
SOURCE FILE

IRAQ: WASHINGTON, TEHRAN, AND MOSCOW COMPETE FOR INFLUENCE IN BAGHDAD



CORE GROUP

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Prepared By: Core Group — Strategic Analysis Unit

KEY JUDGMENTS

KJ-01 **HIGH CONFIDENCE**

Three external vectors currently drive Iraqi politics: an explicit US veto of Nouri al-Maliki's return to the premiership, intense Iranian pressure to install a reliable ally, and Russian penetration via a newly exposed military recruitment network.

KJ-02 **HIGH CONFIDENCE**

The Iraqi National Security Council's public dismantling of the Russian recruitment network (17 arrests) Highly likely functions as a signal to Washington, Moscow, and Tehran that the state security apparatus retains independence and negotiating leverage.

KJ-03 **MEDIUM CONFIDENCE**

The prime ministerial vacuum and the stalled ethno-sectarian apportionment (muhasasa) system create an opening for an intelligence-backed "third option" candidate. However, any viable alternative requires tacit Iranian tolerance.

KJ-04 **HIGH CONFIDENCE**

The failure to seat a government risks severe security degradation, providing a predictable operating environment for ISIS reconstitution in the Sunni triangle and further Russian clandestine expansion.

I. HISTORICAL BACKGROUND

A. The Post-2003 Political Structure: Muhasasa

The 2003 US occupation established an ethno-sectarian apportionment structure (muhasasa) to distribute power. By informal convention, the Prime Minister is Shia, the Speaker of Parliament is Sunni, and the President is Kurdish. This system was designed to prevent a return to Sunni-minority authoritarianism but inadvertently institutionalized corruption, systemic patronage, and vulnerability to external manipulation.

B. The Role of Iran and the PMF

Following the 2003 invasion, Iran aggressively filled the strategic vacuum, building deep political and security networks within the Shia majority. The rise of ISIS in 2014 catalyzed the formation of the Popular Mobilization Forces (PMF or al-Hashd al-Sha'bi), an umbrella of predominantly Shia militias. While nominally integrated into the Iraqi state security apparatus, key PMF factions (e.g., Kata'ib Hezbollah, Asa'ib Ahl al-Haq) maintain primary ideological and operational loyalty to the Islamic Revolutionary Guard Corps (IRGC), granting Tehran a coercive military veto over Baghdad's politics.

C. The Current Crisis

The parliamentary elections failed to produce a governing coalition. The Coordination Framework (the Iran-aligned Shia political bloc) nominated former Prime Minister Nouri al-Maliki, a polarizing figure deeply associated with the sectarian policies that preceded the rise of ISIS. The US and regional Arab states vehemently oppose his return. The resulting deadlock has left Iraq without a fully empowered executive during a period of escalating regional instability.

II. EXTERNAL ACTORS AND VECTORS OF INFLUENCE

A. The United States

[VETO POWER]

Washington retains significant financial and diplomatic leverage, primarily through its protection of Iraq's access to dollar reserves held at the Federal Reserve. The explicit US veto against Nouri al-Maliki's premiership candidacy establishes the outer boundary of acceptable political outcomes for the Coordination Framework.

B. Iran

[COERCIVE LEVERAGE]

Tehran views Iraq as its primary strategic depth and a vital economic lifeline against sanctions. The IRGC utilizes its PMF proxies to pressure the Iraqi political establishment. Iran's objective is to install a Prime Minister who will protect PMF autonomy and resist US integration efforts.

C. Russia**[CLANDESTINE PENETRATION]**

Historically a secondary player in Iraq, Moscow has identified the political deadlock as an opportunity for clandestine penetration.

- **The Recruitment Network:** Russian intelligence established a network offering Iraqi citizens highly lucrative contracts (\$3,000 upfront, \$2,000 monthly) to deploy as security personnel in Russia, serving as a pipeline for military-aged males to support the Ukraine conflict.
- **Strategic Objective:** The network bypassing official Iraqi channels demonstrates an intent to build leverage independently of both the US and Iran, complicating the traditional bilateral competition in Baghdad.

III. THE INTERNAL ACTOR: THE SECURITY ESTABLISHMENT

- **Signaling Sovereignty:** The arrests demonstrate that the Iraqi security apparatus possesses the capability and political will to disrupt foreign intelligence operations.
- **Leverage Generation:** By neutralizing a Russian asset, the security establishment signals to the US that it remains a viable counter-proliferation partner, while signaling to Iran that it will not permit Baghdad to become an unpoliced playground for external actors.

IV. POLITICAL TRAJECTORIES: THE SEARCH FOR A PREMIER

The deadlock over Maliki necessitates the emergence of compromise candidates. Three distinct profiles are currently in contention:

PROFILE	DESCRIPTION	VIABILITY
The Acceptable Politician	A second-tier figure from the Coordination Framework, lacking an independent power base, acceptable to Iran but palatable to the US.	Medium
The Technocrat	A candidate with economic or administrative expertise, focused on service delivery, supported by civil society and the West.	Low (Lacks security backing)
The "Third Option" (Security Profile)	A figure drawn from the intelligence or military apparatus, possessing the institutional weight to enforce decisions.	High

The "Third Option" Dynamics

The security establishment's recent assertiveness increases the probability of a "third option" candidate emerging from the intelligence ranks (e.g., the current intelligence chief or a similar figure). Such a candidate would offer the US a reliable security partner while potentially possessing the institutional credibility to negotiate red lines with the PMF and Iran.

V. FORESIGHT SCENARIOS: NEXT 6 MONTHS

SCENARIO	TRAJECTORY	INDICATORS
1. The "Third Option" Succeeds	A security-backed compromise candidate is seated. US-Iraq relations stabilize. Iran accepts the outcome to prevent state collapse. Russian penetration is actively countered.	Coordination Framework officially drops Maliki; Intelligence figures begin high-level regional travel.
2. Prolonged Paralysis	The deadlock continues. Basic services degrade. Protests resume in the south. ISIS reconstitutes networks in Anbar and Nineveh.	Failure of consecutive parliamentary sessions; localized power outages trigger protests.
3. Coordination Framework Forces a Hardliner	Iran pushes a hardline candidate. The US restricts dollar access in response. The Iraqi economy contracts sharply, triggering massive unrest.	Maliki or proxy is forced through parliament; US Treasury issues warnings regarding Iraqi Central Bank reserves.
4. Regional Conflict Spillover	The collapse of the Geneva talks leads to US-Iran military confrontation. Iraq becomes a primary theater of conflict. PMF factions target US forces. The Iraqi state loses control over security dynamics.	US naval deployments to the Gulf; PMF factions declare combat readiness; US evacuates diplomatic personnel.

VI. IMPLICATIONS FOR MEDIATION

A. The Apportionment System

Iraq demonstrates the chronic failure of ethno-sectarian apportionment. Iraqi deadlock mirrors Lebanon's systemic paralysis. A successful "third option" in Baghdad (a security-backed technocrat) will likely serve as a precedent for resolving similar deadlocks in Beirut.

B. Security Establishments as Actors

The Iraqi intelligence apparatus operates as an independent stakeholder with its own interests, rather than a neutral executive tool. Mediation frameworks must account for security institutions as primary negotiating parties.

C. Tripartite Competition

Russia's entry complicates the US-Iran binary. Mediators must factor Russian clandestine and energy interests into stability calculations, a dynamic applicable to Syria, Libya, and Mali.

D. Regional Contagion to Lebanon

If Iraq enters a military escalation due to the nuclear crisis, Lebanon faces direct exposure. Hezbollah's stated red lines regarding strikes on Iranian leadership indicate cross-theater coordination. Conflict in Baghdad directly degrades stability in Beirut.



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ABOUT CORE GROUP

Core Group is a Beirut-based strategic foresight house. We produce decision-ready analysis and advisory for governments, diplomatic institutions, and strategic investors navigating Middle Eastern complexity. Our work integrates structured analytical products, applied strategic advisory, and analysis-informed mediation; delivered on daily and weekly cycles calibrated to the speed at which the situation changes.

We are based in Beirut. In environments where official data is systematically unreliable and remote analysis inherits every distortion in its source material, physical proximity is not a logistical convenience but an epistemological foundation of our methodology. We verify what others can only estimate.