The Islamic State and the Persistent Threat of Extremism in Iraq

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THE ISSUE

Despite hard-fought victories to retake Islamic State territory, there are three major signs that Islamic State militants are regrouping, taking advantage of ongoing instability, and refocusing their campaign against the Iraqi government.

- Despite a decrease in the total number of Islamic State attacks across Iraq, attacks against government targets have increased from 2017 to 2018. Attacks have also more than doubled in Kirkuk province from 2017 to 2018.
- The Iraqi government has not addressed risk factors that contribute to instability, including the cost of reconstruction, economic stagnation, corruption, and ungoverned spaces in disputed regions across the country.
- Iranian-backed Shia militias continue to exacerbate Shia-Sunni tensions in Iraq, and their connection to Iran poses a useful recruiting tool for a sectarian-fueled Islamic State insurgency.

While many U.S. policymakers and Iraqi politicians have been quick to declare victory against the Islamic State, there are several indicators that suggest the Islamic State remains a persistent threat, and is refocusing its tactics and attacks against government targets. While Islamic State territorial control has been reduced to minor pockets of rural Iraq, the group was still carrying out an average of 75 attacks per month in 2018, including a doubling of attacks year over year in Kirkuk province. Much like the insurgent tactics of Al Qaeda in Iraq (AQI), and the Islamic State in Iraq (ISI)—the Islamic State’s predecessors—Islamic State militants are seizing on local grievances, taking advantage of ungoverned space by operating from cell structures to conduct hit and run attacks, kidnappings for ransom, targeted assassinations, and bombings using improvised explosive devices.

While the organization may have suffered a significant defeat in terms of territorial control, the Islamic State remains an attractive outlet for those who have no alternatives. Many risk factors contributing to instability have allowed the Islamic State narrative to survive in Iraq, including rampant corruption and political turmoil, tensions between Baghdad and the Kurdistan Regional Government (KRG), abundant unpatrolled and ungoverned space, backlash against the Iranian-backed Hashd al Shaabi—also known as the Popular Mobilization Forces (PMF)—and legitimate economic and humanitarian grievances in areas recently liberated from Islamic State control.

This brief is organized into four sections. The first examines the trends of sustained violence by Islamic State militants in Iraq, despite loss of territory. The second looks at the underlying instability that continues to give the Islamic State room to operate. The third is a short assessment of
the rise of the PMF and their role in exacerbating Sunni-Shia tensions. The fourth offers a conclusion and policy implications for the United States and its partners in Iraq.

LOSS OF TERRITORY, LEVELS OF VIOLENCE STILL HIGH

At its territorial peak, the Islamic State was estimated to control some 58,372 square kilometers, or 34.6 percent of Iraqi territory.\(^1\) The CSIS Transnational Threats Project estimates that the number of Islamic State militants in Iraq and Syria peaked in 2016, ranging somewhere between 10,000 to 25,000 fighters in Iraq.\(^2\) At the same time, Islamic State militants were conducting an average of 60.5 attacks per month in Iraq in 2016.\(^3\) Figure 1 shows a map of terror attacks conducted by Islamic State militants in Iraq from 2016 to 2018. An interactive version of this map is available on the CSIS website.

Figure 1: Islamic State Attacks in Iraq by Year (January 2016 – October 2018)\(^27\)
Figure 2: Islamic State Attacks in Iraq by Month (January 2016 – October 2018)\textsuperscript{28}

Figure 3: Islamic State Attacks in Iraq by Target Type (January 2016 – October 2018)\textsuperscript{29}
estimates that the group may still possess 20,000 to 30,000 militants in Iraq and Syria, with an estimated 10,000 to 15,000 in Iraq. Despite having lost 99 percent of its territory, Islamic State militants are still claiming an average of 75 attacks per month in Iraq, which is more than the average for 2016 (60.5 attacks) but less than 2017 (89.2 attacks). Figure 2 includes Islamic State attacks from 2016 to 2018—provided by the Armed Conflict Location & Event Data Project (ACLED). These data show that October 2018 was the sixth most violent month for Islamic State attacks since ACLED started tracking data in January 2016.

Fatalities from attacks were down significantly from 2016 (6217 fatalities) to 2017 (5339 fatalities) to 2018 (1656 fatalities through October). Figure 3 clearly shows a decrease in attacks on “Civilians” but an increase in attacks on “Government and State Security Services” from 2017 (363 attacks) to 2018 (394 attacks through October).

Islamic State attacks in Kirkuk province have more than doubled from 2017 to 2018.

These data trends corroborate recent conversations between the CSIS Transnational Threats Project and Iraqi and U.S. security officials on the ground in Iraq, who suggested that the Islamic State has shifted tactics, and has sustained high levels of violence, despite loss of territory. The U.S. coalition has publicly acknowledged the increase in Islamic State activity in Kirkuk and disputed territories in Iraq.

ACLED data show that attacks in Kirkuk and Salah ad-Dine Provinces are at all-time highs through October 2018. Figure 4 is a graph of attacks by Islamic State militants in each Iraqi province. Through October 2018, Islamic State attacks in Kirkuk province have more than doubled from 2017 to 2018. Salah ad-Dine province has also seen an increase in the number of attacks year over year, and Diyala province is similarly on track to see an increase in attacks from 2017 to 2018.

The lack of an official military presence throughout ungoverned space and disputed territories in Kirkuk and Salah ad-Dine provinces have enabled Islamic State militants to operate freely. This is due in part to the security vacuum caused by the forced withdrawal of Kurdish Peshmerga from these areas following the Kurdish referendum. Figure 5 below shows Islamic State attack data from 2018 overlaid on satellite imagery of the Hamrin mountains, an ungoverned and remote area south of Kirkuk and north of Tikrit, where the lack of active patrols by the ISF or Kurdish Peshmerga are allowing Islamic State militants freedom to operate.

In addition to operating from Iraq’s ungoverned and disputed regions, the Islamic State continues to use the digital caliphate to support its narrative. The stream of propaganda published by the Islamic State online continues to be the most important source for the Islamic State to widely share statements promoting its anti-Western narrative. The Islamic State’s Hayat Media Center launched a new series of weekly videos in August 2018 and provides—among other propaganda benefits—statistical breakdowns of purported

Figure 4: Islamic State Attacks in Iraq by Province (January 2016 – October 2018)
Islamic State activity across Iraq, Syria, and the world.\textsuperscript{11} This sustained effort to produce and distribute propaganda online indicates that the Islamic State views the digital caliphate as one of the most powerful tools for dissemination of the Islamic State’s extremist messaging. This propaganda effort also may indicate an ongoing effort to overemphasize its real role on the battlefield, and to recruit new fighters. Taken together, these data indicate that while the Islamic State has lost swaths of territory, it has survived, is conducting significant numbers of attacks, and is leveraging the digital caliphate to promote its narrative.

RISK FACTORS FOR SUSTAINED INSTABILITY AND INSURGENCY

As the Islamic State transitions away from territorial control to insurgent cell structures, key risk factors remain that could enable ongoing insurgency and continued instability. While the World Bank expects Iraqi GDP growth to accelerate to 6.2 percent in 2019, questions remain about how this growth will be distributed. Corruption remains a big challenge in both Baghdad and Erbil, and Transparency International ranks Iraq 169th out of 170 countries in its 2017 Corruption Perceptions Index, scoring an 18 on a scale of 0-100.\textsuperscript{12} Demographic trends exacerbate these governance challenges, and Figure 6 shows data from the CIA World Factbook that estimate 58.71 percent of the Iraqi population to be under the age of 25.\textsuperscript{13} Iraq’s national youth unemployment rate is 16.06 percent but is likely to be much higher in provinces affected by the recent fighting with Islamic State militants, such as the Sunni-majority Nineveh, Salah ad Dine, and Anbar provinces. There are no reliable data points for employment of refugees and internally displaced persons (IDPs) in Iraq, of which the United Nations High Commissioner for Refugees (UNHCR) estimates there are 7,218,401, or
20 percent of Iraq’s total population. In a June 2018 report, UNICEF claimed that “nearly 3.5 million school aged Iraqi children do not attend school or attend irregularly, and more than 600,000 displaced children have missed an entire year of schooling.”

A failure by the Iraqi central government to provide opportunities for these populations could offer the Islamic State several new pools for recruitment. Cost estimates for rebuilding and stabilizing Iraq have ranged widely—from as little as $20 billion for reconstruction to $88 billion for broader stabilization efforts. A February 2018 conference saw $30 billion of support pledged by international partners. But the international community has already spent billions on Iraq; the United States alone spent nearly $60 billion in Iraq prior to the rise of the Islamic State. Furthermore, reports indicate that the Iraqi government is moving slowly to start reconstruction, especially in former ISIS strongholds like Mosul and Fallujah. The CSIS Transnational Threats Project interviewed IDPs in Iraq who had returned to Mosul after Islamic State militants were cleared in 2017, only to leave again because nothing had been rebuilt.

Moreover, the number of protests and riots in Iraq have spiked in 2018. Figure 7 shows data on riots and protests provided by ACLED since it began tracking the metric in January 2016. An indicator of civil unrest, these Iraqi riots and protests may provide an opportunity for the Islamic State to direct its messaging and rhetoric towards new recruits. Time will tell whether the new Iraqi government will succeed in rebuilding the country, or whether the Islamic State will be able to seize on anger against Baghdad, resulting in similar insurgent support that the Islamic State’s predecessor groups, AQI and ISI, enjoyed before the Islamic State emerged in 2014.

THE PRESENCE OF HASH’D AL SHAABI AND THE ISLAMIC STATE

The Islamic State is also uniquely positioned to provide an outlet for Sunnis to fight back against the presence of Iranian-backed militias collectively known as Hash’d al Shaabi, or Popular Mobilization Forces (PMF). These Iranian-backed Shia militias played a key role in pushing out Islamic State militants from areas around Kirkuk, Salah ad-Dine, Diyala, Nineveh, and Anbar provinces. Many of these PMF forces continue to occupy these areas—particularly urban centers—ostensibly providing security for local populations. The PMF have failed, however, to provide equal protection to Sunni and Shia populations. The PMF are focused on urban centers, and have not secured territory in rural areas, particularly in parts of Kirkuk and Salah ad-Dine provinces, where Islamic State militants have been left to operate and control limited amounts of territory.

A main concern about the PMF is their presence in Kirkuk. A multi-ethnic city, Kirkuk is the capital of the province that has experienced the largest number of Islamic State attacks in 2018. Kirkuk has long been a target of Islamic State attacks. In October 2016, Islamic State militants conducted a coordinated raid and suicide attack on the city of Kirkuk. While the raid was eventually repelled by Peshmerga forces, it resulted in the deaths of some 76 Kurdish Peshmerga and allied forces. Only a year later, after the Kurdish referendum, the ISF moved to reclaim Kirkuk from Peshmerga Forces. The Iraqi Ministry of Displacement and Migration estimated that the October 2017 offensive displaced some 85,000 civilians. In addition to the offensive on Kirkuk, the ISF and PMF moved into other Kurdish-held areas of northern Iraq, including Tuz Khurmato, which was estimated to have displaced an additional 30,000 civilians. These seizures had a number of implications, including for the oil and gas fields surrounding Kirkuk, which are now back in the hands of Baghdad. The oil pumped from these wells had been shipped by truck into Iran until late October 2018, when the shipments were halted in line with U.S. sanctions.

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POLICY IMPLICATIONS
In order to keep the threat of a resurgent Islamic State under control in Iraq, a strong and unified response is needed—including both civil and military efforts—from Baghdad, Erbil, and the United States. Both the ISF and Kurdish Peshmerga have proven to be strong, capable partners for the United States and have proven successful at reducing Islamic State territorial control. Constant and coordinated pressure from the ISF, Peshmerga forces, and the U.S. coalition is essential to prevent a resurgence from the Islamic State. Notably, the ISF and Peshmerga have been successful in disrupting Islamic State cell structures in Iraq, as was recently seen with a coordinated sting by U.S.-led coalition forces and the Kurdish Counter-Terrorism Group (CTD) in October 2018.

It also has implications for the security and safety of the region’s multiethnic populations, which includes Arabs, Kurds, Turkmen, and other minorities. The PMF have only exacerbated these issues, alienating Sunni Arabs, Kurds, and others.

In the past, Islamic State leadership has used violent rhetoric to denounce PMF and Shia presence and encourage supporters to perform “jihad” or fight against the Shia forces in Iraq and Syria. In a July 2012 speech, Abu Bakr al-Baghdadi called for followers to fight against Shia forces, “I direct my call to all the Muslim youth and men all over the world, and call them to make Hijrah to us to consolidate the pillars of the State of Islam and perform Jihad against the Safavid Rafida—the Magian Shiites.” In the future, the Islamic State may use similar rhetoric decrying the PMF as a common enemy to unite disenfranchised populations and recruit them into its ranks.

As noted earlier, the number of Islamic State attacks in Kirkuk province have more than doubled from 2017 to 2018. The Iraqi central government needs to address the future of the multiethnic population of Kirkuk province and of Iraq more broadly. There are local, regional, federal, and even transnational sectarian trends that are affecting the situation on the ground. A solution to the current crisis needs a carefully drawn up reconciliation process, not a heavy-handed security-focused approach that relies on sectarian militias. If these trends continue, it’s likely that the Islamic State will take advantage of this situation to recruit new militants and to conduct operations.

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While significant trust has been lost between Erbil and Baghdad since the October 2017 offensive in Kirkuk, it’s important that the two governments come together and unite around the issues that they can agree upon. Counterterrorism, specifically security cooperation against the Islamic State, is one of those issues. The United States should support the reinstatement of joint ISF-Peshmerga patrols in disputed regions. While the ISF and Peshmerga have been separately conducting limited numbers of successful patrols in rural parts of provinces formerly held by the Islamic State, including Nineveh and Kirkuk, there still have been no joint patrols since the Kurdish referendum in 2017. Understandably, there are political sensitivities to having the Peshmerga redeploy to Kirkuk, but the alternative is a security vacuum or relying on sectarian militias to patrol Kirkuk, is inviable. Baghdad must recognize that a multiethnic joint security force of Peshmerga and ISF components would be much more effective at disrupting Islamic State activity than the PMF.

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The Kurdish Peshmerga have their own sectarian and tribal issues that must be resolved before redeploying to disputed regions to conduct joint patrols with the ISF. The Barzani-led Kurdistan Democratic Party (KDP) and Talabani-led Patriotic Union of Kurdistan (PUK) each have their own Peshmerga forces—known as Unit 80 and Unit 70, respectively—which do not share unified command and control structures. Efforts have been initiated to create a third “unified” Peshmerga command that will integrate the units under a Ministry of Peshmerga. This unified command may serve as an example of a Kurdish Peshmerga force that could work with the ISF to secure Kirkuk and the surrounding regions. Security force cooperation alone will be not able to prevent a resurgence from the Islamic State. The real challenges lie in addressing the risk factors highlighted above, including corruption, a youth bulge, income inequality, high populations of displaced persons, and the cost and speed of reconstruction in areas destroyed by the fight against the Islamic State. A failure to address these factors will surely give the Islamic State the opening to recruit new members and foster an ongoing insurgency.

Security cooperation alone will be not able to prevent a resurgence from the Islamic State

Foremost among these instability factors is the presence of the Iranian-backed PMF. These forces are not professional soldiers, nor are they traditional police forces, and therefore should not be treated as such by the central government in Baghdad. The United States should encourage the new Iraqi government to remove PMF forces from Kirkuk and other disputed regions of Iraq and instead replace them with professional forces from the ISF. The United States could also offer to expand training for new ISF troops that would be used for joint patrols. Moreover, there are some moderate PMF elements that could be further professionalized and more deeply integrated into the ISF. There will, however, be challenges to opposing the PMF, as 45 former Shia militiamen were elected to Iraq’s 329-seat parliament in May. There are many challenges ahead, but the United States and the international community must stand by its Iraqi and Kurdish allies to prevent the Islamic State’s resurgence, to encourage efforts to address instability factors, and to prevent further sectarian violence in Iraq.

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ENDNOTES

1 Seth Jones et al., Rolling Back the Islamic State (Santa Monica, CA: RAND, 2017).
3 Data adapted by the CSIS Transnational Threats Project from the Armed Conflict Location & Event Data Project (ACLED).
8 The CSIS Transnational Threats Project analyzed attack data provided by the Armed Conflict Location & Event Data Project (ACLED). Data include only Violence against civilians and Remote violence. The data do not include Battles, riots, protests, or any other event tracked by ACLED. Accuracy of ACLED data is limited by the accuracy of the media reports ACLED analysts are monitoring.
9 Author interviews in Iraq, October 2018.
14 Estimate of total population of concern includes IDPs, IDP returnees, Syrian refugees, non-Syrian refugees, and stateless persons. See, for example, “Iraq Factsheet - June 2018,” UNHCR, June 2018, https://reliefweb.int/sites/reliefweb.int/files/resources/UNHCR%20Iraq%20Factsheet%20June%202018.pdf.
22 “Iraq to halt Kirkuk oil exports to Iran may resume them to Turkey,” Reuters, October 26, 2018, https://www.reuters.com/article/us-iraq-oil-iraq-to-halt-kirkuk-oil-exports-to-iran-may-resume-them-to-turkey-idUSKCN1N020R.
23 For more on this subject, see Seth Jones, A Persistent Threat (Santa Monica, CA: RAND Corporation, 2014), https://www.rand.org/content/dam/rand/pubs/research_reports/RR600/RR637/RAND_RR637.pdf.
27 Map created by the CSIS Transnational Threats Project. Data adapted from ACLED.
28 Data adapted by the CSIS Transnational Threats Project from ACLED.
29 Ibid.
30 Ibid.
31 Images taken from Google Earth. Data adapted by the CSIS Transnational Threats Project from ACLED.
33 Data adapted by the CSIS Transnational Threats Project from ACLED.