Struggling Iraq Faces Another Crisis in COVID-19

by Sajad Jiyad

Iraq is experiencing several overlapping crises, spanning the economic, political, security and social spheres, as authorities struggle to maintain stability in the face of political dysfunction and external challenges posed by US-Iran tensions.

Since October 2019, the country has witnessed widespread youth-led popular protests on the back of increasing unemployment and poor public services that have stymied reform efforts and allowed corruption to continue unabated.

A year has now passed and, despite COVID-19-related restrictions, localised protests continue at a time when the grievances underpinning them have not been addressed, while the pandemic is making the situation worse.

Since mid-March 2020, when the government decided to initiate a crisis cell to lead its response and began nationwide lockdowns, the COVID-19 pandemic has exacerbated the pre-existing crisis in several areas, including the health sector, the political and security environment and the social and religious domains.

While predicting the future is impossible, in all of these areas the clear effect of COVID-19 has been to make a bad situation worse, pushing Iraq to breaking point.

While Iraq initially saw low numbers of COVID-19 cases in March and April 2020 (probably due to limited testing), cases shot up towards the end of May and have been consistently high since then. As of late September, there were still around 4,500 new cases per day,

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with a total of more than 360,000 cases so far and over 9,100 deaths.¹

Iraq’s healthcare system was already struggling before the pandemic but now hospital capacity has reached its limit and hundreds of doctors have been infected leading to many deaths.² Iraq spends only 2.5 per cent of the state budget on health and less money per capita (161 US dollars per citizen) than neighbouring Jordan (304 US dollars) and Lebanon (649 US dollars), countries that lack widespread hydrocarbon reserves. There are only 1.2 hospital beds per 1,000 people and less than 1 physician per 1,000 citizens,³ a situation which has caused severe strain to the healthcare system in the face of COVID-19.

While Iraq closed its borders in late March, and imposed extensive curfews and lockdowns, these measures are slowly being reversed. Now there are limited night-time curfews in some provinces and people are free to travel domestically and abroad, and to visit restaurants and retail locations.

This will no doubt lead to COVID-19 cases remaining high, but it seems the government has accepted it can no longer prevent that from happening, as its priority has now become the resumption of economic activity.

Iraq’s oil-reliant economy has indeed taken a massive hit since March, with revenues from oil exports falling from over 6 billion US dollars in January 2020 to 1.4 billion US dollars in April. The global demand for oil slowed just as the COVID-19 pandemic arrived and the Saudi–Russian disagreement on output caused prices to come crashing down, which meant oil exporters such as Iraq saw their incomes drop sharply.

Iraq already had a 40 billion US dollars’ budget deficit forecast for 2020 and this loss of income has meant the government has had to postpone vital projects, increase borrowing and draw down on foreign reserves. The World Bank predicts a 9.7 per cent decrease in Iraq’s GDP for 2020, a figure which is likely an underestimate.⁴

The Iraqi government is seeking help from bodies such as the International Monetary Fund but it will need to enact painful structural reforms such as reducing the public sector wage bill (while protecting funding for critical sectors like medical staff) and other cost-cutting measures in order to attract international loans and assistance.

Across Iraq, there are tens of thousands of self-employed, temporary workers and labourers who have lost their livelihoods due to the restrictive measures implemented to tackle the pandemic with a virtually non-existent

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social safety net to fall back on.

The situation is particularly critical in the Kurdistan region where the local government is several months behind on wages for the public sector and is billions of dollars in debt. Anger there has led to protests.

The economic situation has grave consequences also for the reconstruction of areas liberated from ISIS, where local governments such as that in Mosul have no funds to revive schools and hospitals. Over 1.4 million internally displaced persons remain in refugee camps, where COVID-19 is slowly appearing.

Moreover, the seasonal challenges provided by Iraqi harsh winters and hot summers means frequent interruptions in water and energy supply for the whole population, undermining preventive measures.

As every part of Iraq has been affected by COVID-19, the pandemic has thus far not exacerbated ethno-sectarian tensions, but local populations have become more critical of local and federal governments for failing to provide better healthcare and for not adequately protecting the economy. This has resulted in angry scenes at hospitals and health directorates where families confront officials for poor performance, and at border crossings or ministries where tradesmen, workers and graduates want to see more opportunities.

Approximately 60 per cent of Iraq’s population is under 25, youth unemployment is at 36 per cent, the unemployed rate grows by around 700,000 each year and over 3.5 million people are out of employment, education or training. The pandemic’s impact on these sectors of the population has been massive, which could result in violence and crime as the socio-economic outlook continues to deteriorate.

Young people have felt the uneven impact of COVID-19 as it has deprived some of their employment, others their education and brought leisure activities to a halt. The elder generations employed in the public sector have been less affected and generally not seen a detrimental impact on their income, highlighting the disparity of impacts brought about by the pandemic on the population.

Dozens of young people interviewed by the author across three provinces in July reported suffering from adverse mental health and significant psychological strain from the lockdowns which have limited their freedoms, disrupted their studies, interrupted their employment and added further stress to provide incomes for their family. All of this has led to increased demand for caregiving

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and household duties.  

As with many other countries around the world, women have been particularly exposed to the multidimensional risks of COVID-19. The number of cases of domestic violence has increased significantly during the pandemic-imposed lockdowns. Horrific incidents, including murder and physical or psychological abuse, have put pressure on the authorities to go ahead with a stalled domestic violence bill.

However, despite more killings of female activists and family members, the bill has yet to be formally approved. Supporters of the bill have also faced counter-protests by conservatives, including women, who believe it will intrude on private family life and prevent disciplining of children as well as opening up space for false allegations against husbands.

The amount of fake news and misinformation that Iraqis’ encounter online and across communication platforms is another relevant dimension of the current crisis. In fact, this has caused growing mistrust towards government advice and led to dozens of COVID-19 cases where patients simply did not believe the virus was real.

Despite lockdowns and curfews being in place across all of Iraq, Islamic State terrorists have been active in areas north of Baghdad. They have also profited from the added duties imposed on police to enforce curfews, which has meant less resources for security operations. While the amount of crime has fallen in larger cities, there has been an increase in violence in rural areas, as security forces are primarily preoccupied with urban security and lockdowns. This has been the case in the Southern Basra province, where tribal disputes have led to violent conflicts.

What is even more concerning is that all these developments are met with political stagnation. Aside from confirming prime minister Mustafa Al-Kadhimi and his new government in early May, the Iraqi parliament has done very little since the outbreak of COVID-19. It has met only six times since March and convened in only ten regular sessions so far in 2020 as of early September.

Indeed, the pandemic has hit MPs themselves, with a number of deaths and illnesses reported. As parliament

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has not been able to meet, there is a backlog of critical legislation, including finalising the electoral law, the parties law, the 2021 federal budget and a vote for the parliament to agree to dissolve itself and allow for early elections.

Limited parliamentary activity makes the work of the government even harder as they are in need of legislation to assist with the financial crisis. Aside from parliament, government offices have only been allowed to operate at 25 per cent capacity in the most vital sectors such as the service ministries and public banks, with other offices being closed since March.

Courts and non-critical public services have also had no or limited activity for several months which has had implications for citizens, businesses and other government agencies. Meanwhile, civil courts suspended divorce hearings as infection numbers shot up in April.

Most importantly, COVID-19 has taken the spotlight away from popular protests and partially relieved the pressure on the political elite targeted by them. While protests began on the back of high unemployment and poor public services, they have evolved into a complete rejection of the political elite, a loss of trust in reform promises and the polarisation of views on the fallout of US–Iran conflict in Iraq.\footnote{Sajad Jiyad, “Torn between Two Allies: How Europeans Can Reduce Iraqi Dependence on Iran and the US”, in ECFR Policy Briefs, 28 July 2020, https://www.ecfr.eu/publications/summary/torn_between_two_allies_europeans_can_reduce_iraqi_dependence_on_iran_us.}

This puts the country as a whole in a difficult position where large parts of the population may sympathise with the protests but the increased focus on foreign issues over the domestic agenda and the impact of COVID-related restrictions prevent protests from reaching critical mass.

Some protest sites remain in Baghdad, Karbala, Nasiriyah and Basra, but numbers are limited to a few hundred demonstrators and the protests garner less public interest or support than last year.

Furthermore, violence has taken place against protestors at some of these sites by security forces or through masked attacks attempting to break up the demonstrations.

Overall, the limits on public gatherings and the economic downturn have taken away momentum from protests, but the underlying grievances remain and could drive further discontent in the short term.

So far, popular anger against the government’s handling of COVID-19 has been muted but, should the already high number of daily cases continue to increase, more protests could develop.

Considering the difficult situation Iraq was already facing before March 2020 and the subsequent effects of COVID-19 on almost every aspect of life, it is difficult to hold any view that is not pessimistic in the short-term.

Without critical international support and a large-scale domestic reform and trust building effort with the
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population, the Iraqi state will become less relevant and lose control as socio-economic conditions deteriorate.

Specific support for economic reforms from the EU, improved healthcare capacity from the World Health Organisation, election assistance and confidence-building measures from the UN are especially important if Iraq is to change this prognosis.

COVID-19 will likely have long-term effects on the whole world but, in Iraq, it could well push the country past its breaking point. In particular, its economic effects could drive more discontent and anger from young people: something to watch we approach 2021 and beyond.

12 October 2020
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