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Research Article

Analysis of the Impact of Oil on the Political Structure of Iraq in the Framework of the Rentier State Theory

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About Article

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ABSTRACT

Iraq is a sensitive and geopolitical region in the Middle East from a civilizational point of view, oil, as the most important source of income for the Iraqi government, which provides more than 90% of the annual budget of the government, and this had a wide impact on the political, economic, and social structure of this country. The government's dependence on oil rents led to the formation of a kind of political system based on the concentration of power, the weakening of institutions, The decline in public participation in decision-making and the spread of corruption have become structured. This article, relying on the theory of the rentier state, analyzes the role of oil in the formation and evolution of Iraq's political structure in different periods, from the era of colonial domination and the establishment of oil companies, to the nationalization of the oil industry, regional wars, economic sanctions, and changes after the fall of Saddam Hussein. The research method is descriptive-analytical and historical data are from library sources and official reports and scientific documents have been collected. In this study, 10 important Iraqi oil contracts (including those related to British Petroleum, Total, ExxonMobil and China have been examined. The results of the research show that oil has not only become a tool for strengthening authoritarian governments and strengthening the security structure, but has also deepened ethnic and religious divisions and competition between the central government and semi-autonomous regions. Also, oil contracts and cooperation with international companies have changed the balance of political power within the country. The oil-related legal, economic, and administrative system can lead to continued political instability in Iraq.

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1. INTRODUCTION

Oil, as one of the most important strategic resources in the international system, has had a profound and multifaceted impact on the political, economic, and social structure of the countries that produce it. Among these countries, Iraq is a clear example of the influence of oil on the power structure and political sovereignty due to its huge oil resources and special geopolitical position. More Research The former have examined the role of oil in Iraq mainly from an economic perspective and have focused on consequences such as budget dependence, economic growth or recession, and financial crises. While the contribution of this research in comparison with those studies is to emphasize the political and social consequences of oil. In this article, we have tried to examine how oil is not only an economic variable, but also a determining factor in the formation of political power structure, weakening or strengthening institutions, increasing ethnic and religious gaps, and changing the balance of domestic and regional power. Throughout its history, this country has faced political and social developments and tensions, some of which can be attributed to oil. Among these developments, we can mention the Iran-Iraq War, the Persian Gulf War, international sanctions, the military occupation of the United States, and the emergence of ethnic and religious tensions. The government's dependence on oil revenues not only led to centralization and weakening of civil institutions, but also exacerbated ethnic, religious, and regional tensions.

In the literature of political science and political economy, the theory of the rentier state has been introduced as one of the effective theoretical frameworks for analyzing this phenomenon. According to this theory, governments that derive most of their income from natural resources without the participation of citizens, usually face characteristics such as concentration of power, corruption, weakening of democratic institutions, and fragility of the political structure. Despite research in the field of oil and politics, there is still a lack of a comprehensive understanding of how oil and the political structure interact in contemporary Iraq with a rentier approach.

This research aims to explain the relationship between oil and the political structure of Iraq, with a focus on oil policies, international contracts, and political developments after the fall of Saddam Hussein. The research method is descriptive-analytical and based on historical and economic data. The theoretical framework of the research is the theory of the rentier state, which allows the structural and functional analysis of the oil dependence of the Iraqi government and its consequences at the domestic and regional levels. This article shows how oil, as a rent-generating factor, has affected Iraq's political structure and led it to tyranny, corruption, discrimination, and inefficiency. Therefore, the role of oil in the political structure of Iraq is very extensive and powerful, and it has a significant impact on the government and society, and therefore oil is the product of the history of Iraq. First of all, I think it is necessary to deal with the history of the Iraqi oil industry.

2. LITERATURE REVIEW

A review of previous research shows that although several studies have analyzed aspects of Iraq's oil industry from an

economic, historical, and security perspective at the domestic and international levels, so far, no independent research with a theoretical approach has examined the role of oil in Iraq's political structure within the framework of the theory of the rentier state. In the following, some of the most important sources that have been directly or indirectly close to the subject are the case of Let's review:

In a valuable study, Berkeshli (1995) examines the state of Iraq's oil and its return to the world market after the end of the sanctions period, and evaluates the challenges and opportunities facing this country in the field of oil with an analytical approach. In this article, he emphasizes that the military attacks during the Persian Gulf War were purposefully focused on Iraq's oil export facilities, although the oil fields They suffered less damage, but U.N. sanctions had a far more devastating impact on the country's oil industry than the war (Berkshley, 1995). However, this article has not independently studied the role of oil in Iraqi politics.

According to the article "Explaining the Role of Oil in the Developments (Beginning, Continuation and End) of the Iran-Iraq War" written by Saeed Mirtorabi *et al.* (2011), it is indicated that oil has acted as one of the key factors in the formation, continuation and end of the Iran-Iraq War. This article shows that oil is not only a source of income to cover the costs of the war, but also as a strategic tool in politics foreign policy and national security of the two countries (Mirtorabi *et al.*, 2011). However, this article does not independently address the role of oil in Iraqi politics.

In the article "Iran-Iraq War and Oil from a Historical Perspective" written by Mohammad Amir Sheikh Nouri in 2000, oil has been analyzed as one of the pivotal factors in the formation of the developments of the Iran-Iraq War. This article shows that oil interests, especially control over oil-rich regions such as Khorramshahr, Sarakhs, and the Persian Gulf region, have played an important role in intensifying border and political tensions between the two countries (Nouri, 2000). This article also does not directly mention the role of oil in Iraqi politics.

In his article titled "Iraq's Oil Industry and Its Future", Murtaza Hashemi examines the historical trends and developments of the Iraqi oil industry, and he specifically emphasizes that the Iraqi economy is heavily dependent on oil. A government that earns most of its income not from taxes on citizens, but from the sale of natural resources. Referring to the oil-for-food program and oil contracts after the sanctions, he shows how the Iraqi government earned about \$6.6 billion from oil smuggling between 1997 and 2002, and how this process led to serious damage to oil wells and the political structure (Hashemi, 2003). This analysis shows that Iraq's political structure, especially after the war and sanctions, was a direct function of oil policies, which is also consistent with the theoretical framework of the rentier state, but has not discussed the role of oil in Iraq's political structure.

In his article "Economic Developments and Political Stability in Saudi Arabia" (2017), Abdullah Ghanbarloo, by examining the current trends in the economic and political structure of Saudi Arabia, shows that the Saudi government's dependence on oil rents will continue to persist in the short term, and this



source of income has become both a means of providing public welfare and a means of gaining legitimacy and consolidating political power. The article also points to the concerns of some Saudi officials about the consequences of the continuation of this situation and the need to transition to a diversified and competitive economy within the framework of Vision 2030. This research, with an emphasis on the concept of "oil addiction" and the risks caused by it, contributes to the literature of rentierism and helps to understand the relationship between oil economy and political stability in one of the most important oil-rich countries in the Middle East (Ghanbarloo, 2017).

The article "The Political Economy of Oil and its Economic and Political Effects on Saudi Arabia" by Hossein Masoudnia and Peyman Sheikh Mahmoudi in 2023 has a special place. This research examines Saudi Arabia's deep dependence on oil revenues with a pathological approach and shows that despite adopting various policies to reduce this dependence, the country's economy is still based on oil rents. The authors relied on the common characteristics of the governments of the Rents, including the concentration of political power, lack of accountability, the weakness of the private sector, the decline in production growth, and the spread of consumerism, argue that oil has served as the main source of legitimacy and a means of consolidating the authority of the House of Saud. At the same time, the article warns that in the conditions of globalization and technological developments, the continuation of traditional rentier policies can become inefficient and create a future with political and economic instability for Saudi Arabia (Masoudnia & Sheikh Mohammadi, 2023).

In the article "Economic and Political Pathology of Rentier States in the Middle East: A Case Study of Kuwait", Masoudnia and Sheikh Mahmoudi, in 2019, by examining the experience of Kuwait, show that the heavy dependence on oil revenues has caused numerous structural damages in both economic and political dimensions, which have been evaluated as the main challenges of this country in terms of economy, single-product, inflation, the spread of unemployment, and the budget deficit. At the same time, efforts the government has not been very successful in diversifying the economy, and most of the revenues are still provided by oil. From a political point of view, the separation of the government's sources of revenue from society has led to authoritarianism and weakness in democratic processes. This article, focusing on Kuwait, shows that political-economic vulnerability is an inherent feature of rentier states in the region, and without structural reforms, it will not be possible to pass through the cycle of dependence on oil rents (Masoudnia & Sheikh Mahmoudi, 2019).

In general, the existing theoretical literature shows that although the role of oil in the economy, regional conflicts, and war developments in Iraq has been studied in detail, there is still a lack of an independent and theoretical research on the role of oil in the political structure of Iraq within the framework of the theory of the rentier state. The present study seeks to fill this scientific gap by focusing on theoretical and historical dimensions.

3. METHODOLOGY

The present study, with a descriptive-analytical approach and in

the framework of the Rentier State Theory, examines the impact of oil on the political structure of Iraq in the framework of the Rentier State Theory. This research method aims to provide a comprehensive, structural, and causal picture of the relationship between oil revenues and the developments of the political structure of Iraq in different historical periods, since the colonial era. It is up to the contemporary era. The descriptive method was used to provide an accurate and documented picture of the political and economic developments in Iraq and the analytical method was used to evaluate the political consequences of the government's dependence on oil rents. The information and data of this research have been collected mainly from library sources including historical books, scientific-research articles, official reports of international institutions such as the U.S. Energy Information Administration, and previous field studies. Also, historical documents related to oil contracts, oil laws and policies of Iraq, and statistical data on oil production and exports in different historical periods were used to the precise identification and classification of the events and trends that led to the formation of the rentier state in Iraq.

The theoretical framework of this research is based on the Rentier State Theory. This theory, developed by researchers of political science and political economy, allows the analysis of the relationship between revenues from natural resources and the political structure. This theory is based on the assumption that governments that derive the majority of their income not from taxes, but from rents from natural resources, especially oil, usually Accountability to society leads to the reproduction of authoritarianism, the weakening of popular institutions, and the distribution of rents to buy political loyalty. Using this theory, the present study investigates how oil rents affect the concentration of political power, weaken institutions, spread corruption, and increase ethnic and religious divisions in Iraq. Relying on the analysis of historical developments from the colonial period and the formation of international oil companies, to the nationalization of oil, international wars and sanctions, and the developments after the fall of Saddam Hussein's regime, this study tries to show how oil played a role not only as a source of income, but also as a political tool in shaping the order of power and governance patterns in Iraq. Based on the theory of the rentier state, it provides a coherent framework for analyzing the relationship between oil, state, and power in Iraq, and the descriptive-analytical method, especially in the historical and political context, provided the possibility of a multi-layered and multidimensional study of the country's developments.

4. RESULTS AND DISCUSSION

4.1. History of the Iraqi oil industry

Iraq, which was called Mesopotamia in ancient times, refers to the land between the Tigris and Euphrates rivers. It was once the center of commerce, enormous wealth, culture, and military and bureaucratic power. Explorers and geologists in the 19th century ignored the Iraqi oil subsidence when mapping the Zagros mountain range and its slopes. As scientists noted in 1975, near Kirkuk, Tuzkurmati is a fascinating area of the Old World waiting to be explored. As soon as it becomes more accessible to European skills, it will become very important.



The Akkadian Assyrian word, which means liquid oil, is the basis of the Persian-Arabic word for oil, as well as the Greco-Latin word "naphtha", which is derived from the Middle Persian word in Mesopotamia. As a result of the abundant deposit of oil and bitumen in Mesopotamia throughout history, many travelers and geographers have been amazed. Brick walls and road pavements in Mesopotamian cities were built using bitumen as a waterproof mortar. The huge amount of asphalt found in Babylon is one of the most incredible miracles the world has ever seen (Bamber, 2023). In 1921, when the British formed a country called Iraq. The known and probable oil reserves in Mosul, as well as near the Iranian oil fields that were in the possession of the British Company, provided sufficient justification for the establishment of colonial rule (Nouri, 2000).

Efforts to produce oil in Iraq date back to the 19th century, the British were the first to 1880-1886 Brought to Baghdad by Midhat Pasha, the Ottoman governor of Baghdad, they worked to explore for oil in Iraq, they established a refinery in Baqubah to filter the oil extracted from Mandeli in 1882, Sultan Abdul Hamid II issued a decree from the High Gate to annex the lands of Mosul, including Ain Zalla and Qayyarah. In 1902, the first oil well with British skill was drilled in the Gya Sorkh field near the Iranian border. Despite the lack of production, it was a qualitative leap and attracted the attention of other companies to Iraq. In 1905, French and German companies attempted to extract oil from the fields of Qayyara. After that, Britain's influence in the region expanded and became the most important player in the world's oil supply for three decades, 1910-1940 (Bamber, 2023). Asgharzadeh mentions the history of Iraq's oil production in 1927 and adds that with the eruption of the first oil well, the country became one of the producers of crude oil (Asgharzadeh, 1393). Therefore, for thousands of years, Kirkuk has been home to a diverse population, making it the most multilingual city in Iraq. As Iraq's oil industry flourished in the decades that followed, Kirkuk became its center. At the time of the formation of the British-led Iraqi government in the early 1920s, Kirkuk's group identity was fluid. But the oil industry is the source of Baghdad's colonial power and influence over Kirkuk. As a result of a century of urban development, interactions between communities and the political mobilization of the Kurdish, Turkmen, and Arab ethnicities in Kirkuk were formed.

4.2. Formation of oil companies and nationalization of Iraqi oil

Iraq's oil industry is one of the oldest industries in the Middle East. Since its inception in the 1920s, it laid the foundations of a rentier state in the country. The issuance of an oil concession for oil drilling began in 1927 after the first oil concession was signed with the Turkish Oil Company (TPC). This concession, which set a period of seventy-five years, not only established Kirkuk but also for the first time in the It included the oil that was discovered, but it also covered the entire region of Iraq until 1938. Several multinational oil companies owned TPC, whose shares are divided as follows:

Table 1. Percentage of shares of Iraqi oil companies

Name	Percentage of Shares
Anglo-Persian (BP)	23.75
Royal Dodge (Shell)	23.75
French Oil Company	23.75
Standard Oil (New Jersey)	11.875
Car (Socony-vacum)	11.875
Partiks (Property Gulbankian)	5.00

Source: Kubursi (1988)

These companies TPC had applied to the Ottoman government for oil concessions and exploration in early 1912, but the outbreak of World War I prevented any action (Kubursi, 1988). After World War I, the Ottoman Empire, which was allied with Germany, came under direct British attack, which led to the end of the Anglo-German oil partnership, as a result of the secret Sykes-Picot Agreement in early 1916, Britain ceded most of the oil-producing area in northern Iraq to its French ally. British Prime Minister David Lloyd George and his French counterpart Georges Clemenceau reportedly nearly collided during the Versailles Peace Conference over Iraq's oil, which was contained by the arrival of US President Wilson and its intervention. And after the defeat of the Ottoman Empire in the war, all the rights to Iraq's oil went to three allies, Britain, France, and the United States of America (Bamber, 2023). At the end of World War I, the San Remo Conference granted Britain the rights to explore for oil in Iraq. However, the Iraqi Council of Ministers refused to recognize the claimed privilege TPC He refused. Britain threatened to separate Mosul from Iraq, and this convinced the Iraqis that the concession TPC on August 30, joined U.S. oil interests and negotiations, and after the Red Line Agreement in January 1928, they liquidated 23.75 percent of the company's shares (Kubursi, 1988).

This was followed in 1929 by the Red Line Agreement. In 1932 TPC To the Iraqi Oil Company (IPC) was renamed. By 1938, it had obtained a concession for exploration in the province of Basra, thus expanding its concession area throughout the entire region of Iraq, where the oil company obtained the concessions of the Basra Oil Company in 1938 and the Mosul Oil Company in 1942. In the 1930s and 1940s, the company completed the Mediterranean Pipeline and made significant gains in Middle Eastern concessions outside of Iraq. Due to its narrow coastline, Iraq relies heavily on transnational pipelines for its oil exports. This is further complicated by its proximity to Iran, with which it has historically had strained relations (Baker, 2007).

In the 1950s, nationalist currents came to power in Iraq. The Iraqi government, led by Prime Minister Abdul Karim Qasim and later Saddam Hussein, attempted to gain more control over Iraq's oil industry. In 1961, a law was passed that allowed the Iraqi Oil Company to acquire 20% of the shares of foreign oil companies in Iraq. In 1972, the Iraqi government, led by Saddam Hussein, began the process of complete nationalization



of the oil industry. An Iraqi oil company called the "Iraq National Oil Company" was formed, the establishment of which was a turning point in the consolidation of the Iraqi rentier state model, and foreign oil companies were obliged to surrender their shares in Iraq to the government. According to this model, the government, as the main owner of oil resources, achieved large oil revenues without the need for tax or political participation of citizens. This situation led to the government's heavy dependence on oil rents and caused the country's political structure to focus on controlling resources and maintaining authority instead of answering to the people (Yazdani & Mahmud Oghli, 2009).

In summary, decisions related to the formation of oil companies and the nationalization of oil play an important role in the formation and operation of these companies in Iraq. A contract was signed between the Iraqi Petroleum Company and the Iraqi government, which led to the establishment of the Iraq Petroleum Company. The company signed a new agreement with Britain, France, the Netherlands, and Germany. These decisions and the government's control over oil resources had a major impact on Iraq's politics and economy (Yazdani & Mahmudoglu, 2009).

4.3. The impact of wars and sanctions on iraqi oil

In the framework of the rentier state theory, governments that derive most of their income from natural resources, especially oil, often do not need the tax and economic participation of citizens and focus on controlling resources and distributing rents instead of being accountable. Iraq, as one of the most

prominent examples of rentier states in the Middle East, has been repeatedly affected by international wars and sanctions in the contemporary era, which have had profound consequences on its oil structure and consequently on its political structure. After the establishment of the State of Israel in 1948, oil was originally pumped through Haifa, Palestine, to the Mediterranean Sea, a practice that the Iraqis abandoned. These Iraqi oil pipelines have many historical trajectories, including the non-use of the Turkish-Syrian pipeline, the damage to Iraq's Persian Gulf terminal lines during the two wars with Iran, the invasion of Kuwait, and the Iraqi oil pipeline was repeatedly damaged with the outbreak of the 2003 war.

Prior to the development of the oil industry, agriculture was the primary economic activity of the Iraqi people. This represents a small but vital component of one of the cultures of the country's economy. More than half of Iraq's population in 1967 was employed in agriculture, accounting for approximately 8 percent of its gross domestic product (GDP) income, and according to a 1952 report by the International Bank for Reconstruction and Development, approximately 60 percent of Iraqis used in agriculture (Bamber, 2023).

Iraq's involvement in military conflicts, especially the Iran-Iraq War of 1980-1988, with the outbreak of Iraq's eight-year war against Iran in 1981, due to damage to oil fields and fields in the war-torn areas, the country's oil production fell significantly and decreased to about 897,000 barrels per day. Similarly, Iraq's oil exports and oil revenues fell to 872,000 barrels and \$10 billion. Figure 1 shows the historical trend of Iraqi crude oil production and the events affecting it between 1966 and 2008.

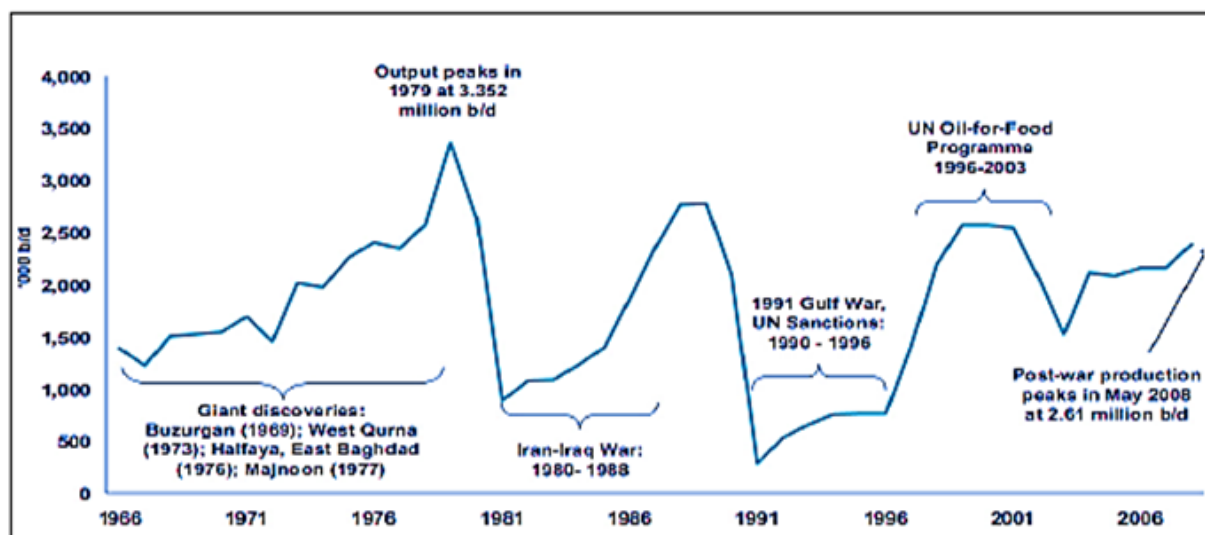


Figure1. Historical trend of crude oil production in iraq (1966–2008), in thousand barrels per day

As Figure 1 shows, after the end of Iraq's imposed war against Iran, Iraq's oil production increased again, reaching 2.785 million barrels per day in 1989, followed by an increase in Iraq's GDP, which reached \$43.4 billion in 1989 (Asgharzadeh, 2014). After the end of this war, the ruins left by Iraq had not yet been rebuilt when Iraq entered the Persian Gulf War in 1990. Although there were several factors such as the unresolved border dispute with Iran and Saddam's fear of an Iranian-

backed Shiite uprising in Iraq, Saddam Hussein apparently hoped to occupy the oil-rich region of Khuzestan in Iran and take it under his control, but he could not. For this reason, in 1990, it decided to take control of Kuwait's huge oil reserves in order to both strengthen the Iraqi monarchy and compensate for the losses caused by the 1981-1988 war (Nouri, 2000). Because Iraq's rentier system relied heavily on oil exports, so that more than 90% of the country's foreign exchange revenues



were provided by oil.

The Persian Gulf War in 1991 and the Iraq-Kuwait War in 2003 have had a severe negative impact on the role of agriculture in the economy of the past few decades. In the mid-1960s, the need for food imports increased steadily due to rapid population growth, limited arable land, and stagnant agricultural productivity (Bamber, 2023). In the 1980s, the war between Iraq and Iran began (Yazdani & Mahmoud Oghli, 2009). This war destroyed many of Iraq's oil infrastructure, affected the country's oil production, and caused the interruption of oil supply, which caused serious economic damage not only to Iraq but also to the United States (Baker, 2007), which caused Iraq to turn more to the oil economy and rely on a rentier economy (Bamber, 2023).

After the end of the Iran-Iraq War in 1990, international sanctions were imposed on Iraq and the country's oil production was affected by these sanctions (Baker, 2007), experience shows that it is not easy to achieve the maximum production capacity even for countries that once had a large production capacity. This means that Iraq cannot easily reach the level even after the lifting of the sanctions. Production before the occupation of Kuwait was achieved in 1990. This problem is not only due to the limitations of export facilities, but also to the lack of sufficient capital to repair oil facilities, pipelines, and other equipment that were either damaged during the war or need to be rebuilt due to prolonged use. According to the above points, Iraq will most likely not be able to produce more than 2 million barrels per day in the first stage. The United States and the invading forces in the Persian Gulf War attacked Iraq's oil facilities in a calculated manner. Most of the damages were caused to export terminals, and oil fields suffered little damage. The oil fields of the south suffered more damage than the north, but the damage to the Iraqi oil industry due to the UN embargo and the cessation of oil production was far before the war (Berkshley, 1995).

With the embargo on Iraq, all of its import and export programs came under the influence of the United Nations under the name of "oil for food" (Hashemi, 2003). Of the 74 oil fields evaluated and discovered, only 15 oil fields have been developed (Baker, 2007). However, the Iraqi government earned about \$6.6 billion from oil smuggling in the years 1997-2000. The continuation of this process caused serious damage to the oil wells, which caused concern in the world countries, and in 2000 the United Nations allowed Iraq to spend \$600 million every six months on oil well facilities. With permission in October 2002, he signed billions of dollars in oil contracts with China, France, Russia, and Germany (Hashemi, 2003). In the 2000s, after the fall of Saddam Hussein's regime in 2003, Iraq tried to rebuild its oil industry (Baker, 2007).

The sanctions reduced Iraq's oil production and exports, and as a result, reduced the country's oil revenues. Five years of economic-oil embargo on Iraq, which followed the military occupation of Kuwait, passed. During this period, it was deprived of its oil revenues, which in 1990 provided about 96 percent of the country's total foreign exchange earnings, and its economy was on the verge of collapse, and the country became a practically quasi-colony of the United States and the United Nations. However, at the same time, the unfortunate situation

in Iraq benefited OPEC (Berkshley, 1995). This, in turn, led to a decrease in the government's ability to meet domestic needs and implement development programs. Also, sanctions restricted access to new oil technologies and foreign investment in Iraq's oil industry. These factors caused the Iraqi government to exploit less directly in oil production and had a major impact on the economy and domestic politics. Still, sanctions and wars had significant effects on the Iraqi oil industry. Rentier theory, considering the government's dependence on oil resources and oil revenues, shows that the government has not only weakened the country's economic resilience to crises, but has also led to an intensification of political fragility, dependence on foreign support, and an inability to rebuild in the long term. From this perspective, the rentier state theory provides a suitable framework for understanding It presents the link between oil, politics, and crisis in Iraq.

4.4. Oil contracts

Oil contracts have been one of the main components in the formation and redefinition of Iraq's political structure in the 20th and 21st centuries. From the perspective of the theory of the rentier state, oil contracts as a key tool for providing foreign rents, have caused the Iraqi government to have enormous resources to continue and strengthen its authority without the need for direct participation of the people in economic or tax processes. The increase in oil demand by Western Europe towards economic reconstruction, as well as Iran's attempt to nationalize its oil operations, led to an increase in oil production in Iraq and greater flexibility in the multinational oil approach. The companies agreed with the Iraqi government for equal profits. By 1959, Iraq's oil production had increased almost fivefold. That increased from 8 million tons to 38.9 million tons. The relationship between the oil companies and the Iraqi government entered a new phase after the 1958 revolution. The new government called for the reopening of negotiations with oil companies aimed at changing the tax structure, production levels and management decisions. These negotiations continued for three years without a significant change in the position of the companies. As a result, the government enacted Law No. 80 on December 29, 1961, which restricted exploitation before 1961, followed by the establishment of the Iraqi National Oil Company (INOC) in 1964 (Kubursi, 1988). The establishment of the Iraqi National Oil Company was a turning point in the management of oil resources and the deepening of the characteristics of the Iraqi rentier state, and these Iraqi oil contracts had a significant impact on the political structure of Iraq throughout its history, some of which I will briefly mention below:

Volume colonial: In This Volume Iraqi oil contracts were signed in favor of foreign oil companies. These contracts transferred control over Iraq's oil resources to Governments and Iraq as a A It was a major source of oil for the colonial powers. Because the country's dependence on oil or rentier resources has cost billions of dollars an incredible year, a study by the U.S. Department of Energy estimates that the cost of the country's dependence on oil over three decades is about \$4-15 trillion, and on average, the U.S. loses at least \$135 billion annually due to its economy's reliance on oil (Yazdani & Mahmood



Oghli, 2009). This forced industrialized countries to obtain oil, and as a result, led to the colonization of countries that This situation is causing insecurity in Iraq and the context of the project Provided nationalist maps. Also in Egypt, Gamal Abdel Nasser, the revolutionary leader, overthrew the Egyptian government and canceled the British agreement with Egypt, which created a wave of nationalism around the world, and the Iraqi government, led by Prime Minister Nouri al-Said, joined the pro-Western coalition (Baker, 2007).

nationalization Iraqi Oil: In the 1950s, nationalist currents gained strength in Iraq and had a significant impact on Iraq's political structure. Israel's invasion of Egypt caused much sympathy in the Arab world and an increase in nationalist sentiments against the West, which resulted in the unification of Pan-Arabism, Iraq's military and political relations with Britain, because many Arab countries considered Iraq a treacherous country and seeking oil rentier interests, and the Iraqi people demanded the abolition of foreign interference in Iraq's affairs. They defended the unity of the pan-Arabs and subsequently overthrew the government of King Faisal. With the rise to power of Abdul Karim Qasim and its sincerity to Pan-Arabism, whose relations with foreign oil companies were strained, Qasim's government suffered a financial crisis (Baker, 2007).

Saddam Hussein's Rule: After Saddam Hussein and his supporters came to power with the Ba'ath Party in 1979, they spent the huge oil wealth on strengthening the army and internal security forces and expanding the power of the central government, and the balance of power in Iraq changed, which increased Saddam's militaristic character. He allowed foreign oil companies in order to be present in Iraq and provide the necessary capital and technology in return. These contracts increased Iraq's oil revenues and enabled Saddam Hussein to implement internal development plans. Of course, oil revenues were also used to create state-owned industries, lure local tribal leaders, and provide social services to the Iraqi population.

So From the fall of Saddam Hussein: With The fall of Saddam Hussein's regime in 2003 and the formation of the new Iraqi government, A new chapter were created in the Iraqi oil contracts. The country considered several options for reorganizing oil, and in 2004 the interim government of Iraq established the Supreme Council of Oil and Gas (SOGC). In the period after the fall of Saddam Hussein, the Iraqi government tried to revise Iraq's oil contracts and hand over the exploitation of Iraq's oil resources to foreign oil companies. These contracts are mainly in the form of production and operation contracts. (Production Sharing Contracts) were contracted that allow foreign oil companies to that is to participate in Iraq's oil activities and receive a share of oil production in return. But from 2004 to early 2007, local groups and sects resisted a centralized system, and the 15,000 Southern Oil Company workers union went on a 24-hour strike in July 2005 demanding a greater share of oil. Iraq's draft constitution opened the door to semi-autonomous regions that would lead to the development of new oil resources. Article 108 of the Iraqi constitution states that "oil and gas are the property of all", and the Iraqi people in all regions used this option and interpreted it as: the protection of oil assets is the protection of the property of the Iraqi people, this ambiguity

has led to intensive negotiations on the political structure of Iraq. This Changes in Iraq's oil contracts have had a direct impact on Iraq's political structure. In addition, the Kurdistan Regional Government (KRG) began to sign contracts with foreign companies inside its territory so that any revenues from oil and gas would remain in the province during new deals, and the Iraqi Federal Ministry of Oil wanted to sign oil contracts with companies that had a stake in these contracts and in other agreements, which would ignite conflicts between the groups (Baker, 2007). The empowerment of foreign oil companies in Iraq and the influx of foreign capital into the oil industry are factors that have caused political and economic changes in Iraq. In this process, the Iraqi government seeks to attract foreign investment technology and management of international oil companies were for the development of the oil industry. In the context of the rentier state theory, it is clear that Iraq's oil contracts have been not only a source of government financing but also a factor for the redistribution of power at the domestic and international levels.

As a result, Iraq's experience shows that oil contracts in a rentier state not only determine the economic situation, but also shape the political equations, governance structure, and power relations within the country. Especially after 2003, oil contracts became the main focus of political rivalries, ethnic tensions, and attempts to redefine the role of the state in running the country.

4.5. Oil policies and their impact on the political structure of Iraq

Iraq's oil policies have direct and indirect effects on the country's political structure. The country adopted its own constitution in 2005, and the draft oil and gas law was first published in 2007. Meanwhile, both the federal government in Baghdad and the Kurdistan Regional Government (KRG) pursued separate oil export policies. Article 111 states: "Oil and gas in all regions and provinces belong to all the people of Iraq." This means that every Iraqi has an indivisible share of every barrel produced in each region of Iraq. But some try to read through the language of "all people" to believe that Iraqis own oil and gas in any region or province. This principle of ownership is a fundamental right for the regime. The policy of reduction, which governs the amount of exploration and extraction, is a fundamental principle for any oil-rich country. For Iraq, the evacuation policy must recognize the demand of the oil market as well as the country's potential to meet OPEC commitments. These laws and regulations play a very important role in the political structure of Iraq. These laws and regulations determine the rules and regulations that regulate the production, operation, distribution, and trade of oil in Iraq. The following are some of the roles of oil laws and regulations in Iraq's political structure:

State Control: Iraq's oil laws and regulations place a strong emphasis on state control over oil resources and the oil industry. These laws are usually formulated and enforced by the government, allowing the government to take over decisions regarding the production, distribution, and export of oil. This state control allows the government to take control of the exploitation of oil resources in the country's own hands and control oil revenues. slowly. This state control can have a



great impact on the distribution of political power within the country.

Distribution of oil revenues: Oil laws and regulations in Iraq play an important role in the distribution of oil revenues. These laws determine how oil revenues are distributed among the government, different regions of Iraq, and political groups. The disproportionate and unfair distribution of oil revenues can lead to political tensions and conflicts in the country. Some oil laws and regulations try to ensure the latest agreements on the distribution of oil revenues. Equity in their distribution (U.S. Energy Information Administration [EIA], 2002).

Funding for the government: Iraq's oil laws and regulations ensure the provision of financial resources to the government. Iraq's oil revenues are the main source of government revenue, and oil laws and regulations determine how these revenues are collected and transferred to the government. These financial sources allow the government to implement economic and social development programs, and It should maintain its ability in the face of internal and external pressures. Therefore, oil laws and regulations can have a great impact on government policies and the financial structure of the country (Alnasrawi, 2002).

Attracting Foreign Investment: Iraq's oil laws and regulations play an important role in attracting foreign investment in the oil industry. Given the high importance of oil in the Iraqi economy and the need for huge investments in the oil sector, oil laws and regulations should provide reassurance to foreign investors. These laws should provide clear and stable regulations on property rights, environmental laws, financial and tax laws, and other related issues. They should determine investment in oil. By attracting foreign investment, Iraq can secure the technologies and financial resources its needs in the oil field and develop its oil industry.

Regarding Iraq's oil policy, it is important to note that this is not the first time that the country has adventurously adopted ill-considered oil policies and harmed the industry, economy, and country. Of course, this time it has worked in favor of other OPEC producers. One of the most prominent examples of the impact of oil policies on Iraq's political structure is the rule of Saddam Hussein in the 1970s and early 1980s. The Iraqi government relied on the huge oil revenues that had been generated as a result of the nationalization of oil and the increase in its global price, and established a centralized political structure and authoritarianism. This concentration of power was to the extent that control of all financial, security, and military resources was completely in the hands of the president and his inner circle. In 1980, Saddam Hussein, relying on oil revenues and the government's financial power, decided to start a war with Iran, which lasted for more than eight years and severely damaged Iraq's vast oil resources. Oil exports fell from about 3.8 million barrels per day to about 1 million barrels, and the technical and infrastructural capabilities of the oil industry were severely eroded. The financial power of the government and as a result, internal discontent emerged. Iraq's political structure, which had been based on oil rents and security control before the war, faced a serious challenge. To cover the costs of the war, the government resorted to more repressive economic and political policies, including raising

taxes, imposing strict quotas, tight control of the media, and expanding surveillance of state institutions. Thus, it can be said that Saddam's irrational and adventurous oil policies were first the excessive concentration of power in the political structure led to the collapse of oil revenues, which led to the collapse of the same political structure (Berkeshley, 1995). Therefore, oil policies, especially Iraq's oil laws and regulations, played a very important role in the country's political structure. These laws had a great impact on the distribution of power, the distribution of oil revenues, government policies, and the attraction of foreign investment.

4.6. Increasing oil production and its role in the political structure of Iraq

After the fall of Saddam Hussein's regime in 2003 and the lifting of international sanctions against Iraq in 2004-2005, a historic opportunity was put forward for the reconstruction of this country, especially the Iraqi oil industry, and public opinion was that with the fall of the Iraqi government, it was possible to increase oil production. As a result, oil production increased, and its increase played an important role in the political structure of Iraq. In addition to its economic and financial effects, oil production has also had an impact on the distribution of power and the political structure of Iraq. When the sanctions were lifted, the Americans believed that they could rebuild the country on their own, and for this reason, all the agreements that Iraq had with the Chinese government, Russia, Germany, etc. The package was renewed and priority was given to American companies, and according to experts' estimates, the damages caused by the revision and prioritization of American companies were about \$100 billion (Hashemi, 2003).

As the increase in oil production in Iraq and the U.S. intervention in the OPEC organization, the price of oil decreased, and its price was determined equal to the cost of production and reasonable profits, like ordinary goods, the goal of the United States was to change the focus of attention from Saudi oil to Iraqi oil, and by gaining control over Iraqi oil, it continued the dominance of the dollar over the global economy. Another reason is that the United States has moved from Iraqi oil tools to It uses the title of bargaining with allies and gaining their support, and the other thing is that Iraq cannot support the increase in oil prices as in the past (Yazdani & Mahmoudoglu, 2009). The profits from this increase in oil revenues have been spent on the extensive arms purchases and military adventures of the Iraqi government and the entire Middle East region. Also, in the distribution of power, it can be said that the lack of managerial experience has caused the governors of the provinces to play a role in oil contracts, and this has caused disagreements between different governors and the oil fields have not been divided equally. Therefore, increasing oil production provides the Iraqi government with significant revenues and allows it to have stronger financial and economic resources. This increases the influence and influence of the government at home and abroad, and strengthens its role in the distribution of political power. It will find an outsider. However, in the absence of transparent and accountable institutions, instead of sustainable development, it has led to the reproduction of rentier authoritarianism. From the perspective of the theory of the rentier state, this process



has not only led to the formation of a fragile and dependent structure at the domestic level, but has also increased Iraq's external dependence on extra-regional actors.

4.7. Discussion

The analysis of the role of oil on Iraq's political structure in the framework of the rentier state theory shows that the deep dependence of the country's economy on oil revenues was a fundamental factor in the continuation of institutional inefficiencies, concentration of power, and political corruption.

The rentier state theory, this model clearly shows that more than 90 percent of the Iraqi government's budget after 2003 was financed through oil exports, a near-monopoly that has turned the Baghdad central government into a "rentier distributor" where political power and economic resources are mutually reinforcing at the service of party and ethnic alliances. The key finding of this article is that oil in Iraq is not only a source of economic income, but also a structural tool in reproducing political order, political decision-making, wars, and disputes.

Table 2. The results of the analysis of the role of oil in the political structure of Iraq

Axis of Analysis	Results	Consequences
Budgetal dependency	More than 90% of the government's budget after 2003 came from oil exports.	Turning the central government into a "rentier distributor" and increasing the concentration of power.
Institutional Structure	Instead of independence, state institutions have become a tool for distributing power and interests among ethnic and partisan groups.	Weakening regulatory, judicial and parliamentary institutions; strengthening ethnic politics.
political order	Oil rents have been the cause of the reproduction of political decisions, wars, and disputes.	Stabilization of a fragile and ethnic-based political system, weakening of national and civil identity.
Ethno-regional distribution	Distribution of rents between Kurds, Shiites and Sunnis in the form of political agreements.	Strengthening ethnic and regional divisions, reducing national cohesion.
External Dependence	Increasing rentier interactions with trans-regional actors.	Increasing foreign dependence and limiting the independence of political decision-making.
Political legitimacy	Political competition has centered around access to oil rents.	Political instability, popular protests, and a decline in the legitimacy of the government.
Prospects for reform	Any reform without a change in the pattern of production and distribution of oil rents is insufficient.	The need for economic diversification and the reconstruction of the foundations of the political system.

The division of this oil rent between Kurdish, Shiite, and Sunni groups within the framework of political agreements has caused state institutions to become a tool for distributing power and interests among these groups, instead of strengthening them as independent pillars. This process, along with the weakness of the supervisory institutions, the judicial system, and the parliament, has led to the consolidation of a political system based on ethnicity, especially regionalism, and the national civil identity. It has had an impact. As noted in the article, "This process has not only led to the formation of a fragile and dependent structure at the domestic level, but has also increased Iraq's external dependence on trans-regional actors." As a result, oil as a rent has prevented the formation of a social contract based on performance and accountability. Instead, political competition has centered around access to oil rents, leading to political instability, popular protests, and undermining the legitimacy of the state. Also, any attempt to reform the political structure of Iraq without changing the pattern of production and distribution of oil rents and diversifying the government's sources of revenue will at least be inadequate and at most unsuccessful. Therefore, the theory of the rentier state provides a powerful analytical framework for understanding the deep political-economic dynamics of

Iraq and emphasizes the need to reconstruct the economic foundations of the political system.

5. CONCLUSION

The study of Iraq's political structure in the light of the role of oil and relying on the theoretical framework of the rentier state shows that oil has played a role not only as the main source of state revenue, but also as a fundamental mechanism for shaping political power, government legitimacy, and geopolitical orientations. From the era of colonial concessions to the nationalization of oil in the 1960s and 1970s, and from the fall of Saddam Hussein to the yearSince the post-2003 reconstruction, oil has always been the most decisive variable in the formation, continuity, or shaking of the political order in Iraq. In the context of the rentier state, a heavy reliance on oil revenues has weakened tax institutions, reduced political accountability, concentrated power in the hands of the ruling elite, and the formation of relationships based on financial rewards rather than civic engagement. International sanctions, frequent wars, and security instability have also exacerbated this fragile structure. As a result, the state, rather than playing a productive and development-oriented role, has relied on the government. It has become a distributor of rents and a factor in



the management of ethnic, religious, and regional competitions. Also, oil contracts and the distribution of revenues resulting from them have played an important role in reproducing political tensions, regional inequalities, and deepening the gap between the central government and local governments, especially in the Kurdistan Region. At the international level, oil has turned Iraq into an arena of competition for the world's major economic and political players and has threatened the country's strategic independence. Overall, the continuation of such a model without institutional reforms, economic diversification, and redefining the relationship between the state and society can pave the way for a cycle of recurrent crises. Only through the transition from a rentier state to a developmental state can we hope that Iraq will achieve sustainable political stability, social justice, and accountable governance.

In the light of Iraq's oil experience and considering the structural challenges caused by dependence on oil rents, the Afghan government, which is in the early stages of exploiting oil resources, should take a different path with wisdom and foresight. In order to prevent the recurrence of unstable and crisis-generating patterns of rentier states, Afghanistan should base its oil policy on the principles of transparency, accountability, intergenerational justice, etc sustainable development. The establishment of independent regulatory bodies, the formulation of comprehensive and comprehensive oil and gas laws, the design of fair mechanisms for the distribution of oil revenues among the provinces, the establishment of the National Development Fund, and the attraction of foreign investment within the framework of balanced contracts are among the measures that can prevent the transformation of oil resources into a source of corruption, concentration of power, and ethnic and political gaps. If these policies are accompanied by human capacity building and infrastructural development, Afghanistan will be able to pave the way for the realization of good governance, sustainable economic growth, and political stability by relying on its natural resources.

RECOMMENDATIONS

The Iraqi government should reduce its dependence on oil revenues and build a diversified and sustainable economic structure by broadening its tax base, supporting the private sector, agriculture, and non-oil industries. This could lead to strengthening government accountability to citizens and increasing transparency, and Iraq's state structures, which are based on rentier revenues, require fundamental reforms to strengthen regulatory and judicial institutions and combat systemic corruption. These reforms can prevent the concentration of power in the hands of certain groups and contribute to the equitable distribution of resources.

According to this research, it is necessary that oil contracts, budgeting of oil resources, and the method of allocating revenues be done transparently and with the participation of public institutions. The establishment of "oil sovereign funds" with public supervision, a successful model in other countries, can be used in Iraq as well.

To reduce the negative effects of oil rents on the concentration of power, the Iraqi government must pave the way for the real

participation of different ethnicities, religions, and social groups in the political structure. Inclusive participation is an important factor in preventing the monopoly of power and reducing ethnic and religious gaps. The Iraqi government should avoid using oil resources as a tool to maintain political legitimacy or buy the loyalty of certain groups, and instead focus on building sustainable development infrastructure and investing in education, health, and public infrastructure. Finally, Iraq can emulate the successful models of oil-rich countries such as Norway, Malaysia, and the United Arab Emirates in the field of natural resource management, long-term investment, and sustainable development, and direct its oil policies from focusing solely on revenues to national development.

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