

The Way Towards the Reconstruction of the Iraqi Economy

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ABSTRACT

The challenges that Iraq is going through are the government's failure to diversify the sources of budget revenues on one side and pressure on government expenditures on the other, as well as fluctuations in the price of oil, high levels of unemployment as well as administrative and financial corruption, and misuse of oil revenues, which directed the Iraqi economy towards rock bottom. All these challenges facing the Iraqi economy impose on it the activation of alternative economic sectors such as industry, tourism and agriculture.

There should be a solid construction in the foundations of the economy on social foundations through government sterilization and not on the basis of free chaos, and a strong role for the private sector that takes the role of initiatives and adventure on the basis of short and long-term profit opportunities, and not on the basis of only short-term profit opportunities represented by seizure Government oil revenue.

Through this research, we will try to place the box for a successful economy, to explain the elements of a successful economy and the current state of the Iraqi economy, and to define the most important policies required to get out of the

current financial deadlock and advance the wheel of development and economic stability in the country.

Keywords: Iraqi economy, reconstruction, successful economy.

1. INTRODUCTION

There are many economic issues that exist everywhere in this world, such as unemployment, economic stagnation, taxes, budget deficits, and government regulations, so it is preferable to study economics in its aspects to understand the various contemporary economic issues, and think about how to analyze these issues and solve them to help obtain an economy Best. Iraq is one of the countries that depend entirely on its economy for oil to provide the needs and requirements of the state, and this matter indicates the seriousness of the economic situation of Iraq through dependence on oil in preparing programs and plans in light of oil price fluctuations, as a result of political and economic reasons, and for not exploiting the abundance. The financial results achieved from the excessive rise in oil prices in recent years.

The Iraqi oil revenues turned from a fruitful blessing, to a great curse on Iraq and its people,

and the reason is the mismanagement of the state by the rulers, a ruler after a ruler who all failed to manage the economic file effectively, as a result of the ruling class monopoly of the decision, and the rise of the likeness of men to the seat of judgment and decision, which produced countless misfortunes, just fell on the head of the Iraqis and the wounded homeland, so Iraqi dinars were bitten by party mice and political blocs.

As for the industrial and agricultural failure in Iraq, it is certainly not a result of a certain stage as much as it is a series of failures witnessed in the previous stages, due to the great and total dependence on the rentier economy represented by points, as well as the Iranian and Turkish interference through their politicians and businessmen in striking the industrial and agricultural economy and trying to reduce any successful project, which was observed by burning agricultural crops and killing the fish and animal revolution and many similar pictures, which indicates the seriousness of the situation in Iraq. Therefore, any attempt to think about the proposals and mechanisms of action to advance the reality of the Iraqi economy requires understanding and understanding all the current changes and trying to put the necessary methods to limit the rentier economy, and harnessing it towards setting future paths and scenarios for industrial and agricultural development in Iraq.

2. STUDY METHODOLOGY

2.1 Research problem

The problem of the Iraqi economy lies through the total dependence on the rentier economy dependent on oil exports, which indicates disastrous consequences for the Iraqi economy

due to the low oil prices.

2.2 Research hypothesis

There are many challenges that confront the Iraqi economy and hinder its progress, and Iraq is limited to a single rentier economy entirely dependent on oil is one of them, and how important is Iraq's orientation towards various industries and diversification of income sources.

2.3 Importance of the study

The importance of research lies in the following points:

1. An attempt to determine the current reality of the Iraqi economy.
2. Mapping the course of economic development by paying attention to various industries and limiting the rentier economy.
3. The need arises to define strategies and policies in the light of which to develop the Iraqi economy, and to limit the ways of the rentier economy.

2.4 Research objectives

The research objectives lie in the following points:

1. Statement of indicators and reality of the development of the Iraqi economy, Iraq during the years 2016-2019.
2. Explain the obstacles that faced the Iraqi economy and that may hinder it in the future in Iraq.
3. Statement of the risks of the rentier economy in Iraq and its implications for the future of the economy in the country.
4. Provide a set of recommendations that may contribute to addressing the challenges facing the Iraqi economy.

2.5 Research plan

The research section was divided into five axes, the first axis focused on the current state of the Iraqi economy, and the second axis addressed the causes of the deterioration of the Iraqi economy, and I review the third axis on the ingredients of a successful economy, and the fourth axis came ways to reform the Iraqi economy, as for the fifth axis, the proposed successful economics square, and finally, the conclusion came, including the conclusions and proposed solutions for the research reached by the researcher. As follows:

2.5.1 The first axis: the current state of the Iraqi economy

The economic situation that Iraq is going through is not less bad than the political situation. The economy of Iraq is a rentier economy, which means that the state depends on one source of income, and this source is often a natural source that does not need sophisticated methods and mechanisms of production, whether material or intellectual, such as gas or oil, from During the acquisition of this source by the ruling authority, the state monopolizes the legality of its possession as well as the legality of its distribution and its legitimacy of its sale.

The economy of Iraq depends entirely on oil to provide the needs and requirements of what the state needs, and this command mainly indicates the seriousness of the situation for Iraq in light of the sharp decline and fluctuations in oil prices, as a result of economic and political reasons on the one hand, and work on alternative energy on the other hand, as well as Not taking

advantage of the financial abundance that has been achieved from the excessive rise in oil prices in recent years, and not using it to build a strong base that contributes effectively to supplying GDP with various financial sources and keeping it away from the risks of decline on the other hand [1].

Dependence on the rentier economy leads to weak local production structures outside the oil sector in the country, which is noticed by the percentage contribution of the points to the country's gross domestic product, which is estimated at (95%) of the total exports in the country, as well as the increase in the number of workers in the sectors Non-oil, which produces only a limited part of the income, compared to the number of workers within the oil sector reached, as the number of workers in the oil sector reached (2.1%) of the total workers, while this sector is the largest source of income.

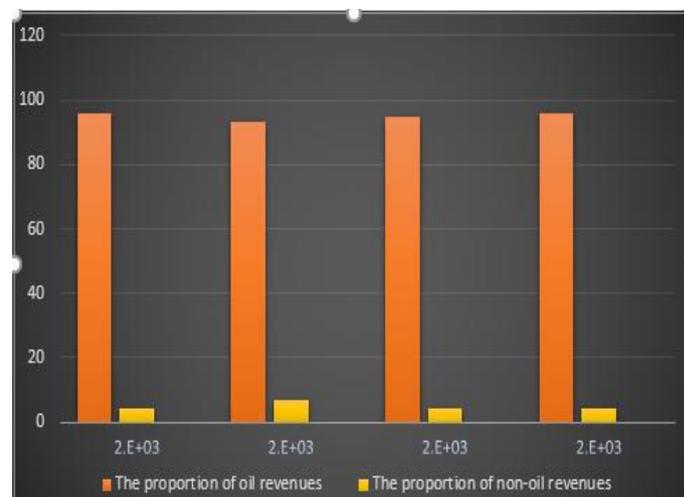


Fig1: Ratios of the state's oil revenues (2016-2019) [2]



Fig2: The percentage of workers in the oil sector [2]

Great dependence on oil revenues in financing supplies and government spending through the proportion of the contribution of these revenues to total output compared to non-oil revenues in financing public revenues, as oil revenues supported an increasing number of workers in state agencies, most of whom are characterized by weak initiative, as well as the spread of undemocratic practices and methods, and futile financial independence.

It can be said that Iraq currently depends entirely on oil revenues in a large way to cover government spending, and it represents a problem and distortion in the economic, political and social structure of the country, and even in the event of improved oil prices, the diversion of hard currency out of the country constituted a new challenge in light of the US and European

sanctions on The Iranian economy and the complicity of politicians in smuggling currency, which constitutes an obstacle to improving the Iraqi economy, so it requires addressing this problem to face future challenges and economic conditions [3].

2.5.2 The second axis: the causes of the deterioration of the Iraqi economy

We can refer to the most prominent features of the decline in quality of the Iraqi economy, as well as the nature of the challenge and problems facing economic reform:

1. Weak infrastructure: The Iraqi government was unable to achieve the minimum level of improvement in the infrastructure needed to launch the private sector, such as electric power,

bridges, etc., as explosive budgets in previous years were not able to provide self-sufficiency in electrical energy, and to improve the level of roads And maintenance of water and sanitation networks in the country.

2. Administrative confusion and failure to plan: Through failure to achieve progress and prosperity for the country, as 2020 witnesses a state of fear and anticipation, and what will Iraq's economic situation be? It has arrived this year and the country is burdened with millions of dollars in debt burdens, the scale of the devastation left by the military operations, in addition to what Iraq needs from reconstruction, and how deals and projects will be under the current administration of the state at the hands of influential mafias and parties, especially since who controls the joints of the state Its institutions, and revenue sources for the country are: parties and militias that pursue their mafia practices to plunder the country's wealth. This coincided with the repercussions of a severe economic crisis that affected the country's projects and services, and all other sectors, from trade, agriculture, education and health.

3. Persuasive unemployment: Iraq is having difficulty paying the annual bill to fund its overburdened government institutions with disguised unemployment and appointments for new graduates (according to political sharing) in order to contain public anger over government failure, drowning in corruption and increasingly

depleting resources [4].

4. The fiscal deficit in the budget: The Iraqi Council of Representatives has approved the general budget, after deep differences between the parties forming the system regarding investing allocations politically to support employment plans, and quotas of ministries, destroyed cities, and governorates that are not organized in a region. As the budget for the year 2019 is about 112 billion dollars, with a deficit of up to 23 billion dollars, to be paid from foreign loans (18 loans) and internal debts recycled (to five local entities) due to be paid or deferred by interest, in addition to the "National Bonds" program, and to continue with "Borrowing" with the guarantee of the "International Exports Corporation" for the purchase of weapons (including those repressive) and logistical support for the ministries of defense and interior, the "popular crowd" and "anti-terror agency", all of which costs about \$ 906 million. The 2019 budget doubled the financial drain of the Iraqi state from what it was in 2018, as the financial deficit was then \$ 11 billion.

5. Increasing unemployment phenomenon: As per the most recent measurements of the Ministry of Planning, joblessness rates in the nation have ascended to 30% as of late in a nation that is perhaps the wealthiest nation. It is joined by an ascent in the neediness rate to 25%, which compromises a compassionate catastrophe.

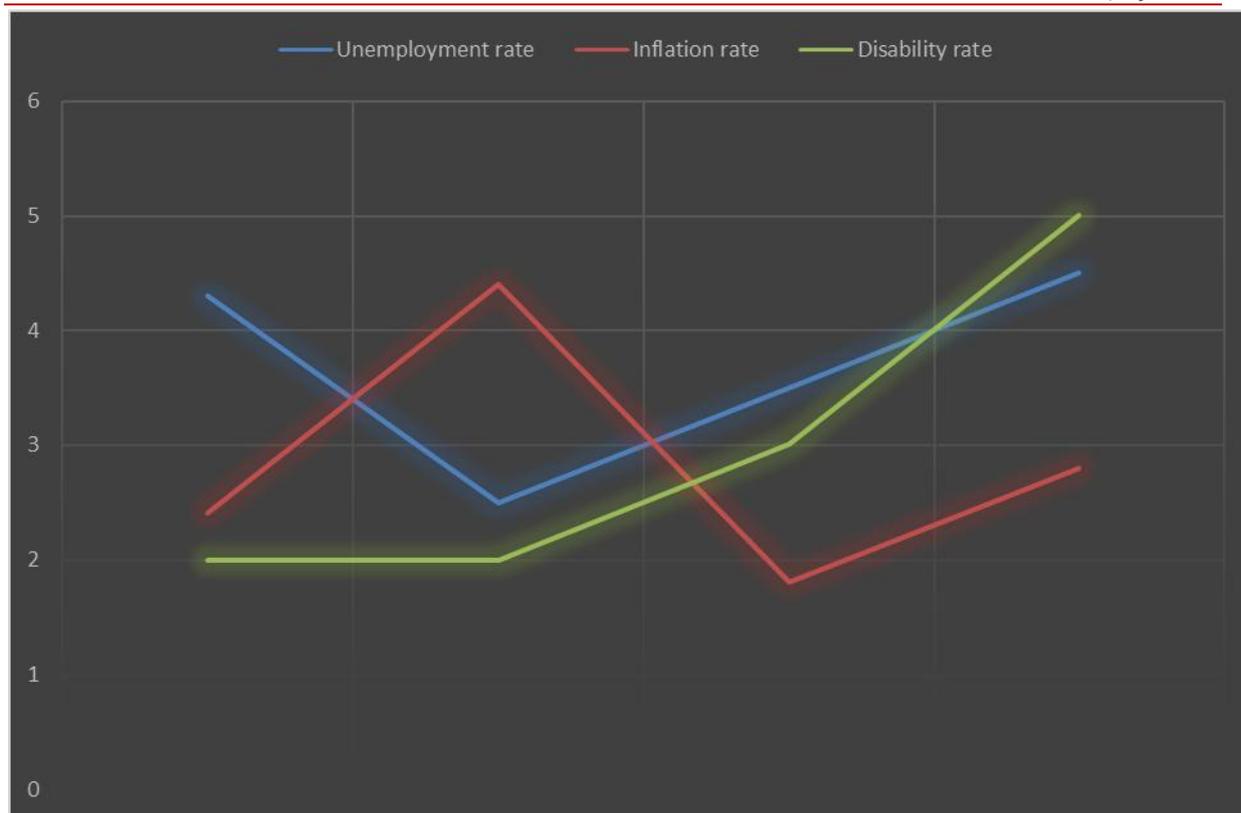


Fig3: Unemployment and inflation rates [5]

6. Increase in the number of workers in the government sector: the administration part is seeing tremendous quantities of workers with low efficiency, the same number of research has uncovered a critical diminishing in the profitability of government representatives and the commonness of masked joblessness in every single authoritative division of government foundations in Iraq, matching with the low degree of administration gave by organizations Government.

7. Oil price fluctuations: OPEC's latest forecast indicates continued fluctuations in oil prices for several years due to the slowdown in global economic growth on the one hand and the continuous increase in crude oil production for countries in OPEC [6].

8. Sectarian quota and competition for technocrats in managing the economic and service file: the mismanagement of the economic file has been clearly reflected in the performance of the current

governments. As the concentration of the oil sector increased in the proportion of GDP, most of the economic sectors slid into a chronic recession, and billions of oil resources evaporated in fake projects.

9. Financial and administrative corruption: I lost hundreds of billions of dollars of oil in mock projects and government expenditures intended to cover the requirements of the ruling political class, and no development achievement was achieved at the level of education, public services, or health [3]

10. The erosion of the reserves of the Central Bank of Iraq from the foreign currency: The central bank reserves of the dollar have eroded to less than \$ 59 billion in the last period after exceeding the threshold of \$ 80 billion in 2014, due to the increased demand for the dollar in exchange for a decrease in the flow of the dollar to the country due to lower prices Global oil.

11. The amount of foreign products in the Iraqi market: It is noted that Iraq has turned into a market

that absorbs all food and industrial goods produced from Iran, Turkey and Asia because of weak domestic production, lack of production, import and weak control [7].

2.5.3 *The third axis: the ingredients of a successful economy*

The foundations of the economy were similar in the past between countries due to the presence of land, raw materials and labor in all countries, but these components are no longer the only now, due to the development of life manifestations and the emergence of technology in its various forms and after other appearances that have an impact on economic policy in general, such as environmental and climatic effects, and is considered one of the most important component of a successful economy now is to provide an appropriate environment for investment: by investment, the money is intended to be used in a legitimate manner in any economic activity or project that benefits the country in a legal way, through a well-studied and pre-planned investment plan. The most important components of a successful economy can be illustrated as follows: [8]

1. Qualifying manpower and raising individual competence: This matter is considered an essential component of a successful economy, because the trained and qualified workforce is the main supporter of the success of the work and the motivation for it forward. As for the untrained hands, it is necessary to train and qualify it is imperative through intensive training.

2. Encouraging investment: Successful economics and economic growth is achieved through seeking to encourage entrepreneurial and innovation work, and encouraging startups and creative individuals to invest and open economic projects in the country. It is also achieved through setting a strategic plan to

prevent the emigration of skilled manpower and highly qualified people, and higher academic degrees abroad. And encourage the attraction of venture capitalists for investment within the country.

3. Social values and positive government policies: Social and cultural values that encourage the pursuit of progress and development play an important role in achieving economic progress and success. As stated in a study by the University of Houston, societies that value and encourage personal gains, accomplishments, and wealth building achieve a higher level of development and economic success faster than societies that do not. Encourages personal and collective accomplishments, and one of the factors encouraging individuals to accomplish: the presence of work ethics, and the provision of a place with a good infrastructure for investment and the establishment of economic projects, therefore government policies must provide a good work environment for companies, and encourage the establishment Projects, and provide adequate funding to equip good and suitable infrastructure for work.

4. Providing an adequate infrastructure for investment: This is in terms of providing electricity, water, transportation and technology and making them available to investors at lower costs in order to create a competitive investment environment, as well as providing various raw materials, which would save investors time and effort in searching for raw materials at a lower cost, and also we find that it is one of the most important elements of a successful economy At the present time, it is lifting the restrictions imposed on many commercial, industrial and economic activities, in addition to providing an attractive environment for the investor.

5. Investing in education: The increase in investment in the educational sector in all its stages increases the economic mobility, contributes to

increasing productivity, and reduces the differences between people and the inequality between them, as the difference in the level of early education and the quality of schools is one of the most important elements that help in continuing inequality between individuals In the future [9].

6. Make the tax law more liberal: This is done by adjusting the capital gains tax rates in a way that matches the income tax rates, as the tax rates for the rich people decrease with increasing their income and wealth significantly.

7. Investing wealth and capabilities: As the marketing of the ancient tourist places, the country's civilization, and the exploitation of the natural resources of this country, such as petroleum, as strong leaderships are not only strengthened by industry, but must include many other economic aspects.

8. Attracting businessmen: By communicating with them and motivating them to participate in developing the local economy and convincing them of internal projects as the most important means of strengthening the economy in the country in general, as well as benefiting from their investments in other countries [10].

9. Achieve luxury and stability: A successful and advanced economy focuses on moral, environmental and social growth, as it maintains the development and development of all aspects of life pertaining to the individual. A successful economy is not only limited to production and consumption, but seeks to provide a healthy behavioral culture to citizens, in addition to that it focuses on increasing the welfare of citizens in a way Sustainable, and maintain the country's economic stability [11].

2.5.4 The fourth axis: ways to reform the Iraqi economy

Unfortunately, the Iraqi economy has always

resorted to reform and development in times of crisis, as it does not think much about preventing these crises in times of financial ease, given that the file and the economic decision are mostly in the hands of the ruling political class, not in the hands of economists. Before referring to development and reform policies and practices, it must be stressed that the achievement of any monetary changes and measures relies upon the will and reality of political pioneers, because they represent the government with all its institutions, and this requires sacrificing partisan interests in order to help Iraq out of its current predicament [12].

Among the most prominent solutions presented in this context:

The 2020 budget should be a program budget, not a budget for items

One of the most prominent reasons for the faltering Iraqi economy in recent years is the absence of an economic vision from the revenue and government expenditures doors that were included in the budgets of recent years, so it is necessary that a budget in the year 2020 include a set of economic programs that simulate the economic conditions in the country and establish an innovative pattern in managing the economic file, diversifying resources , And stimulating the economic sectors represented in the agricultural, industrial and tourism sectors and gradually reduce the unilateralism of the Iraqi economy and its chronic dependence on the oil resource.

2. Encouraging the private sector

There are endeavors being made to invigorate the dispatch of the private area due to its vital job in engrossing the work power and moving all dormant financial divisions. The Cabinet has declared more than once that it tries to defeat all hindrances that thwart the dispatch of the private area and play the lead job in accomplishing improvement and assimilation of work and enhancement. The Iraqi

economy, yet without suitable foundation, a steady security circumstance, satisfactory duty enactment, and successful traditions assurance, these measures might be development letters a long way from the Iraqi reality.

3. Restoring life to the agricultural sector

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4. Leveraging expenses

One of the causes of the current economic crisis is excessive public expenditures in recent years due to high oil prices, the absence of weak oversight, and it was more economical to establish a sovereign fund similar to the Gulf states for the purpose of facing oil shocks and price fluctuations, and for now the government is not serious about its reform program related to the aggravation of government expenditures, Most of the procedures and practices announced recently were shy and formal and will not change the reality of inflated expenditures [3].

5. Focus on the Ministries of Higher Education and Education

Working to coordinate relations and interconnections between the ministries of education and higher education in assigning and supporting the work of most ministries through cooperation and joint coordination for the purpose of imparting the scientific aspect in managing state institutions and providing them with the most recent

methods and theories and what science and technology have reached.

6. The need not to participate in international loan programs

Most of the experiences in developing countries did not succeed in achieving development due to borrowing, and eventually ended up selling the public sector, national wealth to foreign companies, and debt scheduling. Therefore, international borrowing with high interest rates should be wary of falling into the debt trap.

7. Diversification of government revenues

Through the experience of Iraqi governments, we note that they are unable to diversify budget revenues, not from public sector companies, from taxes, or through government departments, due to the weakness of the rule of law and the inability of the central government to implement the law and adhere to it, which leads the central and southern governorates not to submit to Legislation and government laws on taxes and customs tariffs.

8. Stimulating and developing the industrial sector

Iraq has an enormous gathering of processing plants and open industrial facilities that halted totally after the control of Iraq in 2003 and still establish a weight on the state since it has a gathering of representatives and pay rates and wages are paid without work, and if these properties are leased and offered to the private division or to outside organizations that can give assets Good budgetary and facilitate the administration, or restore it, as the legislature can go into associations with the private part so as to utilize the last's understanding and assets to deal with this segment effectively [7].

9.Reforming the tax system

Building up a reasonable duty framework focusing on bottomless assessment vessels just, with the utilization of a taught traditions charge framework that incorporates all extravagance items and extravagance autos, with an article in the new

spending law committing the Kurdistan district to actualize the appropriate expense laws in return for getting the a lot of the financial limit.

10. Redistribution of senior positions

Working to keep the higher economic positions in the country away from patronage and quotas, most notably the Ministry of Finance, the Central Bank of Iraq, the Higher Commission for Investment and the Ministry of Planning, and if this is not possible at the level of ministers, it must not be at the level of general managers and consultants.

11. Reforming the banking system

Working to develop and reform the banking system, as well as enacting deterrent laws to reform the banking system and converting private banks into bridges for financing and development, not offices for money laundering and dollar smuggling operations, and the use of international audit and oversight institutions far from political parties in order to uncover corruption files, organize expenditures and award contracts in a transparent manner.

2.5.5 *The fifth axis: the proposed successful economics square*

The successful economy in Iraq should rely on basic ideas through which this square can have a positive impact on the well-being of the individual, and these ideas are as follows:

The first idea: the desire for reform

There is no doubt that the trend towards reform requires the desire for reform, and this is done in Iraq by strengthening citizenship and favoring the country over dependencies, which is important. Here is the big question that must be asked: Why are we heading to Egypt and Iran to solve the problems of electricity or to provide cars, even though international companies exist and their title is not a secret! Here the difference appears between

the honest politician and the stupid politician or thief [8].

The second idea: economic advancement

When Iraq wants to rise economically, is it logical to resort to economic cooperation with Iran, Egypt and Jordan! Does opening up markets with these countries bring him benefit? Can development succeed by resorting to third world countries? Or is it that direct cooperation, for example, with South Korea, Japan, Germany, China and India, is only what contributes to achieving the required economic development and success. It was strange for Iraq to go economically to cooperate with very weak countries, which caused waste of public money and the failure of development projects. Iran, Jordan, Bangladesh and even Egypt will not make us develop economically, and all the projects that occurred with them will not succeed, because they simply cannot contribute to the economic advancement, but they themselves Like us, they are looking for a hand to take their economy. The most reasonable and optimal solution for us was to connect with global companies directly, without intermediaries in providing energy, cars, agriculture, industry and investment [4].

The third idea: corruption is the cause

Corruption that is eating away at the body of political parties and blocs is the cause of economic ruin, and what is directed to the countries of the third world is only a great path to corruption, which is what the political class has become well-versed in, so we can discover that the goal of contracts is the amount of what they bring to them, while disrupting the role of financial supervision in the country , Aiming to pass their suspicious designs to empty the state treasury! Under the title Construction, investment and construction. And some giant deals were made only to satisfy regional parties, as the Iraqi cake is not only divided locally but regionally. Today we need a major economic reform revolution,

by abolishing the role of intermediaries, and by direct linking with developed countries, in order to reform what has been corrupted over previous years.

The current research focuses on four pillars, or what is called the successful economy square in Iraq, and it can be illustrated through the figure (4).

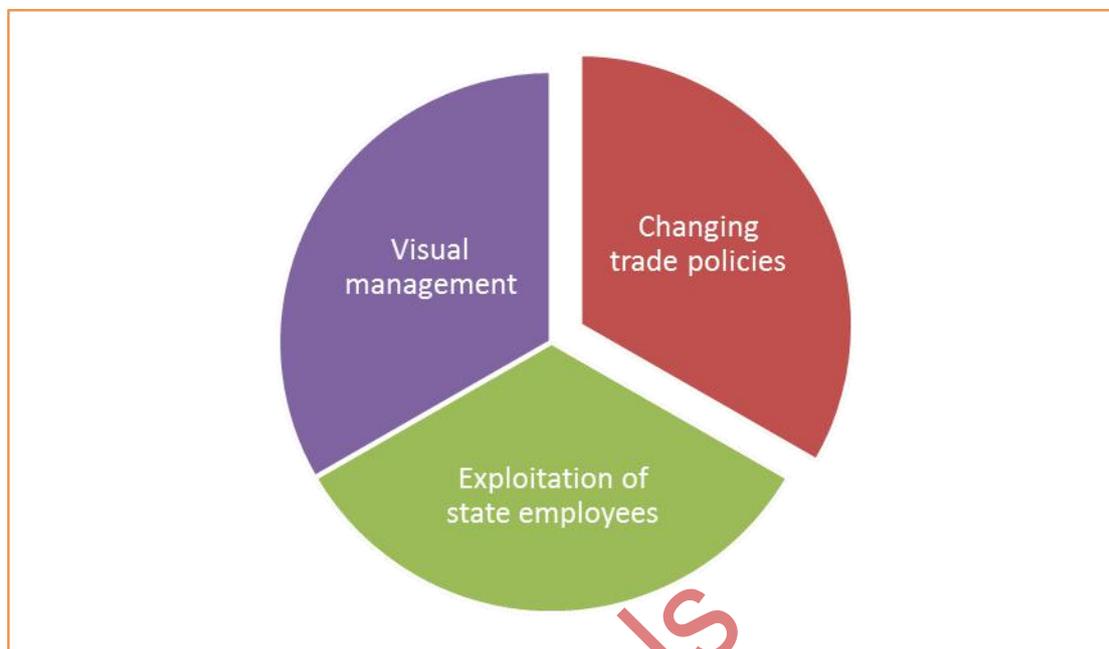


Fig4: The successful economy in Iraq

Source: Prepared by the researcher

The first pillar: the positive exploitation of state employees

Positive exploitation of state employees through: [1]

1. This is done through full coordination with the institutions of the Ministry of Higher Education in supporting the work of most ministries through joint cooperation for the purpose of giving the scientific aspect in managing state institutions and providing them with the latest science and technology.
2. Changing the method of education in postgraduate studies from theoretical aspects to scientific aspects with the full support of universities and the adoption of creative projects and rewarding their owners.
3. Take advantage of the disguised unemployment negativity by changing the structure of the ministries work and imposing actions that require

employees to work more efficiently, or transfer them to ministries that are concerned with their specialties, or open production branches and give rewards to workers compared to what was produced.

4. Reconsidering laws, institutions and mechanisms specialized in dealing with corruption in all its forms in the state in a manner that makes it more effective and responsive to the changes and developments that spoilers adopt in covering their criminal activities.

5. Reducing the situation of blackmail and fraud prevalent in most departments, as these departments should initiate a map of audits in the prominent areas of the department to block the way for blackmailers to auditors by disrupting transactions by creating illegal methods to make the auditor think that his treatment is incomplete.

6. Approval of planning for all state departments in order to optimize the use of material and human resources. The plan must be studied, realistic, flexible, and with a specific time period, with a review of implementation to identify imbalances and develop alternatives.

7. Activating the role of the media, satellite channels and the press in matters and tackling administrative and financial corruption, contributing to the spreading of job values and ethics, organizing communication between the relevant official departments and working with the principle of transparency and putting information within the reach of citizens.

The second pillar: changing trade policies

Working to change trade exchange policies with importing countries, especially with Iran and Turkey, and is done through: [4]

1. Increasing customs tariffs at high rates to hinder the entry of foreign products and demand for local products.
2. Regulating the quotas by limiting the import of products in very limited quantities for each year and reducing them to the lowest possible level, and this is done gradually.
3. Focusing on the system of subsidies through subsidies given to the local product in order to produce goods that replace imports with the aim of reducing dependence on the importer and increasing dependence on the local product on the one hand, and export subsidies

which are given to the export commodity product to expand the volume of exports in order to increase the supply of exported goods to the international market.

The third pillar: applying the concept of visual management

The origin of corruption is administrative leadership. Therefore, an administrative method should be sought that would reduce corruption operations in state institutions. Administration, according to its modern concept, is science and art, knowledge in the use of the correct methods, and art in how to use those methods. Hence, if we want to combat the scourge of administrative and financial corruption, the relevant authorities should reconsider some failed and corrupt managers and create a new and good administration, headed by a brave, honest and patient manager who does not hesitate to take decisions that serve citizens and meet their needs. Because it is certain that if the director is not brave, he will make the department a source of corruption, fraud, and chaos, as he and during his work must address the difficulties he faces while working. Focus on: [13]

- a. Adopting periodic and sudden monitoring mechanisms and multiple follow-up committees, especially in the field of contracts and various financial issues.
- b. Dismantling the inspector general's department within each ministry from joining the ministry's staff and making it

follow in terms of appointment and funding to the Integrity Commission.

- c. Intensify the use of secret and electronic surveillance methods.
- d. Activating a law called "Where did you get this from?" The officials of the rank of general manager and above are concerned with to reach the president of the republic, where their movable and immovable properties must be stripped annually to see if they have enriched themselves using their positions in state institutions.
- e. Follow advanced scientific methods for storing documents in CDs, distributing them in more than one body, and creating divisions in government institutions, especially for the preservation of all data and documents, as is the practice in countries.
- f. The reform process includes all government institutions by developing their structures and modernizing their working methods.

3. CONCLUSIONS

1. The high contribution of oil revenues to the gross domestic product during the period (2003-2014), and that oil represents the main financier of the general

budget of Iraq, as oil revenues reached (94%) during the aforementioned period, compared to (6%) or less Of the non-oil revenues, which threatens many problems that may afflict the structure of the Iraqi economy in the future if the current oil prices are not used.

2. We note the features of the rentier economy in Iraq clearly, which naturally led to the creation of the rentier state, and this is evidenced by the high contribution of oil to the gross domestic product.

3. The investment climate in Iraq did not contribute to attracting and stimulating foreign investments, due to the weak political, security and economic stability, as well as the lack of economic infrastructure that encourages investors to direct their investments to industrial projects.

4. The weak level of education and training, and the lack of linkage between education and the requirements of industrial development and the requirements of the labor market, as well as the lack of a clear and understandable policy for the transfer of technology and knowledge and its settlement in Iraq.

5. Poor coordination between monetary, commercial, financial and investment policy, on the one hand, and industrial policy, on the other hand, has negatively affected the industrial reality in the country.

3. RECOMMENDATIONS AND

SOLUTIONS

1. The local, Arab and foreign sector should be encouraged to invest in Iraq, especially in industrial projects, by adopting new policies for promotion and investment.
2. The adoption of wealth funds along the lines of the Norwegian experience of the social and economic benefits that this country reaped, which were reflected in the state of well-being, as well as economic

and political stability as a result of the diversification of rent for citizens.

3. The real and serious approach to investing the agricultural, economic, service, and tourism potentials of Iraq to be an important source of diversification of rent and not relying on oil.
4. The necessity of the country's economic participation and adoption of financial and economic reform policies in setting the required economic and industrial policies, because they possess important information on the nature of the challenges and problems they face, as well as their skills and ability to define priority goals and appropriate times for them.
5. Encouraging work in the foreign, Arab and local private sector to invest in industrial projects by adopting a new policy to promote investment, highlighting investment opportunities available for investment in Iraq, as well as providing the necessary industrial areas, and all incentives that would attract investment in manufacturing industries projects in the country.
6. Developing and developing the economic infrastructure that serves the national industry sector, working on preparing databases that serve the manufacturing sector, and developing the technological knowledge used in production operations.
7. Working to create opportunities for economic partnership between foreign industrial companies and national industrial companies, so as to enhance industrial investment in national industrial companies.

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