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## UNDERSTANDING THE ROOTS OF THE YOUNGER GENERATIONS' DESPAIR IN THE KURDISTAN REGION OF IRAQ

*Shivan Fazil*

## About the Author

Shivan Fazil is a Researcher with the Middle East and North Africa Programme at Stockholm International Peace Research Institute. His work mainly focuses on drivers of conflict, peacebuilding and governance in Iraq. He is regularly quoted in the international media, commenting on social, political and security dynamics in post-conflict Iraq. Fazil holds an MSc in Middle Eastern Politics from the School of Oriental and African Studies, University of London. Email: [shivan.fazil@sipri.org](mailto:shivan.fazil@sipri.org), Follow him on Twitter: @ShivanFazil.

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Cover photo: People take to the streets for celebration after the controversial unconstitutional referendum for an independent state of Iraqi Kurdish Regional Government (IKRG) on 25 September 2017 in Erbil, Iraq. The non-binding unconstitutional referendum were took place in areas under the control of the Kurdish Regional Government (IKRG) in northern Iraq. © Hamit Hüseyin - Anadolu Agency

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# 1 Understanding the Roots of the Younger Generations' Despair in the Kurdistan Region of Iraq

Following the 2003 US-led invasion of Iraq, the Kurdistan Region of Iraq (KRI) was for many years [hailed](#) in the west as “the other Iraq” for its relative peace and prosperity. Two decades on, however, the KRI has started to share the same governance challenges that grip the rest of the country; [dashing the hopes](#) of an entire generation that grew up and came of age under the Kurdish self-rule with little to no memory of life under the previous regime.

Young people's needs and demands for quality education and employment are repeatedly not [met](#), and as a result, youth disenchantment is mounting. This unprecedented moment of pressure on the [region's youth](#) is rooted in an economic slump that is frustrating the aspirations of youth, who are forced to bear the brunt of decisions they have no part in making. In addition to economic factors, youth political participation (or lack thereof) is also playing an important role. Policy-making processes are not inclusive and participatory due to the waning interest in politics and insufficient participation and inclusion of youth. Hence, socio-economic policies and plans are not in line or responsive to the needs and aspirations of a young and steadily growing population.

Consequently, dissent and despair have been on the [rise](#) since the fraught 2017 independence referendum despite the authorities' efforts to [constrain](#) protests. In 2022, for the second year in a row, university students across the governorates of Sulaymaniyah and Halabja [staged](#) week-long demonstrations and boycotts demanding the government reinstate a small monthly stipend, improve housing conditions, and reduce tuition fees. In 2021, university students [took](#) to the streets demanding the restoration of monthly allowances that were cut in 2015 as part of the Kurdistan Regional Government's (KRG) austerity measures. The year before that another largely youth-led protest wave had [erupted](#) in Sulaymaniyah before it soon spread to the far-flung mid-sized towns where the impact of economic crises is particularly severe. The rhetoric compared to pre-referendum protests was maximalist with demonstrators calling for an end to the [two-party rule](#) political system. The demands of the 2022 and 2021 protests nevertheless brought tens of thousands of students to the streets.

The [fallout](#) from the referendum which included, amongst other things, the setback in the disputed territories and diminished leverage vis-à-vis Baghdad was seen as the failure of the political elite to advance the Kurdish national ambitions. It also gave impetus for the more maximalist narrative in recent demonstrations and calls for the overhaul of the two-party rule in the KRI. The rage and rhetoric of the demonstrations, however, were also used as a pretext by the

government to dismiss youth protests as illegitimate, further widening the gap between the youth and the authorities.

Young people are not only expressing their frustration through street protests: steady streams are also [risking](#) their lives in the pursuit of a better life abroad. In November 2021, images of Kurdish migrants from Iraq, primarily the youth, stranded at the Belarus-Poland border grabbed the international [headlines](#). They had taken the perilous [journey](#) due to persistent and increasing unemployment and loss of hope, despite the region's oil riches.

Therefore, the socio-economic situation that shapes the demands and aspirations of the youth is key to understanding growing disillusionment and dissent in the KRI.

## “A golden decade”

The future looked bright for the Kurds in Iraq after the turn of the millennium. They had endured genocide and the effects of crippling economic sanctions over the previous two decades. However, while the rest of Iraq drifted into chaos after a 2003 US-led invasion toppled longtime ruler Saddam Hussein, the KRI remained quiescent. It enjoyed relative peace and stability and embarked on a decade of economic [boom](#). The Kurds who were the big winners from the regime change began to hope. The Kurdish population was [promised](#) by the ruling parties that their share of the federal budget and oil revenues from the newly developed oil wells in the region, could replace the impoverishment of the preceding decade. In 2009, the start of Kurdistan Region oil exports was [declared](#) by then President Massoud Barzani as “a historic date” and “a giant step” and promised that “this achievement will serve the interests of all Iraqis, especially the Kurds.”

The new access to [oil wealth](#), which had previously been inhibited by international sanctions and locked up under the control of the Ba'ath regime, began to fund sprawling gated communities, shopping malls, and private schools in the region's largest cities, widening the income gaps between the different social classes. The political leadership's aspirations to turn the regional capital, Erbil, into the “next [Dubai](#)” seemed to be fast becoming a reality. People, young and old, believed the promise. However, the adopted economic model was at the expense of the policy considerations and development priorities of the future generations.

The KRG provided free education and healthcare, subsidies for fuel, and jobs in the public sector – offering [employment](#)

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in exchange for loyalty and acquiescence. It extended loans to support private enterprises and housing mortgages to its citizens. The public sector became the single [largest](#) employer to absorb the tens of thousands of young graduates entering the job market annually. New jobs were increasingly created in the [public sector](#) rather than the private which was still quite small. Living conditions improved at a rapid pace. The economy grew considerably thanks to oil rents and public investment. The government's [annual budget](#) increased from \$2.5 billion in 2005 to \$13 billion in 2013. The outcomes of this economic model, in the short run, were low and declining inequality, low poverty, and to some extent, shared prosperity. In the long run, however, funding the salaries of this bloated and inefficient public sector has become a real [burden](#) and a challenge given oil price fluctuations.

These developments ushered in and greatly shaped the current social contract between the rulers and the ruled, where the political elite defined politics based on Kurdish identity and nationalism, or [Kurdayeti](#). It was in this context that a frail and fragmented social contract was put in place, shortsightedly focusing on the provision of universal education and health as well as visible welfare interventions and employment without ensuring the sustainability of this model.

### A fundamentally broken social contract

Several aspects of this social contract have begun to fray since 2015. *First*, because of economic [recession](#), owing to the war with the so-called Islamic State, plummeting oil prices (between 2014-2016- and again in 2020), and to protracted revenue-sharing disputes with the federal government of Iraq. The public sector could no longer [absorb](#) the thousands of young people entering the job market each year. The KRG since 2013, which last had a [budget law](#), slashed public spending which included [salary cuts and a hiring freeze](#), and, in doing so, delivered a major blow to an entire generation that expects employment and benefits. They believed that if they obtained a university education that they would find a job; instead, they were suddenly faced with the prospect of competing for elusive opportunities of employment. The long-standing skill mismatch has not prepared them with the skills suited for the job market. Youth unemployment and idleness have [soared](#) – the total rate of people aged 15-24 who are not involved in education, employment, or training is 30% (20% for males and 40% for females). The overwhelming sense is that most employment opportunities are based on one's political and social connections rather than merit.

*Second*, the lagging growth in the private sector is also connected to the nature of the region's political economy. The rapid development of some [sectors](#) such as the natural resources and real estate sectors at the expense of the more productive and labor-intensive sectors, a phenomenon that is known as the [Dutch disease](#), has weakened the region's economy and inhibited the growth of [others](#) such as manufacturing and agriculture. Relatedly, politically connected [conglomerates](#) benefit from generous rents and deals that undermine competition, entrepreneurship, and job creation. The most lucrative sectors, such as the real estate, telecommunications, and oil and gas tend to be dominated by companies that are owned by or connected to the [ruling parties](#). The private sector growth has [remained](#) insufficient to absorb the surplus labor. In addition to the aversion to work in the highly unregulated private sector where the pay remains low despite the long hours. Worse still, like the rest of Iraq, the KRI has not escaped what is called the "[resource curse](#)": it has ended up with less economic growth, less democracy, and less social equality, not despite the abundance of natural resources but because of them.

*Third*, nearly a decade of austerity has precipitated the rapid decline in the provision of basic services – especially healthcare and education. These sectors are not only vital in people's daily lives but are also, along with the security services, the most important public sector employers, especially for women's labor force participation. The government still provides basic education and healthcare, but the [quality](#) of these services has declined. Protests and strikes [against](#) unpaid salaries, along with the lack of teaching and medical staff, have further deteriorated public service provision. The COVID-19 pandemic, which compelled [hospitalization](#) and [homeschooling](#), barred many from a meaningful learning experience and exposed the substandard condition of the vital health and education sectors. People are forced to [resort](#) to private hospitals/clinics and schools for better healthcare and a more meaningful learning experience.

Moreover, poor public service provision has created a lucrative market for private education and healthcare. This has forced people to pay for the same services to which they are already entitled in order to get them in better quality. For instance, the aspiring middle class is driven to send their kids to private schools and universities to learn skills in the hope of increasing their competitive advantages in an increasingly tight job market. The outcome has been a growing sense of social inequality and injustice, which is acutely felt by young people who bear the brunt of its consequences.

All of these factors have contributed to rising dissatisfaction with the government to the point that [street protests](#) are a regular occurrence, albeit limited to the eastern part of

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the region. Recent protests have also become increasingly [violent](#) because of the authorities' securitization of public space and growing [intolerance](#) of dissent. The unspoken deal at the heart of Kurdish politics in Iraq has been that the ruling parties control the political space but, in return, they deliver a better life. However, the austerity policies pursued since 2015 have reversed the improvements in living standards. Moreover, the region's economic development model adopted in the preceding decade has made many people feel left out and with elusive prospects of social upward mobility. It has also contributed to rising public dissatisfaction and disenchantment with politics, while the region's population is ever more disaffected and struggling to make ends meet amid soaring [inflation](#) and a cost-of-living crisis.

## The way forward

The highlighted trajectory points to a clear indication that the current situation is unsustainable and requires a course correction. Renegotiating or redrawing the social contract has become a necessity to realign the relationship between the government and society and the obligations each has to the other. The public sector should be reformed to ensure the provision of the basic services that the government is expected to deliver. This is central to meeting citizens' expectations of the government and enabling the emergence of a more balanced and durable social pact.

The reimagined [social contract](#) must protect the most vulnerable such as the low-income earners and stimulate human capital development. A major challenge is to overcome [inter-party squabbles](#) that compound the region's governance issues and to address patronage and nepotism. There are some promising developments as socio-economic concerns have become catalysts triggering the surge in [entrepreneurship](#) and [activism](#), which indicates that the new generation is willing to break away from the patronage system. It is also embracing a citizenship model that is more inclusive and allows greater rights and responsibilities for citizens. They have [formed](#) new platforms, ideas, and dreams to push for a more just and prosperous future. These positive signs, however, are highly constrained by the system in which they operate and represent glimmers of hope rather than broad rays of progress.

Across the board, talents can be found waiting to be tapped, entrepreneurial flair ready to be unleashed, and young people impatient to be given their chance. They are being held back by the region's broken economy and [broken politics](#). They also lack opportunities to engage with the [political process](#) and thus often turn to other non-political means to articulate their demands and express their dissatisfaction. There is also a growing fatigue with the region's two ruling parties in

charge since the inception of the region in 1991. The record low [turnout](#) in recent elections is an indication that they have lost faith in bringing about change in the status quo through conventional means. Abstaining is also a political decision. It is, therefore, imperative to address the waning interest in politics and facilitate youth engagement and participation in the political process.

To be sure, while the KRI's ruling parties hold the federal government in Baghdad responsible for the economic slump, the younger generations anticipate jobs, services, and opportunities, not from the Government of Iraq, but from their own rulers in the semi-autonomous region, who presided over its rise and prosperity, but have signally failed to ensure its fair and equitable distribution. Indifference and failure to heed the demands and frustrations of the young population will likely lead to more resentment that could bring the kind of unrest that other parts of Iraq have faced in recent years.

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### About the Arab Reform Initiative

The Arab Reform Initiative is an independent Arab think tank working with expert partners in the Middle East and North Africa and beyond to articulate a home-grown agenda for democratic change and social justice. It conducts research and policy analysis and provides a platform for inspirational voices based on the principles of diversity, impartiality, and gender equality.



[contact@arab-reform.net](mailto:contact@arab-reform.net)  
Paris - Beirut - Tunis