



BACKGROUND: Who Has Sovereignty?

How Iraq's Political Order Exposes the Country to War

The war between the United States and Israel on one side and Iran on the other is destabilizing Iraq in ways that are both immediate and structural. Even as a fragile ceasefire begins to take hold, it may prove to be only a temporary pause if negotiations falter or spoilers derail efforts. To understand these dynamics, we need to look beyond the current escalation and examine how Iraq's political system is built—and how it has evolved since 2003.

Iraq today is not a centralized state capable of taking independent, decisive action to insulate itself from regional conflict. Rather, it is a political system deliberately designed to diffuse power. After the fall of Saddam Hussein, both U.S. policymakers and Iraq's newly empowered political actors—especially among Shia and Kurdish communities—shared a common objective: preventing the reemergence of dictatorship. Having experienced decades of repression, these groups prioritized safeguards against the concentration of authority. The result was a federal system, codified in the 2005 constitution, that fragmented power across institutions, regions, and political actors.

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Over time, however, this formal structure evolved into an informal system of consociational power-sharing, known in Iraq as *muhasasa*. Under the unwritten rules of *muhasasa*, prime ministers are chosen by the Shia parties, presidents by the Kurds, and speakers of parliament by the Sunnis. Meanwhile, all parties represented in parliament above a certain threshold (for example, four seats or more) are entitled to a certain number of cabinet positions, or their equivalent, commensurate with their parliamentary representation.

While Iraq is, on paper, a parliamentary democracy, governance in practice is driven less by majority rule than by elite consensus. Political parties and armed groups, each claiming to represent a particular community, divide state institutions among themselves. Decisions are negotiated behind closed doors, and political stability depends on maintaining a balance among these actors rather than on strengthening the authority of the state. Iraq's dominant electoral system of proportional representation played a major role in creating these undemocratic conditions. This system of party lists and province-sized electoral districts produced successive parliaments in which lawmakers represent the interests of their political party bosses instead of their constituents. As a result, parliament also largely surrendered its oversight role vis-a-vis the executive.

Recognizing the damage this electoral system had caused, Iraq's civil society and reform-minded parties —especially those emerging from the [Tishreen protest movement](#)—repeatedly pushed for the more democratic non-transferrable vote system with smaller constituencies, in which a voter directly chooses an individual candidate from their own locale. This system was briefly adopted

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during the 2021 election after immense pressure from mass protests that toppled the government of Adil Abdul-Mahdi in the fall of 2019. As the reformist push lost its momentum, the political elite quickly reinstated the old system of proportional representation to shape the electoral environment ahead of the 2025 election.

In effect, *muhasasa* is a system in which political elites have treated ministries and government agencies as party fiefdoms they can exploit to give jobs to loyalists and generate profit from corrupt procurement contracts. The

resulting corruption and fragmented policymaking have led to chronic failures in the provision of basic services, such as water, electricity, sanitation, health, and education, while also undermining efforts to diversify the economy away from dependence on the public sector and fossil fuels and to generate sustainable private-sector employment. This has produced a system with multiple, overlapping centers of power. The Kurdistan Region operates with significant autonomy and is itself divided between the Kurdistan Democratic Party (KDP) and the Patriotic Union of Kurdistan (PUK), each with distinct external alignments. Among Shia actors, power is fragmented between parties that developed in exile—many with close ties to Iran—and movements that emerged inside Iraq, such as the Sadrist current, which draws support from poorer, urban constituencies. At the same time, the Popular Mobilization Forces (PMF)—a state-sanctioned umbrella for predominantly Shia paramilitary groups—constitute a powerful and complex actor. Formally created in response to the ISIS offensive of June 2014, the PMF comprise pre-existing Shia militias (such as Badr, Kataib Hezbollah, Asaib ahl al-Haq, and the Saraya al-Salam militia of Muqtada al-Sadr), new volunteers who answered the call to arms by Iraq's senior clerics, as well as Christian, Yazidi, and Sunni militias that formed to defend their communities from the ISIS threat. While formally part of the Iraqi security apparatus, many PMF factions maintain independent chains of command and retain strong ties to Iran's Islamic Revolutionary Guard Corps (IRGC). These Iran-backed groups have engaged in [kidnapping and killing activists and protesters](#), large-scale smuggling and corruption, and numerous attacks on U.S. interests and neighboring countries. Their political wings [control at least 80 seats](#) in Iraq's 329-member parliament, making them one of the most influential political forces in the current system.

The Shia religious establishment in Najaf, led by Grand Ayatollah Ali al-Sistani, remains an influential moral and political authority, particularly in moments of crisis.

Sunni Arab political actors represent another center of power, though a comparatively weaker one. Unlike their Kurdish and Shia counterparts, they lack consolidated territorial control, formalized armed forces, and deeply institutionalized political networks.

Overlaying all of this is what can be described as an oligarchic political class: party leaders and militia commanders who, despite their rivalries, share an interest in preserving the existing system. Through the distribution of ministries and state resources, they sustain patronage networks that reinforce their power. The result is a state that is inclusive in form but weak in function. Prime ministers are typically selected not for their ability to govern decisively, but for being “non-threatening”—acceptable to all major factions and therefore constrained by them. Real authority often resides not in formal institutions, but in the parties and groups that stand behind them.

This fragmented internal landscape has been further complicated by the role of external actors—most importantly, the United States and Iran. Ironically, these two countries, once Iraq’s principal adversaries, have become its most influential partners since 2003. The U.S., as the occupying power, played a central role in rebuilding Iraq’s political and security institutions. Iran, meanwhile, capitalized on the fall of Saddam Hussein to empower its long-standing allies within Iraq’s Shia political and militant networks.

Today, both countries are deeply embedded in Iraq’s political system, albeit in different ways. Iran’s influence is rooted in its relationships with political parties and militias, giving it both political leverage and coercive capacity. It also relies on Iraq as an economic corridor and as a platform for projecting power across the region. The United States, by contrast, has focused primarily on building and supporting formal state institutions—through security cooperation, economic assistance, and diplomatic engagement—while viewing Iraq as a key arena in its broader effort to contain Iran.

This dual influence has had profound consequences for Iraqi sovereignty. Political decision-making in Baghdad is widely perceived—by Iraqis themselves—as being shaped by the adversarial competition between Washington and Tehran. This perception has fueled recurring waves of public protest, as Iraqis express frustration with a political class seen as beholden to foreign interests.

The current war has brought these underlying dynamics to the surface in particularly destabilizing ways. Iraq has effectively become a theater for indirect confrontation between the United States and Iran, with violence unfolding across its territory in a pattern of escalation and retaliation. U.S. forces have targeted Iran-backed militias that are embedded within the PMF, striking bases and killing fighters. In some cases, these strikes have also killed Iraqi army personnel, as militias and state forces often operate from shared facilities. At the same time, militia groups have launched attacks on locations associated with U.S. presence, including Iraqi bases hosting American advisors.

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The result is a deeply destabilizing situation in which Iraqi state institutions themselves are caught in the crossfire. [Iraqi military sites are being targeted by both sides](#)—by the United States because of militia presence, and by militias because of U.S. personnel. In some instances, militias have gone further, directly targeting Iraqi state institutions such as the National Intelligence Service, accusing them of collaboration with foreign actors.

The conflict has also exacerbated tensions involving the Kurdistan Region. Iran and Iran-aligned groups have accused Kurdish authorities of hosting opposition elements and facilitating foreign intelligence activity, including cooperation with the United States and, at times, Israel—claims that are contested but draw on a longer history of U.S. presence and intelligence cooperation in the region. These accusations have led to increased pressure and attacks.

A contributing factor to this dynamic is the presence of foreign non-state actors, especially Iranian Kurdish opposition groups, which the U.S. had openly sought to involve in the war and encouraged them to attack the regime in Tehran. At the same time, regional dynamics have come into play, with Gulf states warning Iraq to curb cross-border militia activity or face potential retaliation.

Finally, the conflict has contributed to a security vacuum that malign actors have exploited to attack civil society. In the few weeks since the conflict began, militants [assassinated prominent women's rights activist](#) Yanar Mohammed and [kidnapped American journalist](#) Shelly Kittleson.

Iraq is facing these challenging circumstances without the international support it could rely on in the recent past. After 2003, the UN and broader international community played a central role in Iraq's recovery, providing humanitarian aid, supporting political transitions, and assisting with stabilization and reconstruction. Through agencies and missions such as the UN Assistance Mission for Iraq (UNAMI), they helped organize elections, mitigate political crises, and coordinate relief efforts during repeated crises. Iraq has faced successive waves of violence and displacement—from the insurgency and sectarian conflict of the mid-2000s to the ISIS war after 2014—each generating large-scale humanitarian needs and driving the internal displacement and outward migration of millions. With UNAMI's departure last December, much of that support system is gone.

All of this has placed the Iraqi government in an extremely difficult position. Prime Minister Mohammed Shia al-Sudani has sought to maintain constructive relations with both the United States and Iran, but his government depends politically on factions within the ruling coalition that are closely aligned with Iran-backed militias. This leaves him with limited room to maneuver. Efforts to restrain armed groups risk undermining his political base, while inaction risks further erosion of Iraqi sovereignty, U.S. support, and regional standing.

The cumulative effect is a steady weakening of the Iraqi state. Sovereignty is being violated routinely, as Iraqi territory and airspace are used by all sides in the conflict. Internal divisions are deepening, and the government's ability to act as an empowered arbiter in the service of national interest is diminishing. **The war is not simply spilling over into Iraq—it is being actively fought, in part, on Iraqi soil.**

De-escalation, therefore, requires both external restraint and internal action. At a minimum, all parties must respect Iraq's stated desire to remain neutral and cease using its territory as a platform for military operations. Continued violations will only deepen instability and increase the risk of broader regional escalation.

At the same time, the Iraqi government must take more assertive steps to enforce its authority. This includes preventing armed groups from launching attacks on neighboring countries, which have already begun to issue warnings and could respond directly if the situation persists. Achieving

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this will require political backing from within the ruling coalition, particularly from those actors who have an interest in maintaining stability and avoiding further economic and political deterioration.

Not all militias operate in the same way, and this distinction matters. Some factions have evolved into political and economic actors with a stake in stability (such as Asaib Ahl al-Haq) even if their commitment to

state authority remains limited. Others (such as Kataib Hezbollah) remain closely tied to Iran's Islamic Revolutionary Guard Corps and are more willing to escalate, even at the expense of Iraq's stability. This differentiation may create opportunities for selective de-escalation, though it also complicates any unified state response.

Ultimately, however, the deeper challenge is structural. Iraq's vulnerability to external conflict is rooted in a system that diffuses power, weakens central authority, and allows foreign actors to cultivate influence through local partners. Strengthening Iraqi sovereignty will require long-term reforms that go beyond the immediate crisis: consolidating state authority, reducing the role of armed non-state actors, and reorienting governance away from elite power-sharing toward more effective and accountable institutions.

Until such changes take place, Iraq will remain exposed—not just to the current war, but to future conflicts driven by the same underlying dynamics.

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