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[Economics](#), [Budget](#)



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Economy Introduction
Economy is an important aspect in every country in this report I will talk about Iraqueconomy. It will include information about the economy of Iraq in the recent past and on current conditions. It also discusses matters such as the several conflicts and wars between several countries e. g. the first gulf war. What the results were and how the economy was ramified under these conflicts.

This report provides background on the different sectors and institutions of the Iraqi economy. It also identifies some questions and issues which may have significant bearing on Iraq's future views. In addition what are the main causes and reasons that will likely effect Iraq's future on economic predictions? Must Iraq start over as it rebuilds its economy? Its huge oil resources can serve as an engine of future growth and improvement. It does not start, though, with a blank slate. The experience, opportunities, and targets of the past will have important – if unknown – effects on Iraq's future economy.

What Iraq learns from its past and how it familiarizes itself for the future will be important concerns? Body
Iraq economic situation and history during the 20th century
How did the first gulf war affect the economy? Iraq had one of the Arab world's most progressive economies. Though buffeted by the strains of the Iran-Iraq war, it had – besides petroleum — a considerable industrial sector, a relatively well-developed transport system, and comparatively good infrastructure. Iraq had a relatively large middle class, per capita income levels similar to Venezuela, Trinidad or Korea, one of the

best educational systems in the Arab world, a well-educated population and generally good standards of medical care. Yet, Iraq was a centrally directed command economy that was heavily dependent on oil revenue to deposit its key foundations and its development program. Iraq investigated in the late 1980s with transfer, useful independence for some elements of the economy, and limited use of market services. This advantage ended, however, with the start of the first Gulf war.

In the dozen years since 1991, Iraq's industrial and agricultural capacity has decayed, its transportation and infrastructure systems have failed, and the education levels and standard of living for its population have fell. Oil exports continued under the U. N.

Oil for Food Program (OFFP) after 1995, albeit at a lower rate. However, its production capacity weakened from lack of inputs. Some economic services were damaged in the recent war and its chaotic result. In effect, Iraq must start over as it rebuilds its economy. Its huge oil resources can serve as an engine of future growth and improvement. It does not start, though, with a blank slate.

Government and the Economy The history of Iraq during the 20th century falls into three fairly distinct periods:

- 1921-1958: A constitutional monarchy under direct British control at first and later under significant British influence.
- 1958-1968: A series of nominally republican regimes headed by military officers who assumed power in most cases through a military coup d'état.

· 1968-2003: A government controlled by the socialist, pan-Arab Baath Party, which quickly developed into a vehicle for one-man rule by leading party official Saddam Hussein. · 2003-present: Democratic government, parliament has been organized but because of the Daash everything went not as required. The Constitutional Monarchy Government. During the first period, Britain established a monarchy in Iraq under King Faysal I, a leading member of the respected Hashemite family (of which a collateral branch continues to govern Jordan). In 1932, Iraq became an independent country, but the bilateral treaties replacing the British command provided for a continued British role in Iraq, particularly in protection and foreign affairs. Rising opposition to Iraq's western ties and mounting nationalist sentiment among younger Iraqis including the armed forces created growing disaffection from the regime. In July 1958, a group of army officers led a coup in which the King and leading officials were killed, many other officials imprisoned, and a republic was proclaimed.

The Military Regimes Governments. Three military leaders ruled Iraq in succession during the decade that followed the defeat of the Iraqi monarchy by left-wing nationalist army officers. The somewhat weird General Abd al-Karim Qasim, who led the coup of 1958, terminated Iraq's ties with the West, withdrew Iraq from the Baghdad Pact, and aligned Iraqi policies to a considerable degree with those of the Soviet Union. Steady loss of his power base, exhausted by growing domestic unrest (including the beginning of a Kurdish insurgency) and regional quarrels, led to a second revolution in which Qasim was overthrown and killed in February 1963. Qasim's successors,

Generals Abd al-Salam Arif and Abd al-Rahman Arif, 5 took somewhat more moderate positions on regional and international affairs, established better relations with other Middle Eastern states (particularly Egypt under then President Gamal Abd al-Nasser), and approved a friendlier attitude toward the West, while recollecting relations to the Soviet Union. However, the Arif regimes faced further domestic instability, the Kurdish insurgency continued to simmer, and the government lost much of its authority—as did other Arab regimes—after Israel quickly defeated Arab armed forces during the “six-day war” in June 1967.

A year later, on July 17, 1968, the Arif regime was overthrown by the Baath Party. Economy at the time of Saddam Economic data were considered state secrets, under the rule of Saddam; thus, dependable data for the era was limited. According to the Economist Intelligence Unit data, Iraq's GDP stood at approximately \$38 billion in 1989, measured in constant 2003 dollars. Starting from 1990 till Saddam established the terms and conditions of UN Resolution 986 in 1996 the GDP in Iraq continued at less than 30 percent of the 1989 value. In the 1996 to 2002 period, the data appears a gradual recovery as GDP increased from \$10.

6 billion in 1996 to \$33 billion in 2000 before dropping back to \$29 billion in 2001. Per capita GDP during the period followed the downward development seen in overall GDP. GDP per capita went from approximately \$2304 in 1989 to \$938 in 1990. From 1991 until 1996 per capita GDP never rose above \$507.

During this period income inequality was a problem as the wealth was concentrated in the hands of Regime loyalists and traders while most Iraqis subsisted on much less income. Because of the lack of exact economic data, it is difficult to disaggregate the Iraq GDP into sectors. It is estimated that in 1989 oil comprised about 61 percent of the economy. However, following the attack of Kuwait and agreements on the oil exports, this steadily dropped until 1996 when the UN Oil program allowed Iraq to restart controlled export of oil using UN approved contracts.

The Agricultural zone of the GDP, was quite small when compared to oil and services, though larger than some neighboring states. Iraq's rich agricultural land covers about one-fifth of its area and has allowed Iraq to withstand a notable agricultural system that is based mostly on barley and dates. Economy at the present Iraqi forces have made significant improvement against Islamic State (IS) in 2017, with the jihadi group to be territorially defeated around end-2017. This, along with the swift redoing of uncertain places from the Kurds, following the late September independence referendum, place prime minister, Haider al-Abadi, in a strong position to win re-election in 2018.

However, he will remain under some pressure owing to the impact of low oil prices and huge reconstruction costs on the budget. The statistic shows the growth in real GDP in Iraq between 2012 to 2014, with plans up until 2022. In 2014, Iraq's real gross domestic product reduced by around 0.74 percent compared to the previous year. GDP is a reliable tool used to

indicate the shape of a national economy. It is one of the most well-known and well-understood measurements of the state of a country.

Gross domestic product, or GDP, is the total market value of all final services and goods that have been produced in a country within a given period of time, usually a year. Conclusion While making this report I have concerned how Iraq has grown to this today, even though all the situations that has happened to the country it still tries to stay on feet and move on to a better country. If the citizens work along with the government the situation will become even better than it is now. Even though Increase in oil and gas production abilities and infrastructure has been abrupt by security concerns in the last few years, Iraq has come a long way in terms of oil-production in the last decade and currently sits behind Russia, Saudi-Arabia and U. S, as the 4th biggest oil-producer.

Iraq's has been able to keep production costs low due to easy to drill formation and infrastructure that has been in place, built by former governments. Iraq has the advantage of negotiating contracts on a formal governmental level with drilling and service companies and is able to sell the crude oil on a market-based level compared to the Kurdistan Regional Government. Iraq has pledged to increase oil-infrastructure spending by 20 billion dollars in the next 5 years to develop the rich fields it has and will probably reach 6 million barrels of oil production in the next decade. KRG has in place what is called Production Sharing Contracts (PSC) with companies such as DNO, TAQA and Genel Energy etc. These contracts share the production revenue and the cost of the exploration and receive a percentage

of the overall production of their respective fields. KRG's oil production suffers from unstable political situation, the lack of proper outlet for the oil to be exported and in many areas difficult formation and poisonous H₂S gas. Kurdistan's oil fields are mainly on an exploration stage, and due to the dropping of oil prices, companies have little money to spend on exploration.

KRG also has a difficult time selling the crude oil on proper market price, due to the central government's objections. Also current air travel blockade has made it difficult for materials needed to be imported to the area. KRG's oil revenue and current production depends on the agreement that will be agreed upon in the future with Baghdad and whether Baghdad will respect or disallow the contracts KRG has made with international corporations.