

MIDDLE EAST

The Impact of Israeli-Iranian Tensions on Iraqi Policy

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On April 13 and October 1, 2024, the hostility between Iran and Israel turned into open confrontation after several decades of shadow war, marked by bombings, assassinations, and sabotage. On these dates, Iran launched hundreds of drones and ballistic and cruise missiles at Israel in retaliation for the April attack on the Iranian embassy in Damascus and the October assassination of Ismail Haniyeh, the political leader of Hamas, in Tehran. Consequently, just twenty-five days after the second Iranian attack, Tel Aviv deployed dozens of fighter planes in three attack waves targeting twenty sites of Iran's military, missile, and defense bases.

This mounting hostility between Israel and Iran is, however, exacerbated by the Axis of Resistance, groups such as Hezbollah in Lebanon, the Houthis in Yemen, and militias in Iraq and Syria, which have long served as proxies of Iran, helping to ensure the security of Iran's outer ring against the US, Europe, Israel, and other regional enemies. At this time, their preparedness and combat conditions have sunk to a new low after Israel's widespread assassinations of their officials.

The PMF, or Popular Mobilization Forces, are volunteer militia groups in Iraq that were established by a fatwa issued by Ayatollah Sistani, an influential cleric, to fight the Islamic State of Iraq and the Levant (ISIS). They remained after the conflict ended, and Iran continues to influence them profoundly. Now often known as the Islamic Resistance in Iraq (IRI), this group has repeatedly attacked Israeli and American bases in the region in support of Hamas in Gaza ever since the October 7 attack on Israel last year. As the host country of these insurgents, Iraq has found its existence and national interests under threat, prompting Iraqi politicians to protest against these groups and accuse them of dragging the country into the Israeli-Iranian conflict.

Political turmoil

In the aftermath of October 7th, the IRI praised Hamas's attack on Israel and joined with the Houthis in the region in attacking various areas of Israel. From November 2023 to May 2024, the IRI launched more than 90 attacks on Israel, more than half of them (51 percent) against targets in the south, 40 percent in the north, and 7 percent in the center (Source: Alma 2024). These attacks increased sharply after the Israeli assassination of Hassan Nasrallah, the Secretary General of Hezbollah, and affected the political stability of Iraq. Iraqi Foreign Minister Fuad Hussein [said](#) on 22 November 2024 that his country faces serious, clear and [tangible threats](#) from Israel and that Baghdad has taken internal and external steps to counter them.

Concurrently, these attacks caused Iraqi territory to be the scene of confrontation between the IRI and US and Israeli military forces. Before Israel attacked Iran on October 26, 2024, Israeli planes first [attacked](#) Syria and Iraq to prevent radar warnings from being sent to Iran. Explosions were also reported in Basra, and the Iraqi airspace was temporarily closed.

After the Israeli attack on Iran, the IRI strongly condemned Tel Aviv. Abbas al-Zaidi, a senior member of the Kata'ib Sayyid al-Shuhada (Master of Martyrs Battalion, an Iraqi Shi'a paramilitary force), [vowed](#) to punish Israel for using Iraqi airspace to attack Iran. Muqtada Al-Sadr, the leader of the Sadrist Movement of Iraq, an Iraqi Shi'a Islamic national movement and political party, also [called](#) Israel's recent attack on Iran a violation of international law, saying that it "is still too contemptible and small to be condemned."

Furthermore, the involvement of the IRI in the tensions between Iran and Israel has [divided](#) Iraq between Hamas supporters and opponents, which in turn has dragged the government into political debates about these positions. Diplomatically, the government's lack of serious dealings with the IRI has caused Iraq to lose its image of neutrality in the eyes of some countries. For instance, Israeli Prime Minister Benjamin Netanyahu [called](#) Iraq, along with other countries allied with Iran, rogue states at the United Nations, a statement that may have veiled a serious threat of Israeli military action.

Economically, Iraq has been heavily [affected](#) by oil price fluctuations and fears of becoming a battlefield, factors that deter investors and capital. As a result of the Gaza war crisis, the government's promised reform program has stalled and ceased to be a priority, given the

involvement of pro-Iranian militias in rising sectarian conflict. This has weakened the standing of the government and the prime minister significantly. These factors expose the country to public unrest, as in the October 2024 attack on the MBC media company (Middle East Broadcasting Center, a Saudi media conglomerate founded in 1991 and based in Riyadh).

The riot at the Baghdad studio of the Saudi broadcaster MBC stemmed from a television report aired by a subsidiary production company. This report labelled some commanders of Iran-backed militias in the region as terrorists. In response, some 400-500 people attacked the studio, destroying electronic equipment and computers and starting a small fire. The station was nearly looted. Mustafa Sanad, a member of the Iraqi parliament, later [said](#) it was not enough to “loot or burn” MBC’s offices, and vowed to revoke the channel’s license in Iraq, as happened soon after

The involvement of the IRI in the conflict between Iran and Israel causes internal bipolarity and distances Iraq from its Arab neighbors, some of which protest against what they see as Iran’s profound influence in Iraq. This has furthermore made them less willing to invest in Iraq.

Economic challenges

Reportedly on the [advice](#) of Joe Biden, Israel did not hit oil wells and installations in its April and October attacks on Iran. However, if Tehran continues its attacks, Israel is unlikely to refrain from a more decisive response. Bombing Iran’s oil industry, with an export capacity of 1.8 million barrels of oil per day, would [cause](#) a sudden shock to global oil prices and move up to 16 percent of the global price. In addition, the Iranians would carry out their threat to close the Strait of Hormuz, an action they have repeatedly threatened. As the former president of Iran, Hassan Rouhani, [stated](#) in 2018, “If Iran cannot export, no one will.”

Such a move would spell disaster for the world’s free supply of oil, for 20 percent of the world’s crude oil and almost 20 percent of the world’s liquefied natural gas (LNG) passes through the Strait of Hormuz, which is a key shipping access point for global consumer markets. Iraq’s oil exports to China and the US would be particularly vulnerable. Even though Iraq has several pipelines and land transfers for oil exports to [bypass](#) the Strait of Hormuz, such as the Jordan-Iraq line and Turkey’s Ceyhan line, it would be one of the biggest [losers](#) in closing the Strait of Hormuz, as it exports 95 percent of its oil through it. Moreover, almost 90 percent of the Iraqi

public budget depends on oil, which means that closing the Strait of Hormuz would result in a loss of 90 percent of Iraq's public revenue.

Furthermore, the assassinations of leading figures, the attacks on senior proxies in the region, the failure to prevent the infiltration of Israeli aircraft, and the bombing of military installations have led Iran to consider further means of deterrence. This may lead Tehran to [acquire](#) a nuclear bomb. Endowed with a large stockpile of highly enriched uranium, Iran still faces technical limitations such as its inability to manufacture nuclear warheads. Nevertheless, the goal is not out of reach. Spurred by a shifting balance of power and the need for deterrence, Tehran will be more willing to pursue its development of nuclear weapons. Iran's changing attitude is reflected by the thirty-nine parliamentarians who recently [wrote](#) a letter to the Supreme National Security Council calling for a change in the Islamic Republic's deterrence policy and defense doctrine and a revision of the Supreme Leader's religious fatwa prohibiting nuclear weapons. If Iran goes along with this proposal, it may well lead to a nuclear race against Iran's old rival, Saudi Arabia. Such a development would further destabilize the region and cause changes in Baghdad's regional defense policies.

The parliamentary elections

Instability and sectarian differences have a greater impact on the political situation in the Kurdistan Region of Iraq (KRI) than the tension between Iran and Israel. The KRI's parliamentary elections were held on October 20, 2024, after two years of delay. As in the 2018 elections, the two largest Kurdish parties again won the most seats, but neither won a majority. The Kurdistan Democratic Party (KDP) [won](#) 39 out of 100 seats and the Patriotic Union of Kurdistan (PUK) won 23. The opposition New Generation Movement (NGM), which is the smaller party of the two, won 15 seats.

Although the tensions between KDP and PUK have reached a peak in the last few years and both parties have different opinions on power sharing, they have no choice but to form a coalition government in view of the number of seats. On the surface, one might [imagine](#) that the KDP would win 12 seats through an alliance with the NGM and became the majority party in parliament. However, this would impact Kurdistan's power structure, as it would be difficult, if not impossible, for the two major political parties to govern effectively if one of them were to

move into the opposition. Neither the PUK nor the KDP could envision themselves in opposition, as taking on such a role would threaten their very existence.

None of Iran's proxies exist in the KRI, and Iran's relations with the Kurds are mostly economic, even though Iran has even launched two missile attacks on the region. However, recent events in the Iraqi parliament may reduce Iran's power in Iraq.

Iraq's parliament has [elected](#) veteran lawmaker Mahmoud Al-Mashhadani as speaker. After a year of being held by a Shiite Muslim, the position returned to a Sunni Arab in keeping with the country's ethno-sectarian apportionment system. While the speaker's power may be challenged by powerful Shiite parties seeking to regain their position Al-Mashhadani will counter their policies with his own and make efforts to limit pro-Iranian parties, thereby creating barriers to curb Iran's actions in the Iraqi political arena.

The region is experiencing a war caused by military aggression between Israel and Iran, which, if it escalates, will involve all the countries in the region. Iraq is in a particularly vulnerable position due to the presence of Shiite resistance groups supported by Iran. To manage these tensions, Iraqi politicians must create a convergent national framework supported by a relative majority of domestic factions and sects.

**image credit: Associated Press*

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