\$75,246,205
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	\$74,085,873
87	Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof	\$67,995,221
30	Pharmaceutical products	\$59,723,613
	Other commodities	\$158,767,825

82. UN Comtrade, accessed 29 September 2015, <http://comtrade.un.org/db/ce/ceSnapshot.aspx?px=HS&r=826&y=2013&p=368&so=9999&rpage=dqBasicQuery&qt=n>.

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Top Imported Commodities in the selection

Code	Description	Trade Value
51	Wool, fine or coarse animal hair; horsehair yarn and woven fabric	\$1,627,625
99	Commodities not specified according to kind	\$1,493,801
84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	\$668,182
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	\$371,441
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof	\$333,344
	Other commodities	\$432,126

Year 2014⁸³

Top Exported Commodities in the selection

Code	Description	Trade Value
84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	\$151,112,488
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof	\$110,480,669
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	\$72,672,850
30	Pharmaceutical products	\$61,695,444
73	Articles of iron or steel	\$61,350,285
	Other commodities	\$162,638,107

83. UN Comtrade, accessed 29 September 2015, <http://comtrade.un.org/db/ce/ceSnapshot.aspx?px=HS&r=826&y=2014&p=368&so=9999&rpage=dqBasicQuery&qt=n>

Al-Bayan Center for Planning and Studies

Top Imported Commodities in the selection

Code	Description	Trade Value
51	Wool, fine or coarse animal hair; horsehair yarn and woven fabric	\$1,750,999
99	Commodities not specified according to kind	\$1,444,954
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	\$377,999
84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	\$304,505
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof	\$60,073
	Other commodities	\$153,296

Appendix 3. The list of the UK foreign policy decision-makers:

David Cameron, the Prime-Minister

Philip Hammond MP, Secretary of State for Foreign and Commonwealth Affairs

Justine Greening MP, Secretary of State for International Development

Michael Fallon MP, Secretary of State for Defense

The Parliament and its committees (Foreign Affairs Committee, Defense Committee)