

3rd September 2014

Message from :- Dr Husain Al-Chalabi

IIER conference – 6th September 2014

First , congratulations to IIER for trying to bring Iraqis with different points of view who are ready to participate in their capacity as professionals and value Iraq above their personal needs and ready to present what in their views are specific , measurable, achievable, realistic and timely measures / programs that can get Iraq out of the mess we are in and kick start a road map to development and prosperity and united Iraq.

The **viability** of the programs for the New Government depends on the quality & capability of the teams involved in the definition and the implementation of these programs. So the focus of my contribution to the IIER conference is to highlight the influence of the Human factor in resolving the mess we are in and kick start a road map to development.

As an Iraqi who sincerely continues trying to make his modest experience available in seeing Iraq move forward to fully developed status, especially from what I witnessed over the last 23 years how Malaysia changed from backwardness in comparison to Iraq then to where they are now and where they want to be in 2020. Malaysia managed to turn the differences in their ethnicity & religions [Malay ; Chinese ; Indians] into a positive pillar and powerful engine for implementing the road map of their 2020 vision as well as increase the cohesiveness and integration between their communities. **This did not happen by chance ; but the Malaysian journey was engineered by a leader & excellent team with clear vision and nationalistic aspirations [under the banner - Malaysia Incorporated]**.

My journey as a witness to the economic development in Malaysia started in 1991 . I saw the country as part of the third world in actuality ; but with a vision (2020) which was thought by the ordinary Malaysian as very ambitious. **The vision was a composite of strategy for the implementation of the development and the focus on the sectors that will generate the funds for the development. The pillars to the vision were human resource (education , including high number of scholarships to the west), foreign exchange revenue growth (emphasis on oil & gas) & encouragement of foreign investment with good value addition and employment potential (availability of cheap semi skilled labour)**.

With all the negatives that happened to beloved Iraq, there is still a good measure of the spirit , determination and love for Iraq by a large number of Iraqis who have the skill , honesty and pride in Iraq. **I believe it is time to seek such people and task them with the national duty of helping in rejuvenating the**

decaying institutions. I still believe the Iraqis & their elected leaders have an opportunity to overcome the challenges if we truly look into ourselves and focus on **the gap within us** in our behavior, skill & dedication to what is needed to overcome the challenges which starts with **focus on the dialogue gap**. I will highlight what I see as a gap and how it can be filled, who can do it & where they can be found.

Let us not forget that 2003 gave us the hope to reintegrate Iraq with the rest of the world and focus on the rehabilitation & development of our institutions, economy and social services. The introduction of the democratic process in 2003 was supposed to give equal chances for all Iraqis to participate in the development of the Iraq .

My comments below are based on the assumption that **we are now serious in the mission of how to achieve an Iraqi vision of :- resolving the current issues ; progressing from where we are to a full development status.**

Resolving the current issues:-

With the huge challenges facing our Country now, **I am confident that with the selection criteria proposed by Dr Hayder Al-Abadi for the nominated executives in the government, represent a step in the right direction if the quality rather than the background and /or affiliation is adhered to .**

However, with the immediate tasks to develop a "road map" to mitigate tensions between politicians and communities , deliver services, build strong institutions, clear corruption, instill the Iraqi spirit / watani accompanied with developing a vision for Iraq in years 2020 ; 2030 which has the " buy in " of the people, **I feel that candidates for the leadership team should also have indulged & were exposed to cultures & practices that instilled in them & have acquired the following characteristics :-**

- Ability to resolve & manage conflict
- Manage the change & create seeds for functional & transparent Institutions
- demonstrated practical experience [Walk the talk] in delivery of results in line with the plans.
- Create positive working environment that inspires Capability building & professionalism accompanied with pride in achieving valuable services to Iraq and all Iraqis and meeting their key performance indicators & job description.

I believe the Government need such doers in its teams .

Such characteristics are in short supply even in the developed countries.

However, there are Iraqis of international standing who desire to participate & see Iraq develop and have these characteristics; **but felt un-welcomed during the last 10 years.** I will cite an example, which I personally experienced :- I accepted the **invitation** of the Iraqi government in **1974** when there was the initiative then to encourage the return of experienced professionals and

participate in the economic development; but during my 45 days visit, I declined to stay & returned to Canada to continue with my career in the Oil sector. I decided that unless there is a change in Iraq, I like to gain more international experience in my profession. Since I left Iraq in 1962 as a scholarship student I have not worked in Iraq; but being a supporter of the 2003 change, I felt it is "pay back time" to my country which I can offer through sharing my industry experience with my fellow Iraqis in the oil sector. From 2008, I made numerous visits to Iraq to offer my free services to help the oil sector in the area of Human capability development, so they can at least get to be effective participants in the implementation of the oil sector development, **however I found token interest with no real commitment.** I assure you, I am not the only one with such discouraging experience .

In my presentations in Oil conferences, I make a point of comparing the superior productive value of the developed "Human resource" with the relative low value of the primary natural resource [e.g. oil & gas]. I do this because outsiders tell Iraqi leaders that Iraq is rich country due to its oil & I want to make sure that our leaders do not miss on the importance of the real value derived from the development of the Iraqi Human resource. Countries that succeeded in their development were built by its people with the help of the outside world , with the leadership and ownership of any actions being under the full control of the nationals and I assure you Iraq will not be an exception. Good leadership use the proceeds from newly produced natural resource as a “ **catalyst**” for growth and development and often implement projects that process part or all of the natural resource **to create value addition to further enhance the economic and skill development .** Often, the leaders who spend the revenue from natural resources on consumption of goods or provision of services transition the country to a “ **Resource Curse**” status with all the symptoms Iraq is currently exhibiting.

Progressing to Full Development status :-

This paragraph focus on the development of Iraq & the importance of the leadership and management by Iraqis in creating services and implementing projects with sustainability and fits the overall development plan and is introduced here to exemplify the fundamental role of the skilled nationals and the indigenous Human resource in the development of a country. From my background in the oil industry [which is known as the engine for growth of any economy], a policy for a developing country need to be based on a real model with tailoring to suit **the new application and its reality [i.e. phased implementation of interactive, well defined, needed projects ranging from economic , cultural , educational , health etc... , with periodic adjustments to rebalance and/ or diversify the development over time] .** The reality must include the knowledge of the local capabilities and the various capabilities from the foreign partner(s) as the local skill development is enhanced. **One of the critical measures of the foreign partner is the ability**

to deliver in the time allocated within the economic plan and without a meaningful increase in the cost and / or delays in the schedule of the implementation. Though on the surface, there is a tendency to confuse politics with national interest ; but the clarity of the knowledge of the political influence and the cost effectiveness of the products & services from such foreign party, will be part of the wisdom of the policy makers. **In the implementation of an economic & social development plan, there are numerous forces (external and internal) that favor one concept or another. The end result becomes a blend of various concepts . The blend may likely adjust its composition with time depending on the changes to the constraints. From my experience, the backbone to a solid plan should include professional companies/ partners with well demonstrated experience and with long term interest in continued support . However, the top of the hierarchy of decision making & provision of services is with the local Iraqi talents and resources, with any external support as needed, by outsourcing. Like any project , without the client's " buy in" it is doomed to failure in meeting its feasibility targets or end up performing inefficiently, resulting in a drain on the economy of the country instead of enriching profitability and growth. It is true that our local talents may not have been exposed to the " state of the Art" technology and/or management ; but by close interaction with external resource with Practical experience, the team will have the ability to strike compromises that will guarantee successful result which is a must to a robust economic policy and growth.**

These are brief comments, which I hope our leaders find the time to read them and digest them under the banner "**Together we will**". **The comments** may also benefit the ministers & executives in addressing the "Root cause" of the deteriorating situation and "kick start" the rebuilding of Iraq on solid foundations.

Best regards
Dr Husain Al-Chalabi
00447951396132