

Research Fellowship - Iraq Economic Review

Strengthening Economic Policy Capacity at the Local Level

1. Overview

The Institute of Regional and International Studies (IRIS) is looking for researchers with project ideas related to local economic dynamics in eight of Iraq's provincial economies (namely; Anbar, Basra, Dhi Qar, Erbil, Kirkuk, Najaf, Nineveh and Sulaymaniyah) to join the institute's Iraq Economic Review (IER) research fellowship program. The fellowship program, comprised of two in-person workshops and quarterly online sessions, will enable the selected researchers to develop their project ideas further and will help them to engage with relevant stakeholders, policymakers and communities in their localities.

Proposed project ideas should explore some of the following research questions:

- Whether and how the allocation of funds is contributing to equitable provision of, and access to, public services (namely; electricity, water, sanitation, health and education), and reducing urban-rural disparities? Has the reinstatement of the local councils (province, district and subdistrict) increased transparency, accountability, and buy-in from the local population?
- How does the allocation of funds contribute to promoting economic growth in target provinces? Whether and how the investment spending creates economic and employment opportunities for the local population including in terms of bolstering employment prospect of youth, women and college graduates? How does the spending bill contribute to alleviating inequality, poverty and reducing unemployment?
- How do the local government bodies (councils and departments) shape economic policy outcomes? How does the earmarked funding from the national budget shape local economic conditions? And finally, how do broader societal forces and conditions (such as demographics, climate change, and social inequalities) shape economic growth and livelihoods.
- How has the budgetary allocations improved the local government's capacity to address environmental degradation and water management issues? To what degree does it contribute to developing critical water infrastructure and sound environmental measures? Whether and how investment in the acquisition (and maintenance) of monitoring tools and facilities and the maintenance (and expansion) of water infrastructure improves water management and quality and in turn promote social, economic and political stability?
- Relatedly, how do the local government bodies (councils and departments) shape the environmental governance, policies and adaption plan? Can they determine if the allocation of resources helped ameliorate the effects of climate change? Whether and how civil society actors can hold relevant departments/ministries accountable in terms of allocations versus spending and measuring the progress against the government's commitments under the various strategic documents and adaption plans.

2. Fellowship Expectations

Contributors selected for the fellowship will have experience (and proven track record) in conducting empirically-driven policy research in local communities and have extensive network with national and subnational policymakers and stakeholders. This call is ideally suited for applicants with relevant academic training in political science, economy, political economy, development studies and sociology. Selected applicants must commit to the entire length of the program and actively participate in the activities of the program (two in-person workshops in Sulaymaniyah and quarterly online sessions). They are expected to engage in the policy relevant discussions during these activities, present their project ideas (draft policy briefs), receive feedback and incorporate it into their contributions for publication with IRIS as part of IER research initiative.

The fellowship will cover:

- Local flights, transportation, lodging and meals for two in-person workshops held in Sulaymaniyah.
- A lump sum payment-660,000 IQD to fund research and dissemination.
- An honorarium of 660,000 IQD paid for each contribution after the submission of the final draft (2000 words).

3. Background

The goal of Iraq Economic Review (IER) is to promote sound economic policy, knowledge and transparency in Iraq. The initiative aims to shift the national policy conversation towards a long-term sustainable economic vision and empower local civil society actors with the necessary knowledge and tools to press for changes and accountability in the governmental approach to the economy. Over the last almost four years, IER has become the centerpiece of economic research raising public awareness and citizens' understanding of national economic policies.

The approval of a record multi-year budget in 2023 and the reinstatement of the provincial councils in 2024 after four years of hiatus present a unique opportunity for a significant shift in the economic policy debate from the national level analysis to local level priorities. These two main developments also warrant examining the trickle-down effect of the budgetary allocations from the federal government of Iraq into the subnational level. The target provinces (namely; Anbar, Basra, Dhi Qar, Erbil, Kirkuk, Najaf, Nineveh and Sulaymaniyah) are some of the country's largest provincial economies.

This would require economic policy capacity at the local level to track the progress in government spending (of the earmarked allocations from the federal budget) and prioritization, and promotion of economic policy debate and accountability at the subnational level. Local-level research could determine to what degree and extent does the budget bill (and spending allocations) contribute to creating economic opportunities and bolstering employment prospects of the working-age population, and in turn alleviate inequality, improve the provision of and access to equitable public services, and upgrade the country's antiquated (water and environmental) infrastructure. Building research capacity at the local level contributes to this debate through evidence-based policy research, accountability and

advocacy. It also has the potential to help grassroots and civil society to develop the kind of language about the economy that aligns with their communities.

This two-year research fellowship program responds to these developments on the political scene. It will recruit, train and mentor 8 researchers from the targeted provinces and enhances their capacity to shape the economic policy debate through:

- A) two in-person workshops held in Sulaymaniyah focused on skill development, which includes writing policy briefs,
- B) quarterly online training sessions focused on developing their proposed research contributions and policy engagement and advocacy efforts at national and subnational level.

4. Local-level Dynamics in the Target Provinces

Anbar was worst affected by the conflict with the Islamic State (IS) extremist group which caused significant infrastructure damage. Agriculture is the mainstay of the economy in the province, however outdated agriculture methods along with the destruction that IS occupation wrought has made it difficult for the sector to provide jobs and sustainable income. While post-conflict reconstruction efforts seemingly improved economic prospects and stability, the province remains prone to illicit trade due to its porous borders with Syria, Jordan and Saudi Arabia. The security situation has also been under pressure due to the shadow war between the United States and Iran. The targeting of the US facility of Ain al-Assad has often led to retaliatory airstrikes on locations controlled by factions that are part of the Popular Mobilization Forces.

Basra despite its oil riches and being a strategic center for trade and transportation, the province's population suffer from lack of public services, high unemployment and poverty. Lack of accountability and endemic corruption coupled with political and administrative/bureaucratic crises has impeded necessary development and in turn led to deterioration of livelihoods and straining social dynamics. Tribal conflicts over employment in the oil sector as well as involvement in illicit trade and combating it is a significant issue. Recurrent and intense protests over livelihoods deterioration, inadequate public services and water crisis has exacerbated societal tensions and tribal dynamics. The province is also heavily affected by water pollution and contamination as well as remnants of war and landmines.

Dhi Qar is one of the most underdeveloped provinces of the country. Its infrastructure suffers from years of underinvestment and neglect. Agriculture is the mainstay of the economy, but the sector is declining due to climate change, environmental degradation, high salinity and contamination of water sources. The province was the 'second capital' of the 2019 mass protests movement, protests turning into riots were reported so as clashes with security forces, targeting and killing activists of protesters, albeit mostly in the capital district of Al-Nasiriya. The province also suffers from contamination with explosive remnants of war. The government has unveiled plans for several projects in Al-Nasiriya to improve service provision including healthcare, safe drinking water and sewage system and develop religious and archeological tourism.

Erbil as the Kurdistan region continues to confront an economic crisis, the province's economic prospects has been on the decline as the federal government of Iraq continues to withhold the region's share of the national budget and refuses to authorize the resumption of oil exports. Despite the massive public works and infrastructure projects, many parts of the city remain underdeveloped and suffers from lack public services such as portable water and sewage system/facilities as a result of poor urban planning. Similarly, other parts of the city suffer from lack of portable water in the summer and flashfloods in the winter, leading to complains of mismanagement and neglect against authorities. The real estate boom has turned into a bust, and the services sector lags behind. The city and its international airport have also come under repeated attacks from both Iranian state forces and PMF factions.

Kirkuk the province's abundant oil riches has been a source of constant tensions and longstanding territorial dispute between the federal government of Iraq and the Kurdistan Regional Government. The two governments competition for administrative control has adversely impacted governance and the provision of public services, as well as the social relations between the various ethnic and religious groups that make up the populations of the province. Kurdish, Arab and Turkmen political parties are yet to reach an agreement over the selection of a new local government and governor, which is a key for stability in the multi-ethnic province that saw tensions boiling over in the lead up to the local elections in 2023.

Najaf is the center of pilgrimage, religious tourism and learning. The pilgrimage industry is booming after periods of instability and annually hosts records of visitors from around the world. Agriculture is another economic mainstay however water shortages and outdated farming methods have made it difficult for the sector to provide jobs and sustainable income for farming communities. Years of drought and declining rainfall is also threatening the province's prized Amber rice crop. The federal government of Iraq has planned to build an express railway line connecting Najaf and Karbala which is estimated to transport 20,000 passengers per hour to further boost the religious tourism industry. The initiative, if goes ahead, could also create economic opportunities and potentially improve the employment prospect of the local population.

Nineveh the province's economy is based on agriculture. However, security concerns and landmines hampered the recovery of the sector in the wake of IS territorial defeat. While progress has been made in its rehabilitation, drought and water crises pose significant challenges to agriculture and fish farming pushing farming communities to the urban areas in search for alternative sources of livelihood, which in turn aggravates concerns over demographic shift and the local government's capacity to provide adequate public services. The industry sector, including the small scale and artisanal food industry, has been recovering as well but struggles to compete against cheaper imports. The infrastructure is yet to fully recover from the massive destruction that IS occupation and the battle to liberate the capital city of Mosul has wrought.

Sulaymaniyah, the Kurdistan region continues to confront an economic crisis as the federal government of Iraq continues to withhold the region's share of the national budget including Sulaymaniyah. As a result, the province has been under pressure of recurrent (and widespread) protests over unpaid salaries and unemployment. Industrial action paralyzed

public education sector for the most part of the 2023-2024 academic year. Its real estate sector is seemingly booming, while the services sector struggles from lack of demand and purchasing power. The economy also relies on tourism, agriculture and small factories. The province has also come under drone and airstrikes from both Iranian state forces and Turkey, the latter occasionally causing civilian casualties and material damage.