



PAPER NO. 5

SOCIAL PROTECTION

# FROM TANGENTIAL LIVELIHOOD PROGRAMMING TO INTEGRATED SOCIAL PROTECTION:

## CONCEIVING A LONG-TERM APPROACH TO YOUTH ECONOMIC AND SOCIAL POLICY IN IRAQ



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## About the Author

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## EXECUTIVE SUMMARY

This paper provides a critical analysis of the approach to livelihood policies and programming for youth in Iraq in the aftermath of the 2014 conflict with ISIS, which has been driven by international NGOs and intergovernmental organizations, often in collaboration with the Iraqi State.

This approach is characterized by labor market activation programs that unexpectedly promote work precarity and social assistance programs that obstruct social security, which cannot be established through transient poverty alleviation interventions. These interventions include cash-for-work programs, support for micro, small, and medium businesses including the gig economy, microcredit programs, cash transfers, food assistance, and in-kind donations, among others.

Such programs are tangential, are designed to enable survival, and are leaving many behind. They are generally designed with a good will and with the intention to follow a comprehensive configuration that would make them responsive to youth needs previously identified in several forms of assessment, including ones that are conflict sensitive. However, they are not responding to Iraqi youth's expectations and aspirations and are not achieving their intended purpose of ensuring the sustainable and universal economic inclusion of Iraqi youth necessary for their prosperity and that of the economy at large.

Their tangentiality stems from the fact that they are reactive, small-scale, transient, short-sighted, inadequate, and not well-integrated, as they are neither state-led nor curated within the framework of an effective development paradigm that has a clear and central vision. They suffer instead from flaws in their targeting methods, delivery mechanisms, and instruments, in addition to having to adjust their standard operating procedures to satisfy the vested interests of the government and de-facto forces.

Iraq needs a national macroeconomic structural plan for reform and stabilization built around the principles of economic viability and inclusiveness. It also needs a state-led universal social protection system, which is well-integrated, effective, and sustainable. This system could provide the social security guarantees that complement equitable social and economic policies to achieve systemic social justice. Such a welfare model can, in turn, be complemented by poverty alleviation, social assistance, and labor market activation programs in times of crisis and emergency, like the 2014 conflict with ISIS.

However, for these programs to fulfill their complementary

role efficiently, they need to improve their targeting methodologies, operational and delivery mechanisms, the quality and quantity of their aid and services, and the scope and continuity of their interventions. They also need to turn the imposition of co-ordinating with the state into an opportunity to enforce a set of conditions that facilitate the sound implementation of their activities, such as asking the government to establish a unified national social registry and imposing transparency and accountability mechanisms.

The paper illustrates the politico-economic challenges impeding the envisioned path forward and proposes alternatives to overcome these protracted challenges. Knowing that overcoming issues of weak public institutions, bad governance, and poor rule of law requires a long time to become feasible, development actors should begin to think of ways to bridge the gap between policy and politics. To do so, they should carry out their interventions, when necessary, where necessary, all while rethinking the types, structures, and quality of their aid instruments.

### Key Recommendations

- In the **immediate**: Improve targeting methodologies, operational and delivery mechanisms, the quality and quantity of aid and services, and the scope and continuity of interventions to reach more youth and protect youth well-being and livelihoods more effectively.
- In the **medium term**: Turn co-ordinating with the state into an opportunity by asking the government to establish a unified national social registry; enforcing a credible external process for monitoring, evaluation, follow-up, and review; and imposing strict transparency and accountability mechanisms.
- In the **long term**: Assist the government of Iraq in putting forth a macroeconomic structural plan for reform and stabilization built around the principles of economic viability and inclusiveness, and a state-led universal social protection system. Only then will poverty alleviation, social assistance, and labor market activation programs be able to respond efficiently in times of crisis and emergency.

## Introduction

The lives of millions of young Iraqis were turned upside down in 2014 when the conflict with ISIS began. Not only did the conflict spread waves of violence across Iraq – destroying homes, damaging the economy, and causing casualties and displacement among citizens – it has also significantly limited educational and employment opportunities and has ruined livelihoods. Since youth are one of the most vulnerable social groups, especially to such socio-economic shocks, and since this age group intersects with almost all forms of social vulnerability and marginalization, Iraqi youth were one of the hardest hit by this conflict and its repercussions.<sup>1</sup> After eight years of conflict, Iraq has one of the lowest employment-to-population ratios in the Arab region.<sup>2</sup> The unemployment rate among youth alone has increased from 18% before 2014 to an all-time high of 25.3% in 2017.<sup>3</sup> The aftermath of the conflict was likewise accompanied by a drastic fall in the school enrolment rate and a drastic increase in the school dropout rate, as well as a decline in the quality of education services across the country; all of these decrease the possibility of any improvement in youth employment, as these youth now lack the necessary skills to find a job in a fragile, post-conflict economy.<sup>4</sup>

An extensive youth survey recently conducted by the Arab Reform Initiative (ARI) in three Iraqi conflict-afflicted cities (Baghdad, Al-Basra, and Nineveh-Mosul) has also shown that the conflict had negatively affected Iraqi youth's education and career paths, mainly through the economic hardship engendered by the conflict.<sup>5</sup> Moreover, the survey found

that 93% of youth believe that the conflict has never been an opportunity to earn income or get income support, even while taking into consideration the various responses by state and non-state actors – such as social assistance and social safety net programs, the enlargement of the NGO sector, and the surge of political and armed groups amid the conflict. This negative net impact indicates how challenging it has been for youth in Iraq to carve out opportunities for livelihood and strategies for survival and well-being in such a critical conflict and post-conflict context.

Based on our collective deliberation with experts, practitioners, and policymakers, we found that the policies and programming implemented or made available to Iraqi youth for livelihood promotion and well-being have been largely ineffective.<sup>6</sup> This ineffectiveness has been caused by the different actors adopting a tangential approach to livelihoods from the beginning of the conflict up until today. Livelihood policies and programs are generally designed with a good will and with the intention to follow a comprehensive approach that makes them respond to youth needs identified in several forms of assessment, including ones that are conflict sensitive. However, these interventions are not responding to Iraqi youth's needs, expectations, and aspirations, and are not achieving their intended purpose. Their tangentiality stems from the fact that they are reactive rather than proactive, small-scale, and short-sighted; they are neither state-led nor curated within the framework of an effective development paradigm that has a clear and centralized vision. These livelihood interventions have therefore failed to ensure the sustainable and universal economic inclusion of youth that is needed for both their prosperity and that of the Iraqi economy.

This paper provides a critical analysis of the approach to livelihood policies and programming for youth in Iraq, which has been followed by international NGOs and intergovernmental organizations – often in collaboration with the Iraqi State. In so doing, it makes it a case that this approach promotes work precarity and obstructs social security, neither of which can be established through poverty alleviation programs. Additionally, the paper elucidates how the absence of a national structural plan for economic and

1 <https://hdr.undp.org/en/content/youth-and-vulnerability-global-perspective>; other forms of social vulnerability and marginalization include people with disabilities, women, LGBTQ+ people, refugees and IDP, rural and agricultural populations, and informal labor, among others.

2 International Labor Organization, *Decent Work Country Programme: Iraq: Recovery and Reform, 2019-2023*, available at [https://www.ilo.org/wcmsp5/groups/public/---arabstates/---ro-beirut/documents/genericdocument/wcms\\_736362.pdf](https://www.ilo.org/wcmsp5/groups/public/---arabstates/---ro-beirut/documents/genericdocument/wcms_736362.pdf)

3 World Bank, Youth Unemployment Rate for Iraq, retrieved from FRED, Federal Reserve Bank of St. Louis, July 19, 2023, available at <https://fred.stlouisfed.org/series/SLUEM1524ZSIRO>

4 Jabeen Bhatti, "In Iraq, War and Marriage Are Frequent Obstacles to Education", Al-Fanar Media, 12 November 2020, available at <https://www.al-fanarmedia.org/2020/11/in-iraq-war-and-marriage-are-frequent-obstacles-to-education/>

5 A report analysing the findings of this survey is published on ARI's website along with the survey's raw data, metadata, and methodological note: see Farah Al Shami, "Perceptions and Trajectories of Youth in Baghdad, Al-Basra, and Mosul after the 2014 Conflict with ISIS", ARI, 13 September 2022, available at <https://www.arab-reform.net/publication/perceptions-and-trajectories-of-youth-in-baghdad-al-basra-and-mosul-after-the-2014-conflict-with-isis/>

6 In an attempt to understand the flaws and deficiencies in livelihood policies and programming for youth in Iraq in the aftermath of the 2014 ISIS conflict, and to propose alternative solutions that are more effective, sustainable and inclusive, ARI and UNDP-Iraq jointly organized a virtual, closed, policy dialogue on 23 December 2021. This multi-stakeholder dialogue brought together 35 participants including experts, researchers, think tanks trying to assess livelihood responses and to understand their impact on Iraqi youth, national and international organizations implementing these responses in the field, and officials from the Ministry of Labor and Social Affairs in Iraq.

human development in the country exacerbates the problem at hand and further deteriorates youth's career pathways and welfare. Departing from the human-rights perspective that considers livelihood opportunities and social security to be the primary responsibility of the state and a manifestation of the social contract that ties citizens to the state, the paper highlights the necessity to have the needs of this social group – facing a major lifecycle contingency – incorporated into a new national economic vision by the Iraqi government. An illustration of the politico-economic challenges impeding this envisioned path forward is presented, along with proposed alternatives and ways to overcome these protracted challenges.

## Promoting Work Precarity and Lack of Social Protection

Amid scarce job opportunities and anemic job creation in the Iraqi economy following the conflict with ISIS, the efforts exerted for youth livelihood development have been geared towards the activation of the labor market through the incentivization of employment and income creation and retention. As such, international organizations, international NGOs, and – to a lesser extent – the most fortunate local organizations operating in Iraq have been implementing Cash for Work (CfW) programs for immediate employment and income generation. They have also been encouraging demand-driven employment by undertaking vocational training programs to develop youth's employability skills that are specific to this type of work, and by focusing on offering support for micro, small, and medium enterprises (MSMEs) that focuses in large part on business-skills development for on-demand jobs. These interventions that fall under the framework of “active labor market programs” are characterized as quick fixes. While they provide youth with the opportunity to earn quick cash to meet basic needs, they come with neither job security nor social security and they hamper personal development and economic integration in the medium- and long-term.

## Cash for Work Programs

CfW, also known as short work, aims at employing unskilled and semi-skilled workers on labor-intensive projects, which are mostly in the domain of public works, construction, and agriculture, and include projects such as irrigation-system rehabilitation, soil conservation, and road construction and

maintenance.<sup>7</sup> In the case of youth in Iraq, the agriculture, public infrastructure, and housing sectors were the main target of CfW programs. The most prominent examples of such programs include:

1. A program by the Food and Agriculture Organization in Iraq under a Kingdom of Saudi Arabia-funded project, intended to mitigate the impact of the conflict faced by Iraqi internally displaced people (IDP) and their host communities by ensuring that their households would be able to meet food requirements. This program covered the then most-affected governorates, Diyala, Duhok, Nineveh, and Salah Al-Din, aiming to funnel cash into these local economies. The program engaged the beneficiaries in rehabilitation and re-building activities for communal and public agriculture-related assets and infrastructure such as irrigation canals, drainage channels, farmlands, affected orchards, nurseries, parks, and green areas.<sup>8</sup>
2. A program in Qaratapa-Diyala by Oxfam-Iraq, including work such as clearing irrigation canals to provide water for farms in the area as part of a community agriculture project, as well as school rehabilitation work.<sup>9</sup>
3. A program for men and women, IDP, refugees, and host communities implemented by the Danish Refugee Council to rehabilitate schools in Faida, Semel, and Duhok. Among the paid work this program entailed is painting the interior of classrooms at Hema School.<sup>10</sup>
4. The Norwegian Refugee Council's Livelihoods, Cash, and Activating Markets and Agricultural Livelihoods programs, which provided – among other forms of assistance – access to emergency support like CfW, asset restoration, and livelihood activation grants.<sup>11</sup> The livelihood support focused on water, sanitation, and hygiene (WASH) work in informal sites and mainstreaming the importance of WASH in education, livelihoods, and agricultural work.<sup>12</sup>

7 Food Security Cluster, *Cash for Work (CFW) Guidance Note*, CALP Network, 2019, available at <https://reliefweb.int/report/world/cash-work-cfw-guidance-note>

8 “Cash for Work”, FAO in Iraq, available at <https://www.fao.org/iraq/programmes-and-projects/success-stories/cash-for-work/ar/> (FAO Iraq, “Cash for Work”).

9 “Cash for Work Standard Operating Procedures”, Emergency Livelihoods Cluster – Iraq, available at [https://www.humanitarianresponse.info/sites/www.humanitarianresponse.info/files/documents/files/cash\\_for\\_work\\_sops.pdf](https://www.humanitarianresponse.info/sites/www.humanitarianresponse.info/files/documents/files/cash_for_work_sops.pdf) (ELC, “Cash for Work SOPs”).

10 ELC, “Cash for Work SOPs”.

11 “NRC in Iraq”, Norwegian Refugee Council, available at <https://www.nrc.no/countries/middle-east/iraq/>

12 WASH is a kind of humanitarian intervention that is aimed at providing

These programs can indeed provide income support to poor and vulnerable youth, especially when they follow the direct cash transfer payment modality to allow beneficiaries to spend on their prioritized needs and address their immediate lifesaving necessities amid harsh conditions. However, they consist of short-term opportunities that entail a high degree of uncertainty as to the duration of their persistence, their continuity, and the availability of similar alternatives once the respective project is over. The Food and Agriculture Organization program, for instance, only lasted from December 2014 until February 2015.<sup>13</sup> Other programs have, in the best-case scenario, lasted no more than three years until the beginning of 2017, while the conflict's extension and repercussions persist to date according to the results of ARI's aforementioned survey.<sup>14</sup>

Moreover, CfW is inadequately compensated, making it hard for workers to sustain decent living standards. The Emergency Livelihoods Cluster (ELC)<sup>15</sup> in Iraq, which is under the custody of the UN Development Program's (UNDP) Iraq Crisis Response and Resilience Program, has developed a CfW Standard Operating Procedures (SOP) document, with the support of a task force comprising the Danish Refugee Council, Oxfam, and Relief International.<sup>16</sup> According to the SOPs, a rapid assessment of the minimum prevailing wage in the intervention areas was conducted as commanded by the Iraqi Labor Code, which states that: "The parties [employer and employee] are free to negotiate a fair wage for the work, and the method of payment, on condition that the wages should be paid at least once per month, and should, in no case, be less than the minimum wage for unskilled labor, as established by the Ministry of Labor and Social Affairs." Based on this assessment, and following consultations with the World Food Program and Renewed Efforts Against Child Hunger, the average recommended fair wage for unskilled labor in Iraq was estimated by the ELC at 25,000 Iraqi dinars (US\$20-21) per day, with the condition that this rate gets revised on a quarterly basis and published by the ELC. Nonetheless, the SOPs had a condition for determining the wage rate: if humanitarian actors decide to provide a CfW rate that differs from the national average wage, the

former should be set below the prevailing minimum wage to prevent competition with employers and to avoid attracting meaningfully employed workers into CfW programs. Therefore, as the Ministry set the minimum wage for a 19-year-old or apprentice at US\$92 per month (i.e., only slightly above US\$3 per day), this rate has been imposed on the CfW actors.<sup>17</sup>

Short work also lacks essential benefits such as social security coverage and the legal frameworks that are necessary to protect workers and their rights; given the economic sectors it operates in, it is often associated with seasonality and temporality, tough working conditions, long hours, and no paid or sick leave, as well as substantial risks of getting physically injured or ill.<sup>18</sup> More importantly, as portrayed in the above-provided examples on CfW programs, the latter often require low or no skills, thus driving youth away from seeking to build up the skills needed for their long-term integration in the economic market and their future success (including upskilling or reskilling themselves). Skilled youth, therefore, feel ignored, unconcerned, or simply unsatisfied by such programs. Additionally, CfW is hard to expand to the national scale as it is a targeted, not structural, response. While the ELC partners had aimed to cover 159,106 people in need, as declared in the SOPs, the conflict and its prolonged consequences drove nearly one-third of Iraq's 42 million inhabitants into poverty in the aftermath of 2014, according to the UN.<sup>19</sup> As for the adopted targeting schemes, as detailed in the SOPs, they are sensitive to household vulnerability (defined by criteria like being a large family, having elderly members, being headed by a single-parent or a female, having lactating or pregnant women, and children below the age of 5); disability vulnerability; shelter vulnerability; and low income. As these criteria are not conscious of youth, including their vulnerability and their specific needs, any remaining aid following a CfW distribution is randomly offered to youth who show up and claim a need for it on a first-come-first-served basis.<sup>20</sup> Finally, CfW relies on weak and non-systemic delivery mechanisms, and is subject to the concerned youth's self-selection or – in some cases – self-exclusion, as well as their mobility within and among target areas.

the targeted community with access to safe drinking water, as well as with the infrastructure and services needed for better sanitation and hygiene. For more information, see [https://www.who.int/health-topics/water-sanitation-and-hygiene-wash#tab=tab\\_1](https://www.who.int/health-topics/water-sanitation-and-hygiene-wash#tab=tab_1)

13 FAO Iraq, "Cash for Work".

14 ELC, "Cash for Work SOPs".

15 The ELC is led by UNDP and consists of a co-ordination platform which comprises 48 partners, including the Ministry of Labor and Social Affairs in Iraq, UN agencies, and international, national and local NGOs. See "Emergency Livelihoods", OCHA Services, available at <https://response.reliefweb.int/iraq/emergency-livelihoods>

16 ELC, "Cash for Work SOPs".

17 ELC, "Cash for Work SOPs".

18 Work Rights Centre, "What is Precarious Work?", available at <https://www.workrightscentre.org/what-is-precarious-work>

19 AFP and Al-Mashareq, "Poverty, prolonged war on ISIS push Iraqi children into labor", Al-Mashareq, 9 March 2023, available at [https://almashareq.com/en\\_GB/articles/cnmi\\_am/features/2023/03/09/feature-02](https://almashareq.com/en_GB/articles/cnmi_am/features/2023/03/09/feature-02)

20 Isabella Aburakia and Johanna Graf, "Pros and cons of Cash-for-Work measures in crises and forced displacement contexts", KFW, 24 February 2021, available at <https://reliefweb.int/report/world/pros-and-cons-cash-work-measures-crisis-and-forced-displacement-contexts>

## Gig Work

Demand-based employment, also known as the gig economy, is also a form of precarious work. Gig economy workers tend to operate on zero-hour contracts or temporary freelance contracts. They earn income only when they work, and they work exclusively when there is demand for their employer's goods and services. This renders them very prone to shocks that are similar to the conflict with ISIS and the COVID-19 pandemic, which makes demand very volatile and uncertain. Gig work can take two forms: offline and online (also known as platform work). Examples of offline gig work in Iraq include delivery drivers working at grocery stores and restaurants, taxi drivers who are affiliated with taxi dispatch companies like Taxi Caller, and tailors at garment factories like Sutlej Textiles and Nahar Spinning Mille Ltd.<sup>21</sup> Examples of platform work include transportation service applications like Careem and Bolt, and food delivery applications like Tamata and Toters.<sup>22</sup> Active labor market programs in Iraq, including those supported by the UNDP country office, largely comprise business skills development for MSMEs whose employees work on an on-demand basis.<sup>23</sup>

As independent contractors, gig workers are also deprived of the rights and benefits stipulated under the common terms for permanent formal jobs. They typically do not benefit from social security coverage or, in rare cases where they are given the choice to enroll in the social security fund by their employers, they are most likely to opt out as their contribution to the fund constitutes an unaffordable share of their modest aggregate compensation.<sup>24</sup> Gig workers also do not have the right to unionize.<sup>25</sup> Despite unfair power

dynamics with their companies and being subject to high risk of layoffs and reduced wages or hours, especially amid crises, they cannot exercise collective action and bargaining in order to balance out these dynamics and voice their demands and grievances. Gig work would be considered decent work if it were accompanied by a solid legal framework that protected their rights. However, Iraq suffers from loose labor codes that are full of loopholes and that do not take this emerging labor market into account. Even the labor rights stipulated in the existing laws are neither sufficient nor enforced due to a weak rule of law.<sup>26</sup> One of this paper's informants mentioned during their interview that a significant portion of gig workers in the transportation and delivery sectors in Iraq use cars and motorcycles that are not only unsafe but also unregistered.

The last three years have witnessed an enlargement of the gig economy as it has become more digitalized, and the pandemic was coupled with a rise in the digital economy and remote work.<sup>27</sup> This recent development requires particular attention and implies the need to carefully account for key e-economy and e-commerce parameters when advancing any legal reforms related to gig labor.<sup>28</sup> Despite all shortfalls and pitfalls, the World Bank Group, through the International Financial Corporation, is still investing millions of dollars to support private demand-driven businesses as part of their mission to "help support Iraq's economic stability."<sup>29</sup>

## No Social Security Guarantees

To compensate for the lack of social security in these different adopted solutions for the creation of livelihood opportunities,

21 Taxi Caller website, available at <https://www.taxicaller.com/>; "Top

2 Garment Manufacturing Companies in Iraq", DONY Garment Vietnam, available at <https://garment.dony.vn/top-2-garment-manufacturing-companies-in-iraq/>

22 MENAbytes staff, "Careem expands to Iraq with launch of operations in Baghdad", MENAbytes, 15 January 2018, available at [https://bolt.eu/en/cities/baghdad/](https://www.menabytes.com/careem-iraq/#:~:text=Careem%2C%20the%20Dubai%2Dheadquartered%20ride,to%20call%20broader%20Middle%20East; Bolt website, available at <a href=); Toters website, available at <https://www.totersapp.com/>

23 UNDP Iraq, *Iraq MSME 2020 Survey: Final Report*, September 2021, available at [https://www.undp.org/sites/g/files/zskgke326/files/migration/iq/UNDP\\_IQ\\_MSME\\_Survey\\_Final\\_Report\\_EN.pdf](https://www.undp.org/sites/g/files/zskgke326/files/migration/iq/UNDP_IQ_MSME_Survey_Final_Report_EN.pdf)

24 Anna Ginés i Fabrellas, "The gig economy: What are the effects on workers' rights?", Do Better, 20 October 2019, available at <https://dobetter.esade.edu/en/the-gig-economy>

25 Wassim Maktabi, Sami Zoughaib, and Carol Abi Ghanem, "Lebanon's 'Missing Middle': Online Deliver Workers Under Precarious Conditions", The Policy Initiative, 8 April 2022, available at <https://www.thepolicyinitiative.org/article/details/80/lebanon%E2%80%99s-%E2%80%9Cmissing-middle%E2%80%9D-online-delivery-workers-under-precarious-conditions>

26 Keify M. Qadr, Abdulsamih M. Rahman and Sangar Y. Salih, *The Condition of Workers' Rights and Freedom of Labor Union In Kurdistan Region and Iraq*, OHCHR, 2016. <https://uprdoc.ohchr.org/uprweb/downloadfile.aspx?filename=6742&file=Annexe1>

27 Rebecca Henderson, "How COVID-19 Has Transformed The Gig Economy", Forbes, 10 December 2020, available at <https://www.forbes.com/sites/rebeccahenderson/2020/12/10/how-covid-19-has-transformed-the-gig-economy/>

28 ILO, *Partnership for Improving Prospects for Forcibly Displaced Persons and Host Communities*, February 2022, <https://data.unhcr.org/en/documents/download/90753>

29 "IFC Investments Help Support Iraq's Economic Stability", International Finance Corporation: World Bank Group, 19 October 2016, available at <https://pressroom.ifc.org/all/pages/PressDetail.aspx?ID=15792>; see also *Country Partnership Framework for the Republic of Iraq for the Period FY2022 – FY 2026*, The World Bank Group, 12 July 2021, available at <https://documents1.worldbank.org/curated/en/914101628604096499/pdf/Iraq-Country-Partnership-Framework-for-the-Period-FY2022-FY2026.pdf>

non-state and trans-state<sup>30</sup> actors have been resorting to social safety net programs such as cash transfers, food assistance, and in-kind donations. Between 2014 and 2016, the total humanitarian cash and voucher response in Iraq was estimated at over US\$72 million (with a disclaimer that this amount is likely underreported), 65% percent of which came in the form of unconditional cash transfers.<sup>31</sup> Primary examples of these programs include:

- A sizeable cash transfer program by the UN High Commissioner for Refugees, assisting nearly 15,000 refugee families with multi-purpose cash grants.
- In 2014, the World Food Program began to provide direct food aid as part of the refugee response in Iraqi Kurdistan. In 2015, the World Food Program shifted to unconditional cash transfers and vouchers to meet food needs as part of the IDP response.
- The Cash Consortium in Iraq, a smaller cash working group than what was initially established by the UN High Commissioner for Refugees in 2014, was formed in 2015. This consortium involved Mercy Corps, the Norwegian Refugee Council, the Danish Refugee Council, and the International Rescue Committee, and was part of a European Civil Protection and Humanitarian Aid Operations (ECHO)-initiated “ECHO Alliance” attempting to harmonize and standardize the humanitarian interventions that took the form of “multi-purpose cash assistance” (i.e., unconditional and unrestricted cash transfers that are designed to address a range of needs).<sup>32</sup>

Social safety nets are not social security and are not inclusive. Whether they come in the form of cash transfers that can be direct or indirect, conditional or unconditional, targeted or untargeted, these social assistance and cash injection programs operate on a limited scale and are unable to assist the entire population of youth in-need, unlike state-led universal social protection systems.<sup>33</sup> Even targeted cash transfers are unsuccessful in Iraq, which held its last official census in 1997 and lacks a unified national social registry.<sup>34</sup>

This lack of data, including disaggregated data in particular, makes it impossible to identify the population sample that should be targeted, to reach this sample, and to cover it fully while considering that youth are not a cohesive social group. Yet, assuming this data is available, social assistance programs follow proxy means testing as the only available targeting methodology, although it is exclusive by definition and has been proven to provoke social tensions.<sup>35</sup>

The lack of data particularly leads to the exclusion of the most vulnerable communities and the individuals belonging to new or invisible forms of social vulnerability, as they are not and can hardly be captured in unofficial datasets.<sup>36</sup> More so, these underprivileged social groups often lack the needed financial and digital literacy to access cash programs, and sometimes do not have access to telecommunications infrastructure and electricity; this is problematic as humanitarian actors use delivery mechanisms such as bank transfers, the Iraqi Smart Card System (referred to as the QI Card), mobile money (cash transferred via mobile phones), and the SCOPE Card (a smart card distributed to money transfer companies).<sup>37</sup> One informant added another challenge, one that is rarely, if ever, mentioned in the case of Iraq, which is that these actors have not only to co-ordinate with the state but also with paramilitary groups and militias who largely control who receives what and how much. Still, the securitization of aid is but one of many challenges preventing livelihood actors from reaching the most impacted, such as the language barrier and geographic distance paired with mobility barriers and injustice (e.g., high transportation costs, inconvenient transportation means).

In any case, multi-purpose cash assistance, whether for WASH, shelter, food, or any other life essentials, is neither inclusive nor sufficient to secure a decent standard of living for the beneficiaries, especially in a market with few and precarious job opportunities. It is therefore imperative to discredit the fact that self-styled “cash actors” sometimes require labor from youth in return for cash assistance as “a way to get them to contribute to infrastructure-building and post-conflict reconstruction.”<sup>38</sup> These are strictly public services to which

30 International and intergovernmental organizations such as international NGOs and UN agencies.

31 Kristin Smart, *Challenging the system: humanitarian cash transfers in Iraq*, Overseas Development Institute, March 2017, available at <https://cdn.odi.org/media/documents/11420.pdf> (Smart, *Challenging the system*).

32 Smart, *Challenging the system*.

33 Heath Henderson, “Why cash payments aren’t always the best tool to help poor people”, *The Conversation*, 17 March 2021, available at <https://theconversation.com/why-cash-payments-arent-always-the-best-tool-to-help-poor-people-156019>

34 January 2022, لماذا يغيب التعداد السكاني عن العراق؟، Independent available at <https://www.independentarabia.com/node/292611>

35 Stephen Kidd, Bjorn Gelders, and Diloá Bailey-Athias, *Exclusion by design: An assessment of the effectiveness of the proxy means test poverty targeting mechanism*, International Labor Office – Development Pathways, 2017, available at [https://www.ilo.org/wcmsp5/groups/public/-/dgreports/-/integration/documents/publication/wcms\\_568678.pdf](https://www.ilo.org/wcmsp5/groups/public/-/dgreports/-/integration/documents/publication/wcms_568678.pdf)

36 Farah Al Shami, “Promoting Democratic Governance: Rethinking our understanding of vulnerability under the pandemic”, CORE (COVID-19 Responses for Equity), 31 January 2022, available at <https://c19re.org/rethinking-our-understanding-of-vulnerability-under-the-pandemic/>

37 Smart, *Challenging the system*.

38 Ladonna Pavetti, “TANF Cash Assistance Helps Families, But Program Is Not the Success Some Claim”, Center on Budget and Policy Priorities,

youth, like all other citizens, have a right and for which they pay indirect and direct taxes.

## Absence of a National Structural Plan for Economic and Human Development

As illustrated in the previous section, the efforts aimed at offsetting Iraqi youth's livelihood opportunity loss are overall characterized by unsustainable and quick-fix policies that do not speak to these youth's needs and aspirations. This de-facto situation is mainly the result of the lack of a macroeconomic structural plan and a stabilization strategy for Iraq, which are needed to set a clear vision around which all these efforts together are supposed to revolve. The plan and strategy are essential for viable, long-term economic inclusion of youth in the post-conflict reconstruction, reconciliation, and recovery processes. They are the key to genuine nationwide job creation led by economic growth of both high magnitude and high quality that generates constant value. If built around social justice principles and on solid grounds for a reformed development paradigm, a national plan or strategy can ultimately eradicate poverty and ensure multidimensional equality among youth, leaving no one behind.

## A Bleak Landscape

Iraq has been enduring a shaky political, economic, and social landscape for more than thirty years. It was subject to international sanctions and economic isolation from 1991 until 2003. The period spanning 2003-2014 saw Iraq's gradual disintegration from the Arab and global economies, including the Gulf Cooperation Council's, preventing its oil sector from fully recovering to its pre-1991 status. Then, the conflict with ISIS that erupted in 2014 brought heavy turmoil to the country and doomed the tremendous attempts to open up the Iraqi economy to the Arab region to failure, for well-known geopolitical reasons.<sup>39</sup> The conflict with ISIS overlapped with several other crises, including the water

crisis caused by the decrease in the water supply from Iraq's main aqua sources – the Tigris, Euphrates, and Shatt Al-Arab rivers – due to dam-building and other interventions by Turkey and Iran, in addition to environmental degradation. Coupled with climate change, internal water-based conflict and displacement, population growth, mismanagement on the part of the government, and other related crises such as the 2014 water poisoning crisis, this predicament has led to thirst and drought across Iraq and has impaired the country's ecosystem and its economy, which is heavily dependent on local agriculture in rural areas.<sup>40</sup> These ecological and political consequences all come with serious social and economic repercussions. The 2014 conflict with ISIS, the 2019 uprising, and the consecutive political shocks that followed, in addition to the COVID-19 pandemic and the impact of the recent Russia-Ukraine war on food security, are also major reasons behind the dire socio-economic conditions putting a heavy toll on Iraqi youth.

Further, these myriad crises drove state, non-state, and trans-state actors to focus on advancing reactive policies and responses instead of building the political and economic infrastructure that is necessary for structural and sustainable reforms. This approach overlooks the need to:

- shift from a rentier economic model to a productive one;
- achieve monetary stability and restore the population's purchasing power, especially given the poverty rate has exceeded 30% (last reported at 31.7% in 2020);<sup>41</sup>
- restructure and expand the fiscal space to preserve and augment public financial resources, ensure the equitable redistribution of public funds, and replace austerity measures with progressive tax reforms and a rationalization of public expenditures for more social spending;
- re-establish an appealing business climate for domestic and foreign direct investments that is characterized by ease-of-doing-business and equal opportunities; and
- rethink irrational and export-led trade policies.

2 August 2021, available at <https://www.cbpp.org/research/income-security/tanf-cash-assistance-helps-families-but-program-is-not-the-success-some>

39 The World Bank, *Iraq Economic Monitor: The Slippery Road to Economic Recovery*, Fall 2021, available at <https://www.worldbank.org/en/country/iraq/publication/iraq-economic-monitor-the-slippery-road-to-economic-recovery>

40 Massaab Al-Aloosy, "Iraq's Water Crisis: An Existential But Unheeded Threat", The Arab Gulf States Institute in Washington, 27 August 2021, available at <https://agsiw.org/iraqs-water-crisis-an-existential-but-unheeded-threat/>

41 Zeina Awad, "Children make up the majority of up to 4.5 million Iraqis at risk of falling into poverty and deprivation due to the impact of covid-19", UNICEF, 8 July 2020, available at <https://www.unicef.org/iraq/press-releases/children-make-majority-45-million-iraqis-risk-falling-poverty-and-deprivation-due>

According to Omar Al-Jaffal, one of the paper's informants, "the rentierism of the Iraqi economy is a reflection of the rentierism of the state". The latter is, in his opinion, primarily reflected by the prevalence of a government that has ballooned in size but remains dysfunctional. The "big government" has been devised to employ the biggest share possible of the Iraqi population, making sure each household has at least one member who is a public sector employee on whose salary relies the rest of their family. Non-public sector employees are also dealt with as second-class citizens. For example, individuals and MSMEs are not eligible for a bank loan without a guarantor who works in the government. Houses and shops likewise often lack lease contracts as these require a public sector employee as a guarantor. This phenomenon is a manifestation of the state's clientelism, whereby people are employed to be controlled and to vote for their "employer" during elections.<sup>42</sup>

Rentierism and clientelism are accompanied by confessionalism, an intertwining between the political class and the business elite, power-sharing, and nepotism.<sup>43</sup> Agricultural lands are therefore transformed by their owners into residential areas to benefit from rental fees and overcome the challenge of expensive housing. As for the housing sector, the Iraqi Central Bank microfinance initiative to support housing was victim to corruption, bureaucracy, and cronyism: people with *wasta*<sup>44</sup> and those with public sector jobs abused the initiative, buying several houses instead of one. These people not only deprived others of housing opportunities but also increased the demand on housing and created skyrocketing real-estate prices without having to pay any real-estate tax on their purchases.<sup>45</sup> Concerning the oil sector, oil reserves are misappropriated and embezzled in the form of royalties, and the overall sector is export-led instead of being devoted to the country's self-sufficiency and energy security.<sup>46</sup> Trade policy more broadly is also weak or lacking, as Iraq is open to neighboring countries whose productions fall under its economic comparative advantage (e.g., textiles, furniture).<sup>47</sup>

The state as a ruling system is effectively in absentia, following "policy inaction" or "no-policy" policy as its strategy to run the economy. In addition to not intervening to relieve economic burdens borne by its citizens, it has not taken any steps to restore Iraq's financial system, which has been rudimentary for the past twenty years: banks operate as transaction offices, relying on profits from exchange rate auctions, and do not offer any significant borrowing services or money management tools (like bank cards).<sup>48</sup> Rather than trying to change that, the Iraqi government has been benefiting from this situation and maintaining its economic system characterized by parallel and alternative economic markets. The only intervention on this level comes from the Iraqi Central Bank, which has issued licenses for 17 companies – including some in the telecommunications sector – to operate digital wallets, including notables like AsiaHawala, Zain Cash, NassWallet, and FastPay.<sup>49</sup> These digital finance tools allow for basic domestic transactions at relatively high transaction costs, are not safe in the absence of cybersecurity laws in Iraq, and are a haven for tax evaders. Additionally, as they are not banks, they're not subject to the country's banking system transparency and accountability mechanisms, thus facilitating money laundering, smuggling, weapon procurement, and other crimes. Some of these wallets, such as Zain Cash, are yet another embodiment of the power-sharing system where the business and political elite converge.

As a result, the fundamentals for economic and human development remain non-existent in Iraq amid distorted economic parameters and zero prospects for social welfare and social justice, leaving youth and the most vulnerable to bear the greatest burden. The basic capitals that are conducive to inclusive job creation and livelihood opportunities are therefore frail or wasted, namely: the human capital necessary for employability skills and the capacity to work (Iraq is getting only 41% of the potential of its human capital<sup>50</sup>); the financial capital accompanied by an access to

42 Sarwar Abdullah, "Clientelism: factionalism in the allocation of public resources in Iraq after 2003", Taylor & Francis Online, 14 March 2018, available at <https://www.tandfonline.com/doi/abs/10.1080/00263206.2018.1444607?journalCode=fmes20>

43 Alexander Hamilton, *The Political Economy of Economic Policy in Iraq*, The London School of Economics Middle East Centre, March 2020, available at [https://eprints.lse.ac.uk/104086/4/Hamilton\\_political\\_economy\\_of\\_economic\\_policy\\_iraq\\_published.pdf](https://eprints.lse.ac.uk/104086/4/Hamilton_political_economy_of_economic_policy_iraq_published.pdf) (Hamilton, *The Political Economy*).

44 An Arabic term indicating "being connected to the ruling class or someone in power."

45 Adnan Abu Zeed, "Iraqi government takes on housing crisis", *Al-Monitor*, 25 June 2021, available at <https://www.al-monitor.com/originals/2021/06/iraqi-government-takes-housing-crisis>

46 Hamilton, *The Political Economy*.

47 Mudhafar Husni Ali, *Trade Policy in Iraq after 2003 and Its Impact*

*on Foreign Direct Investment*, Iraqi Journal for Economic Sciences, 2013, available at <https://ecournal.uomustansiriyah.edu.iq/index.php/ecournal/article/download/144/108>

48 Steve Hanke and Matt Sekerke, "Iraq's botched currency reform", *Central Banking*, 11 February 2004, available at <https://www.centralbanking.com/central-banking-journal/feature/2073843/iraqs-botched-currency-reform>

49 Winthrop Rodgers, "Why cash is still king in Iraq", *Rest of World*, 8 February 2023, available at <https://restofworld.org/2023/iraq-digital-payments/>

50 World Bank Group, *Addressing the Human Capital Crisis: A Public Expenditure Review for Human Development Sectors in Iraq (English)*, The World Bank, 28 May 2021, available at <https://www.worldbank.org/en/country/iraq/publication/iraq-human-development-public-expenditure-review-addressing-the-human-capital-crisis-a-public-expenditure-review-for-hum>

finance for all; the physical capital consisting of the assets to start up or restore enterprise, infrastructure (including transportation and technical infrastructure, among others), services rehabilitation, and the access for all to essential goods and services; the social capital, which brings together community engagement, reconciliation, and social cohesion; and the natural capital which includes natural resources, canal rehabilitation, agriculture, and livestock.<sup>51</sup>

## Youth in this Quagmire

When poverty and income inequality are not combated, public services such as education and health do not get their stake of reform. This not only prevents universal access to these crucial social services and further hampers social justice, it also – on the level of education particularly – prevents equipping the job-demand side with the needed knowledge and know-how that respond to the emerging challenges and opportunities, such as those related to the green economy, the care economy, the gig economy, and the cross-cutting digital economy.<sup>52</sup> Apart from the issue of skill mismatch – which should be accounted for in education curricula based on a national vision – these latter forms of economic activity also require legal frameworks on the domestic and extraterritorial levels to ensure that the reform plan does not regard Iraq in its own bubble while being stuck in traditional forms of economic activity and perspectives on livelihood capacity-building (e.g., sewing for women, hair dressing for men), or in ideas that do not respond to the society's priorities (e.g., workshops to teach music or the production of antiques).

The Iraqi government has been relentless in leveraging an “economy of violence”, whose main victims are the youth. The Popular Mobilization Forces (Al-Hashd AlShaabi), as one of the main public sector jobs incubating youths, is illustrative of this. The recurrent discussions to rejuvenate the compulsory military service law, and to compensate conscripts with a monthly salary of around US\$500 per month, is also a reflection of the state's approach and direction.<sup>53</sup> Conscripting youth and consigning them to oil smuggling and weapons and drug deals largely explain the state's political intent to not offer this age group the economic opportunities and social protections it needs to enjoy decent life standards and

prosper. The state uses unempowered Iraqi youth to enact its “organized crimes”.<sup>54</sup> The youth who manage to escape this trap are resorting to community-led solidarity initiatives – whether youth-led and oriented or not – such as cooking and hand-made craft collectives that promote their products on social media or informal forms of co-operative associations where people contribute small sums of money as they can and can then withdraw a larger sum when needed.<sup>55</sup>

## A Fragmented and Inadequate Social Protection System

Given the non-existence of a state-led, nationwide economic plan or vision, non-state actors are adopting a model that is compatible with the baseline of the Iraqi economy; this only widens the social gaps and leaves youth, one of the most vulnerable social groups, at a great disadvantage. They are relying on: (i) public-private partnerships or private-led livelihood programs, even though the private sector lacks the discipline and legal framework for corporate social responsibility; (ii) MSME-driven livelihood support programs as, for example, a strategy to incubate the informal sector instead of providing job opportunities through country-level macroeconomic reforms and including informal labor in non-contributory social protection schemes; and (iii) microcredit or microfinance programs, which have proven to harm more than support low-income households and individuals by increasing indebtedness, including inter- and intra-generational debt that hinders social mobility and exacerbates social inequality and exclusion.<sup>56</sup> These strategies lead youth to contribute to building or rehabilitating public and community assets and infrastructure in the short term but at their own expense in the medium or long term.

Moreover, this status quo does not make it possible to build the universal, effective, and sustainable social protection

(World Bank Group, *Addressing the Human Capital Crisis*).

51 World Bank Group, *Addressing the Human Capital Crisis*

52 UNESCO, *Assessment of the Labor Market & Skills Analysis: Iraq and Kurdistan Region-Iraq*, 2019, available at <https://unesdoc.unesco.org/ark:/48223/pf0000371374>

53 Al Jazeera Net, “Although his research was postponed... The conscription law in Iraq raises controversy” 6 November 2022, <https://www.aljazeera.net/politics/2022/11/6/>

54 Laura Adal, *Organized Crime in the Levant: Conflict, transactional relationships and identity dynamics*, Global Initiative Against Transnational Organized Crime, February 2021, available at <https://globalinitiative.net/wp-content/uploads/2021/03/Organized-Crime-in-the-Levant-Conflict-transactional-relationships-and-identity-dynamics-GITOC.pdf>

55 Ahmed Qasim Meften, *Youth in Iraq: FES MENA Youth Study: Results Analysis*, Friedrich Ebert Stiftung, December 2022, available at <https://library.fes.de/pdf-files/bueros/amman/20070-20230223.pdf>

56 Sara Seif Eddin, “Predatory, for-profit loans dominate Egypt's microfinancing sector”, Mada, 27 May 2021, available at <https://www.madamasr.com/en/2021/05/27/feature/economy/predatory-for-profit-loans-dominate-egypts-microfinancing-sector/>

system that the Iraqi people aspire to and that makes a society resilient to political or socio-economic shocks; a system ought to have a social protection floor that provides core lifecycle coverage and coverage for unexpected contingencies for all through minimum income security guarantees and universal access to quality healthcare. This social protection system is made more impossible by the absence of an economic paradigm driven by both economic growth and social justice equally since such a system should only be designed and meant to complement the desired economic paradigm. Labor programs for employment creation and social safety net programs can, in turn, only come to complement this universal social protection system, especially in crisis times, in order to help the most hard-hit (including youth) cope until price and wage adjustments take place. Such programs need, however, to rethink their targeting methodology, delivery mechanisms, and their services, based on what has been laid out earlier in this paper.

As the desired development reforms are lacking, and in the absence of any comprehensive state-led process to that end, the Iraqi market is missing a holistic national vision that taps into all the dimensions of the 2030 development agenda. Non-state and trans-state actors are therefore jumping in to compensate by offering the social services in question to youth and the society more broadly.<sup>57</sup> This increases space for clientelist practices, as many of these non-state actors are political groups or parties and faith-based organizations who are also intertwined with the political regime. As for international humanitarian actors, they deliver their services without regard for the macroeconomic context and required reforms, insensitive to cross-sectoral issues that have been identified by Iraqi youth themselves as priorities that should be mainstreamed (such as access to mental healthcare and not merely to arbitrary and temporary psycho-social support programs of narrow-scale). Furthermore, the efforts of non-state and trans-state actors remain random, scattered, and thus of a limited scale despite their considerable attempts to co-ordinate with each other (such as through the ELC).

Trans-state actors are exacerbating social tensions within and between the targeted communities and across the whole country. Their interventions discussed in this paper demonstrate that the beneficiary areas were mostly in the Kurdistan region, thus excluding other conflict-afflicted areas in the middle and the south, like Al-Basra and Baghdad.<sup>58</sup>

57 Vincent Durac, "The Role of Non-State Actors in Arab Countries after the Arab Uprisings", IEMed, 2015, available at <https://www.iemed.org/publication/the-role-of-non-state-actors-in-arab-countries-after-the-arab-uprisings/>

58 The Cash Learning Partnership, *Cash Consortium of Iraq (CCI): Case Study Findings*, available at <https://www.calpnetwork.org/wp-content/uploads/2020/01/calp-inter-agency-collaboration-cs-iraq-web.pdf>

This aggravates geographic inequality in Iraq, which was engendered by uneven, centralized development. Further, social assistance in response to the 2014 conflict peaked in 2016, meaning that much of the assistance arrived significantly after the conflict.<sup>59</sup> Additionally, despite helpful intentions, the hegemony of UN agencies and international NGOs in the humanitarian and development arenas does not create a culture of civic action in society, but rather allows the government to evade its responsibilities. Outside humanitarian actors stepping in to offset the absence of the state also delays the possibility of overthrowing the political regime, as they act as a stopgap that increases people's endurance of economic hardships without adequately countering poverty and hunger. Finally, in order to operate at all, these actors' interventions are dragged into a kind of politicization characterized by several forms of normalization with the state and with military or paramilitary groups or militias, meaning they are unconsciously promoting agendas that do not reflect the priorities of Iraqi societies.<sup>60</sup>

## The Path Forward

Iraq needs a macroeconomic structural plan for reform and stabilization built around the principles of economic viability and inclusiveness. It also needs a state-led universal social protection system that is well-integrated, effective, and sustainable. This system could provide the social security guarantees that complement equitable social and economic policies to achieve systemic social justice. Such a system should adopt a welfare model that is based on the concept of human rights and that considers livelihood opportunities and social security to be the primary responsibility of the state and a manifestation of the social contract that ties citizens to the state. Only then could this system in turn be supplemented by poverty alleviation, social assistance, and labor market activation programs in times of crisis and emergency, like the 2014 conflict.

These programs, without a solid social protection infrastructure as a basis, and without an alternative development paradigm that constantly generates economic opportunities, are nothing but band-aid and temporary stopgaps on which resources, which could better be invested in implementing long-term development plans, are wasted on

59 Emily Savage, *Humanitarian Cash and Social Protection in Iraq: CaLP Case Study*, The Cash Learning Partnership, available at <https://www.calpnetwork.org/wp-content/uploads/ninja-forms/2/CaLP-Iraq-Case-Study-WEB.pdf>

60 Nicolas de Torrente, "Humanitarian Action Under Attack: Reflections on the Iraq War", *Harvard Human Rights Journal Vol. 17*, 2004, available at <https://harvardhrj.com/wp-content/uploads/sites/14/2020/06/17HHRJ1-Torrente.pdf>

surgical and short-sighted humanitarian aid. Such programs alone, as they have been materializing in Iraq, are designed to enable survival rather than to empower the beneficiaries and are leaving many behind. However, even if implemented following the approach we call for, these programs cannot fulfill their complementary role efficiently unless they improve their targeting methodologies, their operational and delivery mechanisms, the quality and quantity of their aid and services, and the scope and continuity of their interventions. They also need to turn the imposition of co-ordinating with the state into an opportunity to enforce a set of conditions that could facilitate the sound implementation of their activities, such as asking the government to establish a unified national social registry; forcing a credible external process for monitoring, evaluation, follow-up, and review; and imposing strict transparency and accountability mechanisms. These improvements are crucial to ensure that those programs are more inclusive, adequate, viable, and thus effective and fit for purpose. It is only then that youth can be provided with meaningful alternatives to traditional and obsolete youth employment and can become active agents in the Iraqi economy.

The scheme that we have just outlined requires the state's political will to be put into practice, and such will (or lack thereof) is bound to a set of politico-economic factors that must be addressed. The state's political economy has been the main reason behind the flaws and deficiencies in social and economic policy, including livelihood policies and programming for Iraqi youth in crisis times, as earlier explained in this paper. Clientelism, confessionalism, and crony capitalism – all built into the power-sharing arrangement – have been underpinning the state's political will to maintain the status quo. The state's deliberate inaction – or “no policy” policy vis-à-vis socio-economic shocks – is a strategy to make people, especially youth, fall into the poverty trap. Deferring action for economic and social empowerment is meant to induce social inertia, where people stay focused on daily needs rather than broader issues related to their future and personal prosperity or their society more broadly. This is how the government has been taking advantage of people's impoverishment and fatigue, intentionally allowing chaos and illicit activities in the economy to continue doing its own business as usual.

It is also for politico-economic reasons that youth are specifically ignored in development discussions and socio-economic policy-making in Iraq, as building their capacities today means building a revolting critical mass in the near future. Since youth do not have an intergovernmental agency that is particularly concerned for their affairs, they are easily overlooked in the national spectra and are therefore rarely included in participatory policy-making processes. Had there been a unified national economic vision for Iraq, youth would be missing from such a vision, despite their importance in

systemically promoting public policies that are sensitive to their needs and aspirations. Even the universal social protection system that we have outlined in the paper would leave many of these youth in limbo, especially considering many of them have already come into the age of employment. In the absence of social grants for youth even in the standard core lifecycle schemes devised by the International Labor Organization and UNICEF that we call for, youth-specific social protection falls through the cracks (unlike protections for children and the elderly).<sup>61</sup> As the prevailing social protection system in Iraq lacks unemployment insurance, education benefits, and other more basic or generic forms of social protections, the prognosis for the country is thus bleak. That youth are only sometimes mentioned in a perfunctory, “box-checking” manner, despite being viewed as agents of change and investments for the future, is not merely specific to Iraq. It is a problem that needs to be first tackled by international human-rights organizations that must lead by example, before being hopefully considered by non-welfare states like Iraq.

Knowing that overcoming issues of weak public institutions, bad governance, and poor rule of law requires a long time to become feasible, development actors should begin to think of ways to bridge the gap between policy and politics. The starting point is therefore to have humanitarian agencies implement the recommendations that were detailed in this paper and summarized in the second paragraph of this section. Implementing these recommendations is necessary to improve these actors' social assistance and livelihood programs, especially if done while being aware of the full political, social, and economic landscape in Iraq and while pushing the Iraqi government in a direction where the needs of youth – as a social group facing a major lifecycle contingency – are incorporated into a new national economic and human development plan. Otherwise, preserving tangential versions of these policies and programs will continue to indirectly invite youth to resort to negative coping mechanisms, such as joining armed groups, early marriage, and drug abuse, especially in times of crisis and conflict.

The UN's rollout of a major change in how it provides aid in Iraq over the past year, entailing a substantial shift away from emergency aid, is a good and promising step towards placing responsibility for people's security in the country back on the government.<sup>62</sup> However, given the above-described

61 Arab Reform Initiative, *Declaration on Building Universal Social Protection in the Arab Region*, 14 February 2023, available at <https://www.arab-reform.net/publication/declaration-on-building-universal-social-protection-in-the-arab-region/>

62 Alannah Travers, “Taking stock of the UN's shift away from emergency aid in Iraq”, *The New Humanitarian*, 20 March 2023, available at <https://www.thenewhumanitarian.org/news-feature/2023/03/20/un-united->

## **15 FROM TANGENTIAL LIVELIHOOD PROGRAMMING TO INTEGRATED SOCIAL PROTECTION: CONCEIVING A LONG-TERM APPROACH TO YOUTH ECONOMIC AND SOCIAL POLICY IN IRAQ**

complementary role of humanitarian aid and its importance in disasters as well as in global wealth redistribution, the UN and all humanitarian actors should carry out their interventions, when and where necessary, while rethinking the types, structures, and quality of their aid instruments; considering the flagged caveats; and abiding by the aforementioned recommendations.

## About Arab Region Hub for Social Protection

We are a space in and through which professionals dedicated to exploring, understanding and advocating for better social protection in the Arab region exchange ideas and explore and initiate collaborative action. We envision an Arab region in which all people, regardless of their identities, are guaranteed social protections that secure their access to the essential goods and services needed to ensure their well-being and decent standards of living, which in turn gives them the opportunity to prosper and contribute as active members of society. We aim to facilitate the development of equitable and sustainable social protection systems in the region by: executing, encouraging and facilitating the production, analysis, collation, and dissemination of interdisciplinary knowledge about the topic; facilitating dialogue within professional spheres and awareness raising among the wider public; and enhancing collective action that amplifies advocacy efforts with the different stakeholders and decisionmakers.

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## Social Protection Program

The Arab Reform Initiative's Social Protection Program, which gave birth to the Arab Region Hub for Social Protection, aims to place social policy and its impact on the socio-economic rights of citizens and residents in Arab countries center stage in the research and advocacy efforts seeking to achieve social justice and social equality. By mobilizing and coordinating a community of practice and knowledge on social protection, the program aims to create a safe space for regular and systematic dialogue between the different stakeholders, in order to help addressing the problem of fragmented, non-inclusive, ineffective, and unsustainable social protection systems in the region. While doing so, the program adopts different perspectives – from addressing the necessary policy, programmatic, institutional, financial, legal and legislative reforms; to the political economy involved in the feasibility of these reforms; passing by social activism around welfare policies.



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## About the Arab Reform Initiative

The Arab Reform Initiative is an independent Arab think tank working with expert partners in the Middle East and North Africa and beyond to articulate a home-grown agenda for democratic change and social justice. It conducts research and policy analysis and provides a platform for inspirational voices based on the principles of diversity, impartiality, and gender equality.