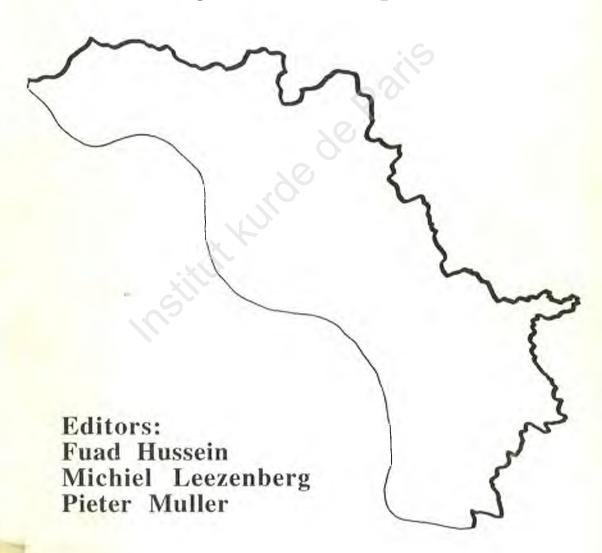
THE RECONSTRUCTION AND ECONOMIC DEVELOPMENT OF IRAQI KURDISTAN

Challenges and Perspectives



Ansitult Kunde



Fuad Hussein, Michiel Leezenberg, Pieter Muller (editors)

The Reconstruction and Economic Development of Iraqi Kurdistan

Proceedings of the international conference on the reconstruction and development of Iraqi Kurdistan, Zeist, The Netherlands, September 4-6, 1992

Amsterdam, 1993 Stichting Nederland-Koerdistan (Netherlands Kurdistan Society) The conference was organized by:

International Dialogues Foundation (Stichting RIOP/IDF) P.O. Box 121 3970 AC Driebergen The Netherlands Tel +(0)3438-32122 Fax +(0)3438-31910

Stichting Nederland-Koerdistan (Netherlands Kurdistan Society) Waterlooplein 205 1011 PG Amsterdam The Netherlands Tel +(0)20-6221305 Fax +(0)20-6388345

Additional copies of this publication are available from the Netherlands Kurdistan Society.

Design & Layout: Petra Veraar

Map: Michiel Hegener

Printing and binding: Copy Print 2000, Enschede, The Netherlands

CIP-GEGEVENS KONINKLIJKE BIBLIOTHEEK, DEN HAAG

Reconstruction

The reconstruction and economic development of Iraqi Kurdistan: challenges and perspectives: proceedings of the international conference on the reconstruction and development of Iraqi Kurdistan, Zeist, The Netherlands, September 4-6, 1992 / F. Hussein, M. Leezenberg, P. Muller (ed.). - Amsterdam: Stichting Nederland-Koerdistan. - Ill Met lit. opg. ISBN 90-74666-01-9

NUGI 659

Trefw.: Koerdistan (Iraq): economie

Contents

			Page			
	Map of Iraqi Ku Introduction	rdistan	4 5			
I.	Political and Introductory Speeches					
	Fuad Hussein		8			
	Jalal Talabani		10			
	Hoshyar Zebari		13			
	Sami Rahman		18			
	Kamal Kirkuki		20			
П.	Theoretical Perspectives					
	Majeed Jafar:	A Strategy for Development	21			
	Jamal Fuad:	Planning for the Development and Reconstruction	26			
	Jamal Fuad:	Agricultural 'First Aid' Assistance	31			
	Saleh Hafeed:	The Embargo on Kurdistan: its influence on				
		the economic and social development	38			
	Discussion		53			
***	B					
ш.	Practical Perspec		58			
		Planning and Implementation Project	56 62			
		d: Report on Industry and Energy	67			
	Mustafa al-Jaff:	Oil, Water and Energy	71			
	Khusrow Shali:	The institutions of higher learning	/1			
IV	Workshops: Pes	ults and Pecommendations				
1 .	Workshops: Results and Recommendations Agriculture					
	Industry, energy, water and oil		76 79			
	Infrastructure	water and on	81			
	Banking and servi	290	83			
	Education and management training		85			
	Education and ma	magement autimig				
V.	Panel Discussion	: The Role of Europe	88			
VI.	Conclusions					
	Documents:					
	Message to Boutros Boutros Ghali					
	Conference program		107			
	List of participants		109			
	Literature		112			
		VIIRDE do A				



Introduction

This volume contains the proceedings of an international conference on the reconstruction and development of Iraqi Kurdistan, which was held in Zeist, The Netherlands, September 4-6, 1992. The conference was organized by the Stichting Nederland-Koerdistan (Netherlands Kurdistan Society) and the International Dialogues Foundation, and chaired by Fuad Hussein.

Financial support was received from the Dutch ministry of Development Cooperation; Nationale Commissic Voorlichting on Bewustwording Ontwikkelingssamenwerking (NCO), Amsterdam; MISEREOR, Aachen; CEBEMO, Oestgeest; Stichting Oecumenische Hulp (Dutch Interchurch Aid), Utrecht; Swedish Committee for Human Rights of the Kurdish people, Stockholm; all of which is gratefully acknowledged.

For the most part, the papers presented at the conference have undergone only minor stylistic and orthographic editing. They have been somewhat regrouped in order to create a more systematic order of appearance. Some passages have been left out or abbreviated for the sake of avoiding undue repetitiveness, and a few pieces not presented at the conference itself were included because of their value as sources of additional, more detailed information not easily found elsewhere. As it was not possible to reach most of the contributors for their authorizing of the edited texts of the presentations, the responsibility in these matters lies with the editors.

As it stands, this collection constitutes 'pioneer work': as far as we are aware, hardly any other work that deals with the specifically economic aspects of Iraqi Kurdistan is in existence. For a few exceptions, as well as for some relevant literature regarding the sociopolitical background, we refer to the bibliography at the end of the volume. Needless to say, this booklet is not intended to give a complete detailed analysis of the situation, but merely to provide a more solid basis for further reconstruction and development policies, and, we hope, for further research.

The presentations of the conference have been arranged according to their nature into five sections. The first section contains speeches by representatives of the most important political parties and the regional government. Fuad Hussein, chairman of the conference, opens with a description of how the Kurdish economic base was destroyed, and how the region was made wholly dependent on the central government and national infrastructure. He argues the need for help, for planned development, and for a budget.

Jalal Talabani, leader of the Patriotic Union of Kurdistan (one of the parties represented in the local government) spells out some of the problems the Kurds face, and stresses the importance of their resolution for a democratic future in Iraqi Kurdistan and its wider surroundings.

Hoshyar Zebari, spokesman of the Kurdistan Democratic Party, stresses the fact that Kurdistan's underdevelopment is a direct result of Iraqi government policies. Much of the labour force was deported from agriculture to the unproductive government sector. The long-term needs have not yet been addressed, he states; the memorandum of understanding with Baghdad actually undermines the relief efforts. The dismal economic situation of Kurdistan may have international consequences, such as a renewed refugee crisis, and social instability. Necessary are, among others, a board of Kurdish government bodies, and accurate information to base policies on.

Sami Rahman, chairman of the Unity Party of Kurdistan (formed in the summer of 1992 as the result of a merger between the KPDP, the KSP-I and the PASOK) likewise stresses the man-made nature of the present-day economic hardships of the Iraqi Kurds. He goes on to offer some suggestions for improving the situation.

Finally, Dr. Kamal Kirkuki, Deputy minister of Humanitarian Aid and Solidarity, presents a speech on behalf of the local government (originally made on the third day of the conference). He argues that success of the Kurdish government may help in the democratization of Iraq as a whole, but for this purpose, help from outside will be needed.

Next, four presentations of a somewhat more theoretical and general nature appear. In the opening paper, 'A Strategy for Development in the Kurdistan Region, Iraq', Dr. Majeed Jafar sees a free market economy as a desirable goal, which however is not yet possible. He points out the main bottlenecks and constraints for development, and the need for a balanced and integrated approach to development, avoiding concentration on any single sector, in order to avoid unemployment and stagnation elsewhere.

Next in line are two papers by Dr. Jamal Fuad; the first one, 'Planning for the Reconstruction and Development of Iraqi Kurdistan', argues the need for development planning based on systematic surveys. Development, Dr. Fuad argues, could be financed by a Kurdish National Bank to be founded, and in the meantime by European and American Banks. Some suggestions for countering the problem of Kurdistan's being landlocked in between potentially unfriendly neighbours are made. Dr. Fuad's second paper, 'Agricultural 'First Aid' to Iraqi Kurdistan', which was not presented at the conference itself but was included in the conference reader supplied in advance, focuses on the vital agricultural sector. It stresses the necessity of assistance to get the farmers back to their villagers, and makes some concrete proposals as to the shape this assistance could take. Aid of a non-financial nature could get the people to work for themselves.

Saleh Hafeed, minister of Finance and Economics of the first Kurdish cabinet, and formerly professor of Economics at Salahuddin University, presents in detail the present-day economic situation of Iraqi Kurdistan. The disastrous economic consequences of, on the one hand, the UN sanctions imposed on Iraq, and on the other, the Iraqi government's economic blockade of the liberated Kurdish area are spelled out in full detail. As far as we are aware, this is the first systematic survey of its kind, based on detailed statistical material from the entire region. As such it should be of particular value both to development agencies and to readers with more theoretically oriented interests.

The third section features more detailed discussion of specific areas of development, and includes reports on planning and implementation by Mamoon Brefkani (minister of Reconstruction and Development), on industry and energy by Mohammed Amin Mawlood (minister of Industry), and on oil, water and energy by Mustafa al-Jaff, former UN adviser. Mr. al-Jaff's paper focuses on the importance and potential of oil and other natural resources for the economic development of Iraqi Kurdistan, and on the political constraints on the realization of this potential. Also included in this section are excerpts from a report on higher education in Iraqi Kurdistan, prepared by Dr. Khusrow Shali, rector of Salahuddin University in Arbil. Although not presented at the conference, this paper (which was reprinted in full in the conference reader) provides much valuable information on the predicament of this crucial sector.

The next section features the results of the workshops held during the second day of the conference, and summaries of the ensuing discussions.

The fifth section consists of a (condensed) transcript of the panel discussion held on the third day of the conference. The discussion focused on the legal and political issues of aid, development, and self-determination. One of the most important points raised during this session is that there are no compelling *legal* reasons for the UN and the various Western governments involved not to acknowledge the democratically elected government of the Iraqi Kurds as a legitimate entity. The difficulties are entirely of a *political* nature.

The collection ends with the conclusions reached by the conference. However, as several participants stressed, much of the success of such conferences depends on the follow-up. There have been some promising developments in this regard, but the situation remains precarious. In October 1992, the UN winter program for Iraqi Kurdistan started, but its implementation was marred by the protracted negotiations with the Baghdad government, and by subsequent harassments of the UN convoys: on several occasions, trucks in the UN convoys were blown up by Iraqi government agents. In December, 1992 an umbrella organization was established in which most of the Kurdish NGOs are represented. Throughout December 1992 and January 1993, clashes occurred between the Iraqi government and the UN Security Council. Allied troops militarily enforced Iraq's complying with UN resolutions, but no steps were taken to force Baghdad's lifting its blockade of the Kurdish region, a measure which is clearly in violation of UN Security Council 688, which calls on the Iraqi government to safeguard the wellbeing of the population, but nonetheless has continued until the moment of writing.

It is an important task for the Kurdish local government and for the various NGOs working in the region to collect more precise statistical and other material (e.g. concerning the number and location of destroyed villages, the number of people that have returned to their homes) on which future projects and policies can be based. Quick implementation of such projects is an absolute necessity, in view of the economic hardships the population still suffers. There are no long-term security guarantees; inflation remains high; there is massive unemployment, among all layers of the population. Combined with the dim political prospects, this instills in many, especially the well-educated and the younger, the wish to leave the country and seek a more secure future abroad. This is one of the most serious threats to the adequate development of Iraqi Kurdistan in the long run.

Finally, a word of thanks to those who helped to bring this volume into being. Leo Cnossen and Mike Gould provided invaluable help in respectively transcribing and correcting large portions of the text. Bonnie Noorman helped with proofreading. Michiel Hegener expertly drew the map of Iraqi Kurdistan. And last but not least, Petra Veraar did the typewriting of much, and the layout of all, of the text; without her, publication of this collection would have occurred much later, and in a much less elegant form.

I. Political and Introductory Speeches

Speech by Mr. Fuad Hussein,

Chairman of the Organizing Committee of the Conference

Ladies and gentlemen,

On behalf of the organizing committee of this conference, I have the honour to welcome you all and to express my deep gratitude towards you all for accepting our invitation to participate in this conference. A warm and special welcome to the Kurdish leaders and officials from the Kurdish government and parliament in Iraq.

The importance of this conference lies in the fact that this is the first time, as far as I know, that a meeting dealing with the economic aspects of the Kurdish question has been organized. These aspects are particularly important, now, because of the imminent threat of economic collapse in Iraqi Kurdistan. The Kurds have gained some political freedom and have liberated most of the Kurdish area, yet they face enormous difficulties in rebuilding their economy. We hope, ladies and gentlemen, that during this conference we shall be able to analyze the roots of the crisis and to discuss some important issues, including the following:

- The economic situation in Kurdistan constitutes a threat to the political gains of the Kurds.
 The Kurdish economy suffers from two sides. Firstly, because of the economic blockade
 against Iraq. Secondly, from the severe sanctions by the Iraqi regime against the Kurdish
 area.
- 2. Rebuilding and reconstructing the four thousand villages which have been destroyed by Saddam Hussein's regime is an important aim of the Kurdish government and people. The question raised by many is: what means are available to put the Kurds in a position, where they will be able to do that?
- 3. Various European non-governmental organizations are trying to help the Kurds. How can one coordinate their efforts, so that they can operate more efficiently in Kurdistan?
- 4. Kurdistan is a rich country with many oil fields and much water. When will the Kurds be able to use these resources, earn income from them, and when can they use them for their own consumption?
- 5. The Kurds have used their political freedom correctly. They have been able to organize elections and to choose a parliament and government in the very short period of one year. Many Kurdish officials have declared that their aim is to obtain a situation in which the Kurds feel secure, not only politically but also economically. The Kurds have been subjected to the severe oppression of Saddam Hussein for more than 20 years. They were held hostage and terrorized by his army and security forces. Now the Kurds are suffering once more because of the high unemployment and huge inflation.

Today, the Kurds are witnessing a drastic change in their lives, that is to say, that they have gained their political freedom, but they have been pushed to the edge of economic disaster. Kurdish agriculture was the sector that suffered most under Saddam's regime.

This regime has turned the Kurdish economy from a semi-independent one into a fully dependent one. The center periphery relations were organized by Saddam's regime in such a way that all Kurdish economic dealings passed through the center. By destroying the Kurdish villages, Saddam changed the Kurdish peasants from producers into consumers. Consequently, the Kurdish society in general has gradually changed from a producing and semi-self-sufficient one into a consumer and dependent one. When the regime began with its economic war, months ago, it was clear to many that Saddam Hussein had chosen a bitter means of confrontation with the Kurds. Economic sanctions and pressures have of course created many problems for the Kurdish leaders, who do not have the tools to deal with these problems. They fully realize that, for the time being, they will be largely dependent on financial help from outside. They know quite well that to secure political freedom for the Kurds, they must first fill the stomachs of Kurdish children.

Ladies and gentlemen.

I have raised here just a few questions. This does not mean that other aspects related to the economic life in Kurdistan which have not been mentioned are not important. The financial and banking system in Kurdistan has been disrupted. How can the Kurdish government establish a reliable financial system? Moreover, it is very necessary to develop an economic plan for the short and long term. Without a clear plan and an accurately calculated budget it will be difficult to solve the problems raised earlier. To develop such a plan, the following questions have to be dealt with: What is the aim of the plan? How can one reach these aims? When will they be fulfilled? It is not the aim of this conference to design such a plan, but it can offer many ideas which might be useful. The participation of the Kurds and many European experts will contribute to an exchange of ideas and views on the subject. We hope that a kind of "think tank" on economic issues will come into existence as a follow-up of this conference. I hope that this conference will provide many recommendations and practical conclusions, useful to the Kurds in both the short and the long run.

In the end, dear friends, permit me to thank those who have helped to prepare this conference. In the first place, I would like to thank the two organizations which took the responsibility, the International Dialogues Foundation and the Netherlands Kurdistan Society. I feel that it is my duty to give special thanks to Pieter Muller, chairman of SNK and Peter Idenburg, director of IDF. My colleagues in the committee spent many days of their valuable time in preparing the conference. I am grateful to them. This conference could not have been held without the financial support of the following organizations:

- 1. The ministry of Development Cooperation in the Netherlands;
- NCO (Nationale Commissie Voorlichting en Bewustwording Ontwikkelingssamenwerking), Amsterdam;
- 3. The German organization MISEREOR;
- 4. Dutch Interchurch Aid:
- 5. The Dutch organization CEBEMO:
- 6. The Swedish Committee for the Human Rights of the Kurdish People.

Many people working for these organizations and the ministry of Foreign Affairs were very helpful to the organizing committee. Their help encouraged us to continue our preparations. Ladies and gentlemen, once again I express my great pleasure to have you all here. Your contribution to the discussions and the work of the conference will hopefully lead towards success. Thank you very much.

Speech by Mr. Jalal Talabani,

Leader of the Patriotic Union of Kurdistan

Ladies and gentlemen,

Thank you for organizing this conference on reconstruction of Kurdistan and giving me the opportunity to talk to you this evening on this important subject.

The Kurdish nation, though one of the most ancient in the Middle East, has been for centuries deprived of its legitimate right of self-determination and self-rule. The Kurdish people have been subjected to oppression ranging from non-recognition of nationhood to physical extermination and genocide. The revolt against the central Iraqi regime, the criminal retaliation against civilians by the forces of that regime, and the ensuing exodus of over three million Kurds to the mountains, was another grim episode in the tragic history of this highly resourceful but deprived nation.

The exodus of refugees was not caused by need, poverty or natural calamities. It was spurred by the fear of the people for their lives in order to uphold their dignity against the barbaric onslaught by the forces of the Baghdad regime. In contrast to most other calamities, this tragedy and the destruction of livelihood in Iraqi Kurdistan is reversible. The plight of the Kurds has resulted in universal awareness of its appalling nature and gained for the Kurds the sympathy of the world community. The honest reaction of the people and governments of the leading nations offers the Kurds an opportunity to rebuild their lives and exploit the riches of their land for the common good, peace and stability in the region. The Kurdish people are grateful for the generous response to their plight and for the international political and humanitarian support which was decisive in reducing their suffering during their flight from the barbaric attacks by the Iraqi Army.

For decades the central regime in Baghdad has constantly applied an oppressive genocidal policy against the Kurdish nation in Iraqi Kurdistan, endangering their very existence. The killing and mass deportation of the Kurds from their natural habitat and the demolition of their villages resulted in the virtual depletion of their main source of livelihood, which is mainly agriculture. The exclusion of Kurds from the oil industries and its benefits caused severe hardships and a drastic lowering of their living standards.

The extent of this viciously applied demographic dislocation can best be illustrated by the fact that many thousands Kurdish villages were razed to the ground and large part of the population was either deported or forced to live miserably within concentrated settlements away from their villages and communities. Such destruction and mass deportation was not confined to small communities. A number of large villages and even some towns faced the same fate. The most notorious among these atrocities and internationally known, is the town of Halabja, which was attacked by chemical weapons in late 1988. Similar large population centers destroyed by the Iraqi army are Chwarta, Qala Diza, Penjwin and many others.

(May I say we are grateful for efforts made by international personalities such as Mr. Max van der Stoel - Special Rapporteur for UN to compile and inform the international community about atrocities carried out by Saddam's regime)

The traditional Kurdish heritage and way of life as well as their social and cultural institutions were all nearly destroyed. Education and training for the future suffered at all levels.

The Present Situation in Kurdistan

The Kurdish people rejected dictatorship and liberated large parts of Iraqi Kurdistan. The Kurdish movement is a democratic movement and that is why, once the Kurdish people had a chance, it organized elections in all liberated parts of Kurdistan, and formed a national assembly and a council of ministers to organize and run the affairs of the Kurdish people. Our democratic experience was a fair and constructive one, the entire Kurdish population supported our election. This experience was unique and thrilling, for it gained the support of the international community and it is a strong factor for stability. But alongside this democratic achievement there is a harsh economic situation.

Present economic and living conditions in Iraqi Kurdistan

The present urgent crises in the life of the Iraqi Kurds resulted from the long-term general destruction inflicted by the Iraqi regime and has created appalling economic conditions in that once prosperous part of the world. There are currently large numbers of refugees living under primitive conditions with inadequate food and shelter. The present living and economic situation in Iraqi Kurdistan may be outlined in general terms as follows:

- 1. Food: supplies are scarce and expensive.
- 2. Housing: More than 4000 villages as well as large parts of towns have been destroyed about one and a half million people in need of immediate housing.
- 3. Water: clean water is not available in the majority of areas where refugees are located.
- 4. Electricity: Electricity supply is widely interrupted due to serious damage and lack of spare parts.
- 5. Transport: is mainly by vehicles and disrupted due to lack of fuel and spare parts for vehicles.
- 6. Communications: Facilities and networks are all damaged and unable to function.
- Agriculture: This is seriously damaged. Land is deserted, irrigation networks are neglected, seeds are not available, machinery is mostly destroyed and no fuel is available. Large part of the land is not cultivated due to lack of transport, mines,....
- Industry: The industries are paralysed due to lack of raw materials, fuel, spare parts and maintenance.
- 9. Health: limited provisions and medical care, lack of medicines and supplies.
- 10. Education: Education suffers from lack of supplies and financial resources.
- 11. The institutions: All institutions lack finance and supplies.
- 12. The Environment: Nature has suffered planned destruction parallel to what was inflicted on the Kurdish people by the Iraqi regime. Vegetation was poisoned, vast areas of land were mined, orchards destroyed, trees cut and burnt and large numbers of springs concreted.

Ladies and gentlemen, Kurdistan is a broken land. The regime has systematically dynamited or bulldozed every village in Kurdistan. This program of destruction has dislocated more than half the population. The people of Kurdistan now face a catastrophe. As winter approaches the population is without fuel, food and services. The illegal economic blockade introduced by Saddam Hussein is almost total.

Iraq is failing to meet its obligation under United Nations Security Council resolution 688, in a number of ways, including tightening of the economic blockade against the people of Kurdistan. Shortages of food, medicines and in particular fuel are now critical. Trees formerly lining city avenues have been cut down for fuel; even furniture and internal doors of family homes are sold to get supplies. No budget or income is generated or allocated to Kurdistan.

Immediate action must be taken in these circumstances to support the population, to provide them with food, fuel, medicine and budget. To enable the strangled economy to operate the following steps need to be taken immediately:

- 1. A major increase in the flow of international aid to Iraqi Kurdistan through government and non-government organizations in consultation with the Kurdistan Council of Ministers.
- 2. In line with the resolutions of the Iraqi National Congress in Vienna and wishes of opposition to Saddam's regime, a proportion of Iraqi frozen assets should be unfrozen and made available to the democratically elected Kurdish National Assembly in the Liberated Kurdistan as a budget to meet the needs of the population.
- 3. The international community should arrange for supplies of fuel to be made available in Iraqi Kurdistan and enable oil exploration and production to be undertaken for local use.
- Supply the Kurdish local industries with spare parts and material needed to enable local factories to function.
- 5. Force Saddam Hussein to implement all UN resolutions especially UNSC 688 to lift the economic blockade on Kurdistan immediately.

These steps need to be taken as a matter of urgency, otherwise there is a very real possibility that the whole experience of democracy in the area will suffer under the weight of repression and hardship imposed on the Kurdish people. The Kurdish National Assembly and the Kurdistan Council of Ministers are struggling to maintain control but this will be impossible without immediate and practical support. Steps will have to be taken now to meet the needs on which people's lives, democracy and stability in the region may very well depend.

Thank you again and I wish the conference success in arriving at positive and practical results in support of the Kurdish people.

Speech by mr. Hoshyar Zebari,

Representative of the Kurdistan Democratic Party

Ladies and gentlemen,

This conference comes at an appropriate time to address the mounting challenge facing Iraqi Kurdistan development and reconstruction. We in the Kurdish movement have struggled very hard under harsh conditions to achieve our political objectives. However, development has been a high priority as well. For decades, successive Iraqi governments have ignored the Kurdish region, keeping it an underdeveloped state as a peripheral part of the Iraqi state. Any visitor to Iraqi Kurdistan, even now, will realize how much we have been ignored, deprived and stripped of productive and developmental projects in all spheres of the socio-economic structure.

Iraqi Kurdistan has great potential in energy, water, minerals, agriculture and tourism. But for ideological and political reasons, the Baath regime has not used these resources for regional and rural development. Instead, it has diverted Iraqi Kurdistan's riches for the benefit of the central government, to perpetuate its authoritarian rule and political domination and oppression.

Even when the government has introduced long-term development plans for the country as a whole, the region's share has always been unfairly small. This has created an uneven development throughout the country. This is why visitors to Kurdistan will see only a few local industries and no major productive projects generating capital and employment for the local population. A majority of the workforce was employed in the service and government sector, which expanded rapidly under the Baath regime. Many of these jobs were unproductive - created only to coopt the population.

In its drive to subdue the Kurdish Nationalist movement, the regime has destroyed the infrastructure of Kurdish economy and the basis of its self-reliance: that is, the rural economy. The wholesale destruction of rural villages, the uprooting of whole communities and the resettlement of over a million and a half farmers and shepherds in strategic hamlets was meant to destroy their self-sufficiency, their culture - their whole way of life - to turn them from producers into consumers, dependent on the central government and vulnerable to government pressure. This is counter to the whole idea of scientific and integrated economic development. The result has been that the only available employment opportunities have been in the government sector and its oppressive apparatus.

The government's perpetual wars - against the Kurds, Iran and the whole international community - have led to the destruction and devastation of life and the environment. Because of these policies, the region has never been offered any opportunity for development. The puppet Kurdish government of the region had no power to influence the heavy-handed central government planning bureaucracy.

After the end of the Gulf War, the Kurdish uprising and flight to the mountains, world attention belatedly focused on the plight of the Kurds. International visitors - non-governmental agencies, the United Nations and the Allied forces - were shocked at the scale of the physical destruction of Iraqi Kurdistan. Vast areas were mined, thousands of villages razed to the ground, wells plugged or dynamited, orchards burned or cut down, livestock disappeared. Whole areas had been declared off-bounds. Tens of thousands of people have disappeared in the notorious "Anfal" campaign.

Mass graves have been discovered everywhere and the hill tops are covered with military posts and bunkers. The atmosphere of distrust and fear created by the Baathist dictatorship destroyed the fabric of society and the people hostage.

Now there is a tentative peace, thanks to the Allied air umbrella and the establishment of the security zone - and the resilience of the Kurdish people and their attachment to their land and culture. There is a sense that the trauma is ending and a transition is under way. The Iraqi Kurdistan Front's negotiations with the Iraqi government, intended to achieve security and stability for the people and to explore the government's seriousness in meeting the Kurds legitimate demands, have been put in limbo because of the government's intransigence in meeting Kurdish demands.

The international relief efforts and the presence of Kurdish forces have provided a tentative chance for much needed stability, but this state of affairs is fragile. Development and investment are only possible in a secure and stable atmosphere, but that should not be a reason to abandon development and rehabilitation. The United Nations and international aid agencies have done much to meet the urgent, short-term needs of the people. But they have not addressed the longer-term development requirements. We in the KDP leadership feel strongly that the Kurdish people should not depend on foreign aid, per se, but recognize the fact that they need assistance to help themselves become self-sufficient and live a dignified life.

UN Security Council Resolution 688 viewed the distress of the Kurds and the Iraqi population as a threat to international peace and security. It insisted that the government end its repression of civilians and provide international access to the population. To conduct its work, UN officials negotiated the Memorandum of Understanding with Baghdad. Though useful in many respects, this framework has tied the UN's hands and offered Baghdad the opportunity to dictate the rules of relief operation in the country and, in effect, to steal much of the relief funds by controlling the currency exchange rate. The process has undermined the effectiveness of the UN relief program, which should have been more cost-effective by taking aid directly to the people.

The Memorandum of Understanding expired at the end of June and thus far, the regime has refused to renew it under the pretext that it is no longer needed. Toward the end of June, Baghdad started a terror campaign against UN personnel an vehicles and other western aid workers in Kurdistan to force them out. We have registered more than 19 attacks.

Iraq is not the only place where UN operations are encountering resistance and challenges. Yugoslavia, Somalia and Cambodia all present trying demands. Yet a retreat of UN aid personnel from Iraq would be a critical blow not only to the celebrated cause of humanitarian intervention, but also to the well-being of Kurds and Iraqis as a whole.

Iraqi Kurdistan still faces a crisis. The economic life of the region has been crippled by the double blockade - from the UN sanctions regime on Iraq and the Iraqi regime's internal economic and administrative boycott of the Kurdish region since October 23, 1991. The withdrawal of the administrative structure left an enormous legal and financial vacuum. Government-paid salaries - apart from those to workers in health, electricity and water services - were terminated. Nearly 200,000 civil servants and pensioners were affected. Food, fuel and other basic services were drastically reduced. Travel restrictions were tightened.

Food allocations to Kurdish provinces and districts have been slashed by 60 - 80 per cent. At Iraqi check-points all food, groceries are indiscriminately thrown aside, medicines are confiscated and gasoline is siphoned off.

Since 25 July the blockade has been tightened. Food shipments - which in June and July were already as low as 22 - 24 per cent of the Kurdish area's allocation - have now dropped to less than 11 per cent for some basic items. Fuel supplies have been totally cut off. Together with the interruption of transport through Turkey, the move has sent prices soaring. The cost of basic items such as sugar, cooking oil and rice have shot up 100 to 200 per cent.

Iraqi troops have intermittently shelled and attacked villages and civilians with artillery and helicopters in settlements near their forward line, sometimes above the 36th parallel. The authorities have prevented internal refugees from the Kirkuk area from returning to their places of origin. It goes without saying that the Iraqi blockade is a clear-cut violation of Security Council Resolution 688. So far, these serious violations have not been properly addressed by the international community.

The economic situation in the Kurdish region is deteriorating steadily. High prices, inflation, unemployment and severe shortages have devastated the region's economy. The consequences could be disturbing not just for Iraqi Kurdistan, but for neighbouring countries and Europe as well. Unless the situation is addressed through major international intervention and assistance before the coming winter, social explosions and a movement of refugees to Europe is expected. The UN Secretary General has recently confirmed the seriousness of the situation and anticipated a renewal of operation Provide Comfort.

The Kurdish leadership took an historic step on 19 May 1992 by holding free elections for an assembly and leader to fill the political vacuum, to administer the affairs of the region and to set a democratic example for the rest of the country. The voting process was unobstructed, orderly and peaceful, with enthusiastic participation by the people. Almost a million people cast their ballots - some 90 per cent of the estimated number of eligible voters. The wisdom of the Kurdish leadership and its selflessness and tolerance made the first democratic experience a milestone in Kurdish history and one of the proudest achievements of the Kurdish people. Mr. Massoud Barzani, the leader of the KDP, described the outcome saying: "A single party - the Kurdish people - is the winner".

Now, a Kurdish national Assembly and a local government is in place. And the Kurdish administration has made the goal of development and reconstruction its top priority. We feel, however, that certain essential conditions must exist before we can embark on any concrete course of development:

First: It is imperative to maintain the current stability, tentative as it is, by keeping the protective cover maintained by the coalition forces until there is a viable political solution in Iraq. It is the only way of ensuring the physical safety of the people.

Second: We must, with the help of international aid agencies, attempt to meet the basic needs of the people and counter the effects of Iraq's internal blockade. Improving the current economy and living conditions is essential to a decent economic future.

Third: It is important to keep the UN agencies and guards and the international NGOs operating in the region, to help provide structural aid and assistance.

Fourth and finally: It is essential to build international support for a change in sanctions policies - either by lifting the sanctions altogether or by minimizing their effect on the Kurdish region. If the purpose of the international blockade is to weaken the regime, it is not served by weakening his strongest opponents, the Kurds. We must convince the international community that an economically strong Iraqi Kurdistan will show the rest of the country the possibility and benefits of opposing the current government.

These are some of the political questions that directly affect any development effort. Without facing these issues, any talk of development is academic. Thanks to Kurdish diplomacy, some progress on these fronts has been made, but we need to consolidate our gains and win further support from European governments and communities.

The first step towards starting a sound and comprehensive development program to organize the various bodies of the Kurdish regional government into a single development board. The department of Development and Reconstruction could play a leading role in establishing an effective structure and laying down a plan for socio-economic development.

Any plan must be based on accurate information on the scale of destruction in rural Kurdistan, and on a priority system for projects determined by teams of specialists. The plan must also identify the implementing agency and the internal and external sources of funding. Governments and international aid agencies should be encouraged to take up specific projects.

We need many things. In education, we suffer from lack of schools, lack of funds to pay teachers and run the schools, even a lack of basic school supplies like paper. In health, we lack water sanitation, professional training opportunities, supervision, medical equipment and supplies. To rehabilitate our agro-industrial capacity - to reopen local factories processing such products as sugar beet, tobacco, wool, cotton and wood - we need parts, raw materials and supplies. These plants are important for generating employment and providing much-needed products for consumers.

Of course, the reinvigoration of agriculture remains the backbone of development in Kurdistan. This requires speeding up village reconstruction, encouraging villagers and farmers to return to their original homes and communities and taking measures to ensure their security, particularly in the border zones. As part of this, also figure out how to provide farmers with technical assistance as well as necessities such as seeds, pesticides, fertilizers, livestock and equipment.

To rebuild nearly 4500 villages is a momentous task. To supply adequate infrastructure at minimum cost, it may make sense, for example, to combine four of five communities into one village with all the necessary rural services. Whatever we do, rural development is the key to economic recovery.

In all these instances the Kurdish regional government can play a decisive role, both as a supervisor and implementor. Development will be a partnership. Government should encourage the widest possible participation of the people and encourage communal solidarity. The Kurdish administration has to shoulder the responsibility for maintaining law and order and ensuring the security and safety of the Kurdish public and of UN and international aid workers.

Assuming UNICEF will continue UN relief efforts despite Iraqi opposition and intimidation, we feel UNICEF should work with local NGOs, supporting them in program planning, development and implementation. The Kurdish administration, UNICEF and other international aid groups must work together to develop funding agreements and a reporting and monitoring system. We must convince UNICEF to establish a working relationship with the Kurdish local government.

A number of well-known international NGOs are working in Iraqi Kurdistan. Their work in a number of programs and sectors has been pivotal to our survival since last year. Their capacity to provide services to the displaced population, to procure and rapidly ship equipment and supplies, has been extremely valuable. The Kurdish administration is responsible for the security of their personnel and must step up that protection. The administration can also assist and direct their projects to the appropriate specialized sectors.

A number of dedicated Kurdish NGOs are gearing up to work with UN sister agencies. The resurgence of civil societies and local NGOs working at the grass roots level is a significant phenomenon. It reflects the desire of our people to organize, take care of their problems and live in peace. Although most of these Kurdish NGOs are supported by the Kurdish Front parties, they work and function independently of political parties in carrying out their projects. These NGOs - KRO, KURDS, Shelter, KARDO and others - are active in the field of construction, shelter, agriculture and health. They can increase their efficiency and play an even greater role if they pool their resources and coordinate their activities under a single development board.

If we can keep the support of the international community and organize ourselves and work together, there is great hope that Iraqi Kurdistan can survive, revive - and thrive.

Speech by Mr. Sami Rahman,

Member of the Council of Presidency of the Unity Party of Kurdistan (UPK)

Mr. Chairman, Ladies and Gentlemen,

I would like to thank the organizers of the Conference on the Reconstruction and Development of Iraqi Kurdistan for their initiative and efforts.

As you know the Iraqi regime has imposed a total blockade on Kurdistan since October 1991. That was on top of the UN sanctions on Iraq, which include Kurdistan. Thus, the Kurds face double sanctions. Since then, not one government project has been implemented, nor have any administrative, teaching or civil servants received their salaries. These used to form the main source of income in Kurdistan, especially after the destruction of the beautiful Kurdish countryside and population movements to the forced settlements. There is no economic life in these miserable settlements.

Besides this, the regime has cut off fuel supplies to Kurdistan which has led to colossally high prices and thus created a permanent crisis. In the middle of the summer people are already worried about the cold winter. The irony is that Kurdistan floats over lakes of petrol; but our people are deprived of it. Surely there must be a way out of this.

The government has also cut off the supply of basic food stuffs. This has led to daily economic hardship. Added to all of this, is a total ban on trade and transport of goods between Kurdistan and other areas. This has led lately to the perishing and rotting of fruit and vegetables and a substantial loss of income to Kurdish farmers. On the other hand, the Iraqi authorities try to buy and transport away from Kurdistan what it most needs, like wheat and some construction materials.

All this has made life unbearable for the great majority of our people, which has led them to sell their personal possessions, after their savings have run out. The living standard of the Kurdish people has gone down dramatically, the process of pauperization continues. We hear sad stories about individual suffering daily. No doubt, this has caused a marked deterioration in the general health and wellbeing of our people, especially the children, the old and the weak. Indeed Kurdistan is on the verge of economic collapse. This tragic situation is not caused by natural disasters - it is purely man-made. The Kurds have had no part in making it, yet still must pay the heavy price.

There has been a lot of talk about the reconstruction of Kurdistan, but really very little action has taken place. Even Halabja is still a massive heap of rubble, so are Qala Diza, Galala and thousands of villages.

While we are glad about the fact that many meetings and conferences have been held about Kurdistan, not much has come out of them. We hope that this conference will not go down that same road.

To overcome the hardship of the Kurdish people, the following steps are proposed:

- Lifting the United Nations sanctions from Kurdistan totally, or at least lifting them for a list
 of the most essential goods.
- 2. Pressurizing the Iraqi government to lift the blockade it has imposed on the Kurdish people.
- 3. Encouraging aid, to secure a supply of foodstuffs and fuel in particular, if a catastrophe is to be avoided.
- 4. The best way out of this vicious cycle is to start an integrated plan for reconstruction of the fertile Kurdish countryside, by building modern villages based on agriculture and animal husbandry. Such a plan might cost several hundred million dollars. This can be provided by the countries which gave the regime the means of destruction.
- Releasing frozen Iraqi assets, part of which should be used for providing food, medicine
 and other necessities for our people, who are the victims, and for reconstruction and
 development of Kurdistan, if the Iraqi authorities refuse to sell oil, as authorized by the
 Security Council.
- Encouraging western oil companies and neighbouring countries to extract oil and export it.
 Oil is abundant in liberated Kurdistan near to existing pipelines.
- 7. Last, but most important, is permanent peace and security so as to encourage people to invest, produce and to attract foreign investors to Kurdistan, which has the richest natural resources in the world.

Ladies and gentlemen, I thank you.

Speech by Dr. Kamal Kirkuki,

Deputy-minister of Humanitarian Aid and Solidarity

Ladies and gentlemen,

On behalf of the Ministry of Humanitarian aid and cooperation, the regional government of Iraqi Kurdistan, and on behalf of my colleagues the ministers who are attending this conference, I would like to thank the organizing committee for their invitation and hospitality. We are encouraged by the discussion and level of debate that have been taking place in this conference to understand and address the problems, challenges and opportunities facing the Kurdish people. This conference is timely and useful to create a better understanding of development and reconstruction in Iraqi Kurdistan.

I will not repeat what other speakers have said; I will not describe to you how bad the economic situation in Kurdistan is. But I will give you a simple message: with your help, and with the resilience of our people, and the wisdom of our leadership, we have come a long way to lay down some basic facts for a dignified, secure, peaceful, and democratic life of our long-suffering people. Now we are at a crossroads. We need your help, to help ourselves, and to stand on our own feet. We need help to ensure the success of our democratic experience and run our administration. Our country is devastated and without foreign aid and political and moral support. We fear our experience might fail. So please do not allow that to happen, and come to our aid, now, before it is too late, as happened in the past. We know our difficulties and limitations, we know what is possible and what is not. Iraqi Kurdistan can be a strong base for a political change in Baghdad. The Kurds can play an important role in a future post-Saddam Iraq. The regional government of Iraqi Kurdistan is grateful to all Western governments, international agencies and aid organizations, to the Dutch government who sent troops in operation Provide Comfort to protect and save our people with their humanitarian aid, yet the tragic situation of the Kurdish people is not over. More is needed to be done:

- The Security Council Resolution 688 has to be implemented fully to end Saddam's dictatorial repression of our people. We call for UN Monitors to see the resolution is implemented.
- We feel that the 36th parallel line should be extended to the 35th or 34th line to cover most Kurdish areas.
- The effects of the UN embargo on Iraq have to be reduced on the Kurdish people, by a sanctions exemption.
- The UN agencies and workers should stay in Iraqi Kurdistan for aid and protection. The UN network is a channel for any future aid.
- Frozen Iraqi assets must be released and spent on humanitarian needs of the people.
- The Kurdish regional government needs political and financial support in order to function.
- Kurdish members of parliament need to be invited to European Countries.
- An emergency aid programme for the coming winter is essential to avert another human disaster.
- We need your help to keep the Kurdish issue in focus of international attention, in order to advocate a political and lasting solution.
- Development, not merely relief aid, is needed to revive the Kurdish economy.

These are some of the most urgent tasks facing us. Alone we cannot fulfil them, but with your help we have the will and ability to achieve them. Thank You.

II. Theoretical Perspectives

A Strategy for Development in the Kurdistan Region, Iraq

Majeed R. Jafar, Ph. D. Economics and Regional Planning

Basic Assumptions

- Kurdish society is a society in transition. The old social structures and relations have been
 and still are disintegrating due to both external and internal factors, while new structures
 and relations have not yet taken root.
- Political infrastructures and mechanisms are still in their infancy. However, there is political
 will and a willingness to create economic infrastructures to support and sustain the emerging
 political infrastructures.
- 3. The market economy is allowed to function and develop under serious constraints. Some of these constraints are externally imposed, such as the UN imposed sanctions (excluding foodstuffs and medicines) on Iraq and subsequently on Kurdistan, the Iraqi government imposed total economic boycott (including foodstuffs, medicines, fuel and so on). Others are internal constraints resulting from economic and social dislocations, such as the forcible displacement of large numbers of the population, the destruction of the rural economy, the command economy imposed by the center. There are many market imperfections and uncertainties. However, due to these constraints and dislocations and the need to speed up the reconstruction and development of the Kurdish economy and society, the free play of market forces needs to be restrained and directed towards desired objectives, i.e., the creation and sustenance of viable economic infrastructures and essential services.
- 4. The private sector, which is active mainly in the agricultural, construction, trade and repair areas, needs promotion, incentives, and protection in order to be able to invest sectors in other sectors of the economy, such as the industrial, service, market-oriented agriculture, and import-export sectors. There is also a need for vision and imagination in the selection of the forms and types of promotion and incentives.
- 5. Foreign investment is encouraged and promoted. Needless to say, such foreign investment is non-existent now.
- 6. Local and foreign borrowing are acceptable forms of financing investment in infrastructures.
- 7. Kurdistan is endowed with a number of natural resources. These resources include some strategic international commodities, such as oil, which is abundant, gas and uranium, and some vital resources, such as water, which is plentiful. Its soil is suitable for agricultural production and sheep farming, including cash-corps, such as sunflowers and tobacco. Its workforce is viable. The climate, with its four relatively temperate seasons is also favourable for the production of a variety of agricultural products.

- 8. However, there are some basic constraints and bottlenecks, such as the generally technically low level of the labour force, the quota and internal price setting system of some of its natural resources, such as oil, and the political issue surrounding other resources, such as water. Transport, communications, basic services and amenities and political sensitivities are further constraints.
- 9. A general constraint that permeates various economic, social, political and cultural structures and relations is what I call the "dependency syndrome". This dependency syndrome manifests itself in a contradictory manner. On the one hand there is a great desire and yearning to get results and, on the other hand, lack of action on one's part waiting for others to achieve the desired results to present it all "on a plate". Who these "others" may be depends on the situation. This dependency syndrome is observable in all fields of life and on all levels. Some of the results of this dependency syndrome are: fear of taking the initiative, weak imagination and vision, low productivity, high wastage, weak organizational abilities and so forth.
- 10. The basic aims of development in Kurdistan are:
 - The improvement of the general standard of living of the population. This is low at present and has been deteriorating steadily lately.
 - The building of a viable economy and development for the immediate, medium-term, and long-term future.

Agriculture

In order to feed the population, improve their general health, supply the industrial sector with raw materials, an have an export surplus to earn foreign currency, the agricultural sector has to be revitalized an actively promoted with various encouragements and incentives. Agriculture is the main economic activity of the population at present.

It should be emphasized that the main issue is not agriculture and live-stock production per se but has to do with other sectors, such as the transportation system and storage facilities. These can be and have been bottlenecks in many underdeveloped regions and countries. The absence or shortage of these two facilities can lead to (great) wastage and to lower incomes for the agriculture and live-stock producers due to market forces. Increased supply of foodstuffs leads to lower prices, though the price elasticity of demand for foodstuffs is rather low; this is because of the limited availability of transportation and storage facilities. Decreasing prices lead in turn to lower incomes for producers. And this may discourage production.

In the case of Iraqi Kurdistan transportation facilities, roads and vehicles, are available but need repairs and improvements. As for communications, the situation is worse, especially between cities and towns. Storage facilities are almost non-existent.

Giving encouragement and incentives and actively promoting agricultural production is a wise policy in the short-term. However, in the medium and long terms, the policy may backfire if the transportation, communications and storage system are not built up to meet increasing needs. This also applies to aid received from abroad and to imported agricultural produce.

Investment in these facilities and other related infrastructures is required, as are know-how and building material.

Good quality cash crops have a good chance of success in many areas of Kurdistan, such as tobacco in Qala Diza and many areas in Sulaimaniya, Arbil and Duhok, and sunflowers in all areas of Kurdistan as well as fruits - such as apples, peaches, tomatoes (Duhok) and grapes (Harir, Soordash and Duhok).

It must be mentioned that revitalizing and developing the rural areas and the agricultural sector will also help decrease the pressure on the urban centers.

Industry

Modern industry is virtually non-existent in Iraqi Kurdistan as a result of a conscious policy by the center aiming at the prevention of the creation of a viable economic infrastructure (an economic base) in the region, because such an economic base may encourage Kurdish political aspirations.

Therefore, the few industries available are either raw-material oriented industries, such as cement (in Taslooja and Sulaimaniya), tobacco (Sulaimaniya), and oil production (Kirkuk), marble (all over Kurdistan), fruit canning (Duhok), poultry farms (Arbil) or consumer goods, such as beverages. Kurdistan needs industrialization in order to exploit its vast raw material resources, such as oil, in Zakho, Duhok, Taqtaq (Koysanjaq) and Tawgooz (east of Derbendi Khan Dam), and natural gas, in Chamchamal. It also needs industrialization in order to meet the local demand for basic products, such as presses for sunflower seeds and plants to produce cooking oil and other products from sunflower oil. Plants are needed to process and can surplus agricultural, livestock products, dairy products, beverages and such like.

These primary industries (producing raw materials) and secondary industries (producing consumer and producer goods) and tertiary industries (services) are very essential for the development of Kurdistan and for increasing the general standard of living of the population.

Education

One of the fundamental factors in the process of development is the educational system. Its availability and quality greatly facilitate the process of development, whilst shortcomings in education represent a serious constraint and bottleneck.

Development is the successive and gradual incorporation and infusion of science and technology in the fabric of society in general especially among its work force. And since technology is the implementation of science, the role of the educational system in the production of scientists, engineers, technicians and so on cannot and must not be underestimated. The educational system also produces physicians and other cadres for the health and other services. These services in turn contribute to the improvement of the general health and wellbeing of the population. And this leads to higher productivity.



A well-fed, better-educated and healthier population will certainly be better prepared for the enormous process of reconstruction and development, whereas a poorly-fed, illiterate and sick population will be less prepared for such a task.

Strategy

The strategy advocated in the light of the aforementioned very short analysis for the reconstruction and development of Kurdistan region in Iraq is one that includes:

- 1. The reconstruction and revitalization of the rural areas through rebuilding destroyed villages and providing returnees with incentives to engage in agricultural and livestock production also building transport and storage facilities to keep pace with the expansion in agricultural production.
- 2. The allocation of investment funds on a broad front (agriculture, industry, transport, education and health) that are closely intertwined in order to produce the desired balance between on the one hand, gradually improving the general standard of living of the population and on the other hand development.

One should avoid falling into the old trap of following the policy of concentrating all efforts and investment funds on one sector and ignoring other sectors and the basic needs and aspirations for higher living standards. This has been theoretically refuted and empirically failed in the East European countries and elsewhere. This policy is lopsided and in concentrating on some areas it creates bottlenecks in other areas and demands undue sacrifices from the population.

A balanced policy of investment in the aforementioned sectors is necessary for a successful development strategy in which the private and public sectors and foreign investment all take part.

The selection of a number of centers of economic expansion that happen to have the required
favourable conditions for such an expansion, with a potential for a spread effect to surrounding areas.

In selecting such centers a number of relevant empirical economic and non-economic factors ought to be taken into consideration, such as location of raw materials, nearness to the markets, availability of basic services, the state of the transportation and communications systems, availability of scientists, engineers, technicians and such like, and the availability of urban amenities.

It must be added that choosing development strategies is better than letting things continue without clear direction. Choosing the right strategies for the region of Kurdistan now will save us the problems, pitfalls and disastrous consequences associated with lopsided or defunct strategies.

- 4. At the sectoral level concentrating investment efforts on import substitution industries and production (such as oil refineries and consumer goods, including textiles, leather products, cooking oil, tobacco, beverages, beer, wine, agricultural industries, sheep farms, poultry farms, building materials, households machinery, basic tools assembly and repair workshops for machinery) and export promotion industries (such as oil and refined oil products, natural gas, electrical power, water, tobacco, cement, marble, fruits -both fresh and canned, animal hide, and cooking oil).
- 5. Rebuilding and expanding the tourist industry and promoting tourism.
- 6. Putting an end to smuggling which has two effects. One is to provide the population with much-needed basic commodities. But on the other hand is very destructive, namely by sapping the strength of the main infrastructures in Kurdistan.
- 7. The maintenance of a favourable political climate that gives confidence and encouragement to investors, both local and foreign, in the private, mixed and public sectors. Such a favourable climate includes peace, and security, the promotion of democratic and constitutional institutions, structures and mechanisms, and the will to set clear objectives and ends, and to choose proper means and methods to achieve them.
- 8. Finally it must be pointed out that there is a great need to collect and maintain statistics and data, to carry out surveys and empirical research. It is difficult to obtain reliable and relevant data now. Lack of such data is a real obstacle to the assessment of the actual situation, to formulating policies and avoiding mistakes.

Thank you.

Planning for The Development & Reconstruction of Iraqi Kurdistan

Jamal Fuad, Agricultural Consultant, Board Member, Kurdish National Congress (KNC-USA)

Mr. Chairman. Dear Friends from Kurdistan. Ladies and Gentlemen,

First, I would like to thank the Chairman and the organizers of this conference for inviting me to speak on the reconstruction and development of Iraqi Kurdistan. This conference could not have come at a better time: We have just had a free and democratic election, unusual in our part of the world. All parties have joined hands in the formation of a government to take the responsibilities of running the day-to-day affairs of the Kurdish region. We are all proud of these steps. Now the time has come to free the hands of this infant government to do what it can for the people who have suffered over many years at the hand of the dictator Saddam Hussein. This infant government needs not only the full support of the Kurdish people, but it also needs the support of the international community to help it grow and mature in a natural way. It needs care, guidance and protection from all concerned.

Ladies and Gentlemen.

I believe that we have talked enough of the devastation caused by the Saddam regime in Iraqi Kurdistan. We are grateful to the international community who came to the aid of the Kurds after the end of the Gulf War. During the catastrophic flight of over two million Kurds to the borders of Turkey and Iran, the international community helped a great deal to decrease the sufferings of the men, women and children, through provision of food and shelter. However in spite of this mammoth effort, the Kurds suffered about a thousand casualties every single day. Indeed those days made one fact clear, and that is without a country of our own, such tragedies are bound to recur. The neighbouring countries only reluctantly opened up their borders, and only after much pressure from governments and humanitarian organizations supporting the Kurds.

The declaration of the security corridor at the 36th parallel paved the way for the return of large numbers of the Kurdish masses to the area covered by the Security Zone. However, because this zone only covered 75 per cent of Iraqi Kurdistan, many internal refugees still remain within our boundary, without being considered refugees as such, since they remain within Kurdistan borders. This is true especially of the inhabitants of Kirkuk and Khanaqin and the vicinity, which have remained under the grip of the central government.

Stages of Rehabilitation

We have already passed through two stages of rehabilitation. I shall call them phases I and II: Phase I was marked by the immediate need for assistance to lower the mortality rate due to lack of food and shelter. In phase II many refugees returned to settle among the rubble of their houses that were destroyed and bulldozed by Saddam. They raised their tents where their houses once stood, and made the best of the minimum comfort they provided.

We should remember also that in addition to the internal refugees, there are still over 150,000 refugees in camps located inside Iran and Turkey, under conditions that can hardly be called adequate. So this is the current situation under which we intend to plan a development program for the reconstruction of Iraqi Kurdistan.

Now we are entering a new phase, phase III. In this phase it is imperative to work towards the provision of sustainable minimum living conditions for the inhabitants of the Kurdish region, especially in the rural areas where the provision of infrastructure and basic tools of production is most urgent. Unfortunately as mentioned earlier, internal refugees remain a problem. The only solution is to insure their return to their original homes through the of the international pressure, to either evict Saddam from those Kurdish cities and villages, or to insure their safety under Saddam. However I feel that as long as Saddam reigns in Baghdad, there is little hope that these refugees will want to return to their original homes. On the other hand, the few who wanted to return have been barred by Saddam's forces from doing so. Therefore the economic development of these internal refugees will remain a problem. The problem itself would require a special seminar.

A Development Plan for effective Rehabilitation

I will concentrate now on the topic of the present conference, and that is formation of a development plan for the reconstruction of the Kurdish region.

As you well know, Saddam aimed at destroying the core of the Kurdish economy and the people's self-reliance. The Baghdad regime targeted first and foremost the agricultural sector. It destroyed the irrigation canals, cut down the orchards, plugged up the water supply, including drinking wells and springs; it mined the fields, thus forcing the population to abandon their farming enterprises and move to the fringes of towns and cities, becoming de facto immigrants in their own country. I want to mention here that the Baghdad regime has for a long time been working at minimizing the Kurdish economic base. It accomplished this through building of dams, thus inundating wide areas of the most fertile land of Kurdistan, such as the plains of Raniya and Shahrazoor, and by various other means: through forced migration of the rural population in the Kirkuk Province; through the settlement of Arab Nomads in Kurdish areas: and through interpreting land reform and resettlement laws in such a way so as to discriminate against the lawful owners of the lands. Therefore our development plan should aim to strengthen the rural infrastructure, to revive the Kurdish rural life, and to encourage the farmers to go back to their land and secure a decent living for themselves and for the remainder of the Kurdish community.

Steps in the Development Plan

To insure the implementation of an orderly and sound development and rehabilitation program, certain planning stages have to be followed to secure much-needed financial support, most of which would probably have to be provided through international assistance.

First, we need information. Of course we do have preliminary information on the gross destruction of the Kurdish villages and their infrastructure. We do not have however, specific information on the number of new villages to be rebuilt, their locations, and the number of inhabitants of each village, on the basis of which the capacities of schools, clinics, and the energy and water supply systems would be designed. We know that the number of villages destroyed is approximates 4,500 villages. Should we plan to rebuild all these villages, or perhaps strategically relocate villages, thus insuring the supply of adequate infrastructure at minimum cost? Personally I think perhaps we can combine, 4-5 villages, and build in their place one village with the provision of adequate services.

Second, based on the initial information and priorities, we have to prepare specific projects for each of the rehabilitation needs: for example, one project would identify drinking water needs, another project will identify the number of schools and their types (elementary, intermediate, and secondary) for each village. Still a third project would identify public areas of mosques, playgrounds, community centers, etc. In each of these projects the number, the capacity, and the costs involved would be identified and presented to interested international agencies in a convincing, manner, indicating details of project objectives, cost estimates, implementation schedules, the number of beneficiaries, and benefits to be gained from implementing such projects. These projects would be prepared by teams of specialists, such as engineers, economists, agriculturists, recruited locally and internationally, who would lay down the details of each project.

Third, each project should also identify the implementation agency, indicating the organizational structure for the management of the project. There is a need for an overall independent Reconstruction Authority that would supervise all planning and development activities in Kurdistan. Additionally, for each project the sources of other external and internal financing would be identified, including locally available labour, land and materials.

Interested international agencies (or governments) often prefer to offer financial assistance for specific projects. Perhaps some may only be interested in supplying village drinking water systems. Another would like to build clinics, and a third might be interested in supplying farming needs such as tools. seeds, fertilizer or pesticides. They would like to see the details of the project. Taking the first example we must specify how many supplies of drinking water are needed, their capacities, locations, number of beneficiaries, cost estimates and management plans once completed.

Fourth, it is important that the private sector is heavily involved in the development of both the agricultural and the industrial sector. The government would mainly be involved in a regulatory capacity. This will insure efficiency and minimizes the costs.

Ladies and Gentlemen:

Agriculture remains the backbone of our development. We have first to rehabilitate Kurdish agriculture. We need to restore the confidence of the Kurdish farmer and help him through the introduction of modern technologies that would enhance his current low level of productivity per unit of area. We need to support the Kurdish farmer who is our source of economic strength. Our enemies know this and that is why our countryside is devastated and our farmers are in disarray.

We should not neglect our environment. This is an area that requires particular attention. We must protect our natural resources. Our agricultural productivity depends on the protection of our soil and our water resources. Our meager forestry resources are being constantly depleted, leaving the slopes prone to erosion.

In spite of our vast oil resources, the Kurdish rural population has continually depended on trees and shrubs as source of energy for household needs. There has never been an attempt to facilitate the supply of petroleum energy for use in the rural areas. Instead, successive regimes in Baghdad have used our oil to buy guns, tanks, planes, and chemical weapons to destroy and poison our people and our fields. We have to preserve our environment and we should do everything possible to minimize the abuse of the countryside. We are in dire need of a project for the preservation of our natural resources. I request that our political leaders pay particular attention to the preservation of the environment that is directly related to the protection of our natural resources of land and water, so important in crop and livestock production.

Rehabilitation of the Agro-industrial and Construction Sectors

To generate employment and to raise the economic base of the country, we have to rehabilitate the agro-industrial capacity of the region. An example is the rehabilitation of the sugar beet factory, the milling, the tobacco, and the weaving factories located in Kurdistan. Additionally the construction sector, such as brick and cement factories should likewise be rehabilitated. Detailed rehabilitation requirements would have to be prepared, including the identification of damaged components, sources of spare parts, and a cost estimate of the local and foreign exchange needs, including the economic evaluation of costs involved and benefits gained. In this sector also we are in dire need of a team of technical staff to identify the damage incurred, the cost estimates involved, and to recommend repair methods and sources of spare parts.

Training Needs

To ensure adequate project implementation, a training component would be prepared appropriate to the project to be implemented, and its management once completed.

Financial Institution

We should also realize that no development can take place without a financial institution to support it. Until the time that we establish a Kurdish National Bank, we must identify a certain European or American bank where an account would be opened in the name of the Kurdish regional government, where all financial assistance funds, project by project, would be deposited. For each project authorized persons would be identified who are allowed to withdraw funds from such accounts. Donors would be informed periodically about each item for which funds are withdrawn. The financiers would also receive periodical monitoring reports on the progress of the project. This procedure will increase confidence amongst the financiers, and would encourage other donors to invest in the rehabilitation of Kurdistan. The support of UN agencies will not be overlooked.

Ensuring the Right of Way

Last but not least, Kurdistan is landlocked. Our economic lifeline is constantly threatened by restrictions imposed on the technical and material flow to Iraqi Kurdistan. We are very concerned that this could be exploited by our enemies. Every effort should be exerted to ensure the free passage of goods and materials and technical staff across our international borders. The international community is requested to guarantee this right. The political leadership should emphasize this important requirement for development. Our neighbours have much to gain economically from our development. We should be alert that the development of Southern Kurdistan is not exploited to the disadvantage of other parts of Kurdistan in the region.

To Summarize

- 1. We need to carry out a survey and identify projects; details of each project should be prepared, by competent staff, separately, indicating the cost/benefit relationship, which would be presented to interested financiers.
- 2. Projects would be executed by a competent management, some of whom would be trained for their implementation, and management when completed.
- 3. The rural population would be the focus of development, since they are the backbone of the Kurdish economy.
- 4. The industrial capacity of the region should be revived to increase employment opportunities and expand the economic base of the region; the private sector would be involved in the rehabilitation and management of these enterprises.
- 5. Our natural resources of soil and water are our wealth; we should act to preserve them.
- 6. No development can take place without strong financial support; steps should be taken for the establishment of the National Bank of Kurdistan.
- 7. Passage of technical personnel and equipment would be ensured through the existing borders, by finding a permanent solution for this problem.

Ladies and Gentlemen.

We have a mammoth job ahead of us. We must all unite to accomplish our goals in rebuilding our devastated economy. We have a responsibility towards future generations and must not let another opportunity pass us by.

Long live Free and United Kurdistan

Agricultural 'First Aid' assistance to Kurdistan

Jamal Fuad, Ph.D., agriculturist, consultant.

Introduction

- 1. Kurdistan has generally depended on itself for the provision of its food and feed requirements. The country is endowed with rich valleys, sufficient rainfall, numerous flowing springs and rivers, and a climate that provides for the production of a variety of field crops, vegetables, fruits and livestock. The part of Kurdistan lying in Iraq is no exception. The area is traversed by four large, permanently flowing rivers, viz. Khabour, Great Zab, Lesser Zab, Tanajaro and Sirwan, in addition to smaller rivers and abundant springs at the foot of the mountain slopes. The valleys and plains of Shahrazoor, Barzinja, Raniya, Bazian, Arbil, Bayat, Sinjar, and Aqra provide extensive areas where major field crops, fruits, and vegetables can successfully be grown. Additionally, the mountain slopes provide for the grazing requirements of the livestock population which is an integral part of the agricultural production in Kurdistan. Forestry can become an important economic entity if given due attention and safeguards against abusive exploitation.
- 2. It is a well-known fact that successive regimes in Baghdad have acted to undermine the agricultural strength of the Kurdish region and, since 1950, have systematically carried out the destruction of this agricultural base. This was first attempted through the construction of two dams, Dokan and Derbendi Khan. While insuring irrigation water for the south of the Kurdish areas, these have inundated large areas of the two most fertile areas of Southern Kurdistan, i.e., the Raniya and Shahrazoor Plains. It used the Land Reform Law to redistribute the land under Kurdish landlords to others brought in from outside of the Kurdish areas, thereby settling large Bedouin tribes around the city of Kirkuk. On the other hand, Kurds were prevented from lifting water from the rivers flowing past their lands. In 1963, the new Baathist government forcibly evacuated 25 villages in the vicinity of the Kirkuk oil fields, without any compensation. The residents of these villages migrated to the cities to become labourers after losing their agricultural profession.

Current Status

3. The Baathist regime is continuing its aggressive acts against peaceful Kurdish civilians. It has reached a climax by cutting off the Kurdish areas of Iraq from the remainder of the country, thus enforcing a blockade on the transfer of food, feed, medicines, fruits and vegetables from reaching the Kurdish areas. No civil servant is being paid by the central government, which demands that whoever wishes to be paid should move out of Kurdistan. This economic blockade has definitely exacerbated the already worsening economic situation. However, and in spite of mounting economic hardships, very few people have acceded to Saddam's demands to leave the area, thus enduring much hardship in the face of cutoff incomes and high food prices. So far the civil servants have been carrying out their assigned duties without compensation. It would be difficult to estimate how long these people can endure these conditions. We urge the civilized nations to come to the aid of the Kurds, to force Saddam to lift the blockade against the Kurdish areas.

It would be difficult to predict where this blockade will lead. Many of the Kurds feel that if the Iraqi government has relinquished its responsibilities towards its Kurdish citizens, this may be the time to ask the United Nations to declare its Mandate over the Kurdish region, which it would administer. Once the economic enterprises in Kurdistan are revitalized and become operational, there would be sufficient income to finance the administrative costs involved in such operations from the Kurdish resources.

4. The events of recent years are a secret to no one. As early as 1974, systematic destruction of Kurdish rural areas took place, reaching its climax in 1988, during the Anfal Campaign. Over 4500 villages and agricultural centers were destroyed in this infamous operation. The agricultural base of Southern Kurdistan was shattered. Not only were the residential houses levelled, but the Baathist regime cemented the water sources, confiscated the livestock, destroyed and burned the orchards, and planted mines in the fields to prevent the return of the villagers to their areas. Even the recreational trees around the villages did not escape their vicious vengeance. It is hoped that such atrocious action will never be allowed again.

What Can be Done Now

- 5. The international community, especially the USA and the EC countries, provided for immediate assistance during the exodus of 1991, in the aftermath of the Gulf war. Such relief effort was crucial to save thousands from an impending death. Food and medical care were provided on a massive scale. However, this form of assistance, while essential at the time of the crisis, is not sustainable. Furthermore, the Kurds do not expect to be handfed forever. What is needed is a sustainable form of assistance which, once given, should generate its own momentum for future food and feed needs in the Kurdish areas.
- 6. The policy of the Kurdish leadership has always been directed towards encouraging the rural population to go back to their original place of residence. In spite of the fact that their villages were destroyed, their houses wrecked, their orchards burned and their fields mined. The leadership feels that the sooner the people are resettled, the faster the return to normality and self reliance. However due to the calamity faced by the rural people, some sustainable form of assistance is required to put the people back on their feet and start their agricultural occupation so that they are able to produce their daily bread and avoid taking on a permanent refugee status.
- 7. To ensure rehabilitation of the Kurdish villages and reestablishment of a normal rural life, an initial massive assistance would need to be provided, whereby the farmers are given the tools of production, such as seed, fertilizers, pesticides, and livestock. None of these items would be given for free, however. Farmers would be required to return the seed they are given after the harvest. They would also be charged for the price of the fertilizer and pesticides. The cost of livestock and machinery would be recovered after five years, with a two years grace period. The farmers would also be given orchard trees, the cost of which would be recovered in the same way as that of the livestock.

The Agricultural Base of Southern Kurdistan

8. The Kurdish forces in Iraq are now in control of three provinces, i.e. Sulaimaniya, Arbil and Duhok. Substantial agricultural land areas are within the boundaries of these Provinces. For the time being Kirkuk Province, Sinjar, Diyala, and parts of Arbil are under the control of the Baathist regime. However, agricultural areas under the Kurdish control (KCA), are substantial as shown below:

Tabel No. 1: Agricultural Land Areas: Hectares

Province	Irrigated	Rainfed	Total
Arbil	20,000	540,000	560,000
Duhok	13,000	120,000	133,000
Sulaimaniya	90,000	410,000	500,000
Total	123,000	1,070,000	1,193,000

- 9. There are two distinct agricultural seasons in Iraq: the winter season starting in November and ending in May, and the summer season starting in April and ending in September. Crops grown in the winter season are wheat, barley, winter vegetables (beets, cabbage, cauliflower, etc.), and grain legumes. Summer season crops are sorghum, maize, potatoes, rice, sugar beets, vegetables, sesame and cotton. The winter season agriculture depends on rainfall which averages about 25 to 30 inches annually, while the summer season agriculture depends on irrigation, either from surface or from underground water resources.
- 10. Livestock is an integral part of Kurdish agriculture. Sheep, goats, and cattle are raised on by-products on the farm, and/or grazing in the mountain slopes. The Kurds are very familiar with milk and with milk products. The famous Hoshari cheese is well known in Iraq and neighbouring countries. Wool, mohair, and animal skin are fully utilized, either locally or as finished by-products in the form of clothing, rugs and footwear.
- 11. The Kurds are also familiar with traditional poultry raising. In recent years, commercial poultry production has entered the region, and has been realized successfully in many parts of Kurdistan. Production of feed in the local mills and use of feed mixing machines for poultry and livestock have also become a common practice. Currently facilities exist in Arbil Province for an annual production of 130 million eggs for daily use, 15 million eggs for hatching, in addition to production of 3.5 million chicks for distribution. The Sulaimaniya poultry project provides for 140 million eggs annually, while the Duhok governorate has the facility for the production of one hundred million eggs for use in the hatcheries. There are other smaller facilities which can also be brought into production when there is a need to do so.

12. In addition to these large governmental enterprises which currently lie idle for lack of facilities for a startup, could substantially decrease the current acute shortage of chicken and eggs.

Priorities of Required Assistance

13. There is no doubt that total rehabilitation of the Kurdish areas would take at least a decade. It would take the farmers some time to put their life together again, to reconstruct their houses, rehabilitate their orchards, rebuild the ruined streams and waterways, and clear the fields from the existing mines. The farmers desperately need hand-operated tools, manual and mechanized: there is a dire need for seeds, fertilizer, pesticides, and livestock. These requirements are outlined in Table No. 2, which covers the needs of the farmers to initiate their summer season crops, 1992, and their winter season crops, 1992-1993. Due to the start of the season we feel that urgent action is required to provide the quantities of seeds listed in the Table, especially for sorghum, maize, summer vegetables and potatoes. Additionally there is a dire need for fertilizers and pesticides. Estimated cost of the items requested for the current summer, including US\$ 2.0 M for seed potatoes and US\$ 1.215 M for fertilizers is about US\$ 3.4 M. To this an additional US\$ 3.0 M would be needed for the purchase of some essential hand-operated and mechanized machinery. Additionally, there is a need for introducing livestock, including poultry, back into Kurdish areas. Estimated cost for these requirements is about US\$ 15.0 M. Cost of supplementary feed requirements is about US\$ 2.0 M.

Summary and Conclusion

- 14. An immediate emergency assistance is required to provide for the agricultural needs during the current summer cropping season so that food and feed can be locally produced in order to decrease dependency on charity food distribution. An allocation of US\$ 10.0 M would satisfy purchase of essential seeds, fertilizers, minimum needs of hand and mechanized tools, and selected livestock and poultry. The summer cropping season has already begun and any action to be taken has to be immediate to have any impact. It should be emphasized here that the assistance requested need not be in cash, but it could possibly be given as "in kind" contributions, such as supply of required seeds, fertilizers, pesticides, machinery, and livestock, including poultry and livestock feed.
- 15. Regarding the winter cropping season, it is important that further emergency funds be allocated amounting to at least US\$ 40.0 M in order to ensure the purchase of seeds, fertilizers, required machinery, hand tools, pump sets, orchard trees and livestock. We believe that with this initial assistance the Kurdish rural population would regain the chance to produce the food and feed it needs, alleviating the burden on the international community.

Manner of Assistance

16. If the requested assistance is given "in kind", the writer or other agricultural specialists, inside or outside Kurdistan (who would be familiar with the climatic endowment of the region) would be consulted on the varieties of field crops, vegetables, fruit trees and/or livestock to be selected for use in the Kurdish-controlled areas of Kurdistan.

A Word of Caution

17. It is of vital importance to emphasize the obvious fact that unless there is a guarantee against invasion of Saddam's forces, no real settlement is possible. Without peace, real rehabilitation cannot be achieved. Furthermore, farming is a hand-on operation. Once the farming operation is in process, one cannot desert it, even for a short time, and then expect to return for a harvest, especially on irrigated farms. Hence to start sedentary productive agricultural operations, and to ensure adequate harvest, it is essential that minimum assurances be given that Saddam's menace be kept at bay. This will deter another exodus, which would be costly both from humanitarian and economic aspects, let alone its world-wide political implications.

Agricultural first aid to Kurdistan Estimated Rehabilitation Costs

Table No. 2

Cultivated area/ha	Re- quired seeds kgm/ ha	Total tons	Unit cost US\$/ ton	Total cost US\$	Prdn t/ha	Total m tons
10000 10000 2000 10000 3500	10 10 100 5 5	50 100 100 200 50 17.5 4000	200 300 300 300 500 200	10000 30000 30000 60000 25000 3500	2.5 3 1 4 15 2	12500 30000 10000 8000 150000 7000 50000
40500	2140		330	2158500	5	267500
40500	100	4050	300	1215000		
				3373500		
250000 200000 7000	100 80 15	25000 16000 105	250 200 200	6250000 3200000 21000		500000 360000 7000
457000		41105)	9471000		867000
228500	100	22850	300	6855000		
		5		16326000		
1000 1000	250 100	250000 100	3 300	750000 30000		
458000	5			20479500		
ILS.				1500000 5000000 2000000 3000000 11500000 100000		
1 6 commercial	10000 1000 200000	50000 2000 1200000 10000000 1000	100 1000 1.25 0.2 500	5000000 2000000 1500000 2000000 500000		
				11000000		
				43079500		
0.2				8615900		
	250000 2000 40500 25000 2000 40500 250000 200000 7000 457000 228500 1000 458000	area/ha quired seeds kgm/ha 5000 10 10000 10 10000 10 2000 100 10000 5 3500 5 2000 2000 40500 100 2550000 100 200000 80 7000 15 457000 228500 100 1000 250 1000 100 458000 1 1000 250 1000 100 6 2000000 1000 2000000 1000 2000000 1000	area/ha quired seeds kgm/ ha 5000 10 50 100 100 1000 1000 1000 1000	area/ha quired seeds kgm/ ha	area/ha quired seeds kgm/ ha	area/ha quired seeds kgm/ ha cost US\$/ ton US\$ t/ha 5000 10 10 10 10 10 10 10 10 10 10 10 10

Agricultural rehabilitation of Kurdistan Supplementary information

Seed Source

A. Seeds, Kinds and Sources:

Sorghum

Maize

1. Summer Crops: USA, India USA, India Synthetics of Hybrids Seeds legumes Lentils Turkey **Broadbeans** Turkey, India Turkey, India

Chick-peas Soy-beans USA

Potatoes The Netherlands. Turkey preferred due to Turkey

bulky nature of seeds and high transport costs Tomato, okra, beans etc.. USA, Italy

Comments

Estimated "first aid" cost is about US\$ 3.5 Million, including fertilizer

2. Winter Crops

Summer Vegetables

Wheat USA, Turkey Spring Type Mexipak or equivalent Barley USA, Turkey Spring Type, Six Rowed Arivat or equivalent Winter Vegetables Beets, onion, carrots USA, Italy chard, turnip etc. Forage Crops USA, Australia Clovers and Grasses

Estimated cost US\$ 16.35 Million

B. Livestock

Australia Sheep Heifers The Netherlands Poultry

Fees Concentrates USA

Estimated Cost US\$ 11.0 Million

C. Agricultural Machinery

Manual, Animal-USA, UK, Italy, drawn, or mechanized German, Japan Tractors, Harvesters & Implements

Estimated Cost US\$ 11.5 Million

D. Orchard trees and fertilizer

Estimated cost US\$ 780.000

The embargo on Kurdistan: its influences on the economic and social development

Dr. Salahaddin M. Al-Hafeed, Minister of Finance and Economy of the government of the Kurdistan region.

On behalf of the government of Kurdistan region and the delegation to your highly esteemed conference, I have the honour to present our most heartfelt compliments and sincere regards, hoping earnestly that the conference will successfully accomplish optimal results in the submission of beneficial recommendations, counsels and resolutions which will improve the conditions of the Kurdish people in a general way. They have been struggling for so long, under the most difficult circumstances, and the severe hardships of social and economical conditions, which postponed the task of the rehabilitation and reconstruction of the devastated native land of Kurdistan.

Before going into the embargo question, I consider it essential to represent certain information and factors which are characteristic of the Kurdistan economy. In order to be realistic, it is necessary to take into consideration certain statistics, despite the fact that they are scarcely available in developing countries, and in Kurdistan in particular. Owing to the almost complete devastation which overtook the country in 1991, in the aftermath of the Kurdish Revolt, most of the statistics and documents were lost or were entirely destroyed. Nevertheless, we shall attempt to provide some significant characteristics of the activities of the economic sectors which still exist in several parts of Kurdistan.

The Kurdistan liberated area is 40283 square kilometers (see the table below).

Table No. 1: Population Per Square Kilometer

Governorate	Area in square kilometer	Population 1988	Number of people in sq. kilometer
Sulaimaniya	19259	976521	50
Arbil	14471	787951	54
Duhok	6553	296579	45
Total	40283	2061051	51

Ref:Figures and Factors on the Kurdistan region, the Ministry of Planning.

Pages: 7 to 20

The table shows that the liberated Kurdistan area is approximately 40,283 sq. kilometer. This area is larger than that of Holland where more than 14 millions live. The population in 1988 was 2,061,051 souls. The present estimate of (1992) is more than three millions.

This increase is due to the natural growth in population and to the immigration of many thousands of people from other Kurdish parts which are under the Iraqi regime's control such as Khanaqin, Kirkuk, Sinjar and several other districts. This in addition to the refugees who returned from Iran and Turkey.

The following table shows the distribution of educational qualifications:

Table No. 2: Details of Qualifications.

Qualifications	Sex	Arbil	Sulai- maniya	Duhok	Grand Total
High School	male	3766	3173	1454	
Diploma	female	2269	1562	355	1
•	Total	6035	4735	1809	12579
Bachelor	male	3200	3130	1629	
Degree	female	1993		379	
	Total	5193	4677	2008	11878
Higher	male	180	207	73	
Certificate	female	78	49	5	
1	Total	258	256	78	592
Ph.D.	male	87	32	3	
	female	28	14	-	
	Total	115	96	3	164
Higher	male	36	36	2	
Degree of	female	34	13	-	
Specialization	Total	70		2	121

Ref: Local Authority Statistics.

The previous table illustrates the fact that the number of qualified persons holding high certificates such as B.A.s, B.Sc.s, Ph.D.s and other professional degrees is considerable and proportionates to the number of the population in the Liberated region of Kurdistan, very high in comparison to many other developing countries. The same qualifications and capabilities, if properly exploited, would be sufficient for the administration of the region of Kurdistan at the present time.

The agricultural area is more than four million donums according to the following table:

N.B. The donum is a local area measurement which is equal to 2500 sq. meters.



Table No. 3

Governorate	Area in	Private	Lands dis	tributed by on Laws	Donation	Miscel-
	Donums	Estate	distri- buted	hired	Lands	laneous
Sulaimaniya	15096	7519	6427	1017	131	2
Arbil	20853	11175	8798	868	12	
Duhok	4548	2302	1976	152	117	1
Total	40947	20996	17201	2037	260	3

Ref: Figures and factors on the region of Kurdistan, Ministry of Planning.

The former table shows that the total area which is suitable for agriculture is more than four million donums, and that more than half the areas is private estates, the remnant being lands distributed in accordance to the laws promulgated by the Land Reformation Regulation and Laws. The estates were distributed among the farmers, some of them on rental basis. The donated estates (Awqaf) area is about 260 thousand donums.

The industrial sector, as a result of successive Iraqi regimes adopting discriminative policies, has suffered severe retrogression, which has hampered the course of development.

The table illustrates the scant development of the industrial sector with its poor outputs compared to the situation in Iraq as a whole.

Table No. 4: The Rate of Industrial Production Value in the Kurdistan governorates during 1987 compared to that of Iraq.

Industrial	Large	Total in Iraq	2316773
Production Value	Industrial Plants	Kurdistan	113317
1000 dinars	Percentage		4.9
	Small	Total in Iraq	831461
	Plants	Kurdistan	92365
	Percentage		11.1

Ref: Same as the former.

Table 4 shows the small percentage of both large projects and small plants located in Kurdistan.

The nature of Kurdistan's economic problem can be outlined as follows:

Firstly: The destruction of the economic infrastructure as a result of evacuation and Arabization policies as practised by different administrations of the regime. Most of the towns and villages have been destroyed, including buildings, institutions and electricity, and water supplies. In addition, gardens and springs have also been ruined. Some devastated agricultural land was occupied by army posts and camps and other places were mined with explosives. For instance, the number of villages in Sulaimaniya was 1877 in 1977, out of which 1691 were utterly annihilated. There remained only 186 villages by the end of 1988.

Sulaimaniya governorate had 10 Qadhas [towns of at least 70,000 inhabitants] and 23 Nahias [villages of at least 20,000 inhabitants] in 1977. These centers were supplied with the fundamental services necessary for living, comprising complete urbanized and comfortable houses. However they were eventually completely evacuated, except for four towns, namely Derbendi Khan, Raniya, Chamchamal and Kalar. Collectively 86,087 buildings in these towns and villages were destroyed. Among them were hospitals, schools, mosques, cultural centers and ancient buildings.

Secondly: In addition to the poor conditions of the industrial sector as a result of the discriminative policy of the Iraqi regime, the sector endured several further problems which can be described as follows:

- The large industries which belong to the State suffer a deficiency of raw materials, spare
 parts and fuel, as in the cigarette, cement and mineral water factories, as well as those for
 textiles. Therefore, the factories are almost completely without work due to the economic
 embargo on Iraq, in which Kurdistan has been included. Essential supplies necessary for
 the operation of the factories cannot be imported as a result. For example, raw materials had
 been purchased for the Sulaimaniya cigarette factory in dollars, but the consignment has
 been held in Turkey and prevented from entering Kurdistan.
- 2. There is also the problem of marketing the products of the factories and there are insufficient markets for the mineral water produced at Banikhelan, as well as cement from the factory in Sulaimaniya when they work at maximum speed. Therefore, markets must be sought in neighbouring countries. The deficiency of industries in Kurdistan, particulary modern ones, seriously affects the programming of a national development plan. Modern industries in Kurdistan are extremely few. There are only nine modern factories, namely the cigarette factory, a ready-made clothes factory and mineral water plants.
- The private industrial sector comprises mainly consumer goods and foodstuffs. They all
 require raw materials and spare parts. Most of these are now unavailable. Many thousands
 are out of work as a result of the factories being closed.

It is of paramount importance to assist this sector through a request to remove the embargo in order that the factories may purchase their requirements from foreign countries.

Thirdly: The Service Sector. The educational and sanitary services are regarded as the most essential services for the citizens, not only for raising their living standards but also for making the work of producing goods and services themselves efficient. There are not sufficient figures or accurate statistics regarding these sectors in liberated Kurdistan. Nevertheless, certain evidence indicates sharp retrogression and neglect as a result of the displacement and evacuation policy followed by the Iraqi regime.

Available information concerning a large governorate of Kurdistan, i.e., Sulaimaniya shows a sharp decrease in the number of schools. For example, in 1977 the number of schools was 644. In 1990 it was 259. We can also observe that the number of children of primary school age, between 6 years and 11 years of age, was 169,239 children. The existing schools could hold only 134,915. 34,324 children could not go to school. This fact obviously indicates that compulsory education did not cater for a large number who were thus unjustly deprived of the merits of education. The rate was 20.3 per cent of all children of primary school age. We also find youth between 12 and 17 years of age, who are qualified for secondary school education are the same conditions, i.e., illiterate. They comprise 64 per cent of all boys at secondary school level.

Fourthly: Commercial and economic sanctions have been imposed on Kurdistan by the Baghdad regime since 23rd October, 1991. The government administration has also been withdrawn, which has resulted in the following consequences:

- A. The regime no longer pays salaries and wages to officials and workers, even to those departments which are exempted from sanctions. This unjust procedure has deprived a large number of citizens of their main source of livelihood. The amount withheld by the government is 650 million I.D. annually.
- B. The Central Authority has withheld expenditure on the departments including the cost of work and maintenance, the purchase of materials essentials and investment, amounting to 950 million dinars.
- C. The Baghdad Authority has confiscated amounts deposited by the people in the local banks which are estimated at 135 million dinars.

Briefly, the total amount which the government is liable to the citizens is 1,735 million dinars a year.

Here is a table showing some aspects of government expenditures.

Table No. 5: A Brief Statement of Government Expenditures in Kurdistan region as well as the citizens frozen deposits according to the regional Bank Reports.

Governorate	Expenditures in 1990	Expenditures from 1-1-91 to 30-9-91	Expenditures from 1-10-91 to 31-12-91	Total Expen- ditures 91	Expenditures in 92 until 30-7-92	Citizens' amounts current +saving
Arbil	632,595	351,562	86,783	437,435	108,843	66,847
Sulaimaniya	681,147	223,859	62,115	285,974	67,505	57,035
Duhok	336,430	116,492	22,472	138,964	18,889	12,061
Total	1650,172	691,913	171,370	862,283	195,277	135,943

^{*}Fig in (1000) Iraqi Dinars

Notes:

- Government expenditures include all the offices expenditures in all the government social and cooperation sectors.
- 2. The expenditures include salaries and wages and others within the budget and the investment programmes.
- 3. They exclude the salaries of the armed forces except those of the police.
- 4. An annual salary is 540 million dinars, the payment of retired officials is nearly 15 millions.
- Other expenditures include the maintenance costs, project cost and the establishments' and departments' requirements.
- 6. Certain debts and constitutions have not been paid since April or May, such as debts of education, agriculture, government, construction companies and various establishments.
- 7. These outlays exclude, Iraqi Kurdistan Front expenditures, donations and customs duties which are mostly spent on the payment of salary and wages.
- D. Oil products and foodstuffs constitutions are forced to make cash payments in the available currency ready for the market exchange in accordance with the triple conditions of security of bank notes, a fact which has caused a deficit in the budgets mentioned above. Great problems also arise as a result of that policy.
- E. The Baghdad regime has decreased the allotted amounts of foodstuffs and oil products for Kurdistan. As regards the foodstuffs, the supply is 30-40 per cent, and that of oil products is 10-20 per cent. Lately these amounts have been further decreased sharply to 10-15 per cent. Eventually, oil product supplies stopped completely.

The table below shows the amount of foodstuffs which have been supplied to the three governorates since October, 1991 until June, 1992.

Table No. 6: Foodstuffs Supplied to Sulaimaniya in Tons During the Months of 1991-1992.

Item	Oct	Dec.	Jan.	Feb.	March	April	May	June	Total	Per cen tage
Sugar	534	741	436	493	377	600	730	710	4623	39
Tea	59	27	29	25	24	29	32	35	260	36
Oil	309	152	107	160	104	180	190	180	1382	18
Rice	250	1100	500	500	730	750	730	740	6500	45
Flour	9000	9500	4000	4000	3840	3840	3840	1840	41860	55
Milk	-	15	10	4	16	24	310	10	93	_

Table No. 7: Foodstuffs supplied to Arbil governorate in Tons for the Months of 1991-1992.

Items	Oct.	Dec.	Jan.	Feb.	Mar.	April	May	June	Total	Per- cen- tage	Total of shor- tages
Sugar	209	525	536	199	500	515	410	450	3344	38	5456
Tea	20	19	35	20	20	32	25	20	191	43	249
Oil	-	253	167	105	52	151	250	150	1128	51	1072
Rice	608	632	612	620	658	461	300	154	4045	34	7955
Flour	4560	7523	5211	2408	2310	2300	2750	330	30362	47	33638
Milk	-	8	3	32	5	10	18	31	107	54	93

Table No. 8: Foodstuffs supplied to Duhok governorate for the Months of 1991-1992.

Item	Oct.	Dec.	Jan.	Feb.	March	April	May	June	Total	Perc en tage
Sugar	489	489	250	230	526	320	-	412	3116	60
Теа	24.500	25	15	19	33.5	27	5	24	93	62
Oil	50	90	39	69	124	55	16	124	627	40
Flour	-	-	-	-	-	-	-	-	-	-
Milk	20	18	-	18	16	2	-	20	114	_

Table No. 6 shows the monthly supplies of foodstuffs to Sulaimaniya governorate. Over eight months the amount of sugar supplied was 4623 tons. This composes 39 per cent of the amount which was supposed to be dispatched by the Baghdad regime. As regards tea, the amount sent during the same period was 260 tons equivalent to 36 per cent of the allotted amount for the governorate. Oil was 1382 tons, during the same period, equivalent to 38 per cent of the allotted amount. Rice was 6500 tons. 45 per cent, flour 41860 tons, 95 per cent, With regard to other commodities, soap powder supply was 797 tons. Razors numbered 1,300,000. 39 tons of soap bars were sent.

With regard to Arbil, Table No. 7 shows that sugar supply was 3344 tons over eight months, at the rate of 38 cent of the allotted amount. Tea was 191 tons, 43 per cent, oil 1128 tons, 51 per cent, flour was 30362 tons, 47 per cent, milk 107 tons, 54 per cent.

With regard to Duhok, Table No. 8 shows that the amount of sugar supplied to the governorate during eight months was 3116 tons, at the rate of 60 per cent of the allotted amount. Tea was 193 tons, at the rate of 62 per cent; oil 627 tons, 40 per cent; flour 3354 tons, 54 per cent; milk 114 tons.

The previous tables indicate clearly that the amounts of foodstuffs amounts sent to Kurdistan, with the government's assisted prices, were only 40 per cent of the share allotted for supply to the region. This allotment is sufficient for only ten days. The remaining twenty days food has to be bought at very high cost from the local market, a fact which has forced many people to sell their own personal effects and furniture to procure food.

As regards the main foodstuffs which are to be imported, we get an idea of the required amounts through statistics related to their distribution in June 1989. Then we compare the actual requirements of June 1989 with the distribution of these items in June, 1992. See the following table:

Table No. 9: Sulaimaniya, Arbil and Duhok governorate requirements of Main Foodstuffs in Tons.

Item	Estimated	Real	State	Food Shorta	ige	
	Yearly require- ments for 1989	require- ments for June 1989	Distri- bution for June 1992	Amount	Import price June 92	Amount in I.D.
Sugar	64600	4450	1466	2992	4000	11968000
Tea	4975	330	86	244	24000	5856000
Oil	33650	2210	382	1828	9000	16452000
Baby milk	4850	430	60	370	20000	7400000
Rice	87000	7300	1668	5632	4000	22528000
Beans	3300	240	-	240	6000	1440000
Flour	253000	21250	72 00	14050	1500	21075000
				01	Total	94719000

The former table shows that the price of the actual food requirements is 94,719,000 dinars to satisfy the monthly needs of people in the three governorates. We note that the largest amount is for the purchase of rice, which is 22.5 million dinars. Flour is second at 21 million dinars. The amount of oil is 16.4 million dinars, and sugar required 12 million dinars.

Amongst the liberated governorates, Sulaimaniya has the greatest need for foodstuffs, Arbil is next, then Duhok. These facts are shown in the following tables:

Table No. 10: Sulaimaniya governorate Requirements of the Main Foodstuffs.

Items	Estimated	Actual	State	Food sl	hortage	-	Percent	age
	yearly require- ments for 1989	require- ments for June 1989	distri- bution for June 1992	A- mount	Import price June 1992	Amount	Quan- tity	Amount
Sugar	30000	1600	600	1000	4000	4000000	150	600000
Tea	2500	150	35	115	24000	2760000	17	48000
Oil	15000	850	121	730	9000	6570000	110	990000
Baby milk	2000	200	10	190	20000	3800000	29	580000
Rice	36000	4000	720	3280	4000	13120000	492	1968000
Beans	1500	150	-	15 0	6000	900000	23	138000
Flour	115000	10000	400	6000	1500	9000000	900	13200000

Table No. 11: Arbil governorate Requirements of the Main Foodstuffs.

Items	Esti-	Actual	State	Food sl	hortage		Percen	tage
e	mated yearly require- ments for 1989	require- ments for June 1989	distri- bution for June 1992	A- mount	Import price June 1992	Amount	Quan- tity	Amount
Sugar	23000	1900	450	1450	4000	5800000	218	872000
Tea	1650	120	27	93	24000	2232000	14	336000
Oil	12500	900	138	762	9000	6858000	115	1035000
Baby milk	1900	160	30	130	20000	2600000	20	400000
Rice	34000	2200	475	1725	4000	6900000	260	1040000
Beans	1200	60	-	60	6000	360000	9	54000
Flour	92000	7500	3200	4300	1500	6450000	645	967500

Table No. 12: Duhok governorate Requirements of the Main Foodstuffs.

Items	Esti- mated yearly require- ments for 1989	Actual	State distri- bution for June 1992	Food shortage			Percentage	
		require- ments for June 1989		A- mount	Import price June 1992	Amount	Quan- tity	Amount
Sugar	11600	950	412	538	4000	2152000	80	320000
Tea	825	60	24	36	24000	864000	5	120000
Oil	6150	460	124	336	9000	3034000	50	45000
Baby milk	950	7 0	20	50	20000	3000000	8	160000
Rice	17000	1100	473	627	4000	258000	109	436000
Beans	600	30	-	3	6000	180000	5	30000
Flour	46000	3750	•	3750	1500	5623000	610	915000

Fifthly: The sanctions affected motor fuel, gasoline, kerosene, motor grease, gas cylinders. We provide statistical data with regard to oil products in Sulaimaniya, whose population exceed one million two hundred.

Table No. 13: Oil products Distribution to Sulaimaniya governorate in Litres.

Oil products	Distribution before 23-10-91 prior to Embargo	Until April after Embargo	From 17-2-92 until election of Parliament	After Election of Parliament	From 21-7-92
Kerosene	7,450,000	1,250,000	756,000	180,000	
Motor fuel	6,650,000	950,000	144,000	108,000	
Gasolene	4,390,000	376,000	108,000	72,000	embargo
Motor grease	48,000	24,000	12,000	embargo	
Diesel oil	72,000	24,000	12,000		supply
Gas cylinder (natural gas)	pending requirements	36,000	24,000	15,000	•

Ref: Oil products Department in Sulaimaniya.

The previous table explains how the supply of oil products to Sulaimaniya dropped from 23rd of October, 1991, the day on which the government Authority withdrew from Kurdistan in successive steps until it eventually stopped on 21st July, 1992. The same is true for the other governorates, i.e., Arbil and Duhok. This state of affairs has created the tense situations and unsurmountable difficulties which are listed below.

- 1. Transportation costs have risen with passenger and cargo fares, reaching 400 per cent in some cases. This situation has caused a surge in the prices of goods and services.
- Consequent to the increase oil products prices, agricultural machinery, has become extremely expensive. This has led to another vital problem, i.e., the impossibility of exploiting most of the agricultural land, as the farmers could not afford the cost of operating their machinery. Furthermore vegetables and fruits cannot be transported to the market towns.
- Most projects were stopped, unable to continue because of the dearth fuel, motor oil and
 gasoline which are necessary for vehicles and agricultural water-compressors. In addition,
 almost all the mills stopped operation. Factories which use motor fuel and gasoline also
 stopped production.

4. There is impending danger to the environment as a result of tree-cutting for fuel, heating, cooking and storing for future use in winter. In the near future this will cause serious problems such as dry weather and a shortage of water.

Sixth: The Baghdad embargo against Kurdistan imposed sanctions on medicines and medical requisites, whereas at the start this vital sector was not included in the embargo policy. Lately, medical supplies were added to the embargo list in addition to the regime halting the payment of salaries and wages to medical personnel.

Summary and conclusions

This study shows that the very infrastructure of the Kurdistan economy has been destroyed. Both its agricultural sector and related environments and the annihilation of villages and towns with their own establishment for education and religion throughout the country. After the revolt in the spring of 1991, when the despotism of a dictator had been removed from Kurdistan, reconstruction and rehabilitation became possible. Nevertheless, the sanctions against Iraq and an extra embargo imposed by the government, despite U.N. decisions against these unjust procedures, has caused several new problems. They can be summarized as follows:

- 1. The government stopped the payment of salaries and wages to officials and workers who compose 45 per cent of the working population. This caused great difficulties for a large number of people.
- 2. Lack of currency due to the Central Authority's holding payments for salary and wages and other amounts earmarked for the budget, although they have been endorsed by the regime (such as financial amounts for essential services, maintenance and investments). The regime has also frozen citizens' deposits and savings in the banks. In addition to all these harsh measures, the oil products department has been obliged to accept only bank notes which carry three safeguard signs. Consequently, the banks and markets were without accepted money which made purchase of commodities extremely difficult.
- The dictatorial regime has also decreased the allotted quota for foodstuffs in Kurdistan creating harsh conditions for people. The allotment has been reduced to less than twenty per cent. This has resulted in the sale of property and personal effects by those who cannot afford expensive goods.
- 4. The embargo affected the agricultural sector, in as much as a great portion of arable lands remained unexploited owing to the shortage of machinery, agricultural inputs and fuel. The farmers desperately need imported seeds and fertilizers. These have been obstructed by U.N. sanctions.
- Most of the factories have stopped production because of a shortage of imported raw materials and spare parts. These factories had been supplying people with consumer goods and construction materialsetc.
- Continuous devaluation of the Iraqi dinar with which the prices of goods and services are determined. The average rate of inflation has created unbearable hardships especially for those who have limited incomes.

Therefore, it is urgent to start a campaign by the friends and supporters of the Kurdish people to request the U.N. Assembly to force the Baghdad regime to lift the economic embargo which has been imposed on the Kurdish people, especially as regards foodstuffs and oil products since we are on the threshold of severe winter.

It is also essential to exempt Iraqi Kurdistan from the U.N. sanctions, since the Kurdish nation is a victim of Saddam's policy, and did not take part in any of his aggressive wars. Thus, the reconstruction of Kurdistan is impossible without increased assistance form governments and humanitarian organizations. Present aid is not sufficient for that purpose. In addition, financial loans should be offered to the government of Kurdistan region, in order to enable the country to manage its affairs. When this government started its duties, it inherited an empty budget, ransacked by a dictatorial regime; in addition to the destruction of the country. The success of the government of Kurdistan region is regarded as a successful experiment for democracy in the Middle East, an experiment which has been started by the Kurds electing their delegates for the national assembly and the formation of a government for the Kurdistan region.

Discussion

M. Rasoul:

The question is how we can match the needs in Kurdistan with the resources available elsewhere. On the one hand we have various providers, the European Community, America, and even Japan and New Zealand. On the other hand we have the huge area of Kurdistan. We know what the requirements are: removal of the mines, reconstruction of the villages, of water systems, sanitation, community centers, etc. If the Kurdish assembly and ministers organize the projects properly, meeting the criteria of the providers, we could allocate specific regions to specific providers, in a training process. One region to the Netherlands, another to Britain, and so on. These countries could all be approached with a bulk of projects fitting in their schemes and be asked to help. The Kurdish assembly should make a public request to these countries, because they have a moral obligation to help.

Heidrun Alm-Merk:

Mr. Jamal Fuad talked about the problem of establishing a national bank. As you know the European Community and others are not in favour of an independent state for the Kurds, so wanting to have your own bank seems a big dream. I agree that it is very important, but knowing how the Europeans think, how could you ever realize this dream?

Jamal Fuad:

Although I worked at the World Bank, I am not a banker and I do not know how exactly such a national bank should be set up, but we could identify some banks where accounts could be opened in the name of the regional government. Donations could go there too. The accounts could be placed under the discretion of a special agency within the government. I do not think that this would be too far-fetched. We have rich Kurdish people who can set up a bank. This would not be a government bank, but be a bank where people make investments, buy stocks, put their money in, in short a normal bank, just like you have the small country banks. Without much resources elsewhere. Let us begin by opening some accounts with recognized European and American banks, but not neglect the idea of establishing a national Kurdistan bank.

Sami Rahman:

We do not aspire to have an independent state. The maximum that we want is a democratic Kurdish entity, part of a federal democratic Iraq. We struggle to make that come into being. Talking about a bank, we do not have to call it a national bank. It can be a regional bank, like you find them everywhere else, for instance the Royal Bank of Scotland and the regional banks in Germany. We would like to learn from the federalism in Germany, actually. If you do not want to call it even a regional bank you can name it a bank for reconstruction and development of Kurdistan. It is important that it is run by governors trustworthy both for the international community and for the Kurdish people. I can imagine also the creation of an agency for the development of Kurdistan, made up of friends of Kurdistan, Kurdish personalities, businessmen, abroad and in Kurdistan. It could take over a lot of the work that is now being done by NGOs and other agencies.

Mustafa al-Jaff:

Mr. Fuad talked about project identification and formulation; the same problem exists regarding a bank. As you know, coordination of aid is carried out either by the donor countries, the World Bank or the UNDP. The government of Iraq is against this, and does not recognize the Kurdish regional government. So I think such coordination is impossible, unless we see big changes.

Omar Shaikhmous:

I know that the ministries in Kurdistan have many plans for projects and that there are competent people working on them. Nevertheless, Kurdistan has little experience with this. It never received development aid like other Third World countries so there is a problem of coordination and of having competent people formulating projects. There may be academically and educationally competent people, but they do not have any experience in carrying out or receiving development projects.

Mamoon Brefkani:

The Kurdish NGOs, working with foreign NGOs, have some experience with implementation, but only locally. The ministries start from zero. Of course we need people who know about planning, designing projects, etc. For the ministry of reconstruction, we made our structures. We have the managing, the financial and legal structures, and also a department of planning. There we have our experts and technicians. I agree that do not have many high-level people for development programs. That is why we cooperate with the university. They have people specialized in development, economics, and so on. We are also using the experience of people that are out of service.

I know that we cannot just ask European governments for money, we have to formulate projects. We have started to do so with some organisations but we have to do it in the whole area of Kurdistan. We need statistics badly: how many villages were destroyed, how many schools, what water and sanitation projects we have, etc. We have made a start with these activities.

Nawsat Hussein Jindi:

One of the points Mr. Jamal Fuad made was the necessity of collecting more information. Do the ministers have sufficient detailed information about the projects and how do they intend to distribute this information? They should also unite and coordinate the collection of aid.

Per Olsson:

Various speakers have touched upon the relations between the private sector, the independent Kurdish organizations and the administration. In the last few years Swedish development policies have put more emphasis on the grass-roots level, on development activities closer to the people. It may seem a contradiction to work with independent organizations and with a coordinating body at the same time, but I think you should see it as a cross-fertilization. In the Qandil Project, we see Iraqi Kurdistan as a pluralistic market in terms of project partners. Of course the organizations have to be accountable to an administrative body. I think this approach could lead to a lot of dynamism and development in the area.

Michel van Hulten:

I wonder about the wish lists produced by the speakers today, they look beautiful as they always do, from any developing country. But I would like the ministers here to explain what their own resources are. These have not been mentioned by anyone. What can the Kurds themselves do and what can the Kurds outside Kurdistan contribute? You must have hundreds of thousands of Kurds abroad, some of them very rich, as was already said. You even think of establishing a bank based on their funding.

If you convince the outside world of your own efforts, both in Kurdistan and in the rest of the world, mechanisms will start working automatically. For example, in the Dutch mechanism, if the Kurds in the Netherlands collect a hundred thousand guilders for assistance in Kurdistan, they can apply to the ministry of Development Coordination and get this amount doubled. This is a common procedure. But first you must raise your own one hundred thousand guilders.

And you can do this up to practically any limit. Could anyone here present give an overview of what assistance has flown into Kurdistan in the last twelve months? What is the perspective for getting the same amount or more in the next twelve months? Thus you can compare your own resources to the shopping lists presented this morning. In that way this conference can have a more practical outcome. If you answer those two questions, we can see what efforts have to be made to realize at least part of your wish lists.

Mamoon Brefkani:

Our ministry does not have all the information, but we are trying to get more statistical data. We have offices in various areas and we have people who visit the villages to collect information. We do not know how much support from outside will come and we cannot wait and sit until it comes, so we have to rely on our own resources. Of course we would be very happy to receive any aid from Europe and other parts of the world, but how the support will come is up to the European organizations and countries. If it would be possible for them to work directly with the ministers, of course that would make us very happy. Should it not be possible however, then we have the local NGOs which they can coordinate. I think that is not so difficult.

Jamal Fuad:

We first have to help ourselves before we can expect anybody to help us. I agree completely with that. In Kurdistan we have people who are willing to work, to put their muscle into the actual reconstruction activities. We have natural resources in terms of land, water, and others like cement factories. Beside the willingness to work and to organize, for the reconstruction of the villages we need things like windows, doors, pipes, pumps, and so on. These are not available internally, and that is why we need specific projects. Projects consist of two parts. One is what can be provided locally and the other part is how we can supplement this with assistance from abroad. We should do our share, but I am afraid the Kurds outside Kurdistan have not shown the enthusiasm that we expect and require of them.

Dara Rasheed:

For the harsh winter the Kurds are now facing, I would like to introduce the term self-sufficiency and I would like to outline some alternatives for oil products. One is mobile gas isolation stations for the oil wells in Kurdistan and mobile refineries. They could produce enough fuel to meet our consumptive needs. Europe and other countries need not fear a Kurdish independent state, but we could introduce a kind of self-sufficiency by obtaining this machinery. Another alternative is organizing stocking of a substantial amount of the most necessary oil products to help the population to survive the winter. I do not think that would be too difficult. We could make a decision in this conference to ask the European governments to each provide a share of the necessary oil products for the Kurdish area. During the winter, transport will be very difficult. We have some big tanks in Kurdistan which we can use, especially the ones the Iraqi used for their military camps. In that way we can also save the environment because now the people have to cut down trees. Regarding food, I propose that the EC and the UN establish a special department for issuing licenses for the most needed foodstuffs, tools, medicine to go into Kurdistan. Some time ago we tried to send some medicines, but they were delayed because in the UK they were afraid that a few boxes of glycerine might be used to make explosives.

For supplies to arrive we have two basic airports in Kurdistan, one is in Harir and the other one is in Bamarni. They can receive Hercules aircraft. So, when the roads are blocked in winter, they are very useful. The UN should be pressed to avoid formalities and to allow humanitarian flights.

We have to try to develop communication systems in Kurdistan. Now we only have two or three satellite telephones with limited reaches. The system is there, but it must be repaired and maintained. Some machinery and tools will be needed to maintain and clear the roads during the winter, especially the roads to Turkey and the East-West connections in Kurdistan. Transportation links are vital for getting aid to the population.

Emad Saleh:

Regarding investments in Kurdistan, can we guarantee companies like Shell any stability? The basis of their operations is profit, so what can we offer them in comparison to other countries where they can invest?

Majeed Jafar:

Oil companies can earn a lot. There is oil in Zakho which is only fifteen kilometers from the border. There is a main pipeline from Kirkuk to Dörtyol in Turkey. Only a small investment would be needed to make a connection between the oil field and the main pipeline. Then there is an important market nearby: Turkey, which needs a secure source of oil at reasonable prices. Both Turkey and Kurdistan could benefit from that. We are dependent on Turkish products, from beer and wine to rice and cooking oil. Since Turkey is politically involved, because the continuation of the allied security zone is dependent on their will, this is an extra factor for us to give them more interests. Finally, we do not have to sell oil at market prices, but we can sell it at a reasonable price. The only obstacle is the political will. I do not agree hundred percent that politics is the art of the possible; politics is to will. Many times people with a strong will struggled for their aims against an unfavourable balance of power, and succeeded. I am not even talking about separatism or independence. Look at Croatia. Last year everybody said it was impossible to recognize Croatia. The US at first said they would never recognize it, but in the end they did, because Croatia had the will and wisdom to present its case in a good way.

Omar Shaikhmous:

As Mr. Jafar mentioned foodstuff is spoiled due to lack of storage. In the traditional Kurdish villages you find very effective systems of storage, in the cellars and underground. Does this type of house not exist anymore or are the villages so destroyed that there is no more traditional storage room?

My second question is to Mr. Hafeed. We are all talking about a possible catastrophe this winter due to a lack of fuel oil. According to the international press and the international voluntary organisations in Kurdistan, and it was said here too, there is a big traffic of trucks from Turkey to Kurdistan. These trucks take in foodstuffs and take out oil, whether fuel oil or petrol. The customs toll from these transports to Kurdistan are something like two million dollars per month, according to international press reports. One of the solutions for this problems is in fact a two-edged sword. These trucks are taking fuel oil and petrol to Turkey and sell it at prices five times higher. If you harass them or confiscate their freights they will stop the traffic, and you will loose your foodstuff and your customs tolls. Is there any possibility of having a dialogue with them to try to make an agreement? I understand the majority are Kurds from Turkey.

Saleh Hafeed:

The government is in fact trying to reach an agreement with the truck drivers at present.

Majeed Jafar:

The storage problem is a consequence of the destruction of the villages. The Iraqi government mined the houses and filled everything with concrete, so the traditional storage facilities do not exist anymore. When new houses are built, it is done from the ground up, with no cellars or places to store.

Shalaw Ali Askeri:

I want to make two corrections. One: there is already a bank in Kurdistan and it is working now. Second, the storage problem is my job. But there is no food to store. How can you think about storage when you have nothing to put into it?

M. Rasoul:

Does the Kurdish assembly know the international banking organizations, the central banks in London and elsewhere? Did they request loans? And have you asked the governments to give credits to companies like Shell to initiate projects in Kurdistan? Did you really contact the governments in question to accept the legitimacy of your organisations, based on your being elected by the suffrage of the Kurdish people? Have you told them that it is not your own choice that Saddam Hussein is isolating you as a group?

Jamal Fuad:

I am speaking for myself now. Does the Iraqi government consider Kurdistan part of Iraq? For the past year, it has violated all obligations, it has stopped all economic movement between Baghdad and the Kurdish areas. It has blocked the movement of oil, food and medicine. Even of the humanitarian aid sent to us by the United Nations and going through Iraq, we only get a fraction. Under these circumstances we have formed a de facto government which controls the area. The international community should recognize this fact. Iraq is not only maintaining a blockade against us, it has done everything to destroy us. It has killed our people and destroyed our agriculture. What choice do we have under these circumstances? For twenty years we have been pushed back and now they even take our oil to destroy our country. Under these circumstances we strongly request that the international community recognize this infant government which is now developing itself and enable it to do its work for the people. We could ask for a UN mandate over the region.

Hussein Sewdin:

There is now a television system in Kurdistan. The film which we make about this conference will be shown on that system. In the last few years various documentary films and photographs have been made about the terrible things that happened in Kurdistan. We can use them to inform the European public. So, I would like to ask for more attention for this important work.

Saleh Hafeed:

The council of ministers has sent a memorandum to the United Nations explaining the socioeconomic conditions in Iraqi Kurdistan. At the end of this month, a delegation from the Kurdish parliament and government will go to Europe to talk about the same issue.

As for the TV, as you know the mass media in Kurdistan belong to the parties. The government does not have any television system, but it is now trying to establish it. At the same time, a private TV establishment is being set up.

III. Practical Perspectives

The Reconstruction of Iraqi Kurdistan: Planning and Implementation Project ('PIP')

Mamoon Brefkani, minister of Reconstruction and Development

1. Introduction

Our purpose in attending the conference is to create a platform for the provision of financial and technical assistance for the reconstruction and development of Kurdistan by:

- Increasing understanding of the problems.
- Explaining the government's objectives.
- Examining the structure required for tackling the problems.
- Analyzing how the problems can be solved.
- Establishing priorities.
- Fostering existing relationships and forming new ones.

You must always understand four crucial points:

- The region is almost totally based on agriculture.
- It is potentially rich in food, water and natural resources.
- A large percentage of the population is still displaced, without the means to support itself.
- The social and economic structure is so badly damaged that it cannot be rebuilt without substantial outside help.

Before addressing the main topics of the conference, we must acknowledge that the region is still heavily dependent on emergency humanitarian aid. A major crisis is looming this winter:

- Fuel, food and medicine are desperately short.
- This is the result of the blockade by Baghdad and the closing of the Turkish border.
- Many people will die, or migrate to the South at risk to their liberty or life.
- The landscape will be stripped bare of trees, the land permanently impoverished and the economy further weakened.

Emergency aid is required now, before it is too late and expensive. Remember many of the rural communities begin to be cut off by the weather by the end of October. We will give you details of what is required.

2. Background Information

Some background information may help to put the problems in context:

- The population is estimated at around 4 million.
- The agricultural area is around 4 million donums.
- Around 1 million people can be categorized as displaced and living in the cities or collective towns unproductively and without means of support.
- The infrastructure has been ruined or is dependent on Baghdad.
- The industrial base is insignificant and what there is has been destroyed or is useless as a result of the blockades.

3. Formation of a Government

The first step has been to elect an assembly and to form a government:

- Democratic elections were held in May.
- Inauguration of the Assembly and appointment of a Council of ministers in June.
- But most ministries have to start from scratch, without an effective staff, resources or information.
- We are gradually taking over control from the parties and the Front but it must happen gradually to avoid paralysis and even anarchy.
- We will do our best, but are just beginning, we need support, patience and understanding from you and our people.

4. The State of the Economy

Our economy has been shattered:

- Every day our wealth grows smaller.
- Our government and people have very limited sources of revenue.
- The Iraqi currency is debased, not freely exchangeable and inflation is endemic.
- Money and capital goods flow out to finance our existence.
- Our only creative export potential is food, but we need to keep it for our own survival.

We desperately need assistance with reconstruction and development to return us from the refugee camp to a self-sufficient society.

5. Political difficulties

We need international pressure to resolve our political difficulties:

- The Iraqi blockade: stops essential supplies of fuel, food and medicine.
- The UN embargo: affects assistance from abroad and the availability of essential supplies and commodities.
- The Turkish problem: affects essential supplies and revenues.
- Sovereignty issues: dealing with Baghdad is useless.

All these problems have to be resolved, but we will not do nothing while they are unresolved.

6. The Problems

So what are the specific problems?

Essential goods and materials are not available; they require hard currency and are expensive:

- Timber and metal for building.
- Seeds, fertilizers, fungicides, poultry, livestock, beasts of burden and vaccins.
- Agricultural and industrial machinery and spare parts.
- Medical supplies and equipment.
- Educational materials.

Social disruption has thrown our society and economy into confusion:

- The villages were destroyed in the Anfal and land was made useless by mines during the Iran war.
- Possessions were stolen after the uprising capital goods and livestock.
- Baghdad tried to create an urban dependent population which has been swollen by the return of refugees.
- The three main cities, Arbil, Sulaimaniya and Duhok now hold perhaps double their former population.
- The towns have neither the infrastructure nor the economy to support these people.
- Many of the well-educated have gone to Europe or USA brain drain.

Destruction of the infrastructure:

- Telecommunications are routed through Baghdad.
- There are no internal or external communications.
- Roads have been neglected over many years particularly strategic Barzan and Qandil.
- 3 main bridges were destroyed by war and weather.
- Electricity to towns is overloaded and unavailable in most villages.
- Water supply is plentiful but delivery inadequate.
- Few basic services schools and clinics are available in the villages.

7. The Government's Objectives

The government is realistic and is concentrating on short-term objectives:

- Gradually to rebuild and develop, first to avert crisis and achieve subsistence, then self-sufficiency and finally prosperity - step by step.
- To restore the villages the key to self-sufficiency.
- To rebuild the infrastructure to the basic standard required to allow effective administration and to foster commercial activity.
- To provide basic minimum services, particularly making them accessible to villages.
- Foster existing strategic industries, introduce new strategic industries and recreate traditional industries.
- Make the best use of internally available resources.

8. Providing a Structure for Reconstruction and Development

The development of a proper framework is essential both to be effective and to attract assistance:

- Economic planning is being developed by the ministry for the Economy and Finance.
- Coordination and planning of projects by the ministry for Reconstruction and Development
- Procedures are being developed to ensure that projects are properly planned, given priorities and integrated.
- Procedures are also being developed to ensure effective implementation, accounting and reporting.
- Security must be provided for visitors and strategic sites.

9. Priorities

Ensuring that proper priorities are established is essential for ensuring that the program is effective and resources are maximized:

- Restoring telecommunications at a very basic level, both internally and externally, is the top priority and a discrete project.
- Ensuring the availability of fuel and other essential commodities, particularly allocating resources for purchasing them when they are less scarce, providing storage facilities.
- Materials for essential repairs to roads, bridges and dams.
- Investigating cheap solutions to electricity and water supply problems.
- Providing parts, materials for strategic industries construction materials, asphalt, aggregates and food processing.
- Obtaining building materials which are not available, or developing substitutes.
- Reclaiming land lost to land mines.
- Providing structured solutions for the rehabilitation of villages; providing shelters, the
 means of producing small surpluses, breeding animals, beasts of burden, bees, communal machinery, wells and pumps and medical and educational support services effectively to a smaller number of villages rather than inadequately to a larger number.
- Purchasing agricultural machinery, seeds, fertilizers, fungicides etc. and feed for largescale agricultural production and factory farming.
- Creating breeding and artificial insemination program for animals and poultry.
- Introducing small-scale, non-capital intensive low technology industrial production to villages and towns to exploit resources available in the region, such as sunflower oil.
- Encouraging substitutes for costly imported materials, such as crop rotation as a substitute for fertilizers.
- Investigating the best methods for delivering and structuring assistance such as cooperatives and assistance schemes which require payment in kind at a later date.
- Feasibility studies for developing our natural resources cheaply and, at first, on a small scale particularly to meet our domestic needs.

10. Tackling the Priorities

How can the priorities be tackled?

- Only by tackling them on a broad scale, gradually with comprehensive packages of aid.
- This must come from the UN, EEC, and groups of governments grants and technical assistance for project research and implementation.
- And supplemented by the NGOs working under the coordination of the Kurdish government.
- The political situation is too risky to expect commercial investment, except perhaps small pilot projects.

We cannot do it alone, even with the assistance of NGOs.

You can help us by telling us what we need to do to get assistance from you for reconstructing and developing our region.

Report on Industry and Energy

Mohammed Amin Mawlood, minister of Industry and Energy of Kurdistan region of Iraq.

Dear Sirs.

It gives me pleasure to convey to you the greetings of the Parliament and the Cabinet of Kurdistan region of Iraq. It also honours me to extend warm greetings to you on behalf of all the industrialists of Kurdistan, wishing to our conference every success to achieve its basic task for the reconstruction of Kurdistan region, boosting its economy, and assisting its people to ensure their fundamental needs and to live in peace under the ceiling of democracy for which they have struggled for decades, making thousands of sacrifices for its realization and building it on genuine foundations.

Gentlemen - the growing, developing and maintaining of democracy needs suitable atmosphere and the exertion of tremendous efforts. We must all cooperate to achieve success in this young democratic experiment in the Kurdistan region of Iraq, which we hope will extend to all other parts of Iraq. The availability of such an atmosphere depends on your cooperation and assistance in all fields especially economy and security. Without suitable economical circumstances and security we cannot maintain democracy or develop it.

It is my pleasure to give you a brief summary of the tasks of the ministry of Industry and Energy of the Kurdistan region of Iraq covering two basic areas, Industry and Minerals, and Energy. This ministry supervises all the industrial sectors (Heavy and Light Industries). Its main policy is to encourage industries in the public, mixed and private sectors equally. Some of our industries depend on local raw material, while others depend on imported raw materials. Almost all machinery, equipment, instruments and spare parts are imported form other countries.

Firstly: Industry

Industry plays an active role in the economy of Kurdistan. On the one hand, it is considered as a source of livelihood for hundreds of thousands of people, and on the other hand, it ensures most of the basic needs for the population. But, unfortunately, most of these factories have stopped functioning at present (in particular the private sector factories) for the following reasons:

- 1. The unavailability of fuel as a result of the embargo imposed on the region of Kurdistan by the Iraqi regime.
- 2. The inability to secure the required spare parts for these factories as well as the difficulty of obtaining the required raw materials for some of them because of the deterioration of the economic conditions and unavailability of sufficient hard currency on the one side, and the embargo on the other.
- 3. Some of these factories were destroyed especially during the Gulf War or the Iraqi-Iranian war or during the mass emigration of the Kurdish people.

Consequently, the destruction of these factories led to the disappearance of their products in the markets or their shortage, which in turn resulted in drastic price rises. It also caused serious unemployment among the Kurdish people which resulted in crime and instability. All these threaten the democratic gains which we have achieved as well as the lives of citizens and their freedom.

Furthermore, the reconstruction of Kurdistan depends basically on the products of some of these factories, particularly, cement and other construction materials.

I would like to point out here that our government is exerting every effort to repair and operate these factories. But I assure you that the technical and economic hindrances, are preventing us from realizing this wish, due to the unsuitable material and technical circumstances suffered by Kurdistan.

This situation forces us to ask you, dear friends, to offer material and technical assistance to our Kurdish people to enable us to repair and operate our factories and make them stand on their feet again. Thus, you will participate actively in the reconstruction of Kurdistan, otherwise, the presently few operating factories will also have to stop.

Secondly: Fuel and Energy

Oil products are essential fuel for individuals and factories. The Iraqi government has imposed an oil embargo on us. The main oil products are: kerosene, petrol, gas-oil, natural gas, all kinds of lubricants in addition to black kerosene, which is considered as a basic material for running most of the factories. This phenomenon lead to the following negative results:

- 1. As you are well aware the winter season is approaching, preventing the delivery of fuel which will lead to the demise of tens of thousands of people as a result of their exposure to chilling cold without heating. In addition to this, those people will be unable to cook their food since the only means of heating and cooking are appliances operated by fuel.
- 2. The unavailability of fuel has driven the people to use electric power instead of fuel, leading to increased pressure on the power stations. Therefore, we expect those stations and to stop operations shortly. The severance of the electric current form most districts will ultimately lead to a horrible catastrophe.
- 3. The unavailability of fuel has driven the people to cut down the trees and spoil the environment of Kurdistan. We assure you that without fuel people will cut down the trees which yield fruits also.
- 4. A drastic increase in the price of transportation costs as a consequence of the high prices of these fuels, is one of the basic factors raising the prices of essential goods.
- 5. The services departments such as the municipalities cannot do their work properly, since the unavailability of fuels will make it impossible to use transportation and other equipment. This in turn leads to the accumulation of dirt and waste in the streets and alleys, which causes the spread of various diseases.

- 6. The water projects depend on fuel, and the unavailability of the latter will certainly lead to the stoppage of water pumping stations.
- 7. The hospitals have stopped offering hygienic services to the citizens, even the surgical operating theatres cannot be used properly because of the lack of air-conditioning systems.

Such negative practices and many others urge us to ask you to approach the United Nations to intervene as soon as possible and to use pressure on the Iraqi regime to deliver fuel to Kurdistan as before, prior to the embargo which was imposed on Kurdistan. We are presenting herewith a simple statistic on the subject. This statistic shows the quantities of oil products which were delivered to us before and after the embargo. Delivery of these oil products have now been completely stopped.

In our opinion this is the best way to solve this desperate problems which threaten the people of Kurdistan. And until this problem is solved, we should like to suggest to try to ensure sufficient supplies of fuel from neighbouring countries or the Gulf - to satisfy our needs - otherwise, a fatal disaster is awaiting the people of Kurdistan. We also propose, to provide us with a number of experts in various spheres of oil (exploration - excavation - extraction - refining etc.). This latter solution requires some time. Therefore, we reiterate our request on applying the first solution, that is to use pressure on the Iraqi regime to supply us with fuels urgently.

As for electricity, I would like to state that most of the electricity-generating stations and distribution system suffer a drastic shortage of materials and equipment (such as generators, transformers, electric wires, poles, instruments, and various spare parts). We are expecting you and other humanitarian organisations to take this into consideration when offering assistance to us. We have detailed lists of our requirements. If nothing is done we expect electric supplies to be subject to the risks of severance.

In conclusion, I would like to present some of our proposals, which in our opinion, are realistic for the reconstruction of Kurdistan and tackling the industrial problems faced by our ministry (the ministry of Industry and Energy).

- As for oil products and fuels, to use pressure on the Iraqi regime, as stated before, to deliver fuels to the Kurdistan region of Iraq, at the levels obtaining before the embargo was imposed on us.
- 2. To encourage states and organisations to offer essential assistance to factories in Kurdistan in order to re-open them as a matter of urgency, especially the manufacturing of construction materials and cement which are primary factors for the reconstruction of Kurdistan.
- To exclude the region of Kurdistan from the embargo imposed on Iraq by the United Nations, to enable it to secure machinery, equipment, apparatus, raw materials and spare parts for its factories.
- 4. To try to use part of the monetary deposits of Iraq held abroad for the reconstruction of Kurdistan the re-opening of factories or the establishing of urgent new projects.

5. To encourage government and private investment for setting up industrial projects which yield profits, whose raw materials are available locally in Kurdistan such as: vegetable oil from sunflower seeds and cotton seeds which are produced on a large scale. Also the leather and tanning factories, tomato-sauce factories, detergents and soap factories.

We would like to inform you, that our government as well as domestic investors are ready to participate in such projects with help of foreign capital to establish mixed projects.

- To give credits to the government for setting up these projects, to be repaid in the future in instalments.
- 7. To offer assistance for the reconstruction of Kurdistan and the re-opening of devastated factories financing such costs form the indemnities imposed on Iraq.
- 8. The establishment of small manual industries which require little cost an many employees, such as the carpet industry, to utilize the pool of unemployed workers presently existing in Kurdistan, especially in the rural areas which have suffered devastation and sabotage.
- To provide technical groups with the equipment required to carry out a complete survey of Iraqi Kurdistan, identifying available raw materials and minerals which could be used economically.
- 10. To encourage companies with industrial projects in Kurdistan, to render their assistance for restarting these projects, whether by means of assistance or through sums of money to be agreed upon, which could be settled as soon as possible once the factories became productive.

Finally we would like to reiterate our profound thanks for your sincere endeavours and your assistance in the reconstruction of the region of Kurdistan in Iraq.



Statistical report
On delivered quantities of oil products to the governorate of Arbil during the period from 1989 to 1992

Name of Product	1989	1990	1991	1992			
Black kerosene	unlimited	unlimited	unlimited	zero			
Different lubricants	•	n	•	8.			
White kerosene	89427520	55596000	55139000	6192000			
Gas oil	113584000	46422000	33485000	5119500			
Petrol	15 9948960	83000000	73417500	9017500			
Liquid gas	At the beginning of the embargo on Kurdistan delivery of this commodity stopped, and the supply to Kurdistan was carried out by agents directly in Mossul and the delivered quantity is estimated at 12% - 13% of the usual quantity which was delivered to Kurdistan each month before the embargo was imposed on Kurdistan region. Now, the delivered quantity for all kinds of oil products to Kurdistan is ZERO.						

^{*} The above quantities are in litres

Oil, Water, and Energy

Mustafa al-Jaff, UN official

Ladies and gentlemen,

I would like to thank the secretariate of the Netherlands Kurdistan Society and the International Dialogues Foundation for inviting me to this conference which deals with the very complex issue that is the reconstruction of Iraqi Kurdistan. I call it complex and difficult because in over twenty years of experience with a UN development organization working in the Third World, I consider the prerequisite for any development to have at least two factors. One is security and peace and the second factor is capital.

Ladies and gentlemen, Iraqi Kurdistan has neither of them. So what are we talking about here? Do we have petrol? The whole world knows that we have petrol. Or maybe our misfortune is because of this. Unlike most other countries, Iraqi Kurdistan has been bestowed with abundant water supply for irrigation purposes. It only needs proper irrigation management. As for energy, there are two hydro-electric power stations which not only can feed the whole of Kurdistan but are already supplying Baghdad and other areas.

The last two decades have witnessed a series of rapid and fundamental transformations within Iraqi economy and society. However, the social and economic policies pursued by the Baath regime since 1968 have consistently and continually acted to destroy and undermine the economy of the Kurdistan region.

One part of the Iraqi regime's long-term strategy against the Kurds was the flooding of some of the best agricultural land in Kurdistan. Through the construction of the Dokan and Derbendi Khan dams, hundreds of villages were inundated and thousands of people were displaced. Then the Baath regime started the Bekma dam project to flood the valley of the Great Zab river in the Zagros mountains. The resulting lake, with a water level of 2,500 feet, would submerge thousands of square kilometers of Kurdistan's most fertile land, permanently denying the land to the Kurds. Fortunately, during the uprising, the site of the dam, which was still under construction, fell under control of the peshmergas, who set about destroying much of the equipment.

The present urgent crisis in the life of the Iraqi Kurds accentuated by the long-term general destruction inflicted by the central government policy has resulted in appalling conditions in the Kurdish part of the country which may be outlined in general terms as follows:

Infrastructure:

Transport is widely disrupted due to damaged roads and bridges, limited numbers of means of transport and scarcity of fuel and spare parts. The housing situation is at its worst, due to continuous neglect of the Kurdish areas, and to the mass destruction of villages as well as large parts of main towns like Halabja, Qala Diza, Raniya, Penjwin, etc. Clean and potable water is scarce in the rural areas. The water purification plants and distribution in the urban centers are only partially functioning, due to lack of spare parts and fuel. Electrical power generation and distribution in the rural areas and some major urban areas are either nonexistent or very limited, due to the destruction of the power stations and the transmission lines. Telephone communication has broken down totally.

Industry:

In spite of the large oil revenues which were pumped out of Kurdistan, a severely limited number of industrial facilities were established. The limited number of existing industries are local and agricultural in kind. A sugar factory and a tobacco processing plant were erected in Sulaimaniya. Both plants are not operational at present, due to lack of raw materials, fuel, spare parts and maintenance.

Oil:

The oil industry is under the control of the central government and does not contribute to the welfare and development of the Kurdish region. Ironically, the two main Kurdish cities still under Iraqi army control, Kirkuk and Khanaqin, are both oil-connected. Kirkuk is the center of Northern Iraq's oil industry, and Khanaqin is the site of a refinery. The Kurds have physical control of Iraq's oil outlet to Turkey. Up to now, Iraq has been reluctant to implement the UN Security Council resolutions 688, 706, and 712 concerning the limited export of up to US \$ 1.6 billion worth of Iraqi crude oil is now at the heart of the Kurdish question.

There are several interconnected issues:

- Iraq's ability and willingness, to resume limited oil exports in accordance with UN resolution 706.
- The determination of the Kurds to allow all the displaced persons to return to their homes in and around the city of Kirkuk.
- The economic blockade being mounted by Baghdad against the Kurdish-controlled area, which has drastically reduced the flow of gasoline, diesel, and heating oil.
- The unofficial traffic in diesel and gasoline between Iraq and Turkey, carried by Turkish trucks.
- The continuing supply of electricity from power stations in Kurdish-controlled regions to areas of Iraq controlled by the Baghdad regime.

For assessing any possible impact the Kurdish question may have on international oil affairs, several other factors need to be borne in mind. The Kurds are, in fact, now running their own free state in Northern Iraq after the elections of the parliament and the formation of the cabinet, in effect a government. This has resulted in the proper establishment of the administrative structure and apparatus for planning and executing of projects.

Therefore international community and European countries in particular should first recognize the Kurdish parliament and the Council of ministers as the sole and legitimate representatives of the Iraqi Kurdistan people. Second: Urgent technical assistance should be given to the various ministries particularly in project formulation and evaluations.

Given Iraq's reluctance to conclude an oil sales agreement on the terms of UN resolution 706, the current allied security zone in Kurdistan should be expanded to the 34th parallel which includes the Kirkuk oil fields.

It is a well-known fact that the regime in Baghdad has constantly applied an oppressive policy against the Kurds, destroying their way of life and their traditional social and cultural heritage. The mass deportations of the civilians from their natural habitat and the destruction of their villages resulted in virtual depletion of the livelihood of the people which is based mainly on agriculture and dependent industries.

Systematic destruction of extensive Kurdish farm land and the exclusion of the Kurds from the petroleum industries caused severe hardships and further lowering of the living standards. The traditional Kurdish way of life as well as their social and cultural institutions were decimated and mutilated as a result of the dislocation in the countryside and the oppressive measures and political corruption in towns and countryside alike.

Against this painful background and as a result of the tragic circumstances surrounding the Kurdish problem, awareness increased all over the world. The honest desire of the people and governments of the leading nations offers the Kurds, for the first time in their history, a great and singular opportunity to rebuild their lives in peace and to exploit the natural resources of their rich land for the common good and for the stability and peace in the region.

We have to be realistic about the fact that the prevailing political uncertainty in Iraq generally and in Kurdistan in particular poses major difficulties for relief work, let alone any reconstruction and rebuilding programs. The recent parliamentary elections and the formation of the cabinet, however, have resulted in the establishment of the administrative structures that are necessary for programming and execution of projects. Two things are essential here. First, the international community should recognize the Kurdish parliament and the administrative structure as the sole legitimate representative of the Iraqi Kurdistan people. Second, urgent technical assistance is required from the EEC countries and the USA for training civil servants in project evaluation and implementation.

Regarding oil, water, and energy, it is a well-known fact that very important oil deposits are found and exploited in Mossul, Kirkuk, and Khanaqin, but ironically all these centers are controlled by the Baghdad regime. Returning to oil, the two main developed oil deposits in Kurdistan are found and developed in Khanaqin and Kirkuk but by accident, maybe, both these two centers lie outside the 36th parallel. As mentioned earlier, the international community should expand the security zone to the 34th parallel, which covers all three centers. The Kirkuk field alone reached a maximum of 1.5 million barrels a day prior to the Gulf War. The Iraqi regime has turned down the UN resolution for the resumption of limited export of oil. Several sensitive economic and political reasons lie behind the Iraqi regime's refusal. There is no agreement yet between the Iraqi and Turkish authorities over the transit fee that Baghdad should pay Turkey. Moreover, export via the northern route would entail an agreement with the Kurdish government, which has gained exclusive political and security control over the Kurdistan region of Iraq since the end of the Gulf War. It is recommended that, because of these circumstances, pressure could be built up to obtain a specific allocation from the profits of the oil sales for the newly established Kurdish government.

There are other known and established deposits in Koysanjaq, Taqtaq, Makhmour and Khormal. Maybe there are more, but the above locations are established by oil expert sources. They are all under control of the government of Kurdistan. Therefore, first, it is essential that the Kurdish authorities should seek assistance from Turkey and the European Community in order to call for open bids to compete for exploration and development of these deposits and to call on them to protect them from Saddam's rockets.

One last word on the issue of oil in Kurdistan. It is worth mentioning, as I have talked about the Kirkuk oil fields and the pipelines. According to recent confidential reports, during the Gulf War the allied bombers targeted three main constellations in the North of Iraq. The first was K3, the pump station which is the center of Iraq's oil distribution network. A full 85 percent of the facilities was destroyed.

A second major target was pump station IT2 near Mossul on the 1.5 million barrels per day Turkish export line. The third target was one of the two large sulphur-removing plants at Kirkuk. Repairs on K3 were given early attention after the war, so that crude flows could be distributed to domestic refineries at Beiji and Dora. Getting facilities back on stream was also crucial to supplying Jordan's crude oil requirements, which had been cut off by Saudi Arabia. Contrary to previous reports, the pipe lines of IT2 pump station have not been restored, due to the lack of spare parts. Therefore, there is not much hope for the Kurdish authorities for reopening that pipe line.

Unlike the rest of the Arab countries, Iraqi Kurdistan has been bestowed with abundant water supplies and energy derived from the water dams of Derbendi Khan and Dokan. With proper management, the Tigris and Euphrates rivers and their tributaries which are causing friction between Turkey, Iraq, and Syria, could be utilized in Kurdistan to their last drop.

Despite the winter hardships of Kurdistan, use of solar energy for domestic use could be looked into as there is plenty of sunshine also.

One final warning to the Kurdish leadership: its unlike the protective zone in the south where the Iraqi regime was very adamant and furious, offensive in Kurdistan is cautious and gradual; incremental attrition rather than open assault. And is more economic, political and psychological than it is military. You all know what I mean. The regime's purpose clearly is to break the people's will. It has not accomplished that yet. Mainly because the past experience and sacrifices have been too heroic and unsurpassable. But I am afraid this method is starting to work. Unless a viable and effective solution is found, I am pessimistic about the future solidarity of the population in confronting this situation. I do not expect the remedy will come only from the results of the conference but part of the homework has to be done at home. Corruption and favouritism should stop. Public properties should be protected by all means. Total unity and assimilation of all political parties should be our immediate goal. Otherwise the next generation will make us all accountable for this lost opportunity.

The institutions of higher learning in Iraqi Kurdistan

(Abbreviated)

Dr. Khusrow Shali, Rector, Salahuddin University, Arbil

The institutions of higher learning are concerned with education after the secondary stage, including higher studies (Masters and Ph.D.), in addition to a variety of other concerns such as scientific research, the service of society, continuing adult education, technology transfer, scientific conferences and other social and cultural activities.

The institutions of higher learning existing at present in the governorates of Arbil, Sulaimaniya and Duhok are the University of Salahuddin and a Technical Institute in Arbil, a Technical Institute in Sulaimaniya, and a Technical Institute in Duhok. These four institutions used to represent a part of the institutions of higher learning in Iraq (ten universities and thirty-three institutes run by the ministry of Higher Education and Scientific Research in Baghdad, in addition to a number of other state and private colleges and universities) before the recent developments in the autonomous region of Kurdistan. Therefore, in the past the issues of absorbing capacity and availability of colleges and scientific departments for the various specializations did not present a problem for the three governorates, as the distribution of students upon acceptance in the Iraqi universities and institutes was centrally settled. The student was able to obtain a seat in one of the other universities and institutes in the country in case no seat was available in those four institutions, due to either absorbing capacity or availability of the required specialization. The neglect of the ministry and its cutting off of all material support, including the regular budget, from the beginning of 1992, has burdened these four institutions with great responsibilities toward the youth who are about to complete their secondary education and want to pursue their desired field of study according to their qualification in the university or institute.

In order to face these responsibilities, these four institutions must reconsider the following three interconnected points:

- 1. Their absorbing capacity.
- 2. The provision and completion of the specializations needed by society.
- The provision and completion of other activities, such as scientific research, service of society, continuing adult education, etc.

1. Absorbing capacity:

The principal factor that sets the absorbing capacity needed for the institutions of higher learning in the region is the annual number of secondary school graduates who want to pursue their university or institute education. The statistics of the Education Offices in the three governorates point to the fact that this number is around six to seven thousand students annually, and consequently, the absorbing capacity of the institutions of higher learning ought to be around twenty-four thousand seats, given that a university study takes four academic years (excepting Medical College, which takes six years, and the colleges of Pharmacy and Dentistry which take five years), and three academic years (two calendar years) in the institutes. When considering absorbing capacity as divided evenly between the university and the institutes (which is an acceptable percentage at the present time), we reach the conclusion that the absorbing capacity of the university must be around 12 thousand seats, and that of the institutes must be also around 12 thousand seats.

The present absorbing capacity of Salahuddin University is 1,950, and of the institutes 1,370 in all. This makes for a total absorbing capacity of only 3,320 seats for the 4 institutions as previously planned for 1992-1993. This points clearly to the necessity of raising this absorbing capacity, in a gradual fashion, during the four coming years, 1992-1995, in order to reach the required level. The ways and means of raising the absorbing capacity of the institutions of higher learning are many, but those most suited to the present time are the following:

- 1.1 The addition of new buildings (lecture halls and laboratories) to the existing departments and colleges.
- 1.2 The opening of new colleges in fields of specialization not available at present, such as Dentistry, Pharmacy, Veterinary Medicine, Agriculture and Religious Studies, thus making the college-based structure of the university complete and comprehensive. Also, the opening of other institutes not available at the present time, like a Technical Agricultural Institute, an Applied Arts Institute, a Communications Institute and a Fine Arts Institute.
- 1.3 The extensions of the colleges existing at present in the University of Salahuddin in Arbil in the form of new colleges in the other governorates, that may be linked administratively to Salahuddin University at this stage, and may also become nuclei for the formation of new universities in the governorates of Sulaimaniya and Duhok [note: meanwhile, several colleges have been opened in these cities (eds.)].
- 1.4 The opening of another university either in Sulaimaniya or Duhok.
- 1.5 Running the standard courses of any college, or department, whenever possible, twice a day, i.e. for two groups of students in the same buildings and the same available facilities. One group from 8.30 a.m. to 1.30 p.m. and the other group from 2.30 p.m. to 7.30 p.m., thus doubling the absorbing capacity of that College or Department.
- 2. The provision and completion of the specializations needed by society:

The dependence of the three governorates on the institutes of higher education in Kurdistan undoubtedly makes the opening of new colleges and new institutes and new departments in the existing colleges and institutes, in the fields of specialization that are not available at present, an absolute necessity. At the college level, the following colleges of higher education are not available at the present time: Dentistry, Pharmacy, Veterinary Medicine, Agriculture, Fine Arts, Political Sciences, Languages, Religious Studies.

At the institute level, the following institutes are needed in addition to the existing institutes: Agricultural Institutes, Technical Institutes specialized in Applied Arts, Petroleum Institutes, Microwave and Telecommunication Institutes, Computer and Electronics Institutes.

Finally, the departments that are not currently available at the colleges and the institutes are as follows:

- a. College of Engineering: departments of Architecture, Mining, Engineering, Petroleum Engineering, Chemical Engineering, Advanced Technologies, and Computers;
- b. College of Education: departments of Kurdish, English, History and Geography;
- c. College of Science: departments of Electronic computer, and computer science.

- d. College of Arts: departments of French, Oriental languages, Archaeology, Philosophy; Libraries, Translation and Media Information.
- e. College of Administration and Economics: departments of Hotel Management and Tourism and Secretary Training.
- f. The Technical Institutes: departments of Pharmacy, Radiology, Dental Industry, Road Building Technology. Irrigation and Water Projects, Company Management, Banking and Computer Systems, etc.

3. The provision and completion of other activities:

In addition to the role of the university and the institutes in teaching at both levels, first degree as well as higher degree courses (there are no higher degrees in the institutes), the other important role of these institutions is to keep up with the course of scientific and technological advance, to contribute to it and to apply its results in the process of the growth of society through scientific research, social service, continuing adult education, technology transfer, scientific conferences and many other social and cultural activities. Activating this role and raising it to the level required needs several things, the most important of which are the following:

- 3.1 Founding Research Centers in the fields of specializations necessary for the service of society and in the light of the environmental, natural and economic conditions. In our estimation, the area needs research centers that study the following fields: Agriculture, Forestry and Tobacco, Mining and Mineral Wealth, Petroleum, Environment, Dams and Hydropower, etc.
- 3.2 Establishing mutual cultural relations with a number of other universities, institutes and research centers in various parts of the world (the Arab countries, the neighbouring countries, developing countries, Europe and America).
- 3.3 Activating the publication of scientific research, textbooks, translations and other publications and developing the University Press.
- 3.4 Supporting the central library and the branch libraries through its active subscription in the international scientific periodicals and magazines and through supplying it with advanced technology, especially through linking it with the International Information Bank via satellite.
- 3.5 Supporting the computer center and its tributaries (terminals).

The future outlook

Correct planning for the future of higher education in Kurdistan requires drawing up three plans: the immediate plan, the short-term plan which ends by the end of 1995 and the long-term plan.

The immediate and the short-term plan:

The University of Salahuddin and three institutes used to suffer greatly from shortage of essential facilities like buildings, spaces, laboratory equipments, machinery and service tools, in addition to a great shortage of qualified teaching staff, technicians and the regular budget before the Kuwait war.

What happened after that war and after the popular uprising that followed it in all of Iraq, and especially, in Kurdistan, was the total neglect by the Ministry of Higher Education and Scientific Research, from the beginning of 1992, of these four institutions, which made the shortage of these facilities bigger and more complex.

Consequently, the immediate and the short-term plan must deal, first of all, with the issue of these shortages by guaranteeing the facilities that enable these four institutions to return to their normal condition and accept numbers of students in accordance to their regular plan and on the basis of those previous absorbing capacity, as well as guaranteeing other necessary facilities for rising their absorbing capacity so that they can take the additional 1750 students form the graduates of the secondary schools of the three governorates in the next academic year, 1992-1993. And this aspect of the issue must be dealt with in the immediate plan, the details of which become interconnected with the short-term plan, i.e. up to the year 1995:

- The guarantee of 1750 seats additional to the existing absorbing capacity of the four institutions.
- 2. Completion of the shortcomings in buildings, other spaces, equipment, machinery and service tools for the university and the three institutes.
- 3. Teaching staff clarifies the need of the university for members of the teaching staff who hold the Ph.D. degree, or its equivalent, in the various specializations, and also of the three institutes for members of qualified teaching staff taking into consideration the fact that it is possible to arrange a time-table for those who are on loan to work in the university or in the institutes for periods of 45 months, that is the possibility of following the temporary or long-term loan system.

The preparation of this (immediate and short-term) plan takes into account that opening new colleges and departments, which demands building complex and expensive laboratories and workshops, is not feasible at present. These colleges and departments will be listed in the long-term plan.

Other Matters

Note on Salahuddin University:

The University of Sulaimaniya was founded in 1968. When in Sulaimaniya, it had attained a measure of success and progress since it could add to its buildings and labs, and establish contact with many universities throughout the world. With the transference of the University to Arbil, an unjustifiable and unreasonable move, it lost much of its equipment, furniture and laboratory apparatus and appliances. It was forced to use buildings not originally designed for university use but for primary, intermediate, nursing and comprehensive school buildings. The only fortunate college was the College of Engineering which took up the buildings intended for the Technical Institute of Arbil. The period following the transfer was not propitious either. The university was entirely ignored and disregarded, its budget provisions being too meager and insufficient to compensate for its losses because of the Iraq-Iran war, and the worsening conditions in the whole area, particularly in Kurdistan, in the wake of that war. There were no accommodations, in fact, no minimal requirements for living, in the dirty, overcrowded buildings, where unreasonable numbers of students were forced to live in very limited spaces.

This situation inevitably affected the students socially and psychologically, and reduced their academic performance and progress. Worse was to follow when even these accommodations were formally annulled later, leaving the students without homes in unforeseen, strained circumstances.

There is no denying that the Iraqi invasion of Kuwait and the events which followed in its wake also negatively affected the university which was already staggering. In the light of the preceding discussion, it is essential that the university receives due attention and is rescued as soon as possible from its plight.

Student grants and scholarships:

Due to the importance of the stability of the members of the teaching staff, it is imperative to obtain study seats for those members of the university who have been outstanding in their first-degree and masters studies, to pursue higher studies (for the Ph.D. degree or its equivalent) abroad, through study grants and scholarships.

Cultural relations with other universities:

Due to the tremendous importance of bilateral cultural relations with a number of Arab and foreign universities in the neighbouring countries and in Europe, America and Southeast Asia, we emphasize the necessity of concern for this particular area that should include above all:

- a. The exchange of scientific and technological experience.
- b. Joint scientific research.
- c. The mutual attendance of conferences and other scientific activities.
- d. The exchange of professors.
- e. The exchange of student delegations.
- f. The exchange of scientific and other publications.
- g. The granting of study seats.

We emphasize here, also, the necessity of the university's retaining its membership in the Union of Arab Universities and in the International Union of Universities and the payment of its annual subscription in both Unions.

IV. Workshops: Results and Recommendations

Agriculture

Chairman: Jamal Fuad Secretary: Mike Gould

This workshop was led by Mr. Jamal Fuad, who is an agronomist with special expertise in plant breeding and considerable experience in development economics with UN organisations and the World Bank. Also present were Mr. Salah Bakir from KARDO (the Kurdistan Agriculture Rehabilitation and Development Organisation) and Mr. Khasro Malek, who is a veterinarian and member of the Agriculture Committee of the Kurdish Parliament. NGOs working in Kurdistan were represented, including Save The Children UK and Children's Relief from Lower Saxony. Mrs. Mathilde van den Brink of the European Parliament took part in part of the discussion.

Mr. Fuad stressed the crucial importance of agriculture to Kurdistan, the systematic destruction of its basis by the Iraqi regime and described the main current problems, which are summarized in Appendix A 'The Agricultural Situation in Kurdistan.' The discussion recognized the need to work within current constraints, but stressed the urgency of working to remove these restraints. The main conclusions arising from the discussion were:

- 1. It is crucial to facilitate the passage of goods and personnel through Turkey.
- The embargo on agricultural inputs (especially on fuel) must be lifted. Fuel is a crucial constraint on agricultural development.
- Agriculture is impossibly dangerous in many areas. The removal of mines is therefore essential.
- 4. UN protection is vital if foreign NGOs are to stay in the area.
- 5. It is necessary to encourage villagers to return to their land and to assist them with tools and seeds.
- 6. The livestock sector must be re-established.
- 7. A range of projects was outlined by KARDO (for some of which documentation is available here).
- 8. KARDO wish to re-establish agro-industries such as milling, tobacco processing, cooking oil and tomato juice production.
- 9. Projects need to be presented in a more efficient and professional way to foreign NGOs and the EC Commission. Mr Fuad offered to provide KARDO with an outline proposal for use as a model for future project submissions.

- 10. KARDO were encouraged to visit the research center ICARDA in Aleppo, Syria, who have developed grain varieties that produce optimum yields in the local climate.
- Irrigated areas should be reserved for high-yielding crops like maize and potatoes and not used for crops like wheat.
- 12. The emphasis at the moment is on small-scale projects, realizable, with the best chance of directly helping the population.
- 13. Lack of fuel and spare parts present great problems, especially at harvest-time. This is a crucial bottleneck.
- 14. There is a need for increased storage space for produce.
- 15. There is an urgent need for local facilities to process and conserve grain, edible oils and vegetables.
- 16. KARDO say that security is being improved to prevent export of grain to the Iraqi regime, who offer high prices in an attempt to buy up the harvest and deprive Kurdistan of food in the winter.
- 17. Finally, attention was drawn to the damage to the environment through deforestation and erosion. The present lack of fuel causes continuing deforestation. There are proposals for long-term reafforestation projects, but immediately a supply of oil for heating is vital if this process is to be halted.

In conclusion, KARDO reported yields this year which represent an encouraging beginning, but Mr. Fuad stressed that the yields could easily be doubled by the adoption of better techniques and disease-resistant strains. Eventually there is a real potential for self-sufficiency and export.

Discussion

Saleh Mustafa Bakir:

We also need fuel for the cultivation season, starting in September, and not only for harvesting. Fertilizer is very important as well.

Mike Gould:

Is fertilizer a problem for the UN Sanctions Committee?

(?):

No, we already received shippings.

Dara Rashid:

The workshop has not touched the problem of proteins, which are vital for the population. We need proteins for the feeding of poultry farms, too.

Pieter Muller:

Would fish perhaps be a feasible source of protein, and would fishing (from the lakes and the rivers) be viable?

Appendix A

The agricultural situation in Kurdistan

Low yields; caused by lack of:

- production inputs
- fertilizer
- seeds
- pesticides
- storage
- marketing
- agricultural machinery
- irrigation facilities
- delivery of information

Extension system? Land tenure problems

What can be done:

Improve production through:

- import of elite seeds
- import of fertilizer
- import of pesticides
- credit facilities
- identify source of input needs
- contact with the International Agricultural Centers; ICARDA, ICRISAT, CIMMYT
- where irrigation is available, optimum use should be made of this vital resource

The Environment:

How much can we protect our natural resources?

- forestry protection
- range management
- water resources
- energy consumption by the rural people?
- soil erosion
- machinery selection

Industry, energy, water and oil

Chairman: Amin Mawlood and Mustafa al-Jaff

Secretary: Leo Cnossen

In this workshop speeches were made by Mr. Amin Mawlood, minister of Industry and Energy, and by Mr. Mustafa al-Jaff.

Mr. Mawlood gave an overview of the state of the industry and the energy sectors. He stated that the lack of fuel products, caused by the embargo, is an essential problem. People are switching to electric power now, which creates too much pressure on the power stations. It is expected that shortly they will break down, also because of the drastic shortage of spare parts and equipment.

Mr. Mustafa al-Jaff, also stressed the importance of the energy sector. He recommended that the Kurdish authorities should seek assistance from Turkey and from the European Community to revitalize the energy sector. It would therefore be most important that the international community should recognize the Kurdish parliament and the Council of Ministers as the sole and legitimate representation of the Iraqi Kurdistan people.

Mr. Aristotelis Gavriliadis, official of the European Commission, stressed the necessity to distinguish between help and international cooperation with Kurdistan. He thought it would be too early to expect any form of international cooperation that implies the recognition of Kurdistan. He admitted though, that the legal concepts in this field are changing. But for the near future assistance will have to go through help channels.

Speaking as an advisor to the Dutch minister for Development Cooperation, Mr. Michel van Hulten, asked for well-defined, realistic priorities. What the Dutch government can do is to facilitate activities in Kurdistan that help to revitalize the economy, for instance the reconstruction of the infrastructure. He also said that Iraq is not among the Dutch government's priority countries. Aid can only be channelled through NGOs, through special programmes, like for the energy sector, and through the World Food Programme, for instance.

Mr. Omar Shaikhmous (Qandil Project, Sweden) pleaded for closer cooperation with the UN Sanctions Commission to get essential goods like spare parts into Kurdistan. He had good experiences with this for Sweden. He also said that France, the United States and Great Britain are willing in principle to defreeze Iraqi assets held abroad and to use them for the reconstruction of Kurdistan and the south of Iraq.

Our workshop agreed with the discussed recommendations that Mr. Mawlood put forward in his speech:

- 1. To put pressure on the Iraqi regime to deliver fuel to Kurdistan.
- To offer essential assistance to factories in Kurdistan, to get them working again, especially
 the construction sector which is of key importance to primary factor in the reconstruction
 of Kurdistan.

- 3. To exclude Kurdistan from the UN embargo of Iraq.
- 4. To defreeze the assets of Iraq held abroad, and use them to reconstruct Kurdistan.
- 5. To encourage state and private investment in industrial projects, whose raw materials are available locally, such as vegetable oils, seeds, cotton, leather and so one. This could be done in the form of joint ventures between foreign capital and domestic investors.
- 6. To give credits to the government of Kurdistan, to be repaid in the future by instalment.
- To offer assistance to re-open devastated factories and include the costs in the indemnities imposed on Iraq.
- 8. To establish small, labour-intensive industries, which require little costs/investments.
- To provide teams that can carry out a complete survey of Kurdistan, identifying raw materials and minerals.

Finally, Mr. Fatch Hasan, made the recommendation to establish a multidisciplinary consultancy group, at local and international level, that would identify and formulate development projects.

Discussion

Majeed Jafar:

It is impossible and impractical to ask the UN Sanctions Committee for a blanket lifting of sanctions; it will only work for specific items.

Mustafa al-Jaff:

It was not my recommendation.

Heidrun Alm-Merk:

These recommendations seem like dreams. Only the idea of an international working group was informative and realistic.

Shalaw Ali Askeri:

We do not lose anything by asking for lifting the UN sanctions.

Michel van Hulten:

But can this group put forward such demands?

Omar Shaikhmous:

The purpose of conferences such as this one is not to reflect the wishes of the Kurds in Kurdistan, but to have a dialogue between Europeans and Kurds. We must be realistic and pragmatic, and should therefore accept Mr. Jafar's amendment.

Infrastructure

Chairman: Mamoon Brefkani Secretary: Per Allan Olsson



We have an almost endless list of infrastructural needs and problems in Iraqi Kurdistan. We don't have to repeat that list, but rather to look at what structures and what kind of machinery we think is needed in order to start combatting these problems.

Our workshop has been carried out more or less on schedule, Mamoon Brefkani who chaired our working group gave a briefing on the current situation and the establishment of the administration with regard to the issues of reconstruction and development. To be able to benefit from the aspirations of the regional government and the highly appreciated international and national NGOs, we would like to recommend that the following steps be taken:

It is important that the Kurdish regional government should move forward quickly and capitalize on the transaction progress - so that the free election and the creation of a cabinet should be rapidly followed by a master development plan. This policy should of course be approved by the Kurdish parliament and be forwarded to the relevant ministers for implementation.

Regarding the government structure necessary for carrying out the policy, the following network is recommended:

We suggest that the sub-offices of the ministry of Reconstruction and Development which, as far as we know, will be established in the governorates should take on the following responsibilities with regard to the NGOs:

- Making the policy and planning available to the local Kurdish NGOs and the international NGO offices in the area.
- Holding interim meetings with the NGOs working in the field for coordination and exchange of information.
- 3. Supervise and assist the reconstruction and development activities in the area.
- 4. Issue planning permits for the projects proposed by local and foreign NGOs; joint ventures if you like.

The magnitude of the work that lies before us requires, we think, the above-mentioned strong structure in order to put Iraqi Kurdistan into the existing international support system. We recommend a development system comprising two approaches working in parallel.

The second approach is the important role of the national and international NGOs.

The majority of the working group found it necessary for the NGOs to stay independent in a free market in conjunction with a high level of coordination and cooperation with the administration system. Some of the participants proposed that it was high time for the Kurdish NGOs to cultivate their most professional areas, i.e. to specialize. This was however opposed by representatives of foreign NGOs who thought this would affect the quality of work and prices and preferred the NGOs to compete. However, the workshop participants unanimously agreed that the Kurdish NGOs should perform their activities within a new administration framework of regulations and laws in order to improve their accountability and credibility.

We also look forward to the establishing of offices abroad in order to inform the various international groups, and make these policies available to them.

Discussion

Michel van Hulten:

There is a great need for UN protection of NGOs. It was very good of the workshop to focus on the 'government infrastructure', which is as least as important as material infrastructure like roads, etc.

Banking and services

Chairman: Saleh Hafeed Secretary: Pieter Muller

1. The present situation

According to the minister of Finance, Mr. S. Hafeed, the following banks are now active in Iraqi Kurdistan:

- a. Commercial banks
- b. Specialist banks:
 - Agricultural banks
 - Industrial banks
 - Construction banks

Due to the freezing of assets of the abovementioned banks by the central government in Baghdad, the operations of these banks are paralysed. The small amount of currency which was available before 23 October 1991 (the beginning of the Iraqi blockade on Kurdistan) was used to pay salaries for employees. Today, according to the minister, no money is available. In fact, banking activities are totally paralysed. Employees are now paid by customs money.

2. Setting up a working banking system

In order to create a banking system, it is necessary to pump money into the region through the regional government of Iraqi Kurdistan. This task would be undertaken by the ministry of Finance.

- 3. Proposals to generate money for the region
- a. To investigate the possibility of unfreezing some of the Iraqi frozen assets in Europe and USA, and approach concerned governments to finance specific projects in Kurdistan.
- b. To cooperate with private companies which have unfinished projects in the Kurdish region, in order to force European governments to unfreeze Iraqi assets.
- c. To open a private account to collect contributions made by Kurdish communities abroad.
- d. To establish contacts with Turkish banks and encourage them to invest in the region.

4. Action points

- a. To establish a network of offices in major European countries and the USA in a close cooperation with the Kurdish authorities.
- b. To promote and to export Kurdish local products (carpets, handcrafts etc.) abroad, in order to generate some foreign currency for the region. The Dutch "Derde Wereld winkels" (where third-world goods are sold to the benefit of the producers) and English Oxfam shops might provide outlets.
- c. To instruct agencies/organs involved how to channel money properly to the Kurdish region.
- d. To investigate the setting up of twinning systems between towns in Europe and Kurdistan.

[note: meanwhile, this twinning has been established for several Kurdische towns (editors)]

Discussion

There was a lot of discussion about setting up a bank, but because there were no experts on this in the workshop, no specific proposals were made.

Education and management training

Chairman: Sami Rahman

Secretary: Michiel Leezenberg

The situation

Iraqi Kurdistan has 1,273 schools, 1,051 of which need repairs (of missing doors, windows, furniture...), because school construction and maintenance came to a halt during the Gulf crisis and during the uprising; also, a lot of material was destroyed or stolen. It has one university and three technical institutes, on a population of over 4 million, with a total capacity of 3,320 places per year, whereas each year 6 to 7,000 high school graduates apply for enrollment.

Education staff has largely worked without receiving any salaries since October 1991. Despite all the economic and other hardships, the past academic year has been very successful in both general and higher education. However, because the salaries and educational budget were cut off, schools at all levels face major shortages. Even such basic items as pens, notebooks and books are lacking, not to mention fuel for the winter season; furthermore, there is an urgent shortage of staff. Higher education also faces the particular problems of being cut off from the outside world, and lack of laboratory and other equipment. In short, in education, the Kurds have helped themselves very well thus far, but they need help to continue to help themselves.

Recommendations

Plans for improving education should be integrated within a general development plan; for example, the addition of new colleges should reflect economic needs, so emphasis should be placed on agriculture, oil exploration, and so on. Otherwise large numbers of highly trained personnel will not find adequate employment, with the concomitant risk of brain drain and social dissatisfaction. There are both emergency needs (such as school supplies for the new school year, which is about to begin) and needs for long-term guidance, training, and aid.

The ministry of Education should provide a detailed list of particular needs subdivided into concrete items. Otherwise, foreign agencies can hardly use them as a basis for action.

For example, there are an estimated 500,000 children in elementary school age; these need:

5 million books:

5 million notebooks:

5 million pens;

fuel for 1,300 schools x 10 class rooms on average, so 13,000 rooms in Kurdish schools must be heated.

(More detailed information on the kind and number of books needed at each level are available from the Kurdish institute of Paris).

Foreign aid can take the shape of ready made products like books, or of basic materials (paper, ink, printing machinery spare parts) to stimulate employment opportunities and income, wherever possible.

Higher education

(Specific needs are outlined in detail in the full text of the report of Salahuddin University; they should be broken down into smaller units for foreign help).

We should interest foreign universities in bilateral relations; Kurdistan's rich resources make such relations academically and financially promising for both sides. Possibilities must be found for scholarships for Kurdish students abroad. Indeed, Czechoslovakia and France have already offered scholarships for university graduates; also Italy offered 35 scholarships to high school graduates.

Contact should be sought with schools and universities abroad, but also with unions (such as teachers unions) and other institutes (e.g. the higher educational council in Holland). Contact with ministries should be integrated in a general development plan, at least in the Dutch case. In Holland the ministry of Development rather than the ministry of Education should be engaged. The different conditions in European countries require a variety of approaches for aid, knowhow, and guidance.

An essential requirement for all the efforts of this workshop, and indeed of the whole conference, to bear fruit is coordination and follow-up. In the case of education, it is obvious that the ministry of Education and Salahuddin University are the agencies to follow up in Kurdistan. On the other hand, we suggest that the organizers of the conference approach the appropriate organs to follow up the conclusions and coordinate efforts in the various European countries. An open question is whether the coordination should be governmental or not. In short, education more than any other branch is dependant on foreign help. Approaches to help should be concrete, coordinated, multiple and continuous.

A general point: money spent on aid to the Kurds by the European Commission went through UN channels, and needless to say through Baghdad. The exchange rate was very unprofitable, and also afterwards much was lost. There is no trace of it in Kurdistan.

Discussion

Mustafa al-Jaff:

Are the teachers of Salahuddin University and their time being utilized properly by the government industries? I also think that the government should change the name of 'Salahuddin University' into something more proper.

[note: the name 'Salahuddin' belongs to a twelfth-century Kurd who valued religion higher than ethnic affiliation, and has for many become closely associated with Baathist ideologies (editors)]

General Discussion

Doeke Eisma:

Thank you for the information presented here. We will try to arrange meetings with members with other members of the Dutch senate and parliament for the Kurdish government representatives here. The last point raised is especially important: what is the Commission doing with the money (12 million ECU) provided by the European Community?

Aristotelis Gavriliadis:

I am astonished at this information. I would be very glad to know where it was taken, and what are the concrete elements affirming that this aid did not reach the Kurds.

Michel van Hulten:

I understand that the exchange rate makes the money evaporate; this problem is known in more developing countries. Apparently the fact of rules being followed makes the money disappear.

Michiel Leezenberg:

Perhaps there is a specific difficulty in the proposals made: the European Commission has proposed to reconstruct cities like Qala Diza, Penjwin, and Halabja. If these proposals are presented to Baghdad, the very government that destroyed those cities in the first place, they are almost certain to fail.

Pieter Muller:

It is particularly difficult for the European Commission to make the funds directly available to the Kurds. This is a problem for every government, so we should find a general solution. We could recommend that the NGO system be used in the following way:

European governments and the EEC could use the existing development NGOs, which already have a joint liaison committee in permanent contact with the European Commission. These NGOs can receive money from European governments and other public institutions, and relate to the Kurdish NGOs, which again are linked to the Kurdish government. For the time being, this 'chain' could be used.

Michel van Hulten:

There is an example of European government money being given to an illegal organization against the will of the local government. The United Kingdom, and later the Netherlands and the USA, have given money to the ANC in South Africa. If there is a will, there is a possibility. It is a political problem.

Michiel Leezenberg:

The difference being that the Kurdish parliament is not an 'illegal entity', but a democratic institution elected in full accordance with the Iraqi constitution.

Michel van Hulten:

An important question for follow-up is: which proposals should be implemented by the Kurds, and which ones by foreign agencies?

[This matter was mostly discussed in the informal gathering afterwards.]



V. Panel Discussion

The role of Europe in the Reconstruction of Iraqi Kurdistan

Panel members:

Mr. Paul de Waart, professor of law, Free University, Amsterdam (chairman)

Mr. Bouke Beumer, Dutch member of the European Parliament (Christian Democratic Fraction)

Mr. Sami Rahman, Unity Party, Iraqi Kurdistan

Mrs. Leoni Sipkes, member of the Dutch parliament, Green Left Party

Mr. Berham Saleh, Patriotic Union of Kurdistan, Washington D.C., U.S.A.

Mr. Hoshvar Zebari, Kurdistan Democratic Party, Washington D.C., U.S.A.

Mr. Fuad Hussein, Political scientist, the Netherlands

Mr. Peter Idenburg, Director, International Dialogues Foundation

Introductory presentations

Bouke Beumer:

To begin with, I would like to make a distinction between short-term and long-term assistance. As for the coming winter, I would like you to tell us what is needed most for the short term. I link this question to the budgetary problems. Considerable amounts of money went already to Iraq in the framework of helping Kurdistan, but because of exchange rate difficulties and rules involved, the help had been reduced substantially when it finally arrived in Kurdistan. Such a reduction was clearly not the intention of the European Parliament. Could you inform us about what went wrong here, so that we may discuss it in the Budget Committee of the European Parliament.

I would also like to know how the blockade affects the real help at this moment and what we can expect for the near future. I heard there is no exemption from the blockade for Kurdistan. It might be easier for the European Community to help if there would be a formal exemption. It is very important for the EC to find legal ways.

Regarding the longer term, it is good to know that there is now a kind of plan for Kurdistan. That may facilitate assistance from the EC. At this moment we are also talking with former East Germany on the basis of concrete proposals about the industry, money, market expectations and so on. If we start discussions with representatives of Kurdistan, the question of the status of the people who make the proposals and the plans is crucial. What are the optimal relations, and kind of formalities between the EC and those who draw up the plans and who help to realize them?

Another important point is the link between Kurdistan and the international market. In the present situation it is difficult to connect what you produce with places where you can sell. Could you tell us about possible links with markets, for example with Turkey?

To make foreign investments in Kurdistan possible, formal guarantees and certainty are needed. The EC could provide them, but we need to know who exactly will be responsible, just like banks will also ask this. Who will be the counterpart on your side and what will its status be? It could be very useful to have development contracts, like we have with East Germany, to lay down the obligations in a formal way. This form would be of great help to get money from international organisations.

Looking at the points we discussed in the last few days, I would like to come back to some of them. The inflation might play a role in reducing the help when it comes to you. What could we do to combat this? What would be your conditions for renewal of the Memorandum with the United Nations? As a legal means it is very important. Earlier you mentioned regional surveys. Are they ready yet, can we have figures about the potentials of the various regions? It has been suggested here to use frozen Iraqi assets abroad to finance the development of Kurdistan. How realistic is this suggestion, is it legally possible?

There are still a lot of questions to be answered. I think it could be very useful, as a follow up, to have a meeting of economists from Kurdistan with members of the European Parliament, from the Economic and Legal Committees. Then we could see, on the basis of a plan, which articles of the budget could be used and what legal barriers would have to be removed or adapted to this situation. I am very interested in your answers and suggestions.

Sami Rahman:

The Kurds find themselves in a very difficult situation, not as a result of catastrophes or natural calamities; it is purely manmade. The Iraqi regime was the prime mover of this situation and its repercussions made in the international community.

Traditionally there were two sources of income in Kurdistan, one was agriculture and the other one was what came from government hands, coming originally from oil revenues. The Kurdish countryside was wiped out almost totally. Producers were turned into consumers, as I heard someone say. Quite honestly and unfortunately, the majority were turned into parasites, not of their own will. The second source of income was blocked almost totally since the Iraqi blockade of the Kurdish region last October. I hope that you agree that we are not responsible for this situation. We are not a lazy lot, nor is our country a poor country with no resources. Please take that into consideration.

What is most needed immediately, if you want to avoid a catastrophe in the coming cold and snowy winter in Kurdistan, are two items that are on top of everything: foodstuffs and fuel. They are necessary for the existence of three and a half million people. As for reconstruction, what has been done during this summer and last summer is totally disappointing: a lot of talk and very little action. A village here that has been reconstructed, a few isolated houses there, that is not going to be reconstruction. Two sparrows do not bring spring.

In the early seventies, when I was responsible for reconstruction in Kurdistan, when destruction was far less, we built twelve thousand houses. We built six hundred schools, over a dozen of modern hotels, and some factories. Still we were not happy, we thought we had done very little. It was not much compared to the requirements of the area. I repeat what I said in my speech. To start the economic cycle in Kurdistan, you have to begin with an integrated plan for the reconstruction of the countryside. It is rich in resources, water is abundant, the land is fertile. We hope there will not be a repetition of last year's shelters, the one room or half a room houses, so totally repugnant to Kurdish traditions. Kurdish families never build houses with less than two rooms.

To restart the economic cycle we need modern villages, based on modern agriculture, animal husbandry, proper transport, schools, clinics and other modern things for modern living. This does not mean that there is no potential for industry in the urban centers. On the contrary, there is a lot of potential for industry in Kurdistan, because very little had been established up to now.

The dozen or so factories that we have are almost totally idle, either because of lack of raw material or of spare parts, and indeed by the UN sanctions against Iraq, which include Kurdistan. The sanctions hit hard. It took almost a year before we could get some cigarette paper into Kurdistan; two of the factories I mentioned are cigarette factories. So, the UN sanctions are a big obstacle. I heard many speakers say it would be difficult to lift sanctions for one region of Iraq, that is Kurdistan. A practical way out could be to lift them for a list of most needed items. Through you, we ask your governments to help. It will cost nobody anything, on the contrary it will facilitate trade with Kurdistan.

Responding to a question of Mr. Beumer, I would like two make two observations about aid coming through the UN. One is about the official rate of exchange in Baghdad. If a dollar is exchanged in Baghdad you get two cents of the dollar. My second remark is about the UN bureaucracy: it is colossal and has extravagant expenses.

Please, all those who give aid to the Kurds, please coordinate, please follow up. Send your representative, one way or the other, to the least receiving end. What is most needed for reconstruction, for investments, is permanent peace and security. Our security is in danger all the time. The protection has to be renewed every six months. People, even Kurdish people, do not invest in such a situation. Nobody builds a house, because people do not feel secure. They do not know what will happen tomorrow or after two or three months. If you want internal and external investment to be encouraged, then let all of us work for permanent peace and security in Kurdistan, at least in the form of a long-term allied protection. The potential of the region is very high, in agriculture, water, oil, gas, uranium and many other minerals.

Leoni Sipkes:

Like Mr. Rahman said, this situation is manmade, so what can the Kurdish people expect from the international community? I can only tell you my views as a member of the Green Left Party. Our party is in the opposition, a small party in a small country. The question is how the Dutch government and the international community will act and react on what is happening in Iraqi Kurdistan.

In the aftermath of the Gulf War, public opinion rose against what Saddam Hussein did to the Kurdish people. At that stage our minister of Foreign Affairs promised that the Kurds would never disappear from the international agenda. He said it and he meant it at a time when the Netherlands held the presidency of the European Community. Kurdish people would have international attention and support.

Now the Kurds are facing the winter again and nothing really happened. You could say that it always goes like this in the international community. They promise something, but it is all on the short-term, and after some time there are new problems to attend to. That makes constant attention and support for the Kurdish people difficult. Nevertheless, the problems of the Middle East and with Saddam Hussein are very real. And we have George Bush wanting to be reelected. Somehow he wants to show that he did defeat Saddam and that he brought a solution nearby. If you hold on to that you do not have to be pessimistic. I think something really has changed for the Kurdish people and its struggle for self-determination. For the first time the international community expressed that the sovereignty of a state was not that important and that self-determination and rights of people prevailed. That is why you can expect that the UN will in one way or another stay in Northern Iraq and that it will continue to give some kind of support and provide some measure of security.

In the economic field we have to deal with the sanctions. Professor De Waart can tell you what is legally possible to lift them, but politically it is not easy. In Yugoslavia we have sanctions only for part of the country and yet we see how difficult it is to make them effective. So the idea of partially lifting the sanctions for Iraq is interesting and I will confront my minister of Foreign Affairs with it, but the international community will want absolute guarantees that Saddam Hussein will not benefit from it. Economic support and direct help are necessary, but the best thing is to have your own agenda. Try to do things yourself, because you will not get more than just some humanitarian relief.

One of the current debates is about the question whether the Kurdish problem is a problem of one state or of several. This is another problem that the Kurds will have to solve by themselves. This point returns in every discussion I have with our Foreign minister. If you do something about the Kurdish people in Northern Iraq, what do you do with the Kurds in the South-East of Turkey? Talking about the problem of the Kurdish people, you have to go back to the roots, I agree. However, for the minister that means: do you want an independent Kurdistan or is there some other possibility? Some Kurds want an independent state and others just want self-determination. As long as the Kurds among themselves, in Iraq, in Turkey, in Iran, and in the former Soviet Union, do not agree about a political agenda, the international community will find the problem too tricky. They will not want to have to deal with another number of new states. They will find that they have already the Israeli-Palestinian conflict and that they cannot handle this other problem in the Middle East. Therefore my suggestion is that you really agree among yourselves to only strive for self-determination. Whatever will happen in the future, whatever change of borders there may be, whether there is ever going to be an independent Kurdistan: it is up to you. But going for an independent state now will never bring you the support from the international community, it will prove to be counterproductive. The international community would leave the problem as it is, because it would be too tricky, too difficult to handle.

Berham Saleh:

One of the characteristics of the international response to the Kurdish crisis could be described as one which has been dealing with a humanitarian problem and with a major relief operation. Many of us in Kurdistan do recognize that what has been achieved in this regard has been something significant and impressive. But unfortunately, very little efforts have been made to identify the roots of the problems and to help the Kurds help themselves, to enable them to get out of the cycle of being dependent on international handouts.

The main reason why the international community has been inhibited from adopting such an approach, in my opinion, relates back to the policies of that region. There is a school of thought, in the West in particular, that says that any help to the Kurdish areas of Iraq, in a way that would help to develop a self-sufficient economy, is a step towards an independent state. This has unfortunately inhibited a more creative approach to the ongoing crisis in Iraqi Kurdistan.

I remember that in October 1991 when the Iraqi government imposed the internal blockade on Kurdistan, we in Washington and other colleagues in Europe were making the argument for specific steps which would involve very small-scale resources. Every time the problem would go back to the drawing board, because of the unwillingness of decision makers to tackle this problem and to find themselves in a situation in which they could be accused of helping to promote Kurdish independence.

If Iraq is such a fragile country and the Kurdish people of Iraq have to remain within its borders through starvation and through having to endure this humanitarian crisis, then this defeats the very arguments for keeping Iraq together. You have heard Kurdish leaders in this conference and elsewhere making their positions very clear, that the Kurds are not engaged in a struggle for creating an independent Kurdish state in Iraq. Given that political statement, which was confirmed by the election campaign and its aftermath, I believe that we have to make an effort to request from decision makers, from the international community, to really look very seriously at the development issues in Kurdistan and to help the Kurds help themselves.

Mr. Sami Rahman discussed the colossal economic problems faced by the Kurdish people in Iraq. The economic fabric of our society has been completely undermined. Instead of a piecemeal approach and relief, we need a long-term program that would help to jump-start our economy and make us less dependent on handouts. The issue of food has been discussed here. Those who visited Kurdistan know that supply is not a problem. The fact is that the majority of the Kurdish people cannot afford food at market prices, because of the UN sanctions and the internal Iraqi blockade as well as by hyperinflation and devaluation of the Iraqi dinar. Once again, what we need is a program to jump-start the economy, give people access to food and break this cycle.

Naturally the issue of self-determination has to be addressed. But it requires an integrated approach and cannot be dissociated from the issues of security and the long-term political settlement of the Kurdish question. People are not willing to build houses unless they know they will be safe in them for some time to come. I fear that without addressing these fundamental problems, in a few years from now we will be back in the same place discussing what we can do about the humanitarian problems in Kurdistan.

What is to be done? The answer in part depends on the Kurds themselves and in part on the international community. One of the unfortunate characteristics of the Kurdish response to the human tragedy was a lack of coordination and unity in the approach to deal with the problems. Hopefully this has now been resolved as a result of the elections for the Kurdish national assembly and the appointment of the Kurdish regional cabinet.

We hope that all Kurdish political parties, NGOs and others, will target their efforts to work together, to represent the will of the Kurdish people, and to articulate and formulate the needs of the area. In that way the tasks of the international NGOs and of many friends outside would be made much simpler. I think we are in need of a central development board, appointed by parliament and the regional cabinet, which could fulfil that job.

Also, a central statistic board is required. At present, when people from outside try to find answers to certain questions, reliable statistics appear not to be available. When we, the Kurdish representatives abroad, ask for statistics, we have to wait a very long time for them to come. So we are unable to help people that want to help us.

Then a charity commission is needed. It should serve as a coordinating body between various NGOs, coordinate the work, and so on. The question of a revival of the banking system is also very important. As for the international response, many people talked about unfreezing Iraqi assets. This is a prerequisite for entertaining any idea of a serious and substantial economic effort in Kurdistan. The same applies to the relaxation of the sanctions. We have made some headway towards that, and the American administration, the British and the French, have agreed to help us on these regards.

Despite what Mr. Sami Rahman said about the disappointing reconstruction effort in Kurdistan in comparison with the effort in the 1970s, I think that what has been achieved is commendable. It is not enough to deal with the scale of the problems, but what has been achieved is impressive and it deserves praise and recognition. The work of the NGOs and international organisations will be undermined, unless we continue to address the immediate needs of Kurdistan. That is what this conference has helped us to do.

Paul de Waart:

A few words on international law. I do not think that the international legal dimension is too difficult in this specific case. In the past the United Nations have formulated some principles on how to balance the right to self-determination and the prohibition of secession. The prohibition of secession only applies if the state respects the right to self-determination. It is quite questionable whether the present Iraqi government meets these conditions. The UN should make up its mind. This is easy to say, but is not easy to implement, because you need a lot of standards to apply to this kind of situation: whether or not an independent Kurdistan is economically feasible, whether an independent Kurdistan in only the Iraqi area is possible without causing instability in the region etc. I do not need to dwell upon it.

Although legally speaking there is a case to make, if the International Court would be in a position to decide in favour of it, the political feasibility is quite another story. Since the end of the Cold War the UN is in a very difficult situation. It has no tools to solve the question of self-determination because it is facing almost two hundred oppressed peoples in forty-two countries. If all those peoples would get their independent state, the number of states would increase from 170 to 370. Whether or not one likes it, the international community has to decide upon these matters in the near future and to develop standards and norms for supervising the right of self-determination by independent peoples.

As we all know, the UN is not in a position to do so. It will be very reluctant to take a stand in lifting the prohibition of secession in favour of the right to self-determination. Therefore, politically speaking, it is very wise that the Kurds from Iraq stated that they are not aiming at an independent state for the time being, or perhaps not even in the long run.

Another aspect is that self-determination has several modes of implementation. Having a state of your own is not the only mode to realize self-determination. The international legal system has other facilities to respect autonomy of peoples within the political context of an existing state. In the case of the conflict between Israel and Palestine, the European Community for instance, has found it possible to give economic assistance directly to the Palestinian people without the formal approval of the Israeli government. This can be done by the European Community or the United Nations with regard to the Kurdish people too, without implying independence as the final outcome. It could be a confirmation of the autonomy of the Kurdish region within the Iraqi state. That is for the UN to decide.

A second aspect is that the United Nations decided to implement sanctions against Iraq as a whole. It can lift them for part of the country, because the aim of the sanctions was not to punish the Iraqi people, including Shiites and Kurds, as a whole. The aim is to put political pressure on the Iraqi government in Baghdad. Lifting the sanctions from the Kurdish region would not undermine this aim, there would be no objection, politically speaking. Legally the Security Council is fully authorized to lift sanctions against parts of Iraq.

Hoshyar Zebari:

For the last two days we have been discussing the issue of the development and reconstruction of Kurdistan. I think the debate has shed light on some of the important aspects of the problems we are facing. But let me say that we would make a big mistake if we isolate this situation from what is happening in Iraq, in the region and in the international community. The moment we try to isolate the case of development and reconstruction and try to draw up some lists of what we need, we will make a big miscalculation. The root cause of our problem is political. The humanitarian problem is caused by the repression from which our people suffers. Any course of events is affected by legal and political issues. We have to be very careful how to advance our demands and how to introduce a coherent development plan to attract the interest and attention of European governments and aid agencies.

Some political conditions must be met before we embark on any development plan. First and foremost, the maintenance of the international protection of the Kurdish people. That is our only hope for a tentative stability on the ground. Without it, any discussion about reconstruction and development will be merely academic and theoretical. Stability has to be maintained also by keeping the UN as a framework for aid to the region. Whatever the concern about the lack of efficiency of the UN may be, if we are stripped of this cover, there will be no other viable channel by which help can reach us. We also have to remember that we are dependent on a very important route for supplies which runs through Turkey. This is dependency; it is our geographical isolation and the geo-political situation. We have to take the concerns of our neighbouring countries into consideration.

To United States' officials and to the UN, the Kurdish local and regional government and parliament presented a detailed list of requirements and I think some progress has been made. We need your support to back the legitimate call for reducing the effects of the sanctions for our people. This will not solve all our problems but it will be helpful towards getting some of the much-needed supplies and spare parts, to run the industries, to reinvigorate agriculture and to make our people self-sufficient in many aspects.

People have asked what would be the commercial benefits of giving aid for education and reconstruction. I think the reasoning behind this is a mistake because it is a long-term investment. If you really believe in democracy and human rights and in issues related to these principles, I think the success of the Kurdish democratic experience is evident. We have proved that we are able to build democracy in a part of an area of great turmoil. We are living in a new world order which preaches democracy, freedom and human rights. Our experience is an example for all the Western democracies, worthy to care about and to support. It will be beneficial for everybody to have a stable country and normal relations with the West.

Moreover, there are serious dangers if the situation explodes, for Europe as well. The refugee problem is now one of the main problems the European countries are facing. If the situation deteriorates and gets out of control, we would see big flocks of refugees coming to many European countries. Therefore there is a kind of interdependence in those international relations. It is only a short time ago, when Saddam Hussein gassed us, that we were told that attacks on a few remote, isolated places would not affect the outside world. Two years later the whole world was affected by what Saddam did in Kuwait. Every country had to respond, people even used gas masks and special clothes to protect themselves.

Discussion

Aristotelis Gavriliadis:

There is still the question of aid. I have the feeling that there are two conclusions expressed by the panel. One is by Mr. Rahman, concerning the UN efficiency and the problem of exchange rates of funds going through Baghdad. Another position was expressed by Mr. Zebari, viz. the international community, in particular the European Community, should keep working with the same system. So, I would like to know what the official position of the Kurdish regional government is on this question.

Hoshvar Zebari:

I do not think there is any contradiction between the two positions. One the one hand we are making complaints about the way the UN handles the relief operation such as the waste and the overhead spending, like Mr. Rahman explained to you. At the same time we think it is the only viable framework for aid and assistance to the region, because we do not have any diplomatic or political representation. That makes it the only channel available to us. So, despite its shortcomings, we think that the presence of the UN network is very important. If the UN is driven out, as Saddam Hussein is trying to do by attacking their personnel, frightening them and blowing up their cars, then who will perform this tasks, who from the international NGOs will venture this? For them also, the UN is a cover.

We know all the political sensitivities for governments to deal directly with the Kurdish regional government. I think there is no contradiction in the two positions. It is only a matter of explaining how cost-effective the aid could be with the UN framework in place.

Jalal Talabani:

When we met the Secretary General of the United Nations, Dr. Boutros Boutros Ghali, Mr. Barzani and me asked the UN to deal directly with the regional government of Iraqi Kurdistan for humanitarian assistance, because, as Mr. Rahman has explained, this kind of assistance to Iraq is mainly for Baghdad, not for the Kurdish people. Even yesterday we received a request for aid to go directly through the regional government, because Iraq refused to renew the Mutual Understanding Memorandum. The best way to deal with the problem is through direct contact with the Kurdish legitimate body which is the parliament and the regional government.

Bouke Beumer:

I know the European Community likes to follow the United Nations line. The EC has direct contacts with the Palestinians, for example, for helping them, in spite of the fact that the Israeli government does not like it very much. Could you tell us how difficult it would be for the EC to have more direct contacts with your government or is? Is it necessary for the EC to follow the UN line or is there a more autonomous support line to you or would that be possible? I think it would also help more direct relations with the UN.

Berham Saleh:

Unfortunately this is one of the problems which marked the work of the international community, the UN, the NGOs and so on. We are not being recognized as a member of the United Nations and they have not been at ease with us, nor for that matter, the European governments. But the government of Iraq is no longer a constructive member of the community of nations. It is unwilling to facilitate the tasks of the NGOs and the humanitarian organizations. It is violating all international obligations and resolutions.

The other problem is the bureaucratic way the UN has dealt with this issue. This legalistic way meant that the aid has effectively helped the regime of Iraq. It has contributed to propping up the instrument of repression and terror in Iraq. The example of exchange rates that Mr. Sami Rahman described to you is one which cost the Iraqi population, the Kurds, the Arabs of Iraq, quite a significant portion of the aid. Therefore we have an issue that needs to be addressed very seriously: dealing with the Kurds through the Iraqi government and its institutions, is not helpful. It is not a cost-effective way and that is a very mild way of putting it.

We have a regional cabinet and we have a democratically elected parliament, which represent a viable framework through which efforts could be conducted and pursued.

Paul de Waart:

Both the Kurdish regional government and the European Community could contact the Sanctions Committee of the UN Security Council to discuss the possibility to exempt parts of Iraq from the embargo. I think that the legal intricacies are not decisive in this matter.

Sami Rahman:

We are united in welcoming the presence of the UN agencies in Kurdistan. There is no question about that at all. At the same time we have complaints about the way the funds have been sent and have been spent, so we ask for a way out of that.

Our regional government welcomes any effort to solve that problem and it is ready to deal with the matter directly. Yesterday Mr. Muller made a suggestion about the European Commission giving aid indirectly, through the NGOs. Today we heard that the European Community gives aid to the Palestinians without going through Israel. So we ask: let us all work together and find a way out of this, so that the aid goes to the regional government that is the de facto authority.

Mustafa al-Jaff:

I happen to be an ex-staff member of the UNDP which deals with this kind of activities. We had a similar experience in Uganda and Ethiopia, the same problems with official exchange rates and so on. Of course, dealing directly with the Kurdish government would be much better than the present situation. In case that is not possible, you can give funds directly to the non-governmental organisations, like we did in Uganda with organizations like the Lutheran Church Foundation, Oxfam, Save the Children. So, in case the aid cannot go directly to the regional government, it can best be handed over to the NGOs, and not only the help from the EC, but also from the UN itself. The NGOs can deal with it much better. I have heard that the Dutch government has handled this matter very nicely. They changed money the way they wanted and then every dollar became ten dollars for them.

Peter Idenburg:

I have a question for Mr. Beumer in his capacity as a member of European Parliament. I would like to know whether there is a possibility for ear-marking funds by the European Parliament for specific cases, like the Kurds.

Bouke Beumer:

Yes, the possibility exists. We used it to help this region. It is a bad thing to hear that a lot of help does not reach the people, but it is good to know. I can assure you that I will investigate this further.

It is also important to check how the relations between the regional government and the EC have developed after the elections. If there would be direct links, and I think this is possible, the help could be more structured, more direct and the problem of the currencies could be evaded. Of course we could use some budget line to help the Kurds but it would be better to give it a more formal basis. I would like to ask who will start making the economic program you all talked about; is it the regional government?

Berham Saleh:

That should become part of the debates with the parliament.

Bouke Beumer:

That is good to know, because in that way, when your program comes, we can say that we deal with the newly elected government in Kurdistan. We could also help with expertise to set up such a program. I know that you dispose of expertise yourself, but by some form of cooperation the European Community and the European Commission would be committed more. So, a program is very important, also for a discussion in the committee first responsible in the European Parliament.

Omar Shaikhmous:

We are in a very ironic legal and political situation: an internationally criminal government that defies the UN, international law and the international community, that washed its hands off all responsibility from Kurdistan, legally, administratively and economically, that defies UN Security Council Resolutions, still is dealt with by the international community as the legitimate government of Iraq, while the legitimate representatives of the Kurdish people in Iraq are not recognized as such by the international community. That is the problem we have.

It has already been said that there are precedents in international law in dealing with non-governmental actors. The help from the EC to the Palestinians, the position in Cambodia, the position in South Africa, are examples. I think there are sufficient intelligent people in the international community to come up with a creative solutions for this situation.

(?):

We are dealing with a situation where we have on one side the Iraqi government, with all its violations of the international rules and laws, and we have a Kurdish parliament that was freely elected by the people. I do not know the right legal term, but we could regard it as a referendum among three and a half million Kurds.

I would like to make two recommendations. One is about the resolution for reparation to the people who suffered Iraqi aggression. Everybody knows the amount of damage Saddam Hussein has caused in the Kurdish region, he even burnt the land in Kurdistan. Even the land had to suffer his aggression. I suggest to the UN and the international community for the Kurdish people to be included in the reparation program. Revenues of the Iraqi government, oil revenues or frozen assets abroad, should be used to reconstruct and develop Kurdistan.

Secondly, for the Kurds to survive this winter and for the environment as well, I suggest to introduce the term of self-sufficiency. The international community should allow the Kurds to utilize some of its resources, especially the oil, to survive the winter.

Heidrun Alm-Merk:

I would like to ask to the member of the European Parliament, Mr. Beumer, what his opinion is about the question put forward by Mr. Zebari, that every six months there is a prolongation of security. You adopted a resolution this summer, saying how fantastic it was that a parliament was installed, but at the same time you stressed that there could be not be any independence for the Kurdish region. So, my questions are: what are the ideas for long-term security and economic development in Kurdistan? And what are those resolutions worth if you make such fantastic, lyric decisions and at the same time you could say at this moment: they are protected to die?

Fuad Hussein:

I have a question for Prof. De Waart, connected to Mr. Shaikhmous's remark. Is it possible to freeze the UN-membership of the Iraqi government, and to approach the Iraqi opposition groups?

Jalal Talabani:

As you know Iraqi Kurdistan was annexed to Iraq forcibly, according to a decision taken by the League of Nations in 1926. But Iraq had some obligations to the League of Nations. Now Iraq is violating all these obligations very flagrantly and very openly, and nobody has any doubts that they are violations indeed. My question to Mr. De Waart is: does this mean that the present Iraqi government has lost its legitimacy to govern in Iraqi Kurdistan?

Bouke Beumer:

I am not an expert on the legal possibilities and difficulties, on the status of regions, etc. Nevertheless, a choice must be made and this touches the duration and intensity of protection. If everyone refuses to accept an independent state, then at some time there will have to be some agreement with the Iraqi government. It is difficult to do that with this government, which is violating everything, but in the future there will have to be some kind of agreement about the future status of Iraqi Kurdistan, including a kind of autonomy or something like that. While there is still a government that does not respect international law and human rights, a form of protection must be maintained and it must be avoided that the Kurds are protected but die at the same time.

That is the reason behind and the validity of the resolutions of the European Parliament. I agree that they contain a few phrases too much, nevertheless, if you read them well, they give important indications to the European Commission and the European Council of Ministers. The resolutions do have a validity. First, they say that protection must continue until there is an other government in Iraq. This is a kind of guarantee, a political statement. Secondly, these resolutions are compromises, but vague as they may be, they do give the European Commission the possibility to sanction help, to use budget lines. So, if we say that people must have a real possibility to survive, the resolutions can be used for that.

Leoni Sipkes:

As a member of the Dutch parliament I think that resolutions of the European Parliament are both effective and ineffective. As a member of a national parliament you can use them to put pressure on your own government, because it always says it can do nothing without some European decision.

Another question is how you can maintain some kind of security while having to wait after every six months whether the Memorandum of Understanding will be renewed. The point is that nobody will dare to abandon Iraqi Kurdistan. Public opinion would not accept it, so I think some kind of security is more or less guaranteed.

Finally, I would like to ask something to Mr. Saleh. He says that if there is security, the Kurds are ready to deal with any aid from the international community. He also wants it to be given through the NGOs. My question is whether the European NGOs will have counterparts in Kurdistan or will they have to deal with the regional government?

Berham Saleh:

There are two issues involved here. Because of the humanitarian problems in Kurdistan a large number of NGOs have emerged, dealing with reconstruction, health, disabled people, children, and so on. Many international NGOs do have partners or counterparts in Kurdistan and they can ask for advice and cooperation to help the area.

Unfortunately, there has been a certain lack of coordination between the various NGOs. I personally think that the present Kurdish parliament and administration that have been elected recently could provide a framework for coordination between the various NGOs and would be able to draw up on the talent and resources of the Kurdish NGOs. Thus parliament and administration could be of help to the international NGOs and to the assistance programs.

Sami Rahman:

Commenting on the last remarks by Mr. Beumer and the concern of all of us about the long-term protection of the Kurdish people, I would suggest that we make a resolution or recommendation of this conference in the following way: The conference deems it necessary that the allied protection of the Kurdish people be extended until there is a democratic government in Iraq.

Paul de Waart:

There are some legal questions left which I will try to answer. According to the Charter, it is possible to freeze the membership of the Iraqi government and even to suspend the membership of Iraq as a whole or expel it, because it is not abiding by UN resolutions. For political reasons, apparently, the Security Council does not like the idea of recommending to the General Assembly the suspension or expulsion of Iraq from the UN. This may be linked to the position of the neighbouring countries which are very much in favour of protecting the status quo and are not willing to undermine their own borders by accepting the disruption of Iraq. So, this is a political issue between the Arab and Islamic countries themselves But legally speaking it is possible.

If you do not want to expel or suspend Iraq as a whole, there is another way. Every year the General Assembly has to approve the credentials of governments and you remember how for a certain period the Taiwanese government represented the whole of China. Later, just by refusing the credentials of Taiwan as representing China as a whole, and approving those of Mainland China, there was made a change of membership. Taiwan was not recognized as a member any longer. Legally this would be possible also in the case of Iraq and Iraqi Kurdistan. Whether it would be politically feasible is another question.

With regard to a possible reparation to the Kurdish people, I think it will not be possible within the framework of the present UN resolution. This specific resolution applies to third countries and I do not think that the Kurdish people will be considered as a third party with regard to Iraq. But there might be an other possibility. As a part of Iraq the Kurdish people own the resources within their area and they own part of Iraq's assets as a whole. The Kurdish people might try to sue the Iraqi government to pay reparations to them at the expense of the Iraqi assets.

That could perhaps be done through the UN itself, who could be asked to defreeze part of the Iraqi assets as a compensation for the Kurdish people. But this would be a very difficult battle. Maybe you succeed if you contract the best, and most expensive, law firms.

What could be the legal status of the Kurdish region? A famous case is the status of the Israeli occupied territories. Do they have an international status? To my regret the UN itself was apparently misled about this question. You might say that the mandate still applies to the occupied territories, but the UN itself is of the opinion that the mandate no longer exists and that it is a special case. So I am not so sure whether the UN will be in a position to decide upon a certain international status for the Kurdish region of Iraq. It is possible that the UN legal department cannot handle this question.

However, the UN has adopted a number of resolutions regarding the right of self-determination and the prohibition of secession; conditions that should be fulfilled to apply to the prohibition of secession. As I explained to you, a strong argument could be made that the present Iraqi government does not fulfil the conditions for invoking the prohibition of secession any longer. That is another way of saying that under the present circumstances, the special status of the Kurdish people could be revived by invoking the right of self-determination. The Kurdish people have this right, there is no question about that; the issue here is the prohibition of secession. It could be lifted partially or wholly, this could be defended in the General Assembly and elsewhere in the UN. It would not necessarily mean to give an independent state to the Kurds but it would secure a kind of autonomy. One way to achieve this would be not to approach the Western states but to convince the neighbouring Arab states of Iraq to support this view. If they do not want it, you do not have any chance at all in the General Assembly.

Jalal Talabani:

The official rapporteur of the UN, Mr. Max van der Stoel, said that the Kurds are the victim of genocide. Hence Iraq has lost all legitimacy, also by violating the obligations imposed by the League of Nations regarding Kurdistan.

We were not a part of Iraq. When Iraq was founded, Iraqi Kurdistan was no part of it. In December 1922, the Iraqi government, under a British mandate, officially recognized this. In a joint communique the right of self-determination for Iraqi Kurdistan was established, just like the rights to have its own government. Then in 1924 British army forces invaded Iraqi Kurdistan and annexed it. In 1926, the League of Nations decided to annex Iraqi Kurdistan to Iraq, but with some obligations for Iraq. By the way, I am not for the partition of Iraq, I am not asking for secession, but I want to point to the background of the problem. When the obligations of 1926, repeated in 1932, are now totally violated, it means that the present Iraqi government has lost the legitimacy to be government of Iraqi Kurdistan.

Of course it has lost its legitimacy to be government of Iraq as a whole, but the first point is linked to the obligations established by the League of Nations, which were succeeded by the United Nations. The European Parliament must take these facts into consideration and I think that is very important for dealing with the Kurdish cause.

[note: Mr. Talabani here refers to the fact that Iraq, on joining the League of Nations in 1932, took upon itself the obligation of safeguarding the well-being of the ethnic groups in the province of Mossul in Northern Iraq. According to some legal experts, this obligation remained in force when the League of Nations was succeeded by the United Nations in 1945, and thus still applies today. Consequently, the Iraqi government may well have forfeited its rights to sovereignty over this region because of its genocide policies towards the Kurds (editors)]

Paul de Waart:

From a legal point of view it is very interesting what you say. There are parallels in the Middle East, including the position of the former Transjordanian region and the present Israeli occupied territories. You know that the Israeli government argues that the Arab-Palestinian state was established in Transjordan. Usually this kind of argument leads to nothing, because the international community is not that developed that is can handle such an issue in an orderly way. But you have a strong case in court, if there would be a court competent in these questions.

Leoni Sipkes:

Historically, legally and just following common sense, you are right. But if you see the debates, then it is clear that the international community is afraid to go that way. Look only at how the Arab world is reacting at the creation of a new safe zone in the south of Iraq by the Americans. I think they will not go any further. This is not a matter only between the Kurds and Iraq, but more and more it is becoming a conflict between the Arab world and the Western countries. They are losing the support from the Arab countries in the struggle against Saddam Hussein. The problem is bigger than just logical reasoning.

Jalal Talabani:

Excuse me, but what you say is an exaggeration. The Arab states are in favour of the unity and integrity of Iraq, as we are too. But they do not agree with the treatment of the Iraqi people by the dictatorship. Egypt, for instance, has officially called for the removal of Saddam Hussein from power as the best solution for the problem.

In the media these facts are reflected in a very bad way, really. Remember how before the Gulf War everyone was speaking of a revolt, all the Arab countries would be burned if Iraq would be attacked. And when the attack finally came, not even one demonstration took place in the Arab countries. This is a new exaggeration, excuse me to say so. I am sure that the majority of the Arab people and governments are now against Saddam Hussein. They are not against the Iraqi people or the Iraqi opposition. Egypt permitted the opposition to have a bureau in Cairo. We have good relations with Syria, with Jordan, which was the closest friend of Iraq. We also have good relations with the Gulf states; they all invited the Iraqi opposition to visit them. The president of Turkey received a delegation of the Iraqi opposition. We are planning to send a delegation to Jordan and to Iran. So, there remains no country in the Middle East that did not receive a visit by the Iraqi opposition.

Please understand the realities in the Middle East, not as they are being presented in the newspapers, but according to what is going on on the ground.

Majeed Jafar:

What happens if a regime emerges in Iraq that agrees to the secession of Iraqi Kurdistan? What would the international community do? Bring in armies to stop them? These are theoretical, academic questions of course.

Paul de Waart:

It is not only a theoretical question, because there is a right of self-determination. But is does not necessarily imply an independent state. A new member state of the United Nations has to fulfil a number of conditions. In the past, due to the Cold War, these conditions have been interpreted and applied only formally. But they really mean something, so the UN is in a position to refuse the membership of a new state which also means that such a state would be isolated.

If the right to self-determination really means something, it should in the end result in full-fledged membership. That is why your question is not merely academic.

Ibrahim Salman:

If at some time there would be a new democratic government in Iraq, the whole world would legitimize it to do the same what Saddam Hussein does now. The Kurdish problem did not begin with Saddam, it is a very old problem. I ask the leaders of the Kurdish government: do not be afraid or ashamed to ask for the independence of Kurdistan, because the Kurds do not belong to Iraq.

Jalal Talabani:

My friend, we are not afraid. We fought thirty-two years against Iraq, against chemical weapons, against missiles, against a huge army which frightened the whole world. We are not afraid but we are realistic. We are responsible leaders for the Kurdish people. We understand very well that we have been divided forcibly and that we have the right to self-determination, like all nations in the world. But we are also very aware of the realities. If right now in Iraqi Kurdistan we would declare independence, even without any military attack against us, Turkey and Iran would close the borders. Within a week we would die.

This is the reality. You do not understand the situation of Iraqi Kurdistan, excuse me for telling you. The fabric of our economy has been totally broken. We were a rich country and a rich people, but now we are depending on assistance from outside. We do not have sufficient food to eat, the economic base for any kind of independence has been destroyed. The geopolitical situation is also against it.

We are now at a stage in which we can achieve democracy, the right to self-determination, all within the framework as it was adopted at the Vienna Conference of the Iraqi opposition. We have to live within a kind of federation. This is what we can gain and I would not want to loose that for something that is impossible. What you said is not a possibility for a responsible leadership. It can be a poem, a good and nice poem by a poet, but not a plan by a realistic leadership.

M. Rasoul:

I have three questions. First: in what practical way could the new Kurdish assembly approach the question of compensation for the Kurdish nation? Could the UN be approached, or the International Court of Justice in The Hague? How can claims be made, also regarding the frozen Iraqi assets abroad? Second: knowing how long Franco stayed in power in Spain, what would the present stalemate situation mean for Iraq? How long can the Kurds go on in this situation? My third question is directed to the European Community. If the Kurdish people would declare independence, would the allied forces continue protecting it?

[unfortunately, no time was left to answer these questions in full detail (editors)]

Paul de Waart:

Ladies and gentlemen, we have to close the discussion now. One conclusion of this meeting is that there exists among the Kurdish participants an intention to discuss the Kurdish issue without too much emphasis on political and legal questions. Their intention is to be brought in a position that enables them to survive the coming winter and to maintain their position within Iraq in the long run.

We have heard a number of practical ways for giving guarantees to the Kurdish people under the present political and legal system. In the economic field there are agencies that can deal with the Kurdish government. The Kurdish government should of course put order in its own house in the next month, to show that it is based not on dissent, but that it really represents the Kurdish people.

International law should not be used as an argument to refuse a special kind of autonomy to Kurdistan within the Iraqi state. On the contrary, international law could be used to defend such a claim for the Kurdish region.

Thank you very much for the discussion, thank the panelists for their contribution.

VI. Conclusions

The Kurdish region in Iraq has achieved a significant degree of political freedom in the recent elections. The newly elected Regional Authority now faces the formidable challenge of reconstructing a totally devastated social and economic structure.

The economic crisis has been deepened by UN sanctions and the blockade imposed on Kurdistan by the Iraqi regime, which have led to desperate shortages of food, fuel and medicines, and further exacerbated the serious environmental damage caused by the war against the Kurds.

The main aim of this conference was to discuss the roots of this crisis and make recommendations to help resolve it. The conference, which took place between Friday 4 and Sunday 6 September, was attended by representatives of the Kurdish Regional Authority and leaders of the various Kurdish parties and Non-Governmental Organisations (NGOs), and representatives of the European Parliament and Commission and representatives of the Dutch and other European governments and NGOs were also present. Rich discussions crystallized in five workshops, each dealing with a specific aspect of reconstruction and development: Agriculture; Infrastructure and Health Care; Industry, Energy, Water and Oil; Services (in particular banking); Education and Management Training.

Recommendations

We urge the Kurdistan Regional Authority to establish a Development Board, representing the relevant ministeries and Kurdish NGOs. The board should:

- Formulate a master plan for economic development with clear priorities and make this plan available to both Kurdish and international NGOs;
- · Coordinate detailed and accurate surveys of all regions;
- To integrate plans for improving education within a general development plan;
- Ensure that all project proposals are formulated according to internationally accepted standards.

Major priorities are:

- An international campaign for immediate relief action to avert impending disaster because of food, fuel, and medicine shortages;
- · The removal of mines;
- The encouragement of villagers to return to their lands and the provision of essential assistance such as tools, seeds and livestock;
- The opening of accounts with foreign banks to finance development and reconstruction, and the eventual establishment of a regional bank in Iraqi Kurdistan;
- The encouragement of oil companies to set up mobile oil exploitation units in Iraqi Kurdistan;
- An initial emphasis on small-scale, viable industrial and agricultural processing projects;
- Promoting direct allocation of project funds to Iraqi Kurdistan (not via Iraqi regime channels), employing the prevailing NGO structure;
- Unfreezing Iraqi assets abroad and making them available for relief and reconstruction in the Kurdish region;

- The redirecting of income from the sale of Iraqi oil under UN Security Council Resolutions 706 and 712;
- Negotiations with the UN Sanctions Committee for permission to import essential goods such as spare parts and raw materials;
- The encouragement of contacts between towns, schools, universities, unions and other institutions with their counterparts in Kurdistan;
- Guaranteed UN and Allied protection of the Kurdish people along the lines of UNSC resolution 688 until a democratic government is established in Iraq, as investments and development are not possible without permanent security.

Documents

His Excellency Dr. Boutros Boutros Ghali Secretary General of the United Nations 1 UN Plaza, New York, NY, USA

Dear Secretary-General,

We, the participants in the conference on the Reconstruction and Development of Iraqi Kurdistan, held under the auspices of the International Dialogue Foundation and the Netherlands Kurdistan Friendship Society, noting the successful free democratic election held in Kurdistan in May, 1992, and the formation of a Regional Government in the Kurdish Region, and realizing the need for a speedy recovery and rehabilitation of the Region devastated by the Iraqi Regime, and in order to avoid the inescapable calamity if certain measures are not taken urgently to avert the tragedy, so fresh in the minds of the entire world, when 3 million Kurds clung to the muddy slopes of the mountains of Turkey and Iran, with a daily loss of about 1000 souls over a period of weeks, saved only by the brave assistance offered by the international communities, per UNSC Resolution 688, and as the Government of Iraq had repeatedly refused implementation of the UNSC Resolution 706 permitting limited export of oil of up-to Billion \$1.60 to pay for vitally needed food and medical supplies, We the participants of this Conference request your urgent attention and assistance in resolving the following urgent matters:

- Use of your kind authority to exempt the Kurdish Region created by the Kurds in Iraqi
 Kurdistan, for humanitarian reasons, from sanctions imposed on Iraq;
- impress upon the Turkish Government to keep the border open for free humanitarian aid to reach Kurdistan so that reconstruction efforts are not hampered;
- remove obstacles in the way of recognition of the newly established Kurdish Regional
 Government by the International and NGOs, by directly dealing with the above legitimate authority, until such time that a solution is found for the dilemma of the Iraqi
 people, and the return of the country to the rule of law and order.

We would very much appreciate your kind assistance in this matter.

Thank you.

On behalf of the Participants,

Fuad Hussein Chairman of the Organizing Committee 6 September, 1992 Zeist, The Netherlands

Programme of the international Conference on

The Reconstruction and Development of Iraqi Kurdistan

4th - 6th September 1992 in Zeist, The Netherlands

Friday night 4th September

20.15 Opening

Introductions into The current economic situation of Iraqi Kurdistan by representatives of the main political parties in Iraqi Kurdistan.

- 20.30 Mr. Jalal Talabani, leader of the Patriotic Union of Kurdistan, co-chairman of the Iraqi Kurdistan Front.
- 21.00 Mr. Hoshyar Zebari, representative of Mr. Massoud Barzani, member of the political bureau of the Kurdistan Democratic Party.
- 21.30 Mr. Sami Rahman, member of the Council of Presidency of the Unity Party of Kurdistan (UPK).
- 22.00 Closing.

Chairperson: Mr. Fuad Hussein M.A., chairman of the organizing committee.

Co-chairpersons: Mr. Peter Idenburg Ph.D., director of the International Dialogues Foundation

and Mr. Pieter Muller LL.M., chairman of the Netherlands Kurdistan Society.

Saturday morning 5th September 8.00-9.00 Breakfast

- *Analysis of the constraints on the economic development of Iraqi Kurdistan.
- * Different options for economic policy and their expected impact on the economic and social development.
- 09.30 The reconstruction of Iraqi Kurdistan by Mamoon Brefkani, minister of Reconstruction and Development.
- 10.15 The development plan of Iraqi Kurdistan by Jamal Fuad Ph. D., agricultural consultant, former World Bank official.
- 11.00 Interval
- 11.30 The current economic situation in Iraqi Kurdistan by Saleh Hafeed, minister of Finance and Economy.
- 12.15 A strategy for development in the Kurdish region of Iraq by Majeed Jafar Ph.D., economy and computer consultant.
- 13.00 Lunch

Chairperson: Mrs. Mathilde van den Brink M.A., member of the European Parliament. Co-chairpersons: Muhamed Kader Salehi (Dr. Kamal Kirkuki), deputy minister of Humanitarian Aid and Solidarity, and Mr. Michiel Leezenberg M.A., member of the organizing committee.

Saturday afternoon 5th September

- 14.30 Five workshops
- 16.00 Interval
- 16.30 Continuation of workshops

Every workshop will be introduced by an expert who will put forward a proposition that will serve as a guideline for the discussions in the workshop.

The workshops will focus on the following issues:

- *Agriculture chaired by Jamal Fuad Ph. D., agricultural consultant;
- * Infrastructure, in particular health care chaired by M. Brefkani, minister of Development:
- *Industry and energy chaired by Mohammad Amin Mawlood, minister of Industry and Energy, and Mustafa al-Jaff, UN official;
- *Services, in particular banking chaired by Saleh Hafeed, minister of Finance and Economy;
- * Education and management training chaired by Sami Rahman, former Iraqi minister of the Kurdish area (1970-1974).
- 18.30 Dinner

Saturday night 5th September

- 20.00 Reports of the workshops
- 20.00 Agriculture
- 20.25 Infrastructure (health care)
- 20.50 Industry and energy
- 21.15 Services (banking)
- 21.40 Education and management training

Chairperson: Dr. Michel van Hulten, chairman of the International Dialogues Foundation and adviser of the Dutch Minister of Development Cooperation.

Co-chairpersons: Dr. Khesro K.M. Malik, MP of Iraqi Kurdistan, Mr. Ruud Hoff M.A., member of the organizing committee.

- 22.00 Informal contacts
- 22.00 Chairpersons and rapporteurs of the workshops discuss conclusions and recommendations.

Sunday morning 6th September

8.00-9.30 Breakfast

10.00 **Panel discussion**:

The Reconstruction of Iraqi Kurdistan

Participants: Mr. Sami Rahman, former Iraqi Minister of the Kurdish area, Mr. Hoshyar Zebari, member of the political bureau of the Kurdistan Democratic Party, Mr. Berham Saleh, member of the central committee of the Patriotic Union of Kurdistan, Mr. Bouke Beumer, chairman of the Economic Committee of the European Parliament, Ms. Leoni Sipkes, MP, speaker for foreign affairs of the Green Left Party, The Netherlands.

Chairperson: Prof. P.J.I.M. de Waart, International Law, Free University.

- 11.30 Interval
- 12.00 Speech on behalf of The Regional Government of Iraqi Kurdistan by Dr. Kamal Kirkuki, deputy minister of Humanitarian Aid and Solidarity.
- 12.15 Conclusions of the conference
- 12.30 Closing

Chairperson: Fuad Hussein M.A., chairman of the organizing committee.

Co-chairpersons: Peter Idenburg Ph.D., director of the International Dialogues Foundation and Pieter Muller LL.M., chairman of the Netherlands Kurdistan Society.

12.45 Lunch

List of participants

Mr. Faiz A. Abdullah, Kurdistan Reconstruction Organization (KRO), Zakho, Iraqi Kurdistan

Prof. Kadhim Habib Abed, economist, Berlin, Federal Republic of Germany

Mr. Herman van Aken, Dutch Interchurch Aid, Utrecht, The Netherlands

Mrs. Heidrun Alm-Merk, Minister of Justice of Land Niedersachsen,

Federal Republic of Germany

Mr. Shalaw Ali Askeri, Kurdistan Relief Association (KRA), Sulaimaniya, Iraqi Kurdistan

Mr. Ahmed Awnet, Amsterdam, The Netherlands

Mr. Ali Aziz, economist, Amsterdam, The Netherlands

Mr. Ralf Bäcker, Medico International, Frankfurt a.M., Federal Republic of Germany

Mr. Salah Mustafa Bakir, Kurdistan Agricultural Rehabilitation and Development Organization (KARDO), Arbil, Iraqi Kurdistan

Mr. Wim Bartels, Interchurch Peace Council, The Hague, The Netherlands

Mr. Abdurrahman Bedawi, Kurdistan Democratic Party, Amsterdam, The Netherlands

Mr. K.M. Bedawi, Kurdistan Democratic Party, The Netherlands

Mr. Bouke Beumer, Member of the European Parliament, The Netherlands

Mr. Kees Blokland, Paolo Freire Stichting, Doetinchem, The Netherlands

Mr. Mamoon Brefkani, Minister of Reconstruction and Development, Arbil, Iraqi Kurdistan

Ms. Mathilde van den Brink, Member of the European Parliament, Utrecht, The Netherlands

Mr. Sertaç Bucak, International Association for Human Rights in Kurdistan, Bremen, Federal Republic of Germany

Ms. Benedicta Cornwell, Save the Children, London, United Kingdom

Mr. Ismail Delewi, civil engineer, The Netherlands

Dr. Thea Dückert, Member of the Parliament of Niedersachsen, Federal Republic of Germany

Mr. Doeke Eisma, Member of Parliament for the Democratic Party, The Netherlands

Dr. Jamal Fuad, Board member Kurdish National Congress, U.S.A.

Mr. Aristotelis Gavriliadis, European Commission, Brussels, Belgium

Ms. Hanneke Gelderblom, Member of Parliament for the Democratic Party, The Hague, The Netherlands

Dr. Grüepmüller, Humanitas Germany, Würzburg, Federal Republic of Germany

Mr. Hannau

Mr. Fateh Hasan, civil engineer, The Netherlands

Dr. Salahaddin Hafeed, Minister of Finance and Economy, Arbil, Iraqi Kurdistan

Ms. Amanda Harding, France Libertés - Fondation Danielle Mitterrand, Paris, France

Ms. Petra Hegner, Children's Relief Association Lower Saxony Government, Hannover, Federal Republic of Germany

Mr. M.R. van der Heijden, member board International Dialoques Foundation

Ms. Louise Hidalgo, The Times, London, United Kingdom

Mr. M. den Hond LL.M., Ministry of Foreign Affairs, The Netherlands

Dr. Michel van Hulten, Chairman International Dialogues Foundation, the Netherlands

Mr. Burahn Al-Jaf, Kurdistan Democratic Party, London, United Kingdom

Mr. Mohammed Saber Ismael, physicist, Stockholm, Sweden

Mr. Majeed Jafar, Unity Party of Kurdistan, Värmdö, Sweden

Mr. Mustafa Al-Jaff, UN official, Limassol, Cyprus

Mr. Nawzad Jundi, civil engineer, The Hague, The Netherlands

Mr. Rezgar Kadir, engineer, Amstelveen, The Netherlands

Mr. Goran Karim, Amsterdam, The Netherlands

Mr. Hakmat M. Karim, Toiler's Party, Iraqi Kurdistan

Mr. Oscar Kemble, member board International Dialogues Foundation, The Netherlands

Mr. Hannes Kempmann, Member of the Parliament of Niedersachsen,

Federal Republic of Germany

Mr. Gert Koffeman, Member of Parliament for the Christian Democratic Party, The Netherlands

Mr. Mahmad Zaki Korshid, Kurdistan Reconstruction and Development Society (KURDS), Sulaimaniya, Iraqi Kurdistan

Dr. Mohammad Koshnau, Chairman Kurdish Cultural Centre, London, United Kingdom

Mr. Akil Mahmoud, France Libertés - Fondation Danielle Mitterrand, Paris, France

Dr. Khesro K.M. Malik, Member of Parliament for the Patriotic Union of Kurdistan, Arbil, Iraqi Kurdistan

Mr. M. Amin Mawlood, Minister of Industry and Energy, Arbil, Iraqi Kurdistan

Dr. Musa Mohamed, economist, The Netherlands

Mr. Abdul Rachman A. Mohomad, Kurdistan Relief Association, Arbil, Iraqi Kurdistan

Mr. Jiya Abbas Nouri, physician, Amsterdam, The Netherlands

Mr. Per Allan Olsson, Swedish Committee for Human Rights of the Kurdish People/Qandil Project

Mr. Hoshmand Othman, Institut Kurde de Paris, France

Mr. Serwar Pedawi, civil engineer, Amsterdam, The Netherlands

Mr. Alvaro Pinto Scholtbach, Labour Party, The Hague, The Netherlands

Mr. Michel Plisson, Oxfam Belgium, Brussels, Belgium

Mr. Sami Rahman, Unity Party of Kurdistan, Iraqi Kurdistan

Dr. Latif Rashid, Patriotic Union of Kurdistan, Londen, United Kingdom

Dr. M.S. Rasoel, Kurdish Life Aid, Ashington, United Kingdom

Mr. Antoine de Ravignan, Solagral, Paris, France

Ms. Angelika Rössler, Society for Threatened Peoples, Göttingen, Federal Republic of Germany

Mr. Mohamed Saber, Patriotic Union of Kurdistan

Mr. Arjumman Sadiq, International relief coordinator, Federal Republic of Germany

Mr. Shazad Saib, lawyer, Maarssen, The Netherlands

Mr. Husham Salah

Mr. Berham Saleh, Patriotic Union of Kurdistan, Washington, U.S.A.

Mr. M. Kadir Salehi (Dr. Kamal Kirkuki), undersecretary of the Ministry of Humanitarian Aid and Solidarity, Arbil, Iraqi Kurdistan

Mr. Emad Saleh, Amsterdam The Netherlands

Mr. Mohamed Serbest, agronomist, Leuven, Belgium

Mr. Omar Shaikhmous, Qandil Project, Sweden

Dr. Jamil Sharaf, civil engineer, Maastricht, The Netherlands

Mr. John Simnett, Kurdish Life Aid, Ashington, United Kingdom

Mr. Khalil Sinjari, Unity Party of Kurdistan, Iraqi Kurdistan

Ms. Leoni Sipkes, Member of Parliament for the Green Left Party, The Netherlands

Mr. Alexander Sternberg, Society for Threatened Peoples, Göttingen, Federal Republic of Germany

Ms. Margriet Struif, Ministry of Foreign Affairs, The Hague, The Netherlands

Mr. Jalal Talabani, Patriotic Union of Kurdistan, Iraqi Kurdistan

Dr. Pieter Terhal, Centre for Development Planning, Erasmus University, Rotterdam, The Netherlands

Mr. Jozef Treybenreif, Humanitas Germany, Würzburg, Federal Republic of Germany

Mr. Stef Vandebroek, Justice and Peace, Brussels, Belgium

Prof. P.J.I.M. de Waart, Faculty of Law, Free University, Amsterdam, The Netherlands

Mr. Bassim Al-Zahawi, civil engineer, Rotterdam, The Netherlands

Mr. Ari Zebari, civil engineer, Amsterdam, The Netherlands

Mr. Hoshyar Zebari, Kurdistan Democratic Party, Washington, U.S.A.

Mr. Dick de Zeeuw, former president Agricultural University, Wageningen, The Netherlands

Organizing Committee

Mr. Leo Cnossen, librarian, Free University Amsterdam

Mr. Ruud Hoff, historian

Mr. Fuad Hussein, political scientist

Dr. Peter Idenburg, director International Dialogues Foundation

Mr. Michiel Leezenberg, assistant lecturer, University of Amsterdam

Mr. Pieter Muller, director Netherlands Kurdistan Society

Ms. Bonnie Noorman, journalist

Mr. Wim Plantenga, social geographer

Secretariat

Ms. Monica Dutting

Ms. Shirien Shazad Sahib

Ms. Petra Veraar

Ms. Claartje Vollebregt

Mr. Mike Gould

Mr. Jelle Verheij

Video registration

Mr. Hussein Sewdin

Mr. Bachtiar Arif

Literature

The literature dealing with the specifically economic and developmental aspects of Iraqi Kurdistan is scanty. The most important titles are listed below; some important titles providing information on the social and political background have been included as well.

H. Batatu 1978 The Old Social Classes and the Revolutionary Movements of Iraq. Princeton NJ: Princeton University Press

M. v. Bruinessen 1992 Agha, Shaikh and State: The Social and Political Structures of Kurdistan (2nd ed.). London: Zed Press. German ed. Berlin: Express 1989.

L. Dziegiel 1981 Rural Community of Contemporary Iraqi Kurdistan facing Modernization. Krakau

A.R. Ghassemlou 1966 Kurdistan and the Kurds. Prague: Czechoslovak Academy of Sciences.

M.R. Jafar 1976 Under-underdevelopment: A Regional Case Study of the Kurdish Area in Turkey. Helsinki

R. Hoff, M. Leezenberg, P. Muller 1992 Elections in Iraqi Kurdistan (May 19, 1992): An Experiment in Democracy. Brussels/Amsterdam: Pax Christi International/Netherlands Kurdistan Society/Interchurch Peace Council

Ph. Mart 1985 The Modern History of Iraq. Boulder, Colorado: Westview Press (esp. Ch. 9, 'Economic and Social Change Under Revolutionary Regimes')

D. McDowall 1991 The Kurds: A Nation Denied. London: Minority Rights Group Publications

P. Muller, Report on the Situation in Free Kurdistan (Liberated Zone of Iraqi Kurdistan). Amsterdam, Stichting Nederland-Koerdistan, May 1992

E.F. Penrose & E. Penrose 1978 Iraq: International Relations and National Development.

P. Sluglett and M. Farouk-Sluglett 1987 Iraq since 1958: From Revolution to Dictatorship. London: I.B. Tauris



Institut Kurde de Pairs

nstituit kurde de Pairis