



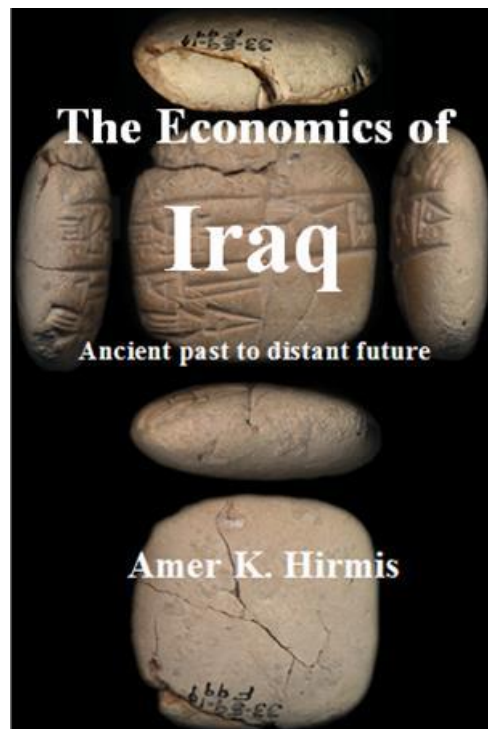
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Introduction of new books on Iraq Economy

The Economics of Iraq

Ancient past to distant future



Amer K. Hirmis



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This book is dedicated
To the children of Iraq



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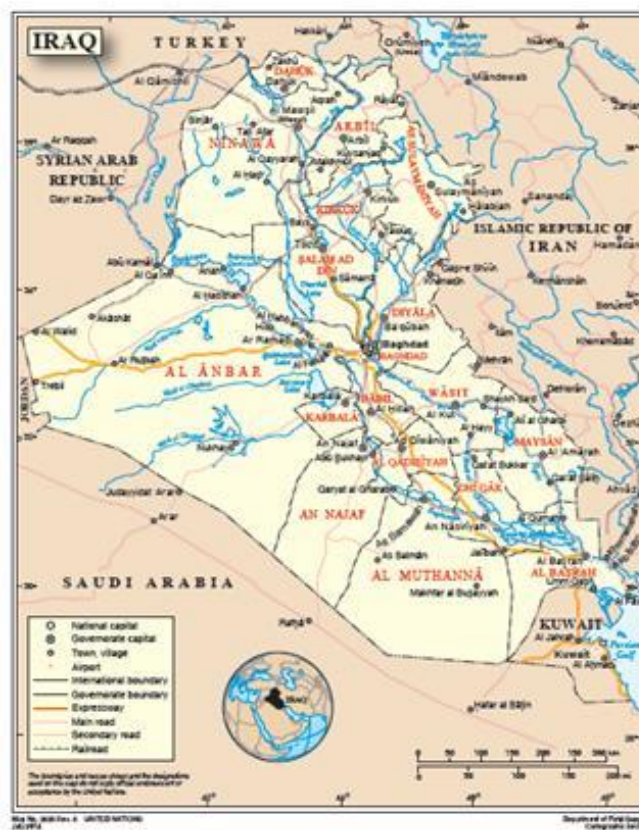
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Source: <http://www.un.org/Depts/Cartographic/map/profile/iraq.pdf>



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Preface and acknowledgements

On 10 March 2011, a meeting took place between Nassar al-Rubaiee, acting Iraq's Minister of Planning, Dr Sami Mati Polous, Deputy Minister for Technical Affairs, Gert Meinecke, the Danish Ambassador to Iraq, and myself. The meeting was extremely cordial. The metaphor in some of the Minister's prose was not easy to unpack. On 11 March 2011, a Royal Jordanian aircraft took off from Baghdad International Airport heading to Amman, and as the airplane ascended, I looked at the landscape. Somehow Baghdad's hinterland looked barren, sandy/light brown with a scattering of green spots. Three hours before the take-off, I had said goodbye to the Danish Ambassador, following a brief chat, in the grounds of the British Embassy about the prospects of Denmark's assistance building peace in and the reconstruction of Iraq. I suggested that perhaps a better understanding of the social fabric and dynamics at play in Iraq might further enhance the outcomes of the donors' contributions. The Ambassador raised his eyebrows; I shook his hand and wished him well, then headed to the armoured vehicle waiting to take me to the airport.

Some 15 to 20 minutes into the flight, niggling thoughts entered my head, as the sandy landscapes became more common and prominent on the way to Amman. Why is such a rich country like Iraq, where the author was born and left in 1976, so troubled, in more ways than one? And, why is the economy so inefficient, why is inequality so widespread, with nearly a quarter of the whole population in poverty? And, why is unemployment so high, especially amongst the youth? Whilst short, sharp and punchy convenient answers blaming the ancient regime, widespread corruption, Allied Forces' interference, destruction, wars, and economic sanctions, have considerable truth in them, they are in themselves somehow no longer sufficient. They do not quite explain the reality – the economics of Iraq. Clichéd answers that tend to justify inaction, only blame the colonialists, and only reminisce and glorify a 'golden' past remain unsatisfactory.

After nearly 33 years of absence from Iraq, I had the privilege to work as a Senior Advisor (Development Planning) with NIRAS. There was the rare opportunity to stay in Baghdad for some 20 months intermittently and work with Iraqi civil servants at the Ministry of Planning, economics professors from Baghdad and Mustansiriyah universities, and officials from the donors (USA, Denmark, UK, OECD, World Bank, etc.). My work in Baghdad over a 20 month period to March 2011 encompassed three projects: assisting in the production of the 2010–14 National Development



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Plan (NDP), forming a new Economic Forecasting Team within the Ministry (with the help of Iraqi academics) and directing a talented team from Denmark (NIRAS), Iraq and Britain (all working in conjunction with the Ministry's staff) to produce an 'Outline Spatial Strategy for Iraq', which was delivered to the Ministry in March 2011. The opportunity was also taken to listen to donor's senior diplomats and functionaries, gaining an appreciation of how they thought Iraq ought to realise 'sustainable development' and over what timescale?

So, my interest in the economics of Iraq derives from having grown up in Iraq, I worked most of my life in England on issues to do with economic development in the UK and lately in the Middle East, going back only to begin to witness, appreciate and understand the causes of the economic devastation Iraq suffers from. I learned that the root causes lie in Iraq's long history. Historical evidence proved to be crucial real material for my inquiry.

Although historically Iraq has been the core and heart of Mesopotamia, this book concentrates on the country as we know it at present, within the borders established in 1932 (the year of the formal Independence of Iraq). Interest shown in ancient civilisations sparked in Iraq ('the cradle of civilisations') from academics and other professions has generated thousands of books, articles and commentaries about various aspects of life in the country. More recently interest in Iraq has increased tremendously (especially amongst policy makers) pre- and post-the invasion of the country in March/April 2003. As expected, there is quite a body of controversy about the interpretation of Iraq's history, its economy, politics and, perhaps most importantly, the social dynamics that underpins many, if not most, events in Iraq – now as in the past. There is an almost a deliberate reluctance (verging on denial) in the public discourse to find explanatory reasons for Iraq's calamitous economic situation in traditional culture or religious codes. This book breaks free from the less thoughtful adherents to a tradition that hinders the wellbeing of people from flourishing. Tradition is a collection of ideas that over time become norms, and as such it is a legitimate subject of analysis and debate, as, for example, the late Iraqi sociologist Ali al-Wardi taught.

As the numerous quotes used show, this book builds on ideas put forward by others. I have weaved into this thought fabric my own ideas where this seemed to be logical. It is hoped that this work will attract sufficient attention from policy-makers, academics and students of Iraq's economics, to stimulate its improvement, and so making further contribution to our knowledge of Iraq's economic dynamics. Iraq has never experienced *economic development* (as distinct from *economic growth*). Even when it achieved economic growth, this was desperately non-inclusive. This work



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provides ideas and arguments for achieving economic development in Iraq, in the distant future.

This is a self-published book, which Grosvenor House Publishing (GHP) has helped to publish. It does not follow the traditional publishing route. However, I have taken the utmost care when quoting others, ensuring that the evidence used is pertinent and that the analysis is objective. Some readers might find factual errors, misprints or omissions of some pertinent references. I ask the reader to recall the poet and scholar al-Hariri of Basra who said, “If you find a fault, correct it... sublime are those who are faultless.” So, if a reader finds a fault, kindly write to my publisher, so that any errors can be corrected.

The text is complex and multi-layered, providing a compendious survey of relevant material. Readers particularly interested in politics/policy making may wish to go straight to Chapters 8, 9, 10 and Appendix 3. Text on economic history and archaeology is found in the last section in each of Chapters 1 to 7 (‘echoes from the past’) and Appendices 1 and 4. Gender parity, or lack thereof, is dealt with in Appendix 2.

The journey for writing this book was scheduled to last 36 months. It lasted longer, interrupted by consultancy projects, baby-sitting, supporting the family, and the need for occasional retreats. The journey though has been unique.

Throughout this journey, I had the great privilege to read, amongst others, such luminaries in their respective fields of inquiry as Ibn Rushd, Taha Baqir, Fuad Safar, Fauzi Rasheed, Nicholas Postgate, Morris Silver, Karen Rhea Nemet-Nejat, Daniel Snell, Tonia Sharlach, Muhammad Akram Khan, Timur Kuran, Muhammad Salman Hassan, Ibrahim Kubba, Sabri Zeir al-Saadi, Ahmad Braihi Ali, Bassam Yousif, Abbas Alnasrawi, Frank R. Gunter, Jawad Ali, Hadi al-Alawi, Thabit A.J. Abdullah, Ali al-Wardi and, last but not least, Qasim Hussein Salih. Iraq’s economics, it is fair to say, could not be understood without contributions from accomplished Iraqi and non-Iraqi archaeologists, economists, historians, sociologists and psychologists, amongst others. To them all I owe a major debt of gratitude.

Thanks go to Lesley Budd and Andrew Trigg for their guidance, and also to my indexer and proof-reader Joanna Luke for her rigorous work and helpful comments. Tamsin Rush made the publication of this book possible; her patience and professional advice have been invaluable. Thanks also go to my children who resolutely encouraged me to conclude this journey, and to my extraordinarily patient wife, who graciously endured many changes in our diary, resulting from researching and writing this book. I am very fortunate to have their unstinting support.



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I have corresponded with many of the scholars mentioned above, and consulted many primary and secondary sources, but I alone bear the sole responsibility for any misunderstanding, misinterpretation and errors that may have occurred.

Amer
November 2017



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Introduction

This book is an attempt to understand the present state of Iraq's economy. Based on the analysis of historical evidence, the book strongly suggests that whilst Mesopotamia/Iraq has seen tremendous *economic growth* over the millennia, the country has never achieved *economic development*.

The persistent lack of economic development is a key reason for Iraq's present day calamitous situation, in the economic, social and political arenas. This situation has deep historical roots, going back thousands of years.

A common thread that runs throughout the book is that Iraq's economy has experienced perennial *economic inefficiency*¹, social and economic *inequality* and lack of sufficient *work* for those able and/or willing to take existing/new jobs. It is in this specific sense that Iraq has never experienced *economic development* as distinct from *economic growth*. High unemployment and poverty has been invariably pervasive throughout most of Mesopotamian/Iraq's history. Even when Mesopotamia/Iraq did achieve economic growth in some periods, this was desperately non-inclusive.

The book is about demonstrating these facts.

The book thus addresses an extremely under-researched strategic question: what are the historical roots for the present state of Iraq's economy? An objective look at the past shows that the echoes from the ancient past are so striking that in order to understand the current state of the country's economy, the study of the economics of early Mesopotamia up to the end of Ottoman rule in the early 20th century becomes a meaningful subject of inquiry in its own right. However, should *economic development* not be achieved, both history and the present provide key indicators for a bleak trajectory of Iraq's economy. Historical evidence strongly suggests that it would be naïve to expect Iraq to achieve economic development within one, two or even three generations to come.

A key objective of this book is therefore to restore an historical dimension to the discussion of current economic issues and associated problems of Iraq.

The focus of this book is economics; more specifically, *economic development* in Iraq throughout much of the country's known history. Religion as such is *not* the subject of this book; nor is culture *per se*. The historicity of Iraq's economics can't, however, be divorced from culture, religious edicts and, *inter alia*, politics and personalities – economic

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complexity encompasses culture, religious edicts and other aspects of human life. Cultural and religious codes are therefore touched on *only* in terms of supporting, or disproving, a relevant hypothesis to do with the economics of Iraq. This is a new approach to the understanding of the economics of Iraq.

Given the historical perspective dealt with in this book, the past 100 years represent the ‘present’, which falls between the ancient past and the distant future, as the title of the book suggests. Available statistical evidence helps to draw together a clear picture of the economic dynamics over the past 100 years, as Chapters 1 to 7 demonstrate. Chapters 8 and 9 attempt to provide an interpretation of the state of the Iraqi economy – i.e. *why* is Iraq’s economy where it is, never having experienced economic development. Chapter 10 looks at the future and provides some thoughts regarding the objective conditions that should prevail for Iraq to achieve economic development in the future.

Without realising *economic development* (as distinct from *economic growth*) Iraq’s economy will remain a backward economy, more or less displaying an economic structure that has not significantly changed in its *proportional dynamics* for a very long time². Therefore, the most fundamental premise in this book is that *economic development* matters. So does history. History shows that the most significant transformation in the economic structure of Iraq over the millennia has been the rise to pole position of crude oil production and exports since the early 1950s, taking over the role historically assumed by the agriculture sector.

The making and undoing of civilisation...

It is impossible to argue that Mesopotamia/Iraq is not the cradle of a great civilisation, of which some distinctive marks (as this book clearly shows) are still, to the present-day, visible in the daily life of the whole of humanity. Numerous orientalists from the East and the West have acknowledged this fact. And numerous, orientalists have brought to light and human knowledge the contribution Mesopotamia/Iraq has made to enrich life, through the invention of writing, making of science, literature, art, industry, agriculture, and, *inter alia*, engineering.

It is equally impossible to ignore proven historical evidence pointing to the view that throughout much of its history Mesopotamia/Iraq has been governed by rent-seeking rulers, subjecting a large majority of the population to hardship, illiteracy, low quality of life, exorbitant taxes, and severe poverty. For millennia, the successive rulers of Mesopotamia/Iraq have imposed



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exploitative taxes on the majority of the population, especially the poorer sections of society. They deployed cultural norms and religious edicts to legitimise authority, self-interest, exploitation, and atomisation of the individual for the 'benefit' of the 'community.' In the process, the rulers degraded women's societal status and intentionally denied most Iraqis their basic humanity, deliberately putting out their otherwise inextinguishable intelligence, creativity and energy to build a better life for themselves individually and for society at large.

During much of Iraq's political and economic history, allegiance (*al-bai'a* – a contract to render blind obedience) to the rulers has been the norm rather than citizens' representation, principally, as this book argues, because of a lack of economic development.

Looking ahead, it is up to the children of Iraq, to whom this book is dedicated, and the future generations of Iraqis to consider this world-view. It is up to them to build a path to economic development, build a secular state, exercise functional democracy and practice total gender parity. When adults, the future children of Iraq will consider whether they should rid Iraq of a debilitating continuum of a culture, deeply rooted in the history of the country, which vehemently opposes secularism (*al-'almānīya*). A culture that degrades women and sanctions slavery. A tribal culture that legitimises looting from, and antagonism to, central government and its structures. A culture that sanctions beastly violence and loss of life. In the end, the humanity of Iraq's future generations will rise to initiate economic development in the country, create secular state, a civil, urbane life free from sophistry and superstition. They will build a life of *reason* that respects the *other* and condemns blind *'asabīya* (*esprit de corps*), and the diffraction of society.

The children of Iraq will read and consider appraising their country's history. They might see it right that whilst some useful lessons may be drawn from an objective look at the past, one must not cling to the 'glories of the past' for *total* inspiration when the present and the future necessarily require a different world-view and approaches for the *betterment of human welfare and life* in Iraq. Historical evidence suggests that Iraq's ancient cultures and religious *codes* still shape thought and the psyche in Iraq, influencing the making and conduct of the country's economy.

Early Mesopotamian civilisation

One of the first civilisations in the world evolved, and was nurtured in



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Mesopotamia/Iraq by ancient Iraqis. In the southern part of Iraq, in the alluvial plains nourished by the Tigris and the Euphrates, the humanity of the Sumerians came together, at the beginning, to invent the sailing boat, writing, numbers, astronomy, accounting, weights, the calendar, the wheel, irrigation systems, weaving and cloth making on a large scale, organising and managing large institutional textile manufacturing, employing a large number of workers. Last but not least, ancient Iraqis created the city, the state and government. All of these innovations are to do with economics, as we know it today; though an equivalent word for economics did not exist then. Driven in part by organisational needs, and empiricism, the Sumerians practiced the very basic tenets of economics. Whilst they did not theorise the principles of *supply* and *demand*, these principles determined the amount of one commodity exchanged for another, perhaps initially reflecting some cognisance of the labour content of the exchanged goods. The notion of prices *per se* evolved as the Sumerian *sūqu* (a market street, *sūq*) developed, where, eventually, money (in the form of silver) as a medium of exchange and store of value was in circulation. The Sumerians provided interest-bearing credit to facilitate trade, and agriculture. They developed 'primitive' banking and taxation systems. They invented *zakutu* (not same as *zakāt*), a distributive fiscal tool, of which the principle of wealth redistribution is still used in many countries of the Middle East and is indeed adopted in major Abrahamic religious codes.

The earlier Sumerians were pioneers in practicing the very concept of economic growth (increased output), and went as far as attempting to improve the quality of life in Eridu, Ur, Uruk, Lagash, etc. Severe inequality in income distribution, and the existence of widespread poverty, remained *the* stubbornly unresolved issues, which, alas, a large number of Iraqi's still suffer from to this day. Later, the Akkadians, the Babylonians and the Assyrians, built on the Sumerian heritage, transformed it to suit their needs and polity, creating a new objective reality (context) and, in economics, going as far as inventing the 'bill of exchange' (*saftaja*) and derivatives (Weber, E.J. 2008: 5) to facilitate the extension of credit, investment and trade.

Those who had invaded and occupied ancient Iraq since 539 BC brought with them some of their commercial norms and practices. Most of the economic and commercial tools and practices already developed in ancient Iraq were, however, adopted by the invaders and, naturally, these tools were developed further. This applied whether the invaders were the Greeks, Persians, Sassanids, Arabs, Mongols, Ottomans, and so on. Since the beginning of the 20th century, both the British government and the



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American administration played distinct roles in shaping Iraq's more recent economics. And, just as the ancient Mesopotamian empires left clear imprints on the economic policies of 'The Land' they dominated (e.g. part of Syria, north Arabia, Egypt and south-east Iran), so have the invaders of Iraq. They too have left their imprints on Iraqi economic policy and outcomes, to this day³.

Broad economic structure

For nearly 10,000 years now, the agriculture sector has remained a key component of Iraq's GDP and employment, not in a static, but in a dynamic sense. Up until the beginning of the last century, however, the majority of the population of Iraq (around 80 percent, including a large proportion of nomads)⁴ lived in the rural areas, where the overwhelming majority lived on agriculture; the rest lived in towns and cities. And, as the insightful observation of the late Taha Baqir (1955: 419) goes, "neither the evidence nor the historical documents point to a great change in the conditions of plants and animals in the ancient and modern Iraq", an observation neatly complemented by an equally insightful note by Harriet Crawford (1991: 93) that, "The planning and construction of domestic buildings changes little from the fifth millennium to the end of the third. Indeed, many of the features of these houses can be paralleled in the traditional architecture of today." Doubtless Iraq has changed a great deal over the millennia.

But, as in the past, Iraq's economy is at present dominated by one sector – oil. The latest figures available from COSIT show that crude oil accounted for 47 percent of GDP in 2014, crude oil comprised 99 percent of exports and over 90 percent of the government revenue comes from oil exports. The Agriculture sector generates 4.9 percent and the manufacturing industry generates 1.9 percent GDP (*cf.* www.cosit.gov.iq and www.iq.undp.org). In both ancient and modern Iraq, *rentierism*⁵ has been the hallmark of the dominant economic sector. Unlike the agriculture sector, which used to absorb a large proportion of the labour force, the crude oil extraction and export sector, however, employs less than 1 percent of the country's total labour force. In this sense at least, the oil sector is an exogenous sector to the Iraqi economy.



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Economic development and economic growth

In this book, a clear distinction is made between ‘economic growth’ and ‘economic development’ with the latter being a core concept in this work. Economic growth means an increase in real GDP. An increase in real GDP means there is an increase in the productive capacity of the economy and value of national output/national expenditure. Economic development, however, is seen as both a process as well as outcomes (see Chapter 8: 312). In this book economic development is defined as:

...the design and the implementation of policies that aim to initiate and achieve not only economic growth, but also the enhancement of people’s *well-being*, multiple skills, education, health, civility (urbanity), work ethics, employment creation, eradication of poverty, the physical environment and infrastructure, to the highest levels possible, regardless of people’s race, gender, ethnicity, social background, geography, all achieved with humanity. As economic development evolves, with it evolves the supporting institutions, legal frameworks, good governance, proficient government and functional democracy that would work to sustain economic development, and increasingly higher levels well-being of people, in the long term.

What is presented here, therefore, is an attempt to draw together some of the ideas developed by Kindleberger, C.P. (*ibid*), Seers, D. (1969) and Sen, A. (1999b), as neatly summarized by Nafziger, E.W. (2005). It is hoped that this view of economic development would be, conceptually, refined by others, in the future. It is contended that this view serves as a workable assertion of what economic development is, and ought to be about, at present. It also serves as a reasonable comparative concept to test whether Iraq has ever achieved economic development.

In addition, for clarity, some words need to be defined. The word ‘economy’ is used to describe, roughly, a spatially delineated area (Iraq) and society where goods and services are exchanged (in a market) according to various socio-political and commercial norms. For example, barter, a medium of exchange (silver, barley, credit or debit value within a given social network), supply and demand, a royal decree or a religious edict. Notwithstanding the polemicists’ view on evolution of the *market* in Iraq⁶, this book assumes that a market exists when two people exchange goods and services at a point in time and place. Economic dynamics is seen to mean the way various forces interact and shape the economy – these forces

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may include the political and economic systems of the time, technological advances and their exploitation, history, tradition, religious codes, social organisation, geography, natural resource endowment, population size and characteristics and, last but not least, the natural environment.

Slightly paraphrasing, and following Paul Samuelson (1970: 4), economics is taken to mean:

The study of those activities which, with or without money, involve exchange transactions among people... how people choose to use... productive resources (land, labour, capital goods such as tools, machinery and technical knowledge) to produce various goods (commodities, if you wish) such as wheat, beef, roads, and deliver services (such as education, health) and distribute them to various members of society for their consumption; and... (the study of)... wealth, distribution and poverty...⁷

In this book, the production of goods and services is associated with the availability of *work*, or lack of it, for the Iraqis, as a *principal thread running throughout the analysis as a kernel of economics*, and what economics is about. Another concern in this work is economic *efficiency*, and this is associated with the 'How goods and services are produced...' Finally, the distribution of the outcome of labour (work) is associated with social *equality*, analysed through the prism of Iraq's economic history under study. In this book, economics is also taken to mean *introducing change* that aims to enhance the well-being of the people.

1. Purpose of the book

The purpose of this book is to demonstrate that without achieving economic development, socio-political transformation aiming to improve the welfare of the Iraqis will be difficult to achieve.

And, without taking an objective look at the past – the historicity of Iraq's economics – it would be even more difficult to understand the present and project the future. This book shows that many aspects of present-day Iraq's economy have exhibited a high degree of *immutability* over the millennia. It also demonstrates the enormity of the task of transforming Iraq's backward economy into an advanced one.



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What is different about this account of Iraq's economy?

This book is not an academic account of Iraq's economic history. Instead, it reflects the author's reading and understanding of Iraq's economic history, and its potential trajectory into the future.

This book brings together some of the ancient (economic) practices and patterns that have persisted for millennia in Iraq, as reported by Iraqi and non-Iraq scholars. This book, therefore, has no claim to originality. It weaves these tenets into the more recent economic history, only to *test* whether some of these tenets still feature in the relatively more complex and sophisticated economic fabric of the country. This work traces the evolution of economic practices and ideas, getting (where possible) behind the political propaganda and personal sensitivities and prejudice in conducting economic inquiry. As the attached bibliography would attest, many economists and commentators have covered a specific period of time and topic, which falls within standard (formal) academic inquiry, for reasons to do with depth and breadth of examining the evidence, and providing a focused contribution to knowledge. The longer view helps to identify certain forces that *reproduce* themselves influencing the economic dynamics in Iraq. These include socio-economic stratification, autocratic rule, the continuum of cultural traits, and economic destruction.

What the book is not about

This book is not (*yet*) another treatise that desperately attempts to show that the US administration and/or the UK government (and their allies) have got it wrong in Iraq; that they were ignorant about *this* and *that*, that they have 'lost Iraq', or have installed the wrong people at the helm, and so on and so forth⁸. This book does not cherish words such as 'American' or 'British' when used as a rubric for what the US administration or UK government do. The UK government has been interested in having influence in Iraq for well over two centuries, initially through the East India Company in the last quarter of the 18th century. The US administration has had similar interest for over eighty years now, before or since the first oil concessions were granted to IPC (Iraq Petroleum Company) in the early 20th century. Nonetheless, even in well-established democracies, government decisions may not always coincide with those of the majority of the people they represent; it would therefore be patently wrong to condemn the people for actions taken by their government.

Nor does this work aim to specifically critique the Iraqi government, the



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Iraqi civil servants or any political party, religious sect or ethnic group, in any shape or form. It reflects a personal reading of the economic history of Mesopotamia/Iraq, uses the methods and tools of economics to form a view on the dynamics of the economic forces that shaped Iraq's economy in the past, to the present-day.

A new perspective linking the world's earliest urban civilisation and economy to the present will always be needed, as new evidence (on both the ancient and more recent) keeps emerging, adding to our imperfect knowledge of Iraq's economics. The method of economic inquiry adopted here is also a scheme that is amenable for improvement.

As noted above, religion as such is *not* the subject of this book; the author is neither a theologian, nor a philosopher. Religious codes are touched upon only insofar as they deal with economic matters. As Iraq is located in the Middle East, which happens to be the cradle of all the Abrahamic religions (Judaism, Christianity and Islam), these are referred to, more often than not, as such.

Numerous non-Iraqi economists have provided impartial, deep insights into the dynamics of Iraq's economics. This wealth of knowledge is made use of here where appropriate. This book rejects the hypothesis that Iraqis, Arabs, or those who follow Abrahamic religious codes to be the *only* people qualified and capable of understanding and researching Iraq's economy. As Malak Talal (2015) has cogently demonstrated, the claim that the 'other' does not understand, and has not served the Arabs justly in terms of their contribution to civilisation, does not stand the scrutiny of historical evidence; thus such a claim is false⁹.

Finally, the author is conscious that Middle Eastern regional, indeed global forces, in particular those bordering the Arabian/Persian Gulf, have, historically, had considerable influence on shaping Iraq's politics and economics. To keep the focus of the book on Iraq, the analysis of the relationship that Iraq has had and has with its neighbours does not, of necessity, receive the same in-depth analysis as the economics of Iraq itself. This is the province of specialist scholarly work.

2. Methodology

Given the long timescale covered in this work, it appears that a historical-logical method is perhaps best suited to the task at hand. Unless greatly needed, the book concentrates on *macro*, not the *micro* aspects of change.

To repeat, given the long timeline covered in this book, an economic



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model building approach is not followed here. The historical and logical inference approach is deployed to understand the past and to fill gaps in our knowledge (e.g. during the 'Dark Age', c. 1595 to 1375 BC) based on what is thought to be reasonable assumptions. Another example of use of logic is whether during Ur III (ca. 2112 BC – 2004 BC) the metal silver was used simultaneously as a standard of accounting, medium of exchange and means of payment, let alone whether the 'labour theory of value' found its purest form in early barter/exchange of goods, with some conceived notion that *labour* was embedded in the exchanged products. Though practiced, such an economic concept was never so articulated by the ancients in economic terms familiar to us!

History does not proceed in a straight, seamless, path. Ur, Babylon and Baghdad achieved growth. These and other major cities also regressed – e.g. Eridu, Lagash and Ninevah (Ninawa).

History needs to be understood on its own terms, and followed, as it were, to establish a more cohesive chain of thought, and to understand the circumstances in which economic events came to be. There is a need to seek the *historicity* of how economic policy, decisions and evidence came into being so that its interpretation is more credible, and serves the purpose of gaining new knowledge. It is this knowledge that should help guiding our thinking in designing the road to economic development, and the institutions required in the future. Without this understanding, transforming the economy of Iraq where *efficiency*, *equality* and *work* become the guiding principles for rebuilding the country over the next 100 years would not be possible (see Chapter 10).

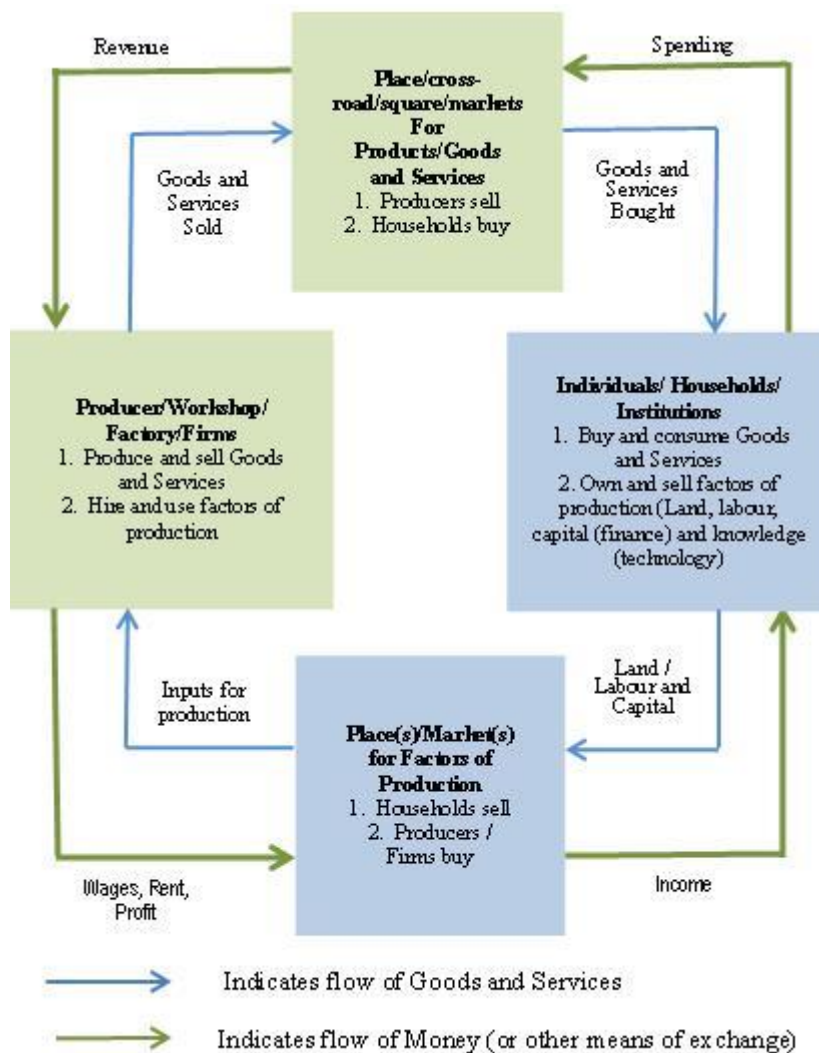
However, in order to approximate the economic reality of Iraq over the long period of history considered here, 'the circular flow of income' has been adopted as a construct that would assist in contextualising and understanding how changes in the key economic variables captured in the construct shaped the Iraqi economy in various circumstances. The construct is, of necessity, simple.

The circular flow diagram

It is contended that the classic 'circular flow of income' diagram depicts key economic variables and agents, and so would meaningfully serve the purpose of analysing Iraq's economics.

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Figure 1: Key elements of the 'circular flow of income' in the economy



Source: Author's adaption of similar, and related, models provided in: Samuelson, Paul A. (1970: 42, 170 and 218), Mankiw, G. (1988: 21) and Porter, M. (1996: 211)

Appendix 1 attempts to show how a fully-fledged 'circular flow of income' construct had evolved in Mesopotamia/Iraq. The circular flow construct has been used in Chapters 1 to 7 to place economic variables, for example,



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consumption or GDP, in the context of a working open economy, where 'injections' in the form of investment/savings, or leakages, withdrawals, government expenditure, taxes, imports and exports, are dealt with as key components that make an economy.

Testing hypotheses

In seeking to explain the state of the Iraqi economy, this book tests three distinct hypotheses.

A hypothesis is taken to mean essentially a statement explaining or predicting an economic situation that can be compared with observations in the real world. Due to the long timeline adopted here, econometric hypothesis testing is not attempted. Instead, reasonable assertions about the workings of the Iraqi economy are tested against historical/statistical evidence, where the latter is available and its use is thought to be meaningful. These assertions are contested, so examining the extent to which they may or may not explain an economic situation in Iraq.

Three hypotheses are tested in Chapter 9. These are briefly set out below:

Hypothesis 1: it is claimed that there is a clear association between the persistent dominance of nomadic and tribal *culture* on the one hand, and, on the other, lack of economic development, in Iraq. The ubiquity of nomadic/tribal culture in Iraq has acted as a force arresting economic development. Writers thus inclined, presuming a directional linkage between culture and economic development, include Fahim I. Qubain (1958), Ali al-Wardi (1965), Kadhim A. al-Eyd (1979), Najeeb M. al-Deen (2012) and Muhammad A. Zainy (2012).

Economic development requires clearly defined, functional, institutional arrangements, a legal framework, a strong state and government. This runs counter to the prevalent culture in Iraq, organisation, shepherd/flock relationship and *modus operandi*, where the principles of obedience, allegiance (*al-bai'a*) and *al-'asabiya* (*esprit de corps*) are paramount, seeing the state as a legitimate subject of attack, looting and sabotage. The dominance of tribal culture, to the present day and the retreat of civility, is seen as part of the explanation for lack of sufficient number of jobs (especially for women), inefficient economy and socio-economic

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inequality.

Hypothesis 2: It has been claimed that there is a causal relationship between religion *per se* and the stage of economic development, that works predominantly in one direction – i.e. religion hinders initiating economic development. Advocates of this view include Fahim I. Qubain (*op cit*), Hadi al-Alawi (1995) and recently the contributions of Salih, Q. Hussein (2012). Their writings point to the critical impacts of religion on the economy and society in Iraq. As religion as such is not the subject of this book, the focus is on religious *codes* in relation to initiating economic development.

Writing about religious laws and cultural parallels in this book may be seen as a dangerous thing to do – the point is *not* that culture has been *static* or has been the same throughout the history of Iraq. Nor are religious laws rigid, having been *precisely copied* from one generation to another, unchanged. As demonstrated, for example, in Chapter 6, in relation to taxation, many concepts have gone through successive stages of recasting in order to fit the new context and the associated transformations. There is no denial though that there are similarities, and that the rulers of Iraq have used similar policies to keep the majority of the Iraqis, ancient or modern, poor, subjugated and isolated from political participation.

Hypothesis 3: The lack of *objective conditions* for achieving economic development (as defined here) significantly contributed to the persistence of economic backwardness and underdevelopment throughout much of Iraq's history, up to the present-day.

Theoretically, *objective conditions* mean the *real* circumstances that existed at the time when certain critical decisions, policies, laws, and so on, were made, which had longer-term effects on the economy, society and the environment. The requirement for the *real* poses acute research difficulty as insinuated above – that of unfolding history when it was the present. The further back in history one goes, the less documentation one finds, and perhaps the greater part of the *real* might be missing.

In testing all the above hypotheses, it is assumed that economic development has universal importance in people's lives. It aims to take humanity forward from a nomadic and tribal way of doing things, influenced by superstition and the 'supernatural,' to a more organised, urban and *urbane* way of life where the 'other' is listened to and respected; a



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society where the right to dissent is accepted, and where society aims to do things efficiently, makes work available to those who seek it, and where equality of all is a legitimate, real and achievable objective.

Writing challenges

Two key challenges were faced in researching and writing this book; the first was attempting to establish linkages between the economies of Ubaid culture, the city-states, Mesopotamian empires, etc. and Iraq's more recent economic history. This limitation was compounded by the intention to understand economic events and policies in their own terms, their own context, and the possible transformations they might have engendered. It is not easy to unfold history when it was the present. The second challenge has been reconciling the *macro-* and *micro-economy* analysis.

The title of the book might not sit comfortably with some readers, who might have preferred the title of the book to have been 'The Political Economy of Iraq...' Chapters 1 to 7 fall within the realm of economics, as a discipline. The other chapters fall predominantly within the realm of political economy. The choice of the title has been a personal preference; although the term was not used, Mesopotamia made economics (and economic policies), just as it made science and literature.

Other challenges included *periodization* of events, dynasties, etc. in ancient Iraq; here we have (understandably) differences among the historians and archaeologists in dating various historical periods. For example, we have short, medium and long chronologies, with differences spanning over a century in dating events, lives of kings, etc. Also, some prominent archaeologists such as Nicholas J. Postgate (1992) dates the Uruk Period to be 4000 BC – 3200 BC, whereas Daniel C. Snell (1997) dates the same Period to be 3500 BC – 3100 BC. Neither is wrong; there are different chronologies (short-chronology, medium chronology, and long-chronology, etc.) that could complicate dating events. Given the timeline under consideration, however, this is not a major limitation – it is fiendishly difficult for periodization to be precise. It is contended that ancient periods and dates used here are therefore approximations.

Another limitation has been attempting to bring together a diffuse literature to the reader in a way that makes comparative ancient and modern economics accessible, as well as meaningful. Given the timeline considered here, many of the sources used are necessarily secondary, and in some cases so repeatedly quoted that some scholars might find it a limitation. Following

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Peter Sluglett's advice (2012: 1) about 'dealing with the past', many *primary* sources have been consulted, specifically those written by Iraqi scholars.

Neither archaeology nor history is the province of the author, so many developments in these fields may have been slighted, and have not been given due consideration. The author attempted to be fair to some of the interpretations provided by scholars of the ancient history of Iraq, and hopes he has not strayed too far from the right track, or, indeed, promised and not delivered.

Writing this book has been a most exciting journey; page after page has been written about Iraq, past and present, and naturally not all has been read, let alone acknowledged. Yet, it is still difficult, to have an accepted '... theory of the ancient economies...' (Snell, D. *op cit*: 145). Linking ancient and received economics is difficult but not impossible, as Morris Silver (1985; 1995), amongst others, has admirably demonstrated.

There is a gap in our knowledge of the past, and even the present. Some important economic events, policies and outcomes might have not been scribed, simply because the scribes might have thought they were unworthy of documentation or were too familiar for them. Most of Iraq's history is about the rulers, and the aristocracy; it is not about the craftspeople, those who invented writing or the wheel, let alone the peasants, the real producers of wealth in Mesopotamia/Iraq. Perhaps the scribes meant to glorify the rulers, who they served. Still, we do know the extent to which peasants in ancient and contemporary Iraq have contributed to the economy of Iraq. But our knowledge remains lacking some, if not many, of the historical links that could have made the analysis easier. Events may be hard to detect behind generalisations. This is precisely why an historical/logical method appears to be more applicable to this kind of inquiry, in trying to see how the various links come together and make sense in forming a view of the economy, both in the ancient past and the present.

Finally, a few repetitions, not a desirable thing to do in writing, would require forgiveness. These were made for emphasis and accessibility, so that the reader would not need to turn the pages looking for a reference or a quote.

3. Key conclusions

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A summary of the key conclusions is set out below:

- Economic *inefficiency*, social *inequality* and a lack of sufficient *work opportunities* are *the* three perennial characteristics (*simāt*) of Iraq's economics. As Chapters 1 to 7 show, these are prominent common threads in the fabric of Iraq's ancient and contemporary economic history.
- Chapters 8 and 9 show that there are essentially four factors that account for these characteristics of Iraq's economy: *polity/politics* (Chapter 8), *cultural continuum* of which key elements (e.g. work ethics) are not conducive to initiate economic development, *religious codes and edicts* that discourage the unleashing of the individual's urge for enterprise, risk-taking and profit making, and, finally, the *objective condition* for initiating economic development in Iraq never materialised in full (Chapters 9).
- Another arresting conclusion emerging from the analysis in Chapters 1 to 7 is the high degree of relative *immutability* in Iraq's economic structure, save for the emergence of oil as the leading sector, assuming the pole position agriculture had assumed for millennia. The economy remains dominated by rent-seeking economic activities and agents, since Sumer, Babylon, Assyria, and later the Abbasid and Ottoman rule. As noted earlier, at present (2016) over 90% of the state's revenue comes from exporting crude oil. For millennia, agricultural production had the pole position in generating GDP.
- Specifically, since c. 2350 BC women's position in economic and social life has been in retreat, to put it mildly. High unemployment and poverty have never been diminished. Whilst ancient Iraq saw luxurious consumption on the part of the rulers, alongside that of the individuals, families and households fell into slavery, in part due to the exploitation of landlords and the failure to meet their debt. The combined Abbasid and Ottoman rule saw the *khulafā'* and the sultans rule by decree to be obeyed, indulging in opulence and in luxurious consumption and amassing concubines they saw as objects of desire.
- Another striking conclusion is that the *objectives conditions* for initiating economic development never took root. To give one example, economic policies failed to create a sufficient number of jobs (work) for those seeking employment. Whilst it is possible that growing Sumerian city-states achieved high employment to export grain and textiles in exchange for goods and resources they did not have, the situation in the agriculture sector is never clear. Seasonal unemployment might have

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been very high, just as has been the case with the Iraqi fellaheen (*peasants*) of the late 19th and the 20th century. This economic phenomenon, like many others, transcended successive cultures and religions in Iraq. For millennia there has never been enough work to absorb men and women capable of work, a situation that might have required training, education, perhaps universal *compulsory* education, and the widening of the intellectual horizon of young Iraqis. Universal compulsory education until the age of 16, based on gender parity, is a *condition* without which economic development is simply impossible.

- A logical conclusion from the analysis is that for Iraq to achieve economic development a number of conditions need to prevail. Examples of these include: secular rule, with strong will and determination to take the country on the road to economic development, adopting and implementing long term policies to achieve economic efficiency, socio-economic equality and creating jobs (work) on a vast scale. For Iraq to get on the road to economic development, a defragmentation of institutions, a defragmentation of the legal framework, defragmentation of cultural values (e.g. work ethics) in the interest of economic development is a must. So is the desectarianisation and deethnicisation of polity and politics.

4. Structure of the book

This work has three major parts.

The first part, Chapters 1 to 7, is historical in nature and falls into the realm of 'positive economics'. It sets out the analysis of the evidence, providing an understanding of what happened. These chapters provide an analysis of economic change over the past 100 years. These are diagnostic chapters, based on available empirical evidence. In these chapters the analysis is deliberately stripped away from non-economic factors. The idea is, *first* to develop some understanding of the economic dynamics, and the economic factors shaping these dynamics, before interpreting the evidence, and contemplating a prognosis. These chapters provide the evidence that Iraq has certainly experienced economic growth, but never economic development.

The second part, Chapters 8 and 9, attempts to provide an interpretation of the situation, analysis and conclusion set out in the previous chapters. Non-economic factors are considered more fully in Chapters 8 and 9, which provide the reasons for the absence of economic development in Mesopotamia/Iraq. The interpretation is aided by analytical tools from other

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disciplines, say, archaeology, history, psychology, sociology, as well as the study of culture and religious edicts. The idea in Chapters 8 and 9 is to gauge the extent to which non-economic factors have shaped economic policy-making and the evolution of Iraq's economy.

The third part falls in the realm of 'normative economics.' Chapter 10 ventures into sketching out the conditions that need to prevail for Iraq to achieve economic development – or what 'ought to' be done for economic development to materialise in Iraq's distant future. Chapter 10 provides key economic principles that Iraqi policy makers may wish to adopt should they wish to initiate economic development in the country.

Four appendices are attached to this book, providing supplementary evidence on key themes. Appendix 1 explores the historical evolution of Iraq's economics. Appendix 2 explains why women in Iraq have been historically sidelined from full participation in the economy generally, depriving a large part of the labour force from participating in economic activity. Appendix 3 focuses on a core tenet of the commercially and politically motivated 'religious economics', of which the currency has been on the increase since 2003 in Iraq. It argues that 'religious economics' serves the politics of domination not economics. Finally, Appendix 4 provides arguments relating to the potential economic impacts of social norms, shaping the economic behaviour of individuals and households in Iraq.

Notes

1 In this book, economic efficiency is seen as the state where resources are allocated to serve the macro-economy, individuals, groups of people, and industry, while minimising waste and inefficiencies (see Chapters 7 and 10). Productive efficiency is applied in this work at the sector/firm (micro) level, as shown in Chapters 3 and 4.

2 This work puts due emphasis on GDP structural changes over time. It considers the definition adopted by Luigi L. Pasinetti (1993: 8–10), who following the examination of 'proportional dynamics' from classical theory, especially, Ricardo, Malthus and Marx to von Newman, identifies a common thread in their analysis (and predictions) of structural economic change. He noticed that these changes were expressed most succinctly by Von Newman (1937) in his mathematical formulation of an economic growth model. This had, "been conceived with the extremely restrictive assumption that the structure of the economic system (capitalism) remains constant for all time – for all the past and for all the future" (*ibid*: 3). Pasinetti, however, argues that as a theoretical construct, 'proportional dynamics' does not conform to reality – he cites evidence from the World Bank about changes in the GDP structure in terms of its agriculture, industry and services components, and how this proportion changes over time. In Pasinetti's view, "as time goes by, the permanent changes in the absolute levels of basic macro-economic magnitudes... are invariably associated with changes in their composition, that is, with the *dynamics* of their *structure*" (*ibid*: 1).



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3 Historically, Iraq comprised the majority of Mesopotamia; the Mesopotamian empires covered vast areas, including Elam in Persia, parts of Turkey, Syria, Lebanon, Palestine/Israel, northwest Arabia, and Egypt. However, Iraq was under Persian rule (539–332 BC), Sassanians rule (240–636 AD), invaded by Arab tribesmen 637AD, who settled in Iraq since, and converted the country's religion into Islam, with intermittent direct rule of the Mongols (1258–1335 AD) and the Ottomans throughout 1534–1918, except for when the Safavid dynasty of Iran briefly asserted their hegemony over Iraq in the periods of 1508–33 and 1622–38). Iraq was also under the British Mandate, theoretically from 1920 to 1932, but, effectively, it was heavily under the British government's influence until July 1958. Tremendous, if incalculable, damage was inflicted upon Iraq's people and economy during the first Gulf War (with Iran), the second Gulf War (invading and driven out of) Kuwait and the 1991–2003 economic sanctions. The invasion of Iraq since 2003 too caused incalculable damage and fragmentation of Iraqi people and the economy. The Mongols under Hulagu, sacked Baghdad in 1258, manifesting barbaric destruction of the city, taking Iraq many centuries backwards. Having said that, it must also be stressed that the Babylonians and the Assyrians in particular built their empires on the basis of expansion, ruthless destruction and occupation and, indeed, sacking of many of the invaded cities, as the Umayyads and Abbasids did, causing massive relocation of people, creating vassal provinces, which had to pay tribute and taxes to the empire's capital. Ruthless occupiers and rulers too have presided over Iraq during the best part of the past 2,500 years. This admixture has, to this day, its marks on various aspects of Iraqi society, psyche and economy.

4 See Issawi, C. (1988: 17) and Sassoon, J. (1987: 2).

5 See Section 3.5 of this book on Iraq's 'oil rentier economy.' However, unless otherwise specified, throughout this book, rent in this context means unearned income. A rentier is a person whose income consists primarily of fixed unearned amounts, such as rent or bond interest (In French, a rentier is a person of independent or private means; to live a life of ease or leisure – *mener une vie de rentier*). Applied to the present, Iraq income earned from the export of oil is rent in the sense that the state is using the *privilege* of owning the oil fields, where the amount of labour (number of employees or the proportion of the productive capacity of the economy) used in the extraction and export of oil is infinitesimal in comparison to the amount of revenue (income/rent) received from the importers of oil. The state also has a monopoly on oil fields. It is in this sense that the oil sector in Iraq is a rentier sector. In early Mesopotamia, the rulers, and the elite owned vast swathes of agricultural land by virtue of their social position, or inheritance. Their ownership of the land was not subject to competition, and the peasants were the real producers. In addition, agricultural land held from the state by soldiers in return for an obligation to military service, known in Akkadian as *ilkum*, usually heritable has a strong element of rentierism, in the sense that the soldier, or an army general, is using a privilege bestowed upon him by the institution of the state. This practice migrated down the ages through to the Sassanids, the Abbasids (*iqṭā'/muqatā'at*) and the Ottoman's. And the sheikhs and the aghas in more recent history of Iraq had owned large swathes of agricultural land by virtue of their social position, or through inheritance, not necessarily through their own labour. The privilege of such ownership has been used to impose sharecropping practice on the peasants, who were devoid of any negotiating power. Here income received by virtue of land ownership (by the sheikh) is taken to mean rent. The sheikh or the agha had total monopoly on land (see notes 57 and 58).

6 See Polanyi, K. (1981) and Silver, M. (1985; 1995).

7 Paul Samuelson (1970: 4) suggests that: "a scholar can extend it (the definition of 'economics') many times over". He offers a one-sentence definition: "Economics is the study of how men and society end up *choosing*, with or without the use of money, to employ *scarce* productive resources which could have alternative uses, to produce various commodities and distribute them for consumption, now or in the future, among various people and groups in society." It is very difficult to disagree with Samuelson's definition of economics, except to say that the concept of *scarcity* defies human ingenuity. Arguably, scarcity is an effect (result) rather than a cause – it is a result of the vastly *inefficient* way our planet's resources are exploited. In common with other economists, George Mankiw (1997: 778) too emphasises the concept of scarcity in his definition – "economics (is) the study of how society manages its scarce resources." Samuelson's definition (and Mankiw's for that matter) appears to apply to advanced capitalist and liberal democratic society (e.g. United States, United Kingdom, etc.), and may therefore not have a universal appeal, say, to ancient Mesopotamia, or present-day underdeveloped Iraq's economics.

8 See letter written by 52 retired diplomats posted in the *Guardian* on 27 April, 2004, expressing concern about involvement in the 2003 invasion of Iraq, thus breaking the 'tradition' of civil servants criticising government.

9 See Talal, Malak (2015) 'Let us do justice to our history and set things right' (in Ibn Rushd Fund Magazine - Minbar, issue no. 17, summer 2015, in Arabic).



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Epilogue

A key objective of this book has been to re-open the door for an impartial and objective discussion of the factors that shape Iraq's economy, especially those to do with culture and religious codes that have arrested growth in Iraq for many centuries. The discussion of the historicity of ideas that shape Iraq's economy is a rather meaningful subject for economists, given that many ideas in early Mesopotamian culture and religious codes, formed some 5,000 years ago, still resonate strongly in Iraq.

Much of the current discussion about the state of the economy of Iraq erroneously elects to avoid discussing the negative aspects of culture and religious codes, and how these still shape policy and economy in the country. This book makes a humble contribution in opening the door for an objective critique of the cultural continuum and religious codes that have held back Iraq from initiating economic development. It is beyond question that an objective and more comprehensive studies of the historical roots of present-day Iraqi culture and religious codes by real specialists is desperately needed. Whilst international agencies such as the World Bank or the International Monetary Fund attempt to steer the Iraqi economy towards a consolidated/tight fiscal policy, within a neoclassical economic framework, the day-to-day running of the economy is surreptitiously influenced by socio-political factors that deeply embed religious codes. It is time to break free from this continuum; the damaging silence must stop.

It is also time to review whether Iraq's economic backwardness, let alone its future prospects, ought to be analysed within the neo-classical framework. The ultimate test of the health of an economy is the state of wellbeing/welfare of its people. In Iraq around one quarter of its people still live in poverty, there is also high unemployment amongst the youth, historical marginalisation of women and, last but not least, there are over 1,000 shanty towns in Iraq. It is fatuous therefore to use purely statistical measures as *per capita income* or *income distribution* and claim that Iraq does not manifest a backward economy, or that it has higher degree of income equality than Germany or the USA (Robert Gallagher, 2016).

As I write this book, Iraq seems to be edging away from the principles of economic development and functional democracy. The sectarianisation and ethnicization of polity is causing incalculable damage and destruction in the country. As always the poorer sections of society, in their millions, suffer most.

In Iraq, as elsewhere, there is only one race – the human race.

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And, when this race realises, in overwhelming numbers, that we are human beings before being Jews, Christians, Yazidis, Mandaean, Hindus, Muslims, Sikhs or acquire any other religion (which individuals should be perfectly entitled to, and respected for), it is perhaps at that point in time that there shall be work for most people. Work that would be performed efficiently, yielding a more equitable society, stronger family and household morals, that will engender first and foremost economic development. This would ensure the prevalence of free thinking, actions, collective working and a functional democracy – an inviolate right that we all have to experience and live, taking our humanity to a higher level. Without achieving economic development, Iraq will find it impossible to break away from traditional (tribal) culture and religious codes, that Ali al-Wardi, and Charles Issawi might have said, are deeply embedded in the Iraqi psyche.

Economic development is the catalyst that transcends the sectarian and ethnic divide that has been gradually chipping away any credible opportunity for the country to have a stable political and economic system for centuries. As stated in Chapter 10, the overwhelming majority of Iraqis, regardless of their ethnic, sectarian, religious, or tribal affiliations would wish to have a secure gainful and meaningful job, quality health service, good educations and decent housing, let alone high quality physical infrastructure and safe liveable towns and cities. Millions of Iraqi women yearn for gender parity although the opportunity to express this desire is difficult, given cultural and religious codes. In spite of the fact that the economic base for democracy is absent, millions of Iraqis yearn for an environment to exercise freedom of thought and expression, freedom to write and publish, organise political parties and get involved in making politics and policies that serve the well-being of the people.

Instead, the absence of economic development in Iraq has given birth to political instability, autocratic regimes, socio-economic inequality, social and religious divisions, violence and terrorism. The rise of Saddam Hussein to power, the polity and politics created by his party – the Ba’th Party – and the rise of al-Qa’da and ISIS (‘Islamic State for Iraq and al-Sham’) terrorist organisations in Iraq is in many ways due to lack of economic development. The socio-economic and political damage caused by these organisations is incalculable, and will take decades to overcome. There has for many centuries now in Iraq been a lack of respect for the ‘other’ who may hold a different world-view; there has been a lack of *urbane* debate about social and religious codes that lead to the retrogression of the country, as Chapter 9 showed; and, there has been a lack of effective civil society that can influence national political, economic and social debate, let alone a proper

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and candid respect for the role of women in society and the economy. These are manifestations of a country suffering from economic backwardness, social infraction and strife as well as sheer obsession with its past and religious codes. It is questioned whether the protagonists in present-day Iraq are truly interested in sectarian or ethnic issues, or, rather, they are interested in political, military, economic and financial power, at the expense of the rest of society. The images of sanctified violence seen in Iraq over the past 50 years, and in particular since 2003 are difficult to imagine; they resonate with the brutality attested during the reign of Assyrian Tiglath-Pileser I (1100 BC) and his successors, including the warring Umayyad and the Abbasid khulafā', Genghis Khan and other invaders of Iraq. It is as if there has been a meltdown of sanity, a complete disregard to human life. This situation can't deliver economic development for Iraq.

Notwithstanding the darker side of Iraq's history, this book derives its hope and optimism from the irreversible progress humanity has made possible over the past seven hundred years, and from the undeniable historicity of this progress, as demonstrated by the evidence provided in this book. This makes it very difficult to imagine that humanity has any other path but to develop and move forward, ever improving the wellbeing of people. Iraq's future is strongly and inseparably bound to this path of humanity. The children of Iraq, when they grow and command critical thinking and an objective look at their history, will ensure that the future of the country is much brighter than its past; they will think rationally about their deepest concerns and their wellbeing. And, at the end, they will make economic development in Iraq.

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