# The Type And Extent Of Foreign Labor, As Well As Its Effects On The Iraqi Labor Market After 2003

# Hussein Adnan Malallah<sup>1</sup>, Karim Salem Al-Ghalby<sup>2</sup>

1,2 University of AL-Qadisiyah, College of Administration and Economics, Department of Economics/Iraq.

#### **Abstract:**

Following 2003, the Iraqi labor market saw a scenario similar to that of many occupied nations, with an inflow of foreign employees due to a large gap in service sectors outside of the government sector. The private and mixed sectors' economic movement was nearly halted; as a result of the poor return, there was no demand for foreign labor, and over time, the flow of foreign labor increased, and it became an economic weight, especially those whose presence is irrelevant to actual national production, putting Iraqi workers in a difficult confrontation with the labor market, based on a lack of organization. And the lack of government planning, and the issue here is not about rejection and hatred of foreign workers, nor is it a class issue slogan, but rather a search for an organization related to the implementation of their duties stipulated in the Iraqi Labor Law, and an indication of the extent of the impact on the possibility of developing local labor to create new job opportunities, with which it eliminates part of the risk of growing unemployment.

**Keywords:** foreign labor, labor market, motivations, migration of foreign workers.

#### Introduction:

Iraq has many problems in various aspects, and the real danger lies in the consequences of those crises, such as high rates of unemployment for various age groups, and low skills of entrants to the Iraqi labor market, due to obvious shortcomings in training and rehabilitation programs, and low rates of economic growth and investment. On the Iraqi market, there are a variety of nationalities, as well as a considerable growth in internal and external migration, with a desire among company owners to hire Asian workers in particular.

All of this contributed to a societal and economic problem that had a negative impact on the course of the Iraqi labor market, leaving large numbers of unemployed, which calls for the return of competencies to occupy their places in Iraq through peaceful means, which preserves the intellectual and analytical basis of the current study while giving a future dimension to what will happen from an economic perspective based on real data of proven events, which preserves the intellectual

and analytical basis of the current study while giving a future dimension to the course of what will happen.

#### **Research importance:**

The importance of the research is based on the scarcity of research related to the issue of immigrant labor in Iraq and its profound impact on the level of the economic market, the lack of scientific libraries for this type of study, and the scarcity of related sources with the actual need for information related to this matter and supporting the economic decision in Iraq's difficult circumstances.

The alarming rise in the number of foreign employees is reason for worry, as it creates uncertainty in the Iraqi market in light of rising unemployment and, on the other hand, migration of minds and skills, which has a significant negative impact on the economy's functioning. To lessen the country's high unemployment rate, which has resulted in several crises.

#### Research problem:

Were the foreign workers who came to Iraq able to satisfy the demands of the Iraqi labor market, including the lack of skills necessary to meet the needs of the available jobs, and what influence did their presence have in forming the present labor market picture?

## **Research Hypothesis:**

The presence of a high number of foreign employees in Iraq may have a detrimental impact on the labor market, according to research.

## **Search Objective:**

Identifying the amount of expatriate employees arriving in Iraq and the effect on the Iraqi labor market as a consequence of their recruitment, determining the reasons of internal and external migration, and giving suggestions to lessen the demand for foreign workers

## **Methodology of Study:**

In dealing with the impacts of foreign labor, migration, and unemployment, the researcher employed a descriptive approach in the use of books, magazines, journals, and yearly bulletins, and an analytical technique in dealing with the effects of foreign labor, migration, and unemployment.

# Theoretical and conceptual framework of foreign labor in Iraq is the first subject.

First, there's the influence of foreign labor on Iraq as a whole:

Foreign labor is an important component of the labor market because of its active participation in the development process and in the construction of commercial and economic institutions that propel progress forward, as well as its clear contributions to the long-term viability of most economic sectors, such as transportation and others.

Despite the significant progress made by foreign labor, the unemployment factor offers a significant threat to Iraqi reality, owing to the difficulties in finding adequate work possibilities for citizens, as well as to throw light on the surrounding issues. For the Iraqi government, the labor market, particularly foreign workers, is a key source of worry. There is a dispute between governmental and societal parties on the one hand, and offices and companies on the other, over whether to stop or resume the import of foreign labor, as the former calls for limiting it or legislating a law to prevent it from being the primary cause of unemployment in Iraq, while companies and offices specializing in the recruitment of this workforce take advantage of the system's confusion and introduce countless numbers in a short period of time. The Iraqi workforce, since these employees operate under a low-wage system as compared to Iraqi labor owing to the huge gap between what they demand and what Arab labor requires. Add to it the potentially harmful consequences of these practices on security, economics, social, and cultural levels, despite the fact that the issue has been with the Iraqi state since its inception. Resident ships were granted to Arab nationalities without restrictions in the fields of work, study, and even investment in the past decades, and these represented Palestinian, Syrian, Egyptian, Sudanese, and other nationalities, and a large number of them later obtained Iraqi citizenship, as the positive transition in the Iraqi economic system, in the early 1970s, was the widest door for the influx of these workers, especially Egyptian and Sudanese, and factories, and a large number of them later obtained Iraqi citizenship Due to the militarization of society and preoccupation with the wars, which negatively affected the number of workers and caused a shorta between the first and second Gulf wars, until the number of Egyptian workers reached nearly four million workers, and Sudanese workers reached nearly three million workers, within the time period between the first and second Gulf wars, due to the militarization of society and preoccupation with the wars, which negatively affected the number of workers and caused a shorta between the first and second Gulf wars.1

## The influence of employment on employment and working age is the second topic.

Employment and unemployment may be evaluated in terms of absolute numbers and ratios, such as the recession era (2008-2009), which is represented by a decline in employment in the United Kingdom to below 27.5 million people, or 72 percent of those of working age. Private sector institutions. commercial centers, restaurants, and most investment projects of all sizes were filled after the Iraqi state was established in 2003, and particularly after 2009. It was quickly flooded with foreign workers, particularly those from Bangladesh, India, the Philippines, and other countries, as a result of employers' willingness to hire them because of their ease of discipline and commitment, and Iraqi law stipulated the percentage of workers who should be in private institutions, which is estimated to be 5% of the total number of workers. The totality of the institution, but the chaos of the situation, and the lack of application of the regulating laws, prompted many companies to circumvent the law, and to agree with offices for the recruitment and employment of foreign labor, in order to smuggle them into the labor market, resulting in a significant increase in the number of unemployed people, despite the fact that the number of unemployed people has decreased. The Iraqi government subsequently enacted a series of legislative limitations in the hopes of limiting the disastrous numbers of new immigrants, but the problem has worsened, leaving behind all of the bad consequences of their existence.2

It became a natural reality for society to deal with them, especially since they learned the Arabic language and adapted to society with high acceptability, and some professions seemed to be suitable for them, given that Iraqi society had not been accustomed to practicing them before, such as home service and raising children, as some Families are striving to get foreign workers to care for the children and take care of them, and even some cases related to caring for the elderly.

The use of foreign labor on many jobs and job opportunities in Iraq has become a reality and clear, bringing with it all the issues that spark heated debate between supporters and opponents of the existence of this labor because of its negative and positive factors, which may benefit many project owners and

employers, particularly in recent years after large waves of foreign workers, in light of weak governmental and regulatory oversight, No, and as a result, all of the population's basic needs for services were not met at the required level. despite the fact that the services sector in question was already suffering from severe weakness and a low level of performance, as well as a manpower shortage, which caused major waves of migration and displacement to double the pressure on the system. One of the most significant reasons for the presence of foreign labor is to cover part of the shortage in order to adapt the irregular condition, notably in the health and educational services, as well as the energy, water, and housing sectors.3

# Third, the motivations for hiring foreign personnel are as follows:

The low wages of foreign workers in many sectors are the main and important reason for their recruitment, in both legal and illegal ways, because the foreign worker, especially in service sectors, receives a significant decrease in wage when compared to the number of working hours he produces. This is something that has reached the limits of exploitation, as many studies, researches, and articles have indicated that dealt with the human, not the economic. We see a great and remarkable demand for housemaids and domestic service in the lives of societies that have recently accompanied modernity, including society, until it became clear recently that their prices are rising in a different way, as a result of the increasing demand for them by families, which prompted employment offices to respond. The issue evolved into the work of electronic platforms on social networking sites to market and advertise about this category, which may not be consistent with the restrictions placed in this aspect, of female workers, and the use of tools of encouragement that attract customers, such as defining the worker's nationality or referring to her skin color, and similar tools of encouragement that may not apply, legal contexts, and even societal custom, all of which contributed to the high demand for foreign female workers in particular, Regardless of the other bad features that befall this phenomena, which intensifies the effect of greater salaries as a consequence of increased demand for it, within the framework of boasting, ostentation, and other causes of propagating the culture of this sort of labor.4

# The second subject is performance indicators for the employment market in Iraq:

The Iraqi economy has gone through various stages, and due to the nature of the economic systems that it has adopted, it has not been able to build a solid foundation, whether before or after 2003, in order for that foundation to be able to withstand and grow, and achieve the desired economic progress to meet the challenges. Despite the natural and material capabilities that this system possesses, it has not progressed due to futile wars, imposed international sanctions, and other factors. The Iraqi economy has suffered several crises and political upheavals, and it has significantly deteriorated. Many economic, social, and political issues afflict the Iraqi economy, limiting growth and development exacerbating unemployment rates, which is one of the system's most critical difficulties. As a result, graduates are unable to secure permanent positions in official state institutions, which suffer as a result. The other is that the private sector is unable to absorb this increase due to a significant slack in the number of its workers, and the private sector is unable to provide job opportunities in comparison to the increase in labor supply and the decrease in demand for workers in the labor market, in addition to the noticeable decrease in wages. The introduction is in the private sector, and there are a number of other factors that contribute unemployment in Iraq, such as commodity

dumping, which occurs when large quantities of goods are brought into the country at low prices in order to compete with local industries, and factory and laboratory closures, which result in layoffs.5

Economists emphasize the need of supporting the private sector in order to fight dumping and eradicate unemployment, since the public sector is unable to absorb such a large amount of idle labor. There are many factors have contributed to the present predicament, including inadequate planning. And the lack of a coordination element between educational outputs and the labor force in the market, i.e. between the number of graduates and the supply of personnel, as well as the positions available in the government and private sectors. Without a doubt, aforementioned issues were the underlying cause for graduates' inability to find job in private sector organizations and the adoption of new technologies. Heading to the government sector, waiting for the chance to designate job grades in yearly budgets, and pushing for sit-ins and rallies in front of government buildings and ministries to seek permanent owners.

The table below shows the amount of the gap between the total supply of work and demand for it, which was around (9622002) in 2003, then decreased to (4514632) in 2007, which reflects a relative improvement in political and economic conditions, then the gap returned to high to reach (15215894) at its highest level in 2019, indicating the Iraqi government's failure to create new job opportunities, which resulted in massive protests.6

**Table 1**:shows the disparity between total labor supply and demand (2003 - 2019)

Job supply and demand imbalance	Total labor demand	overall job offers	year
9622002	7469194	17091196	2003
9455227	6411238	14866465	2004
6506990	7240680	13747670	2005
6554275	6793966	13348241	2006
4514632	7283440	11798072	2007
6343915	7560488	13904403	2008
5598195	8497150	14095345	2009
4603833	8719064	13322897	2010
5374085	8947097	14321182	2011
7515497	8880480	16395977	2012
5058911	9829746	14888657	2013

6416455	10995029	17411484	2014
5862771	11820919	17683690	2015
1137229	12982917	18845688	2016
5702920	16523508	22226428	2017
11200831	16960765	28161596	2018
15215894	16454339	31670233	2019

Source: Arab Monetary Fund, Arab Economic Report (2004-2019), Abu Dhabi, United Arab Emirates.

The right side of the preceding figure on the Iraqi labor market shows the total supply of work for the years (2003-2019), as it reached its maximum (294779224), while the total demand for the same time was (173370020), indicating that the total supply is substantially more than the entire demand.

It is possible to determine the performance of the Iraqi labor market by knowing the quantitative and qualitative indicators that can be used to monitor changes in the market's interactions, read the outcome of progress made in related phenomena, and determine the nature of its path, and we will discuss some of them:

# First, there's population size and growth rates to consider.

Population characteristics, such as the proportion of births, deaths, males and females, and the structure of age groups, are considered among the variables affecting human resource planning. All of the above is considered influential in the planning process, as it directly affects the labor market, in relation to the number of individuals who can be employed according to the plan. The growth of the population has a direct link with the work force and its supply due to variables such as their rehabilitation and social position. Increasing the population size leads to a rise in labor supply, as illustrated in the table below, which shows the evolution of the population size in Iraq from 2004 to 2020, as well as yearly growth rates:

**Table 2:** shows the population size and growth rates throughout time (2004-2020)

yearly rate of increase	females in the population	the number of men	Number of people per million	Years have passed
3,03	13,5	13,6	27.1	2004
3,04	13,9	14.1	28.0	2005
3,03	14,3	14,5	28.8	2006
3,03	14.7	14,9	29.7	2007
7.46	15,8	16.1	30.9	2008
0.72-	15,8	15,9	31.7	2009
2,61	16,2	16,3	32.5	2010
2,61	16,6	16,8	33.3	2011
2,61	17.2	17,9	34.2	2012
2,60	17,2	17,9	35.1	2013
2,59	17,7	18,3	36.0	2014
2,58	16.7	18.5	37.1	2015
2,60	17.1	19	38.1	2016
2,60	17,9	19,2	39.1	2017
2,50	18,8	19,3	39,5	2018
2.51	19,5	19,6	40,01	2019
2,41	19,9	20,2	40,15	2020

Source: Directorate of Population and Manpower Statistics, Ministry of Planning, Central Agency for Statistics and Information Technology, p. 8.

It is clear that the population of Iraq has grown from (26,300,000) Twenty-six million

and three hundred thousand people in 2003 to (40,150,000) forty million and one hundred and

fifty thousand people in 2020, and this upward growth in the population naturally means an increase in the number of individuals entering the labor market, and the increase in the population means an increase in demand for goods and services, and the increase in the population means an increase in the demand for goods and services, and the increase in the demand for goods and services According to reliable figures, men account for around 20 million, 810 thousand, 479 individuals, or 51 percent of the whole population, while females account for approximately 19 million, 380 thousand, 179 people, or 49 percent of the total population.

#### Second, the Unemployment Rate Index:

This scale is one of the most important and widely used measures, and it shows the percentage of the unemployed in relation to the total labor force. When the rate is low, it indicates that the labor market is close to full employment, and when the rate is high, it indicates that the labor market is in a state of instability and imbalance, as shown in the following table. During the year 2004, a dangerous number of unemployed reached

(9,455,227) nine million four hundred and fifty-five thousand two hundred and twenty-seven, owing to the events that occurred in Iraq following the 2003 war, including the destruction and sabotage of infrastructure, disruption of factories and factories, and a near-halt to economic life in its various activities, including a noticeable disruption of official state institutions.7

Official statistics show dangerous indicators in terms of confirmed unemployment in Iraq, as it opened the door to the random entry of goods in violation of the Free Trade negatively affecting agricultural, industrial, and other projects, leading to their near-complete halt due to their inability to compete with the product. The importer, and the continuation of the policy of opening colleges and universities to receive students, in the absence of regular mechanisms, and investment projects incubated for these cadres, according to different disciplines, which means an inevitable increase in unemployment rates; Iraq suffers from a double problem related to work and unemployment, at a time when it is significant experiencing a rise unemployment rates, but it has received large numbers of for-hire workers.8

**Table 3:** shows the number of jobless people and their unemployment rates over time (2004-2019)

Unemployment percentages	The number of jobless people	Year
17,9	9455227	2004
17,5	6506990	2005
15,3	6554275	2006
14,0	4514632	2007
12,0	6343915	2008
11.1	5598195	2009
11,9	4603833	2010
11.0	5374085	2011
10,6	7515497	2012
16,8	5058911	2013
15.7	6416455	2014
13,0	5862771	2015
16,8	1137229	2016
19.2	5702920	2017
29,8	11200831	2018
28,3	15215894	2019

#### **Source:**

- Statistical Group for the Years (2004-2019), multiple pages, Republic of Iraq, Ministry of Planning, Central Agency for Statistics and Information Technology.
- Poverty Monitoring and Evaluation Survey in Iraq in 2017-2018, Ministry of Planning, Central Agency for Statistics and Information Technology, Republic of Iraq.

The data in the preceding table show that the unemployment rate has risen significantly, reaching (28.8%) of the total population in 2003, and an estimated number of about (9622002) million unemployed, which is linked to the events of that year, and the accompanying acts of sabotage, almost complete cessation of government institutions, and the rate has declined to its lowest level for the period (2012-2017), and the expla.

## The third subject is an examination of the migration of foreign workers and its effects on the Iraqi labor market.

Many countries around the world are considered to be receiving immigrant workers, and each country has its own set of circumstances that force it to open its doors to immigrants or foreign workers. Some countries changed their definitions methodologies in this direction, and are now considered receiving countries for immigrants rather than immigrants, as well as receiving countries for foreign workers. This is true in Germany, where the problem of workers and immigrants is inextricably linked to the country's economic, political, and social situations, as well as the events and changes that affect them. When compared to other types of immigration, the movement of workers from one country to another is one of the most contemporary kinds of immigration, and international labor migration has become a worldwide phenomenon that has drawn the attention of international organizations.

# First - Foreign labor's influence on the Iraqi workforce:

Iraq's workforce is characterized by a governmental substantial sector, employs 39% of the population, and limited private sector options. A substantial number of employees operate in the informal sector as a result of political turbulence; it's also worth noting that the accessible and available labor market statistics reveal a gap in the availability of regular and up-to-date labor market data. This is a significant challenge for researchers seeking regularity, as well as a major impediment to achieving future development goals, so we will discuss issues related to how the sectors work and the availability of necessary data, and then go over the impact of foreign labor on these sectors, as well as the

percentages available from them, in the demands of this topic.9

The size of Iraq's national workforce increased from 8 million to 10.5 million between 2011 and 2017, and recent figures show that the focus was on workforce participation at 49 percent for Iraq, which is subject to federal administration, as about a quarter of the labor force is either completely unemployed or partially unemployed, with more than (2.5) million Iraqis of working age who are unemployed, and thus the nationa Oil has become a major obstacle in the factors of prosperity and progress that are likely to have started with steps before this date, especially whose impact is evident among the irregular workers and the self-employed, and that have become clear on the Iraqi economy in the period (2019-2020), and that have become a major obstacle in the factors of prosperity and progress that are likely to have started with steps before this date, and that have become a major obstacle in the factors of prosperity and progress that are likely to have started with steps before this date The contractions in the oil and non-oil sectors, on the other hand, contributed to the disruption of the operation process, resulting in an increase in job losses, a decrease in job opportunities, and a decrease in family income, and as a result, the poverty rate increased significantly after declining significantly in the years (2017). The Iraqi workforce may be divided into the following categories:10

- 1. A lower level of science and skill: this category includes male and female workers who are illiterate, unable to read or write, and who are frequently referred to as (unskilled) laborers, despite the fact that some of them acquire relatively high skills in craft, industrial, and service work fields. Others, which they get while working under the supervision of expert employees or technicians on the job.
- 2. Intermediate skill level: This comprises the workforce at the end of the intermediate stage, known as (semi-skilled) employees, who learn their skills while working and practicing the professions mentioned in the first paragraph.
- Level of skilled workers: It includes graduates of vocational schools, vocational training centers, and secondary school graduates who did not enroll in universities or institutes, and even those who did not

- pass secondary school exams, and they are referred to as (skilled workforce), who acquired their skills through study and training, in addition to acquiring Skills in the field of work, and they are all employed in the industrial, agricultural, and transnational sectors.
- 4. Technical level: and their scientific and technical achievement is to pass the academic stage, within technical institutes affiliated with the Ministry of Higher Education and Scientific Research, as well as other ministries' institutes, such as teacher institutes, communications institutes, and institutes affiliated with the Ministry of Industry and Defense, which is an average level in the workforce, and each specialist who holds a ba
- The specialist level: university graduates or the equivalent of their diplomas in various specializations, and they represent science, literature, and arts specialties as leaders in production or service work sites.
- 6. Postgraduate level: those with doctorate degrees, master's degrees, and diplomas, depending on their specializations, and who are at the pinnacle of the educational and professional system, as the majority of them hold leadership positions in educational institutions and scientific research institutions, and they are thought leaders in the field of science and knowledge.

# Second - foreign labor's function and size in several economic sectors:

The activity of foreign workers is concentrated in the service sector, which is populated by a diverse range of nationalities, led by (Bangladesh), and the main reason - as previously stated - is the low wages they receive when compared to the wages of local workers, or Arab Hattars, and their complete willingness to work long hours for the same pay, and most of them prefer places and projects where there is a place to live, among other factors. And, unlike the foreign worker, who has practically little awareness of the laws in place in the nation, the local worker's lack of responsiveness to numerous commands has become a primary justification for their exploitation for extended hours of work time. Add to that the fact that most foreign workers work outside of government oversight and with explicit violations, and they are doing everything they can to stay longer in search of financial gain, by pleasing the employer to cover up their violations, for fear of being held accountable and deported, in the absence of government oversight, and consulting Behind the operations of administrative corruption in covering them in various ways, including bribery.

With their numerous skills and scientific and handicraft, the oil industry ranks first (officially) in the number of foreign employees arriving in Iraq and registering with the relevant authorities. In addition to the expenditures of travel and vacations, they are paid extremely well, with some earning around twenty thousand dollars every month. In view of the aforementioned, this industry does not employment prospects more international employees than it does for local workers. For example, the number of employees at the "Lukoil" firm in the Qurna 2 field, which is one of the most significant and biggest foreign companies operating in Iraq within the oil investment, is believed to be about (728) workers, and is dropping. Although the number of foreign workers in the Zubair field is less than (459) and the number of foreign workers in the Basra Gas Company is less than (500), its clear impact and frightening numbers can be seen in the intensity of its work in filling stations, recreational areas, and the service sector. Maintenance and upkeep at workplaces, private labs, and even certain government agencies, schools, and private colleges were carried out until the situation reached places of worship; Furthermore, what has been stated does not negate the fact that foreign companies have violated the terms of contracts signed with them by Iraqi officials, including the Rumaila contract, which requires the foreign operator to "provide all employees required for oil operations with first priority," as stated in paragraph (20) of Article 9. For Iraqi citizens, provided that Iraqi citizens have the required qualifications and experience), and the lack of experience and qualification is not a reason for foreign companies to violate this clause, nor does it absolve the Iraqi government party of its responsibilities in providing space for its citizens within the assets of training, qualification, and development, as the state must assume its responsibilities in providing space for its citizens within the assets of training, qualification, and development. The contracts include stipulations requiring

contracting enterprises to establish training programs in order to generate local employment that satisfies the labor market's demands, whether on a medium or long-term basis. As a result, this circumstance represents a new weight and a new stumbling block in the Iraqi economy's advancement. The development movement's wheel, which aspires to eradicate unemployment in Iraq.

One of the most essential aspects of the oil business is that the majority of oil corporations, as well as the companies that contract with them, whether international or local, are based in Basra Governorate, which leads the Iraqi governorates in terms of oil production and export by a wide margin. Local employment in this sector, and the replacement of foreign labor, is the creation of the (Central Employment Office) affiliated with the Basra Governorate, which works with the mechanism of imposing local employment on companies operating in the oil sector, i.e. those officially contracting with the Iraqi Ministry of Oil, as well as some companies in other sectors, but not from the oil sector. In terms of focus, the aforementioned office adopted a mechanism of control over foreign and local oil companies through the Security Permits Committee in the Ministry of Oil (Basra Oil Company) through established controls, as the aforementioned committee does not approve the issuance of any security permit for any company unless the approval of the Central Employment Office is obtained, and the office can controvert this. It was able to achieve practical results in imposing local workers for the largest proportion of the total in foreign companies, and the process is summarized by the fact that a company working in the oil field, or contracting with other companies, sends an official email to the central employment office, which includes the actual need for the preparation of specializations and vacancies in various fields according to the company's specialization and work, and t By sending it to the concerned firm, which will perform the tests within a set time frame by providing the names of candidates for available jobs within ten (10) days of the company's e-mail, after which the applicant company will have the right to accept its employment.11

The business sector, on the other hand, prefers to hire foreign employees, claiming that the salaries given to foreign workers are much lower than those paid to Iraqi workers, although

they are not, if the cost of damage and loss of services to foreign workers is counted. offered to them for free, and depleting the public funds allocated. without companies responsibility for this cost, and the lack of government monitoring, and admitting a foreign worker is a separate issue. These employees are in this situation as a result of a dearth of employment possibilities in their respective nations. Rumors regarding the recruitment of female employees owing to a labor crisis are unthinkable in Iraq, where the majority of the population is youthful, workingage, and has immense human, scientific, and technological energy. It necessitates regulation, oversight, and the provision of appropriate conditions for its entry into the labor market in accordance with the requirements of economic interest, national vision, and development in order to establish a solid economic foundation; Despite efforts by Iraqi legislative authorities to limit foreign workers, impose restrictions, and add conditions to their arrival in order to legally frame them, the situation remains uncontrolled. Because job opportunities in any country are essentially a legitimate right of its citizens without regard to foreigners, foreign workers may be allowed to work in Iraq under certain conditions, the most important of which is obtaining a work permit, within reasonable limits, inevitable requests, and exceptional cases. The number of jobs registered in the private sector is very small (according to the Ministry of Labor and Social Affairs), implying that there are many more people who are not officially registered in this sector, as well as a lack of detailed data for this labor force, at a time when Irag's economic policy sees the success of economic development plans being achieved through contracting with foreign companies in both the public and private sectors.12

The Iraqi economic policymakers were unconcerned about the issue of foreign labor and the direct and indirect effects it has on the Iraqi economy, as well as what it might mean for the Iraqi labor market, just as the supervisory, regulatory, and statistical departments were unconcerned about the size of this employment. And categorizing it in technical ways makes it easier for the researcher and decision maker to take the necessary steps in regard to it, making it an unknown phenomenon in terms of proven data, in its use, and trends, despite Irag's possession of many economic factors that attract foreign labor, after it has become a large part of the labor forces operating in the Iraq market.

#### **Conclusions:**

- 1. The low wages of foreign workers, as well as their endurance for long hours of work, were compelling reasons for employers to bring in foreign workers to continue their projects, and the matter even extended to families who began contracting with foreign nannies to raise their children and to fill the shortage in the provision of domestic services, particularly among employees, accompanied by some societal considerations of customs and traditions.
- 2. Foreign labor rationalizes local labor's ambition and makes it more responsive and flexible to market requirements and other advantages, and to move towards what is available from business until alternative opportunities become available, despite the security situation; whereas, housing, food, and other important aspects of the worker's life are borne by the project owner for the most part and thus are among the most important factors of attraction.
- 3. The relevant authorities in Iraq do not have accurate data based on scientific foundations, and they withhold a lot of information from researchers, making it difficult to access it, reducing the database demographic available to study phenomena, the workforce, and expatriates, so everything that has been obtained is lacking. Various evaluations, whether from individuals or regional or international organizations, are used to determine accuracy.
- 4. Reliance on foreign labor, which has resulted in a clear weakness in the development of local labor capabilities, as well as a lack of interest in training and development programs to increase the productive capacity of local workers; this is another localization of the hidden unemployment phenomenon in the economic sectors.
- 5. The lack of genuine government support, which resulted in the national workforce's low educational level, low skill level, and low production capacity, as well as their concentration in the government sector, and a reluctance to participate in sectors that

contribute to progress and prosperity, such as agriculture and industry, and the gap that leads to the recruitment of cheap labor, as well as a lack of coordination.

#### **Recommendations:**

- 1. The research discovered that there are a huge number of jobless young, which is a waste of human capital that might be used to restore Iraq's economic basis. As a result, the first priority should be to relaunch blocked businesses and help the agricultural and industrial sectors, since what is occurring in Iraq is that rising demand leads to rising imports, which is the polar opposite of the economic system.
- 2. The size of the employment phenomenon in Iraq should be taken into account by tightening control over the number of foreign workers in contracting companies or the private sector, and categorizing the details of the wage and wage package for this employment in line with the requirements of the Iraqi labor market, as well as the positive returns of foreign labor on private sector projects, business owners, and investors.
- 3. Limiting the use of skilled foreign labor, particularly those with insufficient experience in local labor, and imposing high taxes on unskilled foreign labor, which means increasing state revenues, and working to reach agreements on the need to train local workers through coexistence and field work with foreign labor skilled people, in order to gain experience and open new horizons that benefit the Iraqi labor market and paint a different picture of the country's future.
- trend toward activating partnership between the education system and the requirements of the Iraqi labor market, in a way that reduces rising unemployment numbers and creates a practical basis for building a future, and the trend towards enacting laws regulating the work of foreign workers coming to Iraq, and setting controls that do not allow the use of more than 20% of foreign workers for operating companies, to enable Iraqi labor to take their role in work, and the trend towards enacting laws regulating the work of foreign workers

#### **Sources**

#### First - Arabic books:

- **1.** Adnan Yassin, Iraqi Society and the Dynamics of Change, Dar Al-Hikma, Baghdad 2011, p. 50.
- 2. Ali Khudair Mirza, The Iraqi Economy "Crisis and Development", Arab House of Science Publishers, Beirut 2018, first edition, p. 118.
- 3. Muhammad Sadiq Ismail, Foreign Labor in the Arabian Gulf, Dar Al Arabi for Publishing and Distribution, Cairo 2010, first edition, p. 118.
- **4.** Tariq Muhammad Tayeb Al-Qassar, The Challenges of the Civil Service in Iraq in a Renewable Environment, Iraqi Experience House, Baghdad, 2013, p. 4.
- 5. Yahya Hammoud Hassan, Studies in the Iraqi Economy, Department of Economic Studies, University of Basra, first edition 2011, Iraq Center for Studies book series (54), p. 224.

### **Second - Studies and Reports:**

- **1.** Arab Monetary Fund, Arab Economic Report for the Years (2004-2019), Abu Dhabi, United Arab Emirates.
- 2. Elham Nashour, Evaluation of Economic Indicators for the Performance of the Iraqi Labor Market, The Gulf Economic Journal, University of Basra 2017, Volume 33, Number 33.
- **3.** Jamal Aziz Farhan Al-Ani, "The Iraqi economy and labor markets after 2003, the reality and the future", Anbar University Journal of Economic and Administrative Sciences 2015, Vol. 7, No. 13.

## search margins

- Muhammad Salman Al-Ani, Al-Kut Journal of Economic Sciences, Volume 1, Number 4, p. 215, Coincidence of Inflation and Unemployment in the Iraqi Economy.
- 2. Nabil Jaafar Abd al-Ridha, Foreign Labor in Iraq, Center for Secular Studies and Research in the Arab World, article published 2018, www.ssrcaw.org. Center for Secular Studies and Research in the Arab World, article published 2018, www.ssrcaw.org.
- 3. Muhammad Sadiq Ismail, Foreign Labor in the Arabian Gulf, Dar Al Arabi for

- **4.** Ministry of Planning, Central Agency for Statistics and Information Technology, Directorate of Population and Manpower Statistics, p. 8.
- 5. Ministry of Planning, Central Statistical Organization, Statistical Indicators on the Economic and Social Situation in Iraq for the Years (2015-2018), Directorate of National Accounts, 2019.
- Muhammad Salman Al-Ani, Coincidence of Inflation and Unemployment in the Iraqi Economy, Al-Kut Journal of Economic Sciences 2011, Volume 1, Number 4, p. 215
- Republic of Iraq Ministry of Planning, Central Agency for Statistics and Information Technology, Poverty Monitoring and Evaluation Survey in Iraq 2017-2018.
- **8.** Republic of Iraq, Ministry of Planning, Central Agency for Statistics and Information Technology, Statistical Group for the Years (2004 2019), multiple pages.

#### Third - Internet sites:

1. Nabil Jaafar Abd al-Ridha, Foreign Labor in Iraq, Center for Secular Studies and Research in the Arab World, article published 2018, www.ssrcaw.org

### Fourth - messages:

- 1. Yusr Qassem Abdel Hamid, Expatriate workers and immigration and their reflection on the labor market in Iraq, Master's thesis, University of Baghdad 2021, p. 143.
  - Publishing and Distribution, Cairo 2010, first edition, p. 118.
- 4. Yusor Qassem Abdel Hamid, Expatriate workers and immigration in Iraq: Impact on the Labor Market, Master's thesis, University of Baghdad 2021, p. 143.
- 5. Adnan Yassin, Iraqi Society and the Dynamics of Change, Dar Al-Hikma, Baghdad 2011, p. 50.
- 6. Ali Khudair Mirza, The Iraqi Economy "Crisis and Development", Arab House of Science Publishers, Beirut 2018, first edition, p. 118.

- 7. Directorate of National Accounts, Ministry of Planning, Central Statistical Organization, Statistical Indicators on the Economic and Social Situation in Iraq for the Years (2015-2018), 2019.
- 8. Yahya Hammoud Hassan, Studies in the Iraqi Economy, Department of Economic Studies, University of Basra, first edition 2011, Iraq Center for Studies book series (54), p. 224.
- 9. Jamal Aziz Farhan Al-Ani, "The Iraqi economy and labor markets after 2003, the reality and the future", Anbar University

- Journal of Economic and Administrative Sciences 2015, Vol. 7, No. 13.
- 10. Tariq Muhammad Tayeb Al-Qassar, The Challenges of the Civil Service in Iraq in a Renewable Environment, Iraqi Experience House, Baghdad, 2013, p. 4.
- 11. Basra Governorate, Central Employment Office, a governmental document governing the work of the office.
- 12. Elham Nashour, The Gulf Economist Journal, Evaluation of the Economic Indicators for the Performance of the Iraqi Labor Market, Journal, University of Basra 2017, Volume 33, Number 33.