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Iran's Influence in Iraq

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Summary

Iran's influence over the post-Saddam government in Iraq is substantial because the predominant parties in that government have long enjoyed Tehran's sponsorship. An emerging concern is that Iran's influence has extended to support for militant groups in Iraq. U.S. officials say that sophisticated explosive devices are entering Iraq from Iran, suggesting that Iran, or factions within Iran, are backing Iraqi factions that use violence to oppose the U.S. presence in Iraq. This report will be updated as warranted. See CRS Report RL32048, *Iran: U.S. Concerns and Policy Responses*, by Kenneth Katzman.

Background

The significance of the issue of Iranian influence in Iraq derives from tensions between the United States and Iran over Iran's nuclear ambitions. Experts anticipate that any U.S. military action would likely cause Iran to retaliate, in part, by directing its allies in Iraq to attack U.S. forces there. At the same time, Iran's aid to Iraqi Shiite parties and their militias is contributing to sectarian violence that is undermining U.S. stabilization efforts and threatening U.S. efforts to strengthen the central government.

Now that the conventional military and weapons of mass destruction (WMD) threat from Saddam Hussein has been removed, the thrust of Iran's strategy in Iraq has been to perpetuate domination of Iraq's government by pro-Iranian Shiite Islamist leaders. Iran sees control by these parties as providing Iran with "strategic depth" and ensuring that Iraq remains pliable and attentive to Iran's interests.

Iran's leaders and diplomats have sought to persuade all Iraqi Shiite Islamist factions in Iraq to work together through the U.S.-orchestrated political process, because the number of Shiites in Iraq (about 60% of the population) virtually ensures Shiite predominance of government. To this extent, Iran's goal in Iraq differs little from the main emphasis of U.S. policy in Iraq, which has been to set up a democratic process that reflects majority preferences. Iran's strategy bore fruit with victory by a Shiite Islamist bloc ("United Iraqi Alliance") in the two National Assembly elections in 2005. The UIA bloc, won 128 of the 275 Assembly seats in the December 15, 2005, election. The UIA includes Iran's primary Shiite Islamist protégés in Iraq — the Supreme Council for the

Islamic Revolution in Iraq (SCIRI), the most pro-Iranian of the groups, and the Da'wa (Islamic Call) party. Also in the UIA bloc is the faction of Moqtada Al Sadr, whose ties to Iran are nascent. Like his predecessor as Prime Minister, Ibrahim al-Jafari, Nuri al-Maliki is from the Da'wa Party, although Maliki spent most of his exile in Syria, not Iran. Most SCIRI leaders spent their years of exile in Iran.

SCIRI's leader, Abdul Aziz al-Hakim, is pushing for legislation, and for preservation of constitutional provisions, that would allow an early federation of Shiite provinces in southern Iraq into a large, relatively autonomous region. Iran supports that concept because a Shiite region would presumably integrate economically and politically with Iran. However, the drive by SCIRI to form a large region has incurred vocal opposition by Sunnis, as well as by Sadr's faction. Sunnis fear that the Shiites will use their new region to control Iraq's large oil resources, much of which are concentrated in southern Iraq. Sadr's political base is in Baghdad's "Sadr City," and Sadr might calculate he would lose influence in a new Shiite region.

Of somewhat greater concern to U.S. officials is the continuing fielding of militias by the major Shiite groupings. The militias are widely accused of sectarian violence against Sunnis, although Iraqi Shiites say they are retaliating for Sunni violence against Shiites. U.S. officials say that sectarian violence is now the leading security problem in Iraq, and many experts believe Iraq is now in a state of at least low-level civil war. U.S. officials are pressing the Iraqi government to try to disband or curb the militias, but Prime Minister Nuri al-Maliki is said to be unable or unwilling to take steps needed to do so because he depends on other militia-wielding Shiite parties for his political support.

SCIRI controls a militia called the "Badr Brigades" (now renamed the "Badr Organization"), which number about 10,000. Badr fighters are playing unofficial policing roles in Basra and other Shiite cities. Those Badr members that have joined the national Iraqi police and military forces are widely said to retain their loyalties to Badr and SCIRI. The Badr Brigades were formed, trained, and equipped by Iran's Revolutionary Guard, politically aligned with Iran's hardliners, during the Iran-Iraq war. During that war, Badr guerrillas conducted forays from Iran into southern Iraq to attack Baath Party officials, but the Badr forays did not spark broad popular unrest against Saddam Hussein's regime.

Iran's relations with Moqtada Al Sadr, another Shiite Islamist cleric, are more complicated. The 32-year-old is a scion of the revered Sadr clan, and he has strongly criticized the U.S. presence in Iraq. His great uncle, Mohammad Baqr Al Sadr, was a contemporary and ally of Iran's Ayatollah Ruhollah Khomeini and was hung by Saddam Hussein in 1980. Unlike SCIRI and Da'wa leaders, Sadr and his clan remained in Iraq during Saddam's rule, and Sadr has generally been seen as a rival to those parties for pre-eminence among Iraq's Shiites. This might explain why Iran's relations with Sadr are somewhat more tenuous than Iran's relations with Da'wa and SCIRI. However, Iran appears to see him, with his large and dedicated following particularly among lower-class Shiite Muslims in Iraq, as a growing force in Iraqi politics and a potential long-term asset to Iran. Iran's strategy thus far apparently has been to build ties to Sadr and coax him into the political process, while tolerating — or possibly even materially assisting — his challenges to the United States and Britain.

Sadr's "Mahdi Army" militia, now said to number about 20,000 (including about 7,000 in Baghdad), was formed in mid-2003 when Sadr, whose base is more anti-U.S. than are the supporters of SCIRI, Da'wa, and Sistani, sought to forcibly oppose U.S. forces in Iraq. U.S. military operations put down Mahdi Army uprisings in April 2004 and August 2004 in Sadr City (a Shiite-inhabited slum area of Baghdad), Najaf, and other Shiite cities. In each case, fighting was ended with compromises under which Mahdi forces stopped fighting in exchange for amnesty for Sadr himself. From August 2004 until mid-2006, the Mahdi Army had largely ended active anti-U.S. activity, but Mahdi fighters continued to patrol Sadr City and parts of other Shiite cities, particularly in Basra, where they have sought to ensure that personal behavior conforms to Islam and tradition. During 2006, however, Mahdi forces have clashed with U.S. forces in Baghdad and elsewhere on a few occasions, and there have been several U.S. military deaths by bombings in Sadr City in recent months. Mahdi (and Badr Brigade) assertiveness in Basra has partly accounted for a sharp deterioration of relations since July 2005 between Iraqi officials in Basra and the British forces that conduct peacekeeping in the city. Mahdi attacks on a British base near Amara in southern Iraq in July 2006 contributed to a British decision to abandon the base.

Iranian leaders have also cultivated ties to Grand Ayatollah Ali al-Sistani, the 75-year-old Iranian-born Shiite cleric who is de-facto leader of mainstream Shiite Islamists. However, Sistani has differed with Iran's doctrine of direct clerical involvement, and he has resisted political direction from Iran. Iran's interest in Sistani might be declining as Sistani's influence over Iraqi Shiites has waned, reportedly by Sistani's own admission to his aides. Sistani, who has called on Shiites not to be drawn into civil conflict with the Sunnis, sees many Iraqi Shiites turning to hard-line Shiites such as Sadr who are willing to combat Sunnis even if doing so involves abuses against innocent Sunnis.

Iranian support to Sunni insurgents in Iraq would not appear to fit Iran's political strategy in Iraq. The Sunni insurgents are attempting to bring down Iraq's government in which pro-Iranian factions are predominant, and Iran is seeking to perpetuate that government. On the other hand, some believe that Iran might want to support Sunni insurgents for no other purpose than to cause harm to the U.S. military position in Iraq. Another interpretation is that some of Iran's assistance to Shiite factions such as Sadr's group is being re-transferred to Sunni guerrillas without Iran's knowledge or support. Sadr has held talks with some major Sunni militant groups in an effort to forge a Shiite-Sunni anti-U.S. alliance.

Assertions of Iranian Support to Armed Groups

U.S. and allied officials assert that Iran is providing financial and materiel support to the Shiite militias discussed above. In doing so, Iran might be seeking to develop a broad range of options in Iraq that include sponsoring violence to pressure U.S. and British forces to leave Iraq or to deter the United States from action against Iran to curb its purported nuclear ambitions. On the other hand, Iran might not necessarily want attacks on U.S. forces because a U.S. departure from Iraq, if that were the result, might leave pro-Iranian factions vulnerable to Sunni insurgents. Those who take this view tend to believe that Iran is aiding Shiite militias not to instigate attacks on the United States but instead as a means of increasing its influence over the Shiite factions that field these forces.

On several occasions over the past year, Secretary of Defense Rumsfeld and senior U.S. and allied military officials and policymakers have asserted that U.S. forces have found Iranian-supplied explosives (reportedly including highly lethal shaped explosives) in Iraq.¹ In addition,

- On October 6, 2005, British Prime Minister Blair backed up press comments the previous day from an unnamed British government official who alleged that Iran had supplied explosive devices to Sadr's Mahdi Army.² Blair, in his public comments, attributed the shipments to "Iranian elements" or Iran's ally, Lebanese Hezbollah, acting on Iran's behalf, and he asserted that the explosives had been used to kill eight British soldiers in and around Basra since July 2005.
- In March 2006, Defense Secretary Rumsfeld, Joint Chiefs of Staff Chairman Peter Pace, and Commander of U.S. Central Command (CENTCOM) Gen. John Abizaid asserted that Iran's Revolutionary Guard — particularly its "Qods (Jerusalem) Forces" that conduct activities outside Iran in support of Shiite movements — is assisting armed factions in Iraq with explosives and weapons. These officials did not specify whether the weapons shipments had formal Iranian government approval or for which Iraqi faction(s) the bombs were intended.
- On August 23, 2006, Brig. Gen. Michael Barbero, deputy chief of operations of the Joint Staff, said the Iranian government is training, funding, and equipping Shiite militiamen in Iraq. On September 28, 2006, Maj. Gen. Richard Zahner, deputy chief of staff for intelligence of the Multinational Force-Iraq (MNF-I), said that the labels on C-4 explosives found with Shiite militiamen in Iraq prove that the explosives came from Iran. He added that the Iranian government provided the explosives because the Iranian military apparatus controls access to such military-grade explosives.³
- On September 19, 2006, Gen. Abizaid said that U.S. forces had found weaponry in Iraq that likely came from Iran, including a dual-warhead rocket-propelled-grenade RPG-29, as well as Chinese-made rockets. He added that Lebanese Hezbollah members were conducting training in Iran and that they could also be training Iraqi Shiite militiamen but that "[these linkages are] very, very hard to pin down with precision."⁴

¹ Scarborough, Rowan. "Rumsfeld Says Iran 'Allowing' Weapons Into Iraq." *Washington Times*, August 10, 2005.

² "Blair Warns Iran Over Iraq Bombs." *BBC News*, October 6, 2005.

³ "Iranian Government Behind Shipping Weapons to Iraq." *American Forces Press Service*, September 28, 2006.

⁴ "New Weapons From Iran Turning Up on Mideast Battlefields: Abizaid." *Agence France Presse*, September 19, 2006.

- There is no firm information on how many representatives of the Iranian government or its institutions might be in Iraq. However, two major articles, one in *U.S. News and World Report* and one in *Time* magazine, as well as other press reports,⁵ assert that Lebanese Hezbollah had established a “team of 30 to 40 operatives” in Najaf to support Moqtada Al Sadr’s Mahdi militia force and that Iran’s Revolutionary Guard had set up a network of smuggling routes to ferry men and equipment for attacks on U.S. and allied troops in Iraq.⁶ According to the report, the three principal smuggling routes were near the southern cities of Basra and Amarah, and in central Iraq, directly east of Baghdad. Some Iraqi security units in Diyala Province (which covers areas east of Baghdad) appeared to corroborate these assertions by announcing arrests of Iranian infiltrators.⁷

U.S. officials, eager to try to stabilize Iraq, have tried to engage Iran on the issue. In the December 5, 2005, issue of *Newsweek* magazine, U.S. Ambassador to Iraq Zalmay Khalilzad confirmed that he had received President Bush’s approval to undertake negotiations with Iranian counterparts in an effort to enlist Iranian cooperation in Iraq. The United States and Iran confirmed in March 2006 that they would conduct direct talks on the issue of stabilizing Iraq. However, differences began to appear when Iranian officials intimated that they would want to expand such discussions to bilateral U.S.-Iran issues, including Iran’s nuclear ambitions. The Administration opposed doing so, insisting the talks would take place in Baghdad and would be limited to Iraq issues. In addition, some Sunni groups criticized the United States for seeking the talks, maintaining that the United States and Iran might reach an arrangement to stabilize Iraq that neglects the views of Iraq’s Sunnis. In May 2006, Iranian President Mahmoud Ahmadinejad said the talks were no longer needed because an Iraqi unity government had been formed, and no U.S.-Iran talks have been held, to date.

Iranian Influence Over Iraqi Political Leaders

Since the fall of Saddam Hussein, Iran has established that it has substantial political and economic influence over and mentorship of the Iraqi government. During exchanges of high-level visits in the summer of 2005, including a large Iraqi delegation led by interim Prime Minister Ibrahim al-Jafari in July 2005, Iraqi officials essentially took responsibility for starting the 1980-1988 Iran-Iraq war, indirectly blamed Saddam Hussein for ordering the use of chemical weapons against Iranian forces during that conflict, and condemned Israel. During a defense ministerial exchange that same month, the two countries signed military cooperation agreements, as well as agreements to open diplomatic facilities in Basra and Karbala (two major cities in Iraq’s mostly Shiite south) and agreements on new transportation and energy links, including oil swaps and possibly future oil pipeline connections. Iran offered Iraq a \$1 billion credit line as well, some of

⁵ See Ware, Michael. “Inside Iran’s Secret War for Iraq.” *Time*, August 22, 2005; and “The Iran Connection.” *U.S. News and World Report*, November 22, 2004.

⁶ Coughlin, Con. “Smuggling Route Opened to Supply Iraqi Insurgents.” *London Sunday Telegraph*, October 30, 2005.

⁷ “Iraqi Police Arrest Nine Iranian ‘Infiltrators’ Near Border.” *BBC News*, October 29, 2005.

which is to be used to build a new airport near Najaf. Iraq denies that the military agreements signed include commitments by Iran to train Iraqi forces, saying the cooperation is limited to border security, landmine removal, remaining POW/MIA issues from the Iran-Iraq war, and information sharing.

Some observers say that Iran is moving to exert influence over the new, permanent government, even though the government now incorporates major Sunni figures who have traditionally been suspicious of Iran. Shortly after the government of Nuri Kamal al-Maliki took office on May 20, Iran's Foreign Minister Manuchehr Mottaki led a high-profile visit to Iraq. During that visit, Iraq supported Iran's right to pursue nuclear technology "for peaceful purposes," while also stating that Iraq does not want "any of [its] neighbors to have weapons of mass destruction."⁸ The two countries also reaffirmed the agreement to mutually secure their common border. Maliki visited Iran during September 13-14, 2006, meeting all major Iranian leaders and signing three memoranda of understanding: (1) to facilitate cross border immigration; (2) to exchange intelligence and cooperate on security issues; and (3) to expand commercial ties. During the visit, Maliki also said that members of the Iranian opposition group People's Mojahedin Organization of Iran (PMOI), who were based in Iraq during Saddam's rule and are now confined by U.S.-led forces to a camp near the Iranian border, would have six months to leave Iraq.

At the same time, some believe Iran's influence will fade over the long term. Iraq's post-Saddam constitution does not establish an Iranian-style theocratic government. Some experts maintain that rivalry between Iraq's Shiite clerics and those of Iran might increase if Najaf re-emerges as a key center of Shiite Islamic scholarship to rival Qom in Iran. Other experts note that most Iraqi Shiites generally stayed loyal to the Iraqi regime during the 1980-1988 Iran-Iraq war, which took nearly one million Iranian lives and about half that many Iraqi battlefield deaths. Although exchanges of prisoners and remains from the Iran-Iraq war are mostly completed, Iran has not returned the 125 military and civilian aircraft flown to Iran at the start of the 1991 Gulf war. On the other hand, territorial issues are mostly resolved as a result of an October 2000 agreement to abide by the waterway-sharing and other provisions of their 1975 Algiers Accords. (Iraq abrogated that agreement prior to its September 1980 invasion of Iran.)

Conclusions

In an effort to acquire strategic depth and prevent any strategic threat from materializing on its western border, Iran appears to be pursuing multiple options in Iraq: supporting the U.S.-engineered political process in Iraq because doing so favors pro-Iranian movements in Iraq, while simultaneously preserving the option of sponsoring militant activity against the United States. It is unlikely that Iran's influence will fade unless the Shiite Islamist factions in Iraq were to somehow suffer diminished political power. At current levels of Iranian influence, it is likely that the Iraqi government will continue to offer general support to Iranian foreign policy, including its attempts to continue to advance its nuclear program.

⁸ "Clarification Statement" issued by Iraqi Foreign Minister Hoshyar Zebari. May 29, 2006.