

Dysfunctional' economy blocks Kurdistan's growth: British delegation. By Robert Edwards



ERBIL, Kurdistan Region – Internal reform and a pragmatic approach to relations with Baghdad are among the top recommendations from a British delegation published on Thursday following a fact-finding mission to the Region and the federal capital in May.

"The Kurdistan Region in Iraq has taken two steps forward and one step back in recent years, but has survived and could thrive if it adopts robust pragmatism in transactions with Baghdad and accelerates internal reform," reads a report by Britain's All-Party Parliamentary Group (APPG) on the Kurdistan Region in Iraq, published Thursday.

"The main obstacle to international investment and domestic growth remains the dysfunctional shape of the economy, which has much in common with other Middle Eastern countries," the report states.

It criticizes the Region's continued dependence on oil, its bloated state sector, dysfunctional and wasteful water and electrical utilities, and an unproductive workforce.

"Kurdistan needs to adopt a capitalist model with the balance between market and state and individual and collective rights suiting Kurdistani needs," it argues. "A new tax system could include a wealth tax so that sacrifices are shared more equally and funds are raised for the welfare state."

With proactive reform, the Kurds could play host to a burgeoning trading hub.

"They are a bridge between Europe, Turkey and Iraq," the report says. "They could again be a magnet for investment and through that to the wider market in Iraq, which is seen as less safe and stable as well as more corrupt."

And both the UK and Kurdistan stand to benefit from this, the report says.

"British experience, expertise, goods, services and values are deeply respected in Kurdistan. Encouraging British connections can also repair any damage done to the perception of the UK at a grassroots level in Kurdistan," it adds.

To bolster this relationship, the British government should arrange a UK visit by the KRG prime minister and deputy prime minister to meet the UK prime minister and organise an official trade mission to the Kurdistan Region, it says.

'Visa bureaucracy'

However, the Anglo-Kurdish relationship is being held back by an over-complicated and even outright hostile visa system, which places work, study, and tourism in the UK out of the grasp of many Kurds, the report warns.

Quoted in the report, Robert Halfon, a member of parliament and chairman of the Education Select Committee who accompanied the APPG

delegation, says Britain's visa policy is damaging its friendship with the Kurds.

"Here is a pro-western, pro-British nation, tolerant of all religions and backgrounds, whose view of our country is being negatively coloured by the behaviour of the visa bureaucracy, alongside a perception of a hostile environment from GB to foreign students," said Halfon.

One area which excited the delegation was the creation of an APPG on Britain in the Kurdistan parliament - the first APPG of its kind.

"The planned Kurdistan APPG on Britain could be a useful partner for the APPG on the Kurdistan Region in Iraq and be a pathway for training of MPs and the encouragement of youth and student participation in civil society," the report says.

"We ask the UK government to discuss with us how it can facilitate these links."

Lacks 'sufficient vigour'

Among its further recommendations, the APPG report says UK policy should be firmly based on the need for Kurdistan rights in Iraq to be "copper fastened" by the constitution and "not given or taken at the whim of Baghdad."

Also chief among its recommendations is the UK's continued training and mentoring programmes for the Peshmerga.

The report concludes that "the Kurds have long talked the talk but failed to walk the walk on reform with sufficient vigour," and calls for further Anglo-Kurdish engagement to move this forward.

"The UK and other countries should maintain high political, commercial and cultural engagement with Kurdistan so to can put the troubles of recent years behind it and become a dynamic reforming entity within the Middle East," it states.

'Kurdistan keeps surviving'

APPG Secretary Gary Kent, presenting the report at the KRG's Department of Foreign Relations on Thursday, was also keen to highlight the Region's achievements – at a time where the odds have been stacked against it.

"There are great achievements. Religious pluralism is taken for granted. It's just natural. It's not natural in the rest of the Middle East, that much is clear. Deeper and better women's rights ... there's a lot of positive change. And very tight internal security," Kent said.

"Despite the worst that has been thrown at the Kurdistan Region, it keeps surviving."

Kent said the fortunes of the wider Middle East depend intimately on the fortunes of the Region and the international community's willingness to help facilitate reform.

"I want us, other friends, to put aside, disprove the notion, that the mountains are your only friends," he said.

"You have many more friends. And it's important to the health of the Middle East, the health of civilisation - and I think the stakes are that high - that there is cooperation - I hope more by the UK - to improve on the positives and to eliminate the negatives.

"It's a process of reform. You're on the road. And I'm very honoured to be your friend and on that road with you," he added.

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<http://www.rudaw.net/english/kurdistan/251020181>