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Development Policies in the Kurdistan Region of Iraq: Reality and Challenges

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Abstract

The study of the policies followed by a political system is what shows us that there is actual development or not, so this study aims to verify the hypothesis that the general policies of the Kurdistan regional government of Iraq after the year 2003 legislation and implementation, tried to develop a national development strategy with specific goals and objectives, and these development policies according to sustainable development indicators have made some progress despite the challenges it faces. Therefore, this study will use the historical approach to present the historical process of development in the Kurdistan region of Iraq, as well as the analytical descriptive approach to identify the challenges of development policies in the Kurdistan region of Iraq after 2006, and its impact on the reality of wish in the region. The study found that development policies for the institutions of the Kurdistan regional government are disciplined, ranked and high- level policies compared to all other institutions in Iraq. This comes thanks to the wise leadership that announced plans and strategies. These policies began but faced political, security, economic and social obstacles and obstacles. However, these institutions have done their work perfectly despite the existence of imbalance in some aspects and there.

Keywords

Challenges, Development policies, Kurdistan region, Iraq

JEL Classifications: J11, F43

1. Introduction

Knowing and realizing the importance of the role played by development policies in the life of the individual and society cannot be overlooked, especially at

the present time, as the development of the individual is no longer limited to the economic aspect and increasing his national income, but has expanded to include the social and political aspect, and not limited to meeting the necessities of life, but also aims to develop the capabilities of the individual to innovate and creativity in various fields and self-reliance in the advancement of reality. There are global indicators adopted to measure the development and progress of the institutions of the political system or not, and the extent to which it achieves development at all levels, through the percentage of completion of plans and projects that fall within the context of development policies.

The study of the policies followed by a political system is what shows us whether there is actual development or not. Certainly, the absence of acts of violence and riots is the result of public satisfaction with the policies applied. Development policies are the product of an effective political system capable of meeting the demands and ambition of the people and then their political stability. In 1992, a region was formed in northern Iraq called the Kurdistan Region of Iraq. After 2003, this region was officially recognized by the new political system in Iraq. This recognition was referred to in the Law on the Administration of the Iraqi State for the Transitional Period, and in Iraq's Permanent Constitution of 2005, and during the period following the process of formation of the region, successive governments tried to advance its development reality, failing in some respects and succeeded in others.

Development policies in the Kurdistan Region face a number of challenges that stand in the way of achieving sustainability in all its dimensions. Including economic, social, environmental, political and institutional and these challenges negatively affect the development path and the directions of the sustainable development process in the Kurdistan Region. This research provides an overview of the most important of these challenges in the economic, social, political, environmental and institutional fields.

2. Importance of Studying

The importance of the study lies on several axes, namely identifying the economic, political, social and cultural challenges facing development policies in the Kurdistan region of Iraq after 2003, as well as identifying the diagnosis of the causes and indicators that indicate the existence of development and development in the Kurdistan region of Iraq compared to the rest of the other governorates of Iraq.

3. Problem of Studying

The problem of the research is that the reality of development policies in the Kurdistan Region of Iraq faces many securities, economic and social challenges, which naturally affect the possibility of carrying out development plans, stems from these sub-questions:

- a. What is the reality of the Kurdistan Region of Iraq?
- b. What is the most important development policies carried out by the Kurdistan Regional Government of Iraq?
- c. What are the most important economic, environmental, cultural, social, political and technical institutional challenges you have faced?
- d. To what extent have these challenges contributed to hindering development policies in the Kurdistan Region?

4. Hypothesis of Studying

The premise of the research is based on the fact that the general policies of the Kurdistan Regional Government of Iraq after the year 2015 legislation and implementation, tried to develop a national development strategy with specific goals and objectives, and these development policies in accordance with sustainable development indicators have made some progress despite the challenges they face.

5. Methodology of Studying

By virtue of the subject of the research, it was necessary to employ a systematic analysis approach to identify the challenges of development policies in the Kurdistan Region of Iraq after 2006, and this affected the reality of development in the region. Historical data has also been adopted in political analysis as they may provide the right basis for objectively evaluating events and their causes.

First Requirement: The Concept of Development Policies

Development policies can be defined as part of the general policy of the state related to development, which is a set of principles, objectives, values and standards that govern the activity of the state towards the direction of organizing, managing, controlling and evaluating its systems and activities, to achieve the best possible development results. These policies come within the framework of the set of legislation and rules enacted by the state to control the movement of development activity in the community, within the framework of a set of economic, social and political determinants, which can be achieved in the form of plans, programs and projects that are implemented within the framework of various measures and procedures (Khaira, 2021).

Thus, the political field is the most important area of the development process. The application of the concepts of development perspectives is based through the prevailing political orientation, and in order to understand the development policies followed we must understand the political principles in force, and therefore development policies represent the overall behavior of the political system of the state. Development policies also mean "steps and instructions to be

followed when implementing the plan, and must not contradict the general policy of the state and the prevailing regulations and be derived from the general objectives" (Abdullah, 2000).

Development policies are understood as "conscious between a number of actions aimed at achieving a certain image of development." There are those who distinguish between two levels of development policies:

- a. Economic Development Policies: This policy aims to raise the productivity and standard of living of most members of society, especially vulnerable and disadvantaged groups, and this policy is based on the optimal exploitation of available human potential and energies, in addition to available material resources (Khayari, 2014).
- b. Social Development Policies: This policy aims to increase readiness and increase the capabilities of members of society in order to contribute to activating the process of economic development and benefiting from its fruits. This is by transforming the intellectual and psychological capabilities of members of society into a reality that they live and see its effects. There are those who believe that development policies are a cultural change directed towards achieving a goal according to specific stages and steps (Gohary, 1990).

Second Requirement: The Reality of Development Policies in the Regional Government

In the first half of the 20th century, agricultural productive relations in rural Kurdistan were semi-feudal (Habib, 2005). It was accompanied by the spread of small commodity production in the countryside and the city, and the gradual and slow growth in capitalist productive relations characterized away from government authority by weakness and fear of adventure (Abdullah, 2000). These productive relations are directed at self-sufficiency in general (Barwari, 2002). The Kurdistan economy was characterized by an increase in the proportion of the agricultural population and a significant increase in small economic units with a self-economy (Khusbak, 1973). Agricultural activity in the region ranges from agriculture to animal husbandry and forest- related activity (Khusbak, 1973). Agriculture continued to be managed by primitive local tools and simple, non-wide farms based on spring water and groundwater due to the lack of large irrigation projects in Kurdistan that enabled the use of large river water for agriculture (Habib, 2005).

Industries are mostly home industries, pottery, repair, wood, tourism and textile industries, while for business; it relies heavily on internal trade, transit trade and smuggled trade (Khusbak, 1973).

When the victory of the uprising was achieved in Kurdistan in 1991 and a regional government was established in 1992, the Iraqi government tightened the complete economic siege on the region, left the treasury of banks empty and withdrew all funds and all deposits belonging to the population. The freezing of

the circulation of paper currency in the category of (25 dinars) also led to the freezing of half a billion Iraqi dinars in the region (Zanteh, 2006).

After the uprising, the parties were active to establish broad patronage networks at the expense of building a political entity that would be more democratic. The emergence of nepotism was a direct result of effective state intervention, and at the same oddly, the patterns of nepotism that emerged after 1991 can hardly be described as forms of mediation between the individual and the state because the old state institutions collapsed and no new bureaucratic apparatus was established in its place and with the outbreak of conflict between the Kurdistan Front parties, party patronage was practically established as the most profitable or even the only viable option for many city dwellers (Lizenerg).

After 2003, the establishment of institutions and followers of institutional work in the region had a great impact on finding the mindset that believes in development, progress and prosperity within the standards of institutional work, especially since the safe environment and stability that prevailed throughout the region had a great impact on finding mechanisms and means that help and encourage development in the region. For example, the five-year plan (2015-2019) represented a new stage in the development planning process in the Kurdistan region of Iraq and is the first episode in the system of a strategic socioeconomic path system, which was issued by the Ministry of Planning in the Kurdistan Regional Government, relying on plans prepared by a group of ministries (agriculture, education, education, electricity and others). Relying on a range of official and unofficial sources and documents (local, regional and international) and many national surveys in a reference framework that supports this path, which includes a long-term future vision aimed at building a diversified and prosperous economy led by the sectors of industry, energy, agriculture and tourism as development poles, so that the public and private sector and civil society are partners in the development process (Plan, 2014).

It is worth mentioning that the Kurdistan regional government of Iraq has taken some steps that will pass strategic plans and a development renaissance represented by the following (Hassan, 2012):

- 1. Issuing the new Investment Law No. (4) of 2006.
- 2. Establishing the Kurdistan region Economic Forum on 2006/11/3.
- 3. Law on the Protection of Intellectual and Artistic Property in the Kurdistan Region of Iraq Law No. (10) of 2004.
- 4. Project to register modern commercial agencies in the Kurdistan Region.
 - 5. The law of the Kurdistan Regional Tourism Corporation.
- 6. Announcing the formation of the Investment Authority in the region, which is supported by the regional government, on July 2006/29? According to Investment Law No. (4) of 2006 establishing a special committee for investment in the Kurdistan Region.
 - 7. Establishment of the Businessmen Union in the Kurdistan Region in 2007.

- 8. Law of the General Authority for Oil, Gas and Petrochemicals of the Kurdistan Region Iraq of 2004 Law No. (19).
- 9. Holding conferences on trade exchange, investments and the reconstruction process in the region. Holding international exhibitions on the territory of the region such as the Sulaymaniyah International Fair, in which more than 250 local and international companies were exhibited, which was held by the Iraqi-American Chamber of Commerce between November 11-14, 2006, under the slogan Investment and the Future.
- 10. Giving light to all traders and investors to establish projects on the territory of the region has made many commercial treaties and contracts since 2006.
- 11. The establishment of the Kurdistan International Bank with the provision of ATM ATM machines with government guarantees, which provide the following advanced banking services through SWIFT's global network, money transfer through the Western Union Money Transfer Network.

Third Requirement: Challenges Facing Development Policies in the Kurdistan Region of Iraq

First: Economic Challenges

1. High Inflation and Labor Use

a. High inflation rates: Although the economy of the region has achieved some kind of development and expansion in the economic sectors during the last years after the US occupation of Iraq, especially after 2006, this expansion and development took place at the expense of the rate of monetary stability, accompanied by high and retinuating inflation, which uses a measure of the cost of living, which escalated during the same period (Hamad, 2017). Thus, the inflation rates compared to the year 2012 = (100%) the consumer price index for the month of February 2022 amounted to (107.72), that is, the general level of prices was 7.7% higher than in the base year 2012 and the record for February 2022 in the Kurdistan Region was 72.107, recording an increase of 6.3% compared to January 2021, the increase in Restaurants 4.1%, Entertainment and Culture 3.8%, Home Equipment & Maintenance 3.3%, Health 2.0% as shown in Figure (1) (Government, 2022).

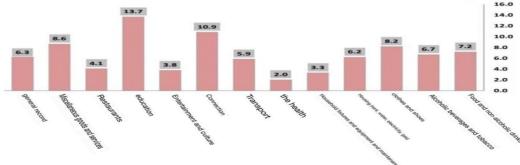


Figure 1. Consumer Price Index for 2022.2.

b. Employment of Labor

Lack of Alignment between Education Outcomes with Labor Market Requirements

The policies and systems of higher education in the Kurdistan Region have focused on the quantitative aspect and horizontal expansion with a greater degree of focus and attention to the quality of education. The result of this educational policy was that graduates of the faculties of humanities increased, at the expense of scientific and applied disciplines needed by the labor market. This naturally led to a misproportion between the types of qualifications owned by university graduates looking for work, and among the types of job opportunities available in the labor market(Hamad, 2017)

Foreign Labor

There are large numbers of expatriate workers who came from Syria, Iran, Russia and Bangladesh, as well as expatriate workers from central and southern Iraq, and the number of licensed and unacquized expatriate workers is increasing annually, and according to the data of the Ministry of Labor and Social Affairs, the total expatriate workers approved for the years 2008-2018 is (15100) workers (Government, 2005).

This number of foreign workers constitutes a competition between the foreign labor force and local labor. Providing safety and job opportunities anywhere pushes labor to go to it, and bringing foreign labor to the region increased the local unemployment rate because foreign workers work at wages less than local labor, which makes them in competition with local workers and thus the high unemployment rate. The war against ISIS during the years of 2014 2017 cast Iraqis and more than a quarter of a million Syrians, which made finding jobs difficult for citizens (Adel, 2019). This presents one serious challenge to the region's economic growth, which could fail to create enough jobs to accommodate new entrants of citizens to the labor market.

2. Challenges of Economic Diversification

- **a.** The contribution of oil to public revenues in Iraq: One of the most important challenges facing the Iraqi economy is its dependence to a large extent on the export of one depleted commodity, oil, and Maronites in Iraq are mainly on the basis of oil revenues. By following up the development of actual total public revenues and actual oil revenues, we find a continuous increase in the contribution of oil revenues to total revenues in Iraq.Actual oil revenues in 2008 were formed to (4634) billion and revenues increased in 2005 to (5.1701 billion). Then oil revenues decreased in 2005 to 48,872 billion and then increased in 2010 to (7140) In 50 years (Republic of Iraq, 2022).
- **b.** The contribution of oil to public revenues in the Kurdistan Region: The Kurdistan Region relies on revenues from the federal budget in an absolute similar way, and the source of Iraq's revenues is the export of oil. The Kurdistan Region then depends on the only source, which is oil in Iraq. For example, the

region's revenues for 2021, it stated that the Kurdistan Region exported a total of 152 million barrels of oil through the port of Ceyhan. Noting that the average selling price was \$59.4 per barrel, as the total revenues generated from sold oil amounted to 9 billion dollars, more than 5 billion of which were oil expenditures, and the net revenues were approximately 4 billion dollars, which means that about 44% of the revenues It entered the treasury of the regional government (Government, 2021a).

This means that the Kurdistan Region lacks one of the important tools in the development policy process, which is the policy of economic diversification, because of its great dependence on the export of one depleted commodity, oil, whose revenues are exposed to fluctuations and fluctuations in global markets. On the one hand, and on the other hand, the region's share of (17%) depends on political consensuses, which means that it increases and decreases according to political consensuses. Then in the future, the region's share of oil revenues cannot be relied upon to drive the development process in the Kurdistan Region.

c. Lack of internal revenue (in-territorial revenue) in the budget: According to the data contained in the general budget of the Kurdistan Regional Government, 4, the revenues entering the region constitute (4.26%) of the total revenues of the general budget for the year 2013, and revenues are sold (oil and gas) locally amount to (11%) of the total revenues, that is, the total revenues of the region constitute (5.57%) of the total revenues of the general budget, and this represents a limit of great challenges, because it does not reflect the economic reality and does not reflect the reality of revenues received from within the region such as tax revenues, fines, drawings and the price of public goods such as the price of water, electricity and telephone. This means that there is a state of a state of ambiguity in the internal resources available to the region, which means the lack of transparency and uncertainty in the fate of revenues received in the region and Lack of information on resources available from within the region to strengthen development support (Hamad, 2017)

3. Challenges in the Field of Housing and Administrative and Financial Corruption

- **A. Housing Challenges:** The Territory faces real challenges in the housing sector, and the main challenges in the residential sector can evoke the following (Hamad, 2017):
- The number of families unable to secure adequate housing is expected to increase, as there are (79.16%) of families living in the housing of an exchange king, while (2.96%) of the population lives in the residences of an exchange king and demanding the payment of annual installments, and (12.86%) live in rent compared to (5.6%) living in housing for work, which means a large housing deficit, which was stated in the strategic plan for the Kurdistan Region 2021-

2016, which indicated the need for about a quarter of a million housing units in 2016.

- Lack of a sustainable residential land management system that systematically transforms land for this purpose.
- The social preference of families to live in single housing units and the unwillingness to vertical housing, which deepens the problem of securing residential land without exceeding agricultural land, especially surrounding major cities.
- **B. Challenges of administrative and financial corruption:** After corruption is one of the main challenges that the Kurdistan Regional Government should address in order to consolidate the democratic system in it. The manifestations of corruption in the Kurdistan Region are as follows:

Bribery Phenomenon

The prevalence of bribery among state employees reaches (29.3%) in Baghdad and in the region reaches (3.7%) and (10.2%) in the rest of the governorates of Iraq, according to the study (Corruption and Integrity Challenges in the Public Sector in Iraq) (Odeh, 2021). The researchers suggest that the spread of bribery in the period of the economic blockade in the nineties of the last century was taking place in government departments and small employees of the region, but after 2003 and the standard of living in the region improved, the phenomenon of bribery decreased very significantly, but it moved to the upper class of state employees such as (Director General, Director General, Minister) in addition to investment projects, land distribution, land survey and contracting contracts. This It means the transformation of the phenomenon of bribery from small employees to large employees in the Kurdistan Region, and this does not mean a decrease and decline in it (Hamad, 2017).

- **Financial bleeding:** Financial bleeding is the following phenomena:
- 1. Tax evasion: Tax evasion in the region has become a phenomenon and part of the customs and traditions of society. The reason is due to weak control and scrutiny, lack of tax-specific standards, and lack of fairness in determining the tax price and how to collect tax (Hamad, 2017). The Coordination and Follow-up Department sent, Monday, May 10, 2012, the report on government reform in the field of taxes to the Kurdistan Parliament. Within the framework of the outlines of its government's program in the field of reform, the Kurdistan Regional Government stresses the need to make adjustments in the tax system fairly, and to take all legal and administrative measures to stop tax evasion and develop new mechanisms and standards to regulate taxes. In light of this, the Kurdistan Regional Government has taken many Procedures include (Government, 2021b).
- **a)** Under the direction of the Prime Minister, the collection of income tax on petroleum products, fuels, fuel chemicals and their residues shall be acted upon as follows:
 - When importing the tax rate is 7%

- When exporting, the tax rate is 4%.
- **b)** It is forbidden to complete any transaction of any oil and gas company without a tax clearance.
 - c) The estimated tax rate is audited by the Ministry of Natural Resources.
- **d)** All suppliers must be registered with the Ministry of Natural Resources and the General Directorate of Company Registration in the Ministry of Commerce and Industry.
- **e)** The decision to collect taxes from foreign employees working in the field of oil came into force on December 2017.
- 2. The phenomenon of money laundering: You hear about the existence of the phenomenon of money laundering in the region, but we do not see the phenomenon because of the confidentiality of the process and the large amounts that escape from the region abroad and from influential people in the government (Hamad, 2017). The process of money laundering in the Kurdistan region of Iraq in the field of ensuring the occurrence of this process is difficult. This has led to the money laundering process becoming one of the biggest challenges facing development policies in the Kurdistan Region, especially in the absence or impossibility of oversight, which provides an opportunity to facilitate this process (Bowie, 2018).
- **3. Funding parties at the expense of the state budget:** An amount of (7,862,000,000) dinars per month of the general budget shall be disbursed to political parties in the region, except for the budget of satellite channels, salaries of media institutions, civil associations, salaries of guards of party and non-partisan headquarters, as well as salaries of party retirees at the expense of the budget (Hamad, 2017).

Second: Environmental Challenges

The region still lacks a comprehensive set of environmental and monitoring systems to conserve and protect natural resources. The main challenges of environmental protection include:

1. Mines, Explosives and the Escalation of Carbon Dioxide

A. Mines and Explosives

Although the region has cleared large areas of mines and explosives, there are still many areas full of mines, which represent a great challenge to its population and prevent them from being used for economic and development purposes.

But despite the tireless efforts exerted several years ago to get rid of the remnants of these mines and explosives and the extensive assistance provided by some international organizations and friendly countries, the capacity of contaminated areas and the large number of mines laid in the territory of the region were greater than those efforts, which requires working hard during the next few years to end this file and permanently get rid of the negative results currently or future for the population of the region as a result of the presence of such mines and explosives. The relevant competent authorities have sought to deal with this serious pollution and overcome its negative consequences, which are reflected in the ability of the population to move freely and practice activities in various lands and expanding opportunities to benefit from land uses for development purposes, and in reducing injuries and victims who are exposed to mine accidents (Government, 2014b)

These efforts in the past period have resulted in the clean-up of about (846) of the total mine-contaminated areas, constituting a percentage of (30.7%), with a total area of (31,496,811) square meters, which also constitutes a percentage of (10%) of the total mine-contaminated areas throughout the region (Government, 2013).

One of the environmental activists in the city of Sulaymaniyah says that "There is a major corruption in the program to get rid of remnants of war and mines, and the money provided by the United Nations, the European Union and the United States over the past 20 years would have been enough to resolve the crisis had it not been for corruption," says an environmental activist in the city of Sulaymaniyah (Ali, 2022)

B. Escalating CO2 Emissions

The emission of greenhouse gases, which is one of the main causes of the phenomenon of climate change, which is one of the most prominent challenges facing sustainable development in various countries of the world, including the State of Iraq and the Kurdistan Region (Hiti, 2005), but the problem is deeper than this in the Kurdistan Region for reasons:

- The lack of comprehensive monitoring, control and follow-up systems for the quality of the environment in order to accurately determine the reality of the elements of the environment.
- Weak material, human and technical capabilities and expertise of environmental institutions, especially at the local level.
- Low attention to environmentally friendly technology and clean energy sources.
- Lack of application of high environmental standards and adoption of international environmental management systems such as ISO 14001 environmental management system.
- The use of heavy products such as black oil in the operation of power plants and many other industrial fields such as stone ovens for baking and in the operation of power plants and generators within residential and commercial neighborhoods.

2. Water Resources, Solid Waste and Waste

A. Water Resources:

Industrial and human activities have contributed to the pollution of water, specifically rivers, lakes and regional waters by offering contaminated water to them without treatment, which affected their quality. Among the most prominent types of pollutants for water are (Government, 2014b).

- Liquid industrial pollutants
- •Organic pollutants and effluent for hospitals
- Sewage

The water issue in Iraq in general, and the Kurdistan Region in particular, faces great challenges this year due to the lack of rainfall and the lack of resolution of the international water file with neighboring countries, as well as the absence of radical solutions. The Ministry of Water Resources in the Kurdistan Regional Government said in a statement that the effects that the government expects due to drought this year are the decrease in the availability of drinking water to the population in many areas, the drought of some water springs, the decline in electricity production from the two hydroelectric plants in the region, the lack of agricultural production and the lack of natural pastures for livestock breeding compared to previous years. Government statistics on the rainfall rate that fell this year indicate that they have fallen to less than half compared to previous years, and the average rainfall throughout the Kurdistan Regions in the last rainy season was 758 millimeters, while the rate at the same time last year exceeded 1800 millimeters (Tahseen, 2022)

B. Solid Waste and Waste (Government, 2014a)

- Lack of complete data on the quantities and characteristics of hazardous waste generated from sources and their poor identification and definition, and for some cities to dispose of their hazardous waste by landfilling them with municipal waste.
- Some economic activities dispose of their waste by burning in irregular incinerators to reduce the cost of final disposal, noting that some of the waste burned is dangerous, which causes significant environmental pollution for the production of toxic and harmful to public health dioxin and furans.
- Lack of technical facilities dedicated to the transportation, storage, treatment, landfill or burning of hazardous waste in the governorates, which poses significant health and environmental risks that lead to air, soil and water pollution.
- Poor solid waste management due to lack of competent cadres in this field
- Many hospital incinerators are located near residential communities,
 which negatively affect the environment due to toxic gas emissions and fumes

such as dioxin and furans, which are carcinogens and other products such as nitrogen oxides, sulfur and carbon, which cause some diseases, including allergies and eye diseases and respiratory system of the population adjacent to hospitals.

- Most landfill sites do not meet inter-requisites as the process is limited to random dumping waste at irregular landfill sites and in some cases a small percentage of waste is dumped out of landfill sites due to lack of a control system and control over the movement of waste transport media.
- The lack of specialized mechanisms used in the waste management process compared to the required needs according to international standards with the lack of working cadres and their level of efficiency.
- Temporary sites lack of means of control and control and lack of records on the amount of waste collected and the quantities of waste uploaded and transported to landfill sites. The majority of meat slaughterhouses do not have solid waste (incinerators) and liquid (treated basins).

C. Air and Soil Pollution

I.Air pollution: One of the environmental challenges facing development policies is air pollution as a result of (Government, 2014a):

- The increase in the volume of personal and mass conductors on the roads in recent years.
 - Pollution from industrial plants, power plants and generators.
- Transportation, increasing their numbers and the low quality of some of them.
- Industrial activity and weakness of gas treatment systems in some existing industries.
- Continue to rely on traditional production methods in various industries, especially the use of high-density fuels.
- Underdeveloped methods of incineration and landfill of household waste and hazardous waste for hospitals
- Sources leading to air pollution include lead, suspended minutes, sulfur dioxide concentration, and falling dust. Pollution from urban transport has increased as a result of the increase in the number of vehicles over the past years that rely on imported low-quality fuels. Data issued by the Environment Agency confirm that most sources of air pollutants exceeded their national limits. For example, the concentration of lead in Erbil governorate was a maximum of 6.6 μ g/ m3 compared to the national standard of (1.5) μ g/m3 for 2007. Total suspended minutes concentrations have also exceeded their national limits (350) μ g/m3 in most provincial centers over the past two years.

D. Soil Pollution

The local environment of the region is subjected to a deterioration in the quality of its soil elements and the deterioration of its physical, chemical and

biological characteristics, which caused the problem of the transformation of productive land into arid or low-productivity lands due to various human activities, tree mining for agriculture, fuel and construction purposes, and the unscientific use of fertilizers and agricultural pesticide (Government, 2014a).

Third Requirement: Cultural, Social, Political and Institutional Technical Challenges

1. Cultural and Social Challenges

- **a)** Poor alignment between education outcomes and the labor market (Hassan, 2012).
- **b)** The high level of awareness among citizens thanks to the remarkable expansion of educational and cultural opportunities and the consequent continuous and rising aspiration to achieve higher and better standards of living (Nabil Jaafar Abdul Redha, 2012).
- **c)** The continued growth of the population at relatively high rates and the important implications of those rates related to the growth of demand for basic services in the areas of education, health, transport, communications, vital benefit services and housing.
- **d)** Weak interest in the development of curricula for pre-university, university and higher education, poor pace with scientific developments and limited requirements.
- **e)** The limited capacity of buildings of different educational levels (which has been reflected in the low capacity to provide and maintain full education opportunities and represents one of the main challenges to advancing the reality of education in the region (deficit in school buildings (Nabil Jaafar Abdul Redha, 2012).
- **f)** The increase in the deficit in population units is disproportionate to continued population growth rates and high-income levels.
- **g)** Continuous growth in the number of citizens entering the labor market in search of suitable job opportunities in light of the existence of relative unemployment, especially among youth groups.
- **h)** The increasing importance of accelerating the qualitative development of the labor force in the region to provide it with the skills and knowledge that enable it to keep abreast of successive scientific and technical developments and contribute effectively to enhancing the productivity and competitiveness of the national economy and accelerating its transformation into a knowledge economy
- i) Demographic changes between regions as a result of the increasing migration from rural and villages to cities pose a challenge to the implementation of health policies and may be directly due to the lack of a clear and adopted population policy in the region. The steady population increase leads to increased demand for health services.
 - **j)** High level of pressure on public health institutions.

- **k)** The continuation of the phenomenon of bilateral spatial development in the region represented by the presence of developed areas of limited numbers, namely the major cities and the central cities of the governorates, which account for most of the economic activity, services and infrastructure, in exchange for the presence of less developed areas, especially in districts, districts and rural areas.
- **I)** Negative and underdeveloped waste management in the absence of regular landfill sites or waste recycling plants (Ahmed, 2012).

2. Political Challenges

- a) Unification of the two departments: The very important challenge lies in the extent to which the Kurdistan Regional Government is able to accelerate and address the unity of administration and legislative, executive and judicial institutions in the region and get rid of the second permanently despite the implementation of the decision of the unity of the Representative Council and the government (Ghani, 2005), because we actually find two departments with regard to financial and military matters, that is, not fully unify the Ministries of Finance and Bishmerke, and this is one of the biggest military and financial challenges for the region.
- b) The influence of regional neighboring countries: The presence of Turkish influence on the one hand in areas under the control of the Kurdistan Democratic Party lies in the presence of military forces in the territory of the region and the presence of economic and military partners, as well as the presence of Iranian influence on the other hand in areas under the control of the Patriotic Union of Kurdistan. This is the biggest political challenge to the region and leads to an increase in the economic, military and political dependence of Turkey to a first place and Iran second degree (Hamad, 2017), contrary to the stated trend of the authorities in the region on the adoption of the principle of economic and investment freedom, as many data and indicators actually indicate some imbalances, ambiguities in this regard, and deviations, for example: The economic system in the region is still multiple in its production patterns, combining feudal and capitalist systems, between private and public property and traditional and modern means of production (Ahmed, 2012).

The last scenario to be taken into account when withdrawing US forces from Iraq is the possibility of violent clashes between the KRG and its neighbors, especially Iran and Turkey. The conflict between the KRG and its neighbors has been exacerbated by the activities of some groups based in Kurdistan. These groups such as the Kurdistan Workers Party and the Free Life Party (PJAC), which can Northern Iraq in 2007, although both countries called on the KRG to take military action against these groups, it refused to do so, and then the KRG was then regularly subjected to air strikes and Turkish and Iranian artillery shelling on the mountainous areas where these groups are stationed. The Kurdish regions have also witnessed invasions by the Turkish army over the years, most notably when forces of fifty thousand soldiers and two hundred and fifty tanks crossed the

Iraqi border in 1997, and Turkey did not provide a legal explanation for its ongoing invasions of Iraq, and even did not even try to justify it. The Kurdistan Regional Government condemned Turkish operations as a violation of Iraq's sovereignty. Massoud Saud Barzani stated that the Kurdistan government will not be part of the conflict between the Kurdistan Workers Party and Turkey, but will order widespread resistance, in the event of damage to Kurdish civilians or civilian structures (Yildiz, 2021).

- **c)** There are official trends from decision makers that control part of the economic activities to take some sectors of the economy away from the market economy and direct them towards the directed economy. For example, operations on the oil side have been excluded from their inclusion in the investment law to become under the near-total dominance of the public sector (Amidi).
- **d)** Weak political participation: One of the challenges facing development policy efforts in the Kurdistan Region of Iraq is the real participation of people in the basic decisions facing their lives and destiny, and the failure to give members of Kurdish society the possibility of real and effective participation in decision-making or influencing them. This is due to the narrow circle of fateful decisions in the Kurdistan Region of Iraq, because of Electoral, the presence and survival of general managers in office more than 10 to 15 years, and this means keeping people away from participating in crucial decisions, and this is one of the biggest challenges facing the development process in the Kurdistan Region, because staying in sovereign positions more than an electoral cycle leads to the creation of a kind of natural monopoly of positions and fateful decisions.
- **e)** Most important economic projects and activities have been controlled by subsidiaries (or close) of the two main parties (the Kurdistan Democratic Party and the Patriotic Union Party of Kurdistan), mainly due to the era, which was parted into two departments, where each of them monopolized in its area of influence important projects, basic business and key services in the region. The simplest example is the monopoly in the telecommunications and Internet sectors (Qadir, 2005).
- f) Lack of optimal coordination between the central government and the regional government, especially in the presence of important political issues that remain outstanding between the two parties, such as the issue of oil contracts concluded by the regional government and not approved by the center government and other issues such as the budget and disputed areas (Sharif, 2003), since the issuance of the permanent Iraqi constitution, the federal Iraq is still in a state of legal vacuum in the most important sector of the Iraqi national economy due to the reluctance of successive Iraqi governments and their refusal to recognize the principle of partnership with the Kurdistan Regional Government (the only region in Iraq), through federal legislation, which is the Iraqi Oil and Gas Law, which means that the federal government bears all legal problems through the conclusion of oil contracts. With foreign parties, and to carry out all other oil operations, without the existence of a law delineating the scope of these

contracts and operations, all in order not to recognize the right of the Kurdistan Region to participate in a national wealth owned by the people of this region under the title deed, which is the Iraqi Constitution itself, in Article 111 of this Constitution (Barzani, 2030). It can be said that the Kurdistan Region of Iraq has taken steps towards achieving local development, but it still needs comprehensive development in the economic, social, cultural, scientific and technological fields and in various infrastructure and services. This development can also be accomplished in stages and gradually and thoughtful, taking into account the need to lay it on realistic, rational and scientific foundations on the one hand and on the other hand, all energies and capabilities available internally and internationally must be taken advantage of.

3. Technical Institutional Challenges

- **a)** Weak research and development inputs: The low number of workers in research and development in the Kurdistan Region, which is one of the highly scientifically qualified human resources, is one of the most important inputs and components of work in the field of scientific research and technological development, and it is also used as one of the important criteria in evaluating the development process in its technological dimension, for two reasons (Hiti, 2005):-
- It is the effort in research and development that determines the future development of autonomous technological capabilities
- .This activity reflects a true vertical transfer of technology based on subjective potential

Although the Kurdistan Region has made efforts in the field of creating scientific and technical human capabilities working in research and development, through the opening of universities and scientific centers, the preparation of this category is still low.

- **b)** Weak research and development outputs: Despite the presence of many universities, institutes and scientific centers in the Kurdistan Region, we find that the outputs of scientific research and development are still weak, whether with regard to the number of scientific research published or patent registration, as there are no patents registered in the Kurdistan Region, and this is one of the challenges associated with the scientific research and technological development system facing the process of sustainable development in the near future in the Kurdistan Region.
- c) Exploitation of Internet and mobile lines: One of the institutional challenges facing the development policy process in the region is the problems of the high (hard and mobile) and the Internet, despite the growing demand for international network (Internet), fixed and mobile services, where the telecommunications sector suffers from many problems, the most important of which are: the almost absolute monopoly of mobile phone services from a very limited number of companies, which led to poor quality of services and relatively high costs of accessing services, limited fixed phone coverage (landline) versus growing demand, which led to a decrease in the percentage of telephone density

per 100 people. Monopoly and exploitation of international network services (Internet) from some companies. Local, to increase prices and poor quality of services and incomplete coverage, this has led to the slowness of Internet lines, and this means creating obstacles and obstacles that limit the delivery of information to citizens (Hamad, 2017).

It can be said that the political challenge is the most important of these challenges because the lack of political stability in Iraq and the lack of a fixed policy for the federal government leads to the ugliness of these development policies. The will exists, but the main challenge lies in the unstable relationship of the regional house and the federal government, as well as the issue of major regional transformations, especially with regard to political developments in the Middle East, whether in relations between the United States of America and Iran, as well as the economic conditions in Turkey, and in general, the political situation in the world that the world is witnessing.

One of the most important problems suffered by the region is the lack of accurate and basic data and information for economic planning, and that the goal of economic planning is to reach sustainable development, that is, moving society from an undesirable situation to a desirable situation, as well as the lack of technical and human infrastructure for workers in the field of economic planning and economic development in the Kurdistan Region (Hamad, 2017).

There are also several problems, the most important of which is the issue of diseases, epidemics and pandemics, as well as problems in the issue of salaries, as it takes from the budget of the region 82% to salaries, and this leads to the neglect and marginalization of major development projects. We note that this problem is serious. In addition, there is no solid strategic plan for Iraq because the region is part of federal Iraq, and development policies must be shared with the region, although this partnership is found in the Iraqi constitution in Article (105-106), but these articles are not activated and cannot be worked out, and this causes a big problem. As well as security threats by the terrorist organization ISIS and neighboring country.

Among the problems suffered by the region are also the imbalance in the development program in all regions of the region or the focus on specific regions, insufficient interest in the leading sectors, the focus on non-strategic projects, the lack of banks to finance development projects as well as foreign funding, the lack of the right man in the right place, the existence of corruption, quotas, and Failure to hold accountable those who fail to perform their duties.

One of the most important measures taken by the regional government on development policies is the collection of data by ministries, as well as the issuance of the vision for the Kurdistan Region by the Ministry of Planning, for example, Vision 2030 (Hamad, 2017), as well as the provision of job opportunities for young people, especially the revitalization of the private sector in the region and the total distance from oil resources, as well as the encouragement of small projects economically, as well as the situation in the field

of investment in the field of political development, especially the issue of expanding the field of democracy and democratic thought, giving vacations to parties and free party work, the absence of armed militias in the region, emphasizing the security and government element and not covering up behind the militias. On the cultural development side of cultural development, there are many from intellectual schools, civil society organizations and educational courses, in addition to the measures taken by the regional government, the construction of hospitals, the construction of 120 m and 150 m Streets, in addition to the construction of housing for tenants with nominal wages.

The future of development policies in the region is a good future and the evidence is clear that the region has witnessed a clear development in recent years in all governmental and community fields. There are large areas for freedoms and media, and there is a clear institutionalization for government departments, but the obstacles and problems remain ongoing. We cannot say that these measures have been completed on the contrary. We are at the beginning of the road and I believe that the future will be a good future for the region if there is a response from the federal government and a response from the countries of the region because there are hidden revenues from neighboring regional countries to curb this development renaissance for the Kurdistan region.

Conclusion

The development process expresses the interaction between four economic, political and environmental elements, and in order to achieve sustainable development in the Kurdistan Region of Iraq, it is necessary to interact and meet these elements at the intellectual and realistic level. After learning about the concept of development and development policies in the Kurdistan Region of Iraq, it was found that the main driver for the development of society is the political decision-maker because of its importance in the development of society. Development policies for the institutions of the Kurdistan Regional Government are disciplined, ranked and at a high level compared to all other institutions in Iraq. This comes thanks to the wise leadership that announced plans and strategies. These policies began but faced political, security, economic and social obstacles and obstacles.

However, these institutions have done their work perfectly despite the imbalance in some aspects and there can be lapses in a certain aspect, but this does not rise to mention.

Despite the political, economic and social challenges that limit the development of the region, they are trying as much as possible to develop society despite the existence of some failures among the various sectors in the region; the efforts made are clear compared to the rest of the governorates of Iraq. Despite the existence of problems between the federal government and the regional government, there are some positives that led to political stability in the

region and the presence of indicators that indicate that there is development and development in the Kurdistan Region of Iraq.

Recommendations

- 1. is necessary that the Kurdistan Regional Government of Iraq focus its development policies on political challenges and is concerned with the development of the political field, and that the objectives of development policies are not limited to economic and social advancement. There is a direct relationship between political development and development in other fields. No government can reach advanced degrees of success in economic and social public policies unless development in the political field is through political pluralism and making democracy a method of governance.
- 2. The federal government and local governments in the governorates of Iraq can benefit as much as possible from the experience of the regional government in dealing with the various challenges of development policies. For example, we find that the problem of the housing crisis has been able to provide important and effective treatments by opening investment to national and foreign companies to build complexes. This has achieved competition between companies that have begun to provide the best housing units at reasonable prices. The regional government also provided a solution to the problem of the shortage of electric power by contracting with national and foreign companies to set up projects to build new power stations to address the issue of the shortage of electric power.

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