



**مركز البيان للدراسات والتخطيط**  
Al-Bayan Center for Planning and Studies

# **Managing the Unemployment and Supporting the Economy in Iraq Through the Institutionally-regulated Emigration: Evidence**

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**Al-Bayan Center Studies Series**

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Al-Bayan Center pursues its vision by conducting independent analysis, as well as proposing workable solutions for complex issues that concern policymakers and academics.

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# Managing the Unemployment and Supporting the Economy in Iraq Through the Institutionally-regulated Emigration: Evidence from Tunisia

**Raed Ahmed, PhD\***

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## **Introduction:**

It might be clear to most people that individuals leave their countries and seek a better life in other countries, which usually happens for many reasons. Some of them are related to security conditions—e.g., wars and instability—high rates of unemployment, and family unification—e.g., marriage. This type of movement is called emigration. Although it has negative effects on the sending countries, such as what is called “brain drain,” it also carries some benefits at the individual and the institutional levels, especially for the countries that suffer from the high rates of unemployment and chronic weak economies. In this situation, the governments sometimes prepare a segment of their citizens—usually low-skilled people—to emigrate through vocational training. “Exporting” those people to their destinations requires pre-established agreements with those destinations that lack such labor. That process avoids both sides of the agreement and the problems of irregular migration and supports both economies in different ways.

## **The Theory and Its Implications:**

The migration theory refers to the process in which people move from one country to another one or within the country. Regarding the first type, people sometimes are forced to seek safe havens due to the conditions of instability in their home countries, such as wars, domestic violence, and civil war. Also, weak economies force people to seek a better life in rich countries, whether those countries are in the same

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region or in another continent. For example, during the so-called Arab Spring of 2011, there was a massive and uncontrolled wave of migrants who reached Europe through Turkey of the Mediterranean. As a result, millions of people from Asia and Africa landed mostly in Italy, Spain, and Greece. Also, in 2019, there were hundreds of thousands of people marched from poor Latin American countries toward the United States of America—later that wave was controlled by Mexico due to the regulations of the 1996 agreement with the US.

In general, most of the massive waves of emigrants are low-skilled people. Therefore, they are unwelcome in the host countries. When those people arrive at their destinations, they hardly find jobs and they barely support the economies of the host countries. Also, since the governments are obliged to screen their eligibility for being refugees, those irregular emigrants are economic burdens due to the related expenses, such as providing shelters, and educational and health services. Therefore, to avoid that complication, governments in the host countries prefer to make agreements with the sending and the transit countries to prevent irregular emigrants to reach the territories of the host countries.

However, these agreements are based on what is called “Conditionality” where conditions are enforced by the receiving countries. Therefore, benefits can be offered to the sending/transit countries if they accept to cooperate in curbing the irregular migration. The success of such agreements depends on what is offered, the leverage the host countries have, and the needs of the sending/transit countries. On one hand, economic aid and the privilege of mobility are the best offers that the sending/receiving countries may expect only if these offers meet the latter’s needs. For instance, if the aid does not make a noticeable change in the economies of the beneficiaries, no deal may be made. On the other hand, the receiving countries may threaten the sending/transit

countries to reduce the trade exchange, cut the remittances, and/or lower the mobility between them, which mostly affect the economies of the sending/transit countries. The most recent successful example was the European–Turkish agreement of 2016 when the European Union (EU) offered Turkey six billion euros, increasing the mobility of its citizens, and increasing the trade exchange with the EU members. As a result, there was more than 80% decrease in the number of arrivals through Turkey to the EU in 2017 and after.

### **Tunisia and Europe:**

In comparison to its neighbors—i.e., Algeria, Libya, and Morocco—Tunisia has a weak economy due to the lack of natural resources and suffers from economic problems. Therefore, Tunisians usually emigrate through the Mediterranean to Europe, especially to Italy due to the geographic proximity. In order to curb that movement, Italy started negotiating with Tunisia for that purpose. Since Italy is the first economic partner and thousands of Tunisians in Italy send money to their relatives in Tunisia, Italy has leverage over Tunisia. However, Italy also offered many other benefits related to economic partnerships and giving privileges to the Tunisians to work temporarily or permanently. Both offers are important factors in supporting Tunisia’s economy. First, mobility can mitigate the pressure on job demand inside the country. Second, remittances of the Tunisians abroad can be another source of money for the economy, which usually has a nearly 5% contribution to the Gross Domestic Production (GDP).

In addition, to increase the supply of skilled workers to Europe, Tunisia established the [Ministry](#) of Employment and Vocational Formation. One of its tasks is to offer vocational training that meets the needs of the European job market. Also, there is a network of some other ministries that work together with their counterparts in many

EU members to facilitate the mobility and notarizing of the contracts between Tunisian workers and European employers.

### **What about Iraq?**

Iraq has many problems that might be mitigated by following the Tunisian model. Since the 1980s, Iraq has been through many dramatic events that have forced hundreds of thousands to leave and seek refuge in other countries. The most obvious waves of Iraqi refugees were after the US invasion of 2003 and the following events, such as the 2006–2008 civil war and the Islamic State in Iraq and Syria (ISIS). Thousands of refugees who moved to the neighboring countries—i.e., Jordan, Syria, and Turkey—were able to be admitted as refugees while the unadmitted leavers chose to illegally cross the borders and reach Europe. As a result, tens of thousands of Iraqis reach Europe and became the [top 3](#) nationalities of refugees in the continent.

After screening the refugees, thousands of Iraqi applicants have been refused to be included in international humanitarian protection. In order to deport them back to Iraq, the EU or its individual members have been in contact with the Iraqi government to facilitate that process. Unlike Tunisia, the Iraqi government has not been able or not interested in demanding benefits related to the mobility of Iraqis and giving them the privilege to work in Europe. Most of what Iraq gained was financial benefits for security and developmental purposes.

There are many factors that should motivate Iraq to follow Tunisia. First, Iraq is one of the most corrupt countries in the world, and that type of aid is less likely to make any difference in the decisions of Iraqis to migrate. Also, Iraq has natural resources, and offering millions of euros does not make any significant development in the country that should provide jobs. Second, the demographic increase in the [Iraqi](#)

population is very high, and the job offerings of the public and private sectors cannot respond to the increasing demand. Also, most Iraqis prefer jobs in the public sector more than the private because they are permanent jobs and have more pay in general. Third, the private sector in Iraq is still underdeveloped with less foreign direct investment (FDI). Consequently, there is no hope for the new generation in having secured jobs. Finally, even for the skilled workers, the educational institutions in Iraq still miss the international standards and reputation to make their graduates compete abroad.

Therefore, it is important for the Iraqi government to use the Iraqi irregular migration as a bargaining chip with the EU to have the privilege of mobility and economic partnership. However, that requires either establishing a ministry similar to the Tunisian Ministry of Employment and Vocational Training or establishing vocational training institutions that can offer rigorous training that meet the European standards of employment. Following these steps can make a huge difference for thousands of Iraqis in many ways. First, they can develop their skills to be skilled workers and compete in getting jobs elsewhere. Second, working abroad can save thousands of domestic jobs for those who are not interested in migrating. Third, being successful employees abroad can bring FDI to the Iraqi market and can support the national economy. Finally, being employed abroad brings free tens of millions of euros each year in the form of remittances.