ABSTRACT

In Iraq since 2003 issues of transparency over foreign investment in relation to oil have been of particular salience bringing into sharp focus sensitive questions such as motives for intervention, nationalism, ownership and corruption. In the case of the Kurdish Regional Government (KRG) they also intersect with issues of the nature of federalism, the Iraqi constitution and the apportioning of powers in the newly constructed, negotiated and contested federal Iraqi state. Underlying all this are the ethno-political tensions of the relationship of the Kurdish Regional Government in Erbil with the federal government in Baghdad.

Recent academic and policy literature has focused on a range of issues concerning oil such as Kirkuk and negotiations (Anderson and Stansfield 2009a; Natali 2008; ICG 2008). Using a case study approach this paper focuses on the signing of oil contracts between the KRG and oil companies generally, and with particular reference to two examples which hitherto have received relatively little attention in the academic literature. The awarding by the KRG of contracts to an American oil company (Hunt Oil) and a Norwegian oil company (DNO) illustrates important issues involving external and internal actors. Using the existing academic and policy literature, publicly available information, and interviews with oil professionals on the ground in the Kurdistan Region this paper addresses key questions on transparency and foreign investment concerning the KRG and oil contracts, and assesses the implications for the oil sector of federal Iraq.

Indicative literature: