Index

Abbasid Caliphate 190
accounting rules see data quality
agriculture 13, 16–17, 110–136
Agrarian Reform Law (Number 30) 124
agribusiness 134–6
dates 115–16, 232
employment 112–13
farmers co-operatives 125–6
fruits and vegetable production 114–16
government programs 114
grain production 114–15, 123
income 112–13
irrigation 114, 120–122, 125, 130
land ownership and reform 122–6, 133, 239
land suitable for 112
output per hectare 112–14
price elasticity 136
salinization (salt poisoning) 121–2
typical farm 112
Agriculture, Ministry of 114, 123, 150
airports 221
Ajami, Fouad 1
alcohol and drug abuse 28
Allawi, Ali 49
Alnasrawi, Abbas 1
Anbar province 19, 44, 73, 112
Arab (ethnic group) 2, 79
Arab Ba’athist Socialist Party 1, 18, 122, 183, 195
Arab Gas Pipeline see petroleum: pipelines
Arbil city and province 2, 19, 73, 77
Assyrian see Christian
automobile accidents 28
Baban, Ali Ghalib 267, 273
Babil province 19, 73, 112
Baghdad city and province 2, 6, 19, 67, 117
civilian deaths in 73
historic 190
oilfield 91
Baghdad, Bank of see banking
banking 50, 137–51, 160–162
assets and liabilities 143
Baghdad, Bank of 140
challenges facing 146–8, 260
credit registry 161, 199, 202
financial sector reform 159–63, 277
interest rates 144, 255
microfinance 149–51
private 138, 140–146
public 138, 139, 142–4
Rafidain Bank 139, 147, 162
Rasheed Bank 139
recapitalization 146–7, 162, 260
reserve requirements 144, 255
Sharia compliant banking 141–2
Trade Bank 139
barrages, flood control see water: dams, barrages, and irrigation
Basrah city and province 2, 19, 103–4
civilian deaths 73
oilfields 89–90
Basrah–Kirkuk pipeline see petroleum: pipelines
Baumol, William 196
Bayati, Hamid al- 68
Bayji refinery see petroleum: refineries
Black, Edwin 137
Board of Supreme Audit 63
brain drain see demographics
Brent Blend index see petroleum: export price
Brazil, Russia, India, and China (BRIC), demand for oil see petroleum
capital flight see international finance
capitalism
state-guided and oligarchic 5, 278
contrast with Islamic economics 141
cargo cult 165
census
delay in holding 77–9
government employee 23, 51, 166
population 7–8, 77–9
Central Bank of Iraq (CBI) see
monetary and exchange rate policy
cement production 96
Chaldian see Christian
child mortality 26, 29–30, 180
Christian 67–8, 74, 76–7, 194
cigarette use 28
climate 2, 52–3, 110–11
Commission of Public Integrity 63–4
communication
press 56–7
telephone 226
television and radio 226–7
Constitution, Iraq (2005) 2, 9, 43
Article 111, Oil and Gas 97–8
Article 112, Oil and Gas (continued) 97–9
Article 115, Powers of Federal Government 97–8
Article 140, Kirkuk 77
contraception see marriage culture
corruption 6, 22, 46–66, 241
anti-corruption agencies 63
anti-corruption strategy 59–66, 276
Article 136B 64
banking 146–7
capital flight see international finance
cultural tolerance of 64–5
definition of 46
determinants of 51–9
education 36
and entrepreneurship 204
extent of 48–51, 225–6
forged documents 49–51
illiteracy 34
insurgency 49–50
microeconomics of 61–2
national budget 253–4
and per capita income 47
petroleum black market 94, 100
political participation 44
Public Distribution System 127
rent-seeking 186, 196–7, 270
smuggling 22, 49, 100, 231
state capture 47
state-owned enterprises 165, 195
Council of Representatives see political institutions
cousin marriage see marriage culture
credit culture 150, 159
Curran, Timothy 177
Dahuk province 2, 19, 73
dams see water: dams, barrages, and irrigation
data quality 6–7, 23–4, 153, 166
dates see agriculture
Defense, Ministry of 49
democracy see political institutions
demographics
brain drain 33, 38–9, 71, 214
emigrants 8, 30, 200
fertility 4, 9, 41–2, 82–4
immigrants 14, 240
population 10–11, 71, 271
rural to urban migration 123
Desai, Sameeksha 183, 189
Desert Shield/Desert Storm (First Persian Gulf War) 94
Development Fund for Iraq 78, 249–50, 253
Dhi Qar province 19–20, 91
Diyala province 19
doing business in Iraq see regulatory environment
dollarization see monetary and exchange rate policies
Dutch disease 107, 135, 232
e-government 64
education 34–9
access to 26
costs 36
curriculum 34, 37
employment as teacher 18, 34
and entrepreneurship 185
forged documents 51
lessons learned 36–9
literacy 34, 44–5, 52, 198
policy recommendations 44–5, 276–7
primary and secondary education 26, 44, 198
reasons for not attending school 35–6
and unemployment 37, 71
university education 37–9, 49
vocational education 37–8
Egypt 15
Eichengreen, Barry 260–261
electricity 50, 210–218
blackouts 210
demand for 210–212
illegal diversion of 215–16
import of 216, 218
investment in 216–17
maintenance of 216–18
national grid 100, 213–14
price of 21, 211–14, 216–17
private generation of 218–19
public generation of 210–219
Electricity, Ministry of 49, 93, 211
emigrants see demographics
employer of first resort 16, 108
employment see labor force
entrepreneurship 137, 157, 183–208
cultural environment of 189–94
definition of 184
demand for 187–9
education of 197–8, 208, 275
finance 185, 198–200
Kirznerian 184–6
and rent-seeking see corruption
Schumpeterian 184–6
supply of 189–200
transaction costs related to 200–205
typical small firm 197–8
environmental issues 117, 170, 220
Euphrates river 2, 67, 81, 117–21, 209
exchange rate see monetary and exchange rate policy: fixed exchange rate or floating exchange rate policies
Extractive Industry Transparency Initiative 60
Faisal II, King 1
false foreigner investment see international finance
farms see agriculture: typical farm
fertility see demographics
financial sector see banking
First Persian Gulf War see Desert Shield/Desert Storm
fiscal policy
budget execution 252–4
crisis price of oil 252
current expenditures 50, 60, 78, 128–9, 249
domestic borrowing 253–4
investment expenditures 13, 228–9, 249, 251–2
revenues 4, 60, 92, 241, 247–50
salaries 54–5, 58–9, 196–7, 228, 250, 269
social safety net 250
Social Security and State Pension systems 156–8
statistical capacity 7
food baskets see Public Distribution System
food security 126–8
foreign debt see international finance
fracking, natural gas 268
fuel, price of see petroleum
Fund for Peace 86–7
future of Iraq see Iraq in 2025
gender inequality 17–18, 26, 28, 30, 34–5
see also marriage culture
“ghost” workers 14, 50–51, 157, 166
Gini Index 27
see also poverty
Golden Mosque 4, 68
Goldman, David 83–4
Government, Iraq National expenditures and revenues see fiscal policy
planning process see Iraq in 2025: strategic planning process
Gross Domestic Product (GDP) 4, 10–13, 102
multiplier 103, 254
per capita 1, 9, 26, 102
Haddad, Fanar 74–5
Hanke, Steve 264–5
hawala 237
health 25–6, 28–33
heavy fuel oil (HFO) see petroleum
Herodotus 88
honor killing see marriage culture
hospitals and clinics 33
household, size of 9, 112
Human Immunodeficiency Virus (HIV) 31–2
Huntington, Samuel 69–72, 270
Hussein, Saddam see Saddam Hussein

Ibn Khaldun 67
immigrants see demographics
income inequality see poverty
Industry and Minerals, Ministry of 150, 166–7
inflation 12, 20–23, 255
informal economy 7, 14, 16–17, 20
entrepreneurship in 183, 195
finance 158
fuel 100
infrastructure 209–29
engineering vs. economic efficiency 227–9
Inspector Generals 63
insurance and pensions 138, 154–8
Sharia compliant insurance and pensions 155, 158
Social Security and State Pension Systems see fiscal policy
state-owned companies 154–5
Interior, Ministry of 49
international finance
capital flight 230, 240–42, 257–9, 277
capital movements 163, 230
currency restrictions 236
false foreigner investment 168–9
foreign borrowing and equity purchases 239
foreign debt and debt forgiveness 242–6, 251
foreign direct investment (FDI) 237–9, 260–261
International Monetary Fund (IMF) 244
international reserves see monetary and exchange rate policy
international trade
current account balance 233, 241
data quality 231–2
electricity, imports of see electricity
errors and omissions 233, 241
exports 232–3
exports, oil 91–2, 233
imports 233–4
imports, food 126, 136
remittances and transfer payments 237
services balance 236
tariffs 22, 234
trade balance 81, 129, 230, 233–4
investment, government see fiscal policy: investment expenditures
Investment Commissions, National and Provincial 239
Iran 6, 68, 79–80, 233, 269
currency smuggling 257–8
demographic collapse 82–4
UN sanctions 271–2
Iraq in 2025 267–78
GDP per capita 270–271
high oil price scenario 269–70
low oil price scenario 268–9
oil production 268, 270
policy decisions, key 275–8
political instability 268–9
reference oil price scenario 270–271
strategic planning process 272–5
water conflict 272
Iraq–Iraq War 11, 15, 114
irrigation see water: dams, barrages, and irrigation

Jewish community, Iraqi 194
Jordan 4, 79–80, 83
Karbala city and province 19, 235
Khawr Abd Allah waterway 81
Kirkuk city and province 8–9, 19, 44, 77–9
referendum 77
oilfields and pipeline 77, 89
Index

Kirkuk–Ceyhan pipeline 93, 100
Kirzner, Israel see entrepreneurship: Kirznerian
Kuran, Timur 190, 192–3
Kurd (ethnic group) 2, 44, 74, 77–80
Kurdish Regional Government (KRG) 2, 9, 75–9, 125
17 percent rule 77–8
oil 97, 106, 238
tourism 236
Kuwait 1, 8, 11, 79–83, 243–4
Kuznets Curve 27

Labor and Social Affairs, Ministry of 150
labor force 4, 13–20
employment 10, 71, 183, 195
gender differences 17–18
government employment 22, 27
self-employed 15, 189
skilled labor shortages 104
underemployment 14–16
unemployment 14–15
land reform see agriculture: land ownership and reform
Lawless, R.I. 6
legal system 58
life expectancy 26, 28
literacy see education
Looney, Robert 46, 59

Mahdi, Kamil 126
Main Outlet Drain (MOD) (the “third river”) 120
Maliki, Nouri al- (Prime Minister) 64, 79
malnutrition 26, 28–9
manufacturing 13
maps
climate 111
oil and gas 90
political 3
market competition 54–6
marriage culture 39–43
contraception 26, 42
cousin marriage 40, 53
eyearly marriage 40
fertility 41–2
honor killing 43
polygyny (multiple wives) 42
temporary marriage 42–3
wife abuse and discipline 40–41
maternal mortality 26, 30
Maysan province 19, 73, 91, 125
medical care 33
Mesopotamian Marshes 117
micro-small-medium-enterprises (MSME) 183
microfinance see banking
military incursions 80–81
mobility opportunities 70–71
modernization 69
Monarchy, Hashemite 1, 124, 194
monetary and exchange rate policy
bank regulation 145, 162–3
Central Bank of Iraq (CBI) 247
currency board 263–6
currency speculation 256
dollarization 257–9
financial liberalization 259–61, 277
fixed exchange rate policy 23, 81, 107–8, 254–7, 262
floating exchange rate policy 262–3
international reserves 107, 233, 241–2, 265
monetary base 255
Mosul city 2, 19, 67
MSME see micro-small-medium-enterprises
Municipalities and Public Works, Ministry of 32, 62
Muslim (religion) 53, 78–9
entrepreneurship 190–194
Shi’a 2, 42, 68, 74
Sunni 2, 68, 74
Muthanna province 19, 73
Najaf city and province 19, 44, 235
Nasiriyah city 117
National Development Plan 2010–2014 see Iraq in 2025
national development planning see Iraq in 2025: strategic planning process
National Oil Law see petroleum
natural gas see petroleum
natural resource dependency 13, 54–5, 101, 187, 230
newspapers see communication: press
Ninawa province 19, 73
North, Douglass 191–2

debt 243
see also international finance: foreign debt and debt forgiveness
oil see petroleum
Oil, Ministry of 49, 93, 166, 211
oil curse see natural resource dependency
oil for food program see UN sanctions
Olivier, Guillaume-Antoine 230
Organization of Petroleum Exporting Countries (OPEC) 105
Paris Club 243–4
Peshmerga 75–7
petroleum 88–109
BRIC, demand for oil 268–9
export price 1, 11–13, 91–2, 105–7, 248–9
export price scenarios 267–71
export volume 11–13, 91–2, 249
export volume scenarios 102–3, 267–71
foreign investment 88, 238
fuel, price of 21, 57–8, 63
heavy fuel oil (HFO) 93, 101, 211
infrastructure 89–95, 103–5
National Oil Law 78, 96–9, 275–6
natural gas 92, 95–6
oilfields 77, 89–90
optimal rate of exploitation for 101–8
peak oil 92
pipelines and storage facilities 90, 93–6, 100, 105
production sharing agreements 106
production volume 91–2
refineries 77, 90, 93, 99–101
reserves 4, 88–92
tanker terminals 90, 93
planning, government see Iraq in 2025: strategic planning process
political instability 5, 11, 44, 67–87, 227, 241, 268–9
entrepreneurship, impact on 183
per capita income 85–6
and state-owned enterprises 169
see also state-owned enterprises
political institutions 57, 70–72
capacity of 86–7
Council of Representatives 43, 62, 252–3
democracy 72, 84–7, 270
federalism 75, 277–8
female participation in 43–4
rent-seeking see corruption
retreat of the state 74–5
Pollack, Kenneth 79
polygamy see marriage culture: polygyny
population see demographics see also census: population
ports 209, 219–20
obstructions of 219–20
oil anchorages 220, 232
poverty 26–8, 50
press see communication
production sharing agreements see petroleum
provinces see individual provinces
map of 3
employment differences 18
location of oilfields 89–91
Protestant and Islamic work ethics 18
Provincial Powers Law 66, 277–8
Przeworski, Adam 85–6
Public Distribution System (PDS) 29, 49, 58, 127
organization of 126–9
reform of 129, 133–4
Qadisiyah province 19, 73, 112
Qur’an 39, 41, 115, 131, 191
Radhi, Rahdi al- 64
radio see communication: television and radio
Rafidain Bank see banking
railroad 221–4
international trade 84, 209
management 223–4
routes 221–2
usage 222–3
Rasheed Bank see banking
refugees see demographics: emigrants
regulatory environment 6, 200–204, 276
  closing a business 56, 153, 160–161
  corporations 193
  enforcing contracts 160–161
  getting credit 56, 153, 160–161, 199–201
  protecting investors 160–161, 199–201
  registering property 160–161
  reform 206–8, 276
  starting a business 56, 202
  trade regulations 22, 202–3, 232–3
religion 67
see also Muslim or Christian
rent-seeking see corruption
rivers see Euphrates river, Main Outlet Drain (MOD) (the “third river”), Shatt al-Arab waterway, or Tigris river
roads 204–5, 224–6
rule of law 191–2
see also regulatory environment or corruption
Rumaila oilfield (Basrah province) 89
Saddam Hussein 1, 31, 127, 210, 244, 249
corruption 29, 66
Sadr, Muhammad Baqir al- 195
Salah ad Din province 19, 77, 112
salinization see agriculture
salt poisoning see agriculture: salinization
Salter, Lord Arthur 1, 110, 247, 278
Samarra city 235
sanitation, access to 26, 32–3
Saudi Arabia 79–80, 83, 207–8, 244
Savelli, Paul 118
Schumpeter, Joseph see entrepreneurship: Schumpeterian services (component of GDP) 13
Sharia (Islamic religious law)
corporations 193
entrepreneurship 191–4
inheritance 193
Islamic economics 141, 191
murabaha lending 142, 193
and third-party contract enforcement 191–3
Shatt al-Arab waterway 2, 81, 118, 219–20
Shi’a see Muslim
small business see MSME
smuggling see corruption
social frustrated 70–71
Social Security System see fiscal policy
socialism 47, 53
accounting 6
contrasted with Islamic economics 141, 195
entrepreneurship under 194–6
transition from 187, 201, 278
SOE see state-owned enterprises
Southeastern Anatolia Irrigation Project see Turkey
Sovereign Wealth Fund (SWF) 98, 105, 108
state-owned enterprises (SOE) 16–17, 54–5, 62, 103, 164–82
China, example of 180, 182, 276
employment 164, 166–8, 177
foreign investment in 168–9
market impact of 188
origin of 165
performance and management contracts 175–7
political limitations on reform of 171–3, 181–2, 276
and Public Distribution System 127
railroad 223–4
refor of 169–82
subsidies and transfer pricing 166–7, 173–4
success and failure factors 177–81
State Pension System see fiscal policy: Social Security and State Pension systems
Stock Exchange, Iraqi (ISX) 138, 151–4
liberalization 261
privatization 178

Frank R. Gunter - 9781849809894
Downloaded from Elgar Online at 07/31/2019 09:04:47AM
via free access
The political economy of Iraq

profitability 164
regulation 152–3, 239
stunting see malnutrition
Sulaymaniyyah city and province 2, 19–20, 44, 73, 77
Sunni see Muslim
supply chain 178–9
Syria 4, 6, 79–80, 83, 246
civil war 271–2
currency smuggling 257–8
Szirmai, Adam 72–3
tanker terminals see petroleum
tariffs see international trade
television see communication
Tigris river 2, 67, 117–21, 209
tourism 235–6
Trade, Ministry of 49, 127, 166
Trade Bank see banking
trade regulations see regulatory
environment
Transparency International 46
tuberculosis (TB) 26, 31
Turkey 2, 6, 75–84, 272
Southeastern Anatolia Irrigation
Project water diversion 117–18
Turkman (ethnic group) 74, 76
Umm Qasr (port) 81, 103
underground economy see informal
economy
unemployment see labor force
United Arab Emirates (UAE) 207–8
United Nations 2000 Millennium
Development Goals 25–6, 274
United Nations Convention Against
Corruption (UNCAC) 61
United Nations sanctions 7, 11, 29, 188
oil for food program 114, 127, 244
Venezuela 269
violence 1, 30, 72–5
civilian deaths 4, 28, 73
counterinsurgency 149
regional 271–2
wages, gender differences 18
waqf (religious endowment) 124
Warren, Edward de 209
Wasit province 19
water 116–21, 131–5
access to potable 32, 131–2
conflict 119–20
dams, barrages, and irrigation 132–3
demand for 116–17, 135
diversion by Turkish dams 81, 118–21
international agreements 119
pollution 95
river flow 118–21
tariffs (price) 32, 95, 131–2, 228–9, 277
usage by household 116
usage by industry 94, 117
Weber, Max 18
West Qumac oilfield (Basrah province) 89
Willcocks, William 110
workplace fatalities 28
Wunsch, Cornelia 183