

The reasons and ramifications of foreign worker recruitment, as well as its influence on the Iraqi labor market after 2003

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Abstract:

After 2003, a phenomena that the economic arena had not seen in a long time, connected to the migration of foreign employees, occurred on the Iraqi labor market, given the unexpected scarcity in the economic sectors, notably the service ones. The economic movement in the private and mixed sectors was almost halted; it did not see a turnout from foreign workers at the start of the phenomenon, but it has since increased, and it has become an economic weight, especially for those whose presence is of no use in terms of actual national production. The presence of these workers is necessary in order to achieve economic balance in the labor market and to qualify some numbers of unemployed to fill vacant jobs, particularly in rare professions, and for this reason, the research aims to shed light on the areas of imbalance in order to put them in the hands of Iraqi policymakers and relevant authorities to develop an economic vision that contributes to the solution of the problem.

Keywords: primary motivations, hiring foreign , foreign workers

Introduction:

The real danger is the impact of foreign labor on the Iraqi labor market, which is manifested by high unemployment rates for various age groups in the market, as well as low skills among newcomers to the labor market, which is the result of a lack of training and rehabilitation programs, and low rates of economic growth and investment, in the absence of accurate unemployment figures, resulting in a clear divide between the two sides. The unstable economic structure, in especially

the openness to the outside world, allowed enormous numbers of people to enter the Iraqi labor market. Internal displacement and external migration exacerbated the irregular situation, with project owners preferring to operate in foreign currency for reasons such as cheap salaries and the scope of their commitment, among other things.

The impact of these events was negative on the course of the Iraqi labor market, particularly after the emergence of large numbers of unemployed, prompting those concerned, as well as those with an economic outlook, to demand that internal system reforms be expedited, including the return of competencies to occupy their places in Iraq through peaceful means.

Research Importance

The significance stems from the scarcity of research on the issue of immigrant labor in Iraq and its profound impact on the level of the economic market, the lack of scientific libraries for this type of study, and the scarcity of related sources with the actual need for information on this subject and supporting economic decisions in Iraq's difficult circumstances.

As the research will try to shed light on the most important reasons that called for the recruitment of such workers, and what profit and damage are achieved as a result of those frightening numbers, the increase in the number of foreign workers is pushing in the direction of a danger related to Confusion in the Iraqi market, in light of the exacerbation of unemployment numbers, and great damage to the mechanism of the functioning of the economic system, as the research will try to shed light on the most important reasons that called for the recruitment of such workers

The Research Problem

How will foreign workers arriving in Iraq satisfy the demands of the Iraqi labor market, particularly the paucity of skills necessary to meet the needs of available enterprises, and what influence will their presence have on the Iraqi economy?

Research Hypothesis:

The presence of foreign employees in Iraq helps companies in certain ways, but it may have negative consequences for the labor market.

Search Objective:

Economic effect was the goal of the search. The impact of foreign labor on the Iraqi labor market, as well as the most significant ramifications in this respect, and give proposals to lessen the need for foreign labor.

Research Methodology:

The researcher used a descriptive strategy in the usage of books, journals, periodicals, and yearly bulletins, as well as an analytical approach in dealing with the impacts of foreign labor and their implications for certain economic sectors.

The theoretical basis for foreign labor in Iraq is the first topic:

Foreign labor is without a doubt one of the most significant components of the labor market, and it is an effective pillar in the process of development and engagement in establishing economic systems that propel progress ahead by actively participating in the growth of most economic sectors.

The significant advancements made by foreign workers in general are undeniable in terms of their economic impact; however, due to the nature of the Iraqi economic system, it is one of the elements of consolidating the problem of unemployment, which has become a major threat to the Iraqi economic system's course, due to the difficulty in finding suitable job opportunities for citizens, as

foreign labor constitutes a major source of concern for the Iraqi government. Another party is divided on whether to stop or resume the import of foreign labor, with the former advocating for limiting it or passing legislation to prohibit it, claiming that it is the primary cause of Iraq's rising unemployment rates, while companies and offices specializing in recruiting such workers profit from the system's instability.

On the security and economic levels, what is created by the effects of foreign worker recruiting As the Iraqi state was not distant from the problem of foreign labor, the adoption of well-studied plans with a purposeful character in accomplishing economic objectives that are consistent with the needs of the Iraqi market is required. Many workers and farmers rushed to factories and farms in Iraq in the early 1970s, and the rise of Arab expatriate workers started in the basic commercial sector, as construction workers and farmers, while others entered the labor force. Until the government came, the number of expatriate employees and residents in Iraq was unknown. Due to the harsh conditions after the implementation of the economic embargo on Iraq, and after 2003, the Iraqi labor market attracted more than four million immigrants, although most of them decided to leave Iraq for other nations or return to home countries in the 1990s. Various nationalities, predominantly Asian, are scattered across commercial centers and private sector projects, as well as houses and other locations, as a result of employers' desire to contract with them, explaining the issue with their devotion and good discipline, as well as other factors. The Iraqi law set the percentage of workers in private institutions at about 5% of the total number of employees, but the chaos of the situation and the lack of enforcement of the regulating laws prompted many businesses to ignore the law and enter into agreements with foreign labor recruitment and employment offices to smuggle them into the labor market, resulting in a significant increase in the number of unemployed people.

It is realistic to point out that there is no real or approved database with any governmental or official agency specializing in recruiting foreign workers, and it should be noted that most relevant authorities in the government do not cooperate with those seeking real data, to clarify how this employment works., or addressing the controls through which it is possible to control the anarchy of these illegal numbers of foreign workers, a matter that may be explained. It destroys its economy, and employment plays a significant role in this. What can be seen on the ground, in the context of research and investigation, is that the activity of such labor is concentrated in the service sector, which is filled with a large number of different nationalities, with Bangladesh at the forefront of them (Bangladesh), and the main reason - as mentioned above - is that the wages they receive are low when compared to the wages of the local worker, or the Arab Hatt worker. Owners of companies, shops, filling stations, and other businesses prefer foreign workers over local workers to avoid tribal and social problems, as well as the local worker's failure to respond to many orders, in contrast to the foreign worker, whose knowledge of the country's laws is almost non-existent. This is a major reason for their exploitation for long periods of time at work; add to that the fact that most foreign workers work outside of government controls and with explicit violations, and they try to stay longer in search of financial gain by pleasing the employer to cover up their violations, lest they face accountability and deportation, given the lack of government oversight and the prevalence of administrative corruption in covering them up. (Nabil J.A.R ,2018, P 34)

The second subject is the primary motivations for hiring foreign workers:

The use of foreign labor on many jobs and job opportunities in Iraq has become a reality and clear, bringing with it all the issues that spark heated debate between supporters and opponents of the existence of this labor because of its negative and positive factors, which may benefit many project owners and employers,

particularly in recent years after large waves of foreign workers, in light of weak governmental and regulatory oversight, No, and as a result, all of the population's basic needs for services were not met at the required level, despite the fact that the services sector in question was already suffering from severe weakness and a low level of performance, as well as a manpower shortage, which caused major waves of migration and displacement to double the pressure on the system. One of the most significant reasons for the presence of foreign labor is to cover part of the shortage in order to adapt the irregular condition, notably in the health and educational services, as well as the energy, water, and housing sectors.(Muhammad S.I. , 2010 , p 118)

decreases The wages of foreign workers in many sectors are the main reason for their large-scale recruitment, both legally and illegally, since the foreign worker, especially in the service sectors, receives a significant reduction in wages compared to the number of working hours he produces. Many studies, research, and articles that dealt with the human, not the economic, aspect of this phenomenon have indicated that it has reached the limits of exploitation. It is the supreme evidence of the low wages of foreign workers compared to local workers, as well as the issue of imitation and simulation, which is an essential element in the life of societies that have recently kept pace with modernity, including Iraqi society. And the use of tools to attract customers, such as defining the worker's nationality or referring to skin color, and other similar tools of encouragement that may or may not apply, legal contexts, and even societal custom, led to a high demand for foreign workers in particular, within the framework of bragging bragging, and other factors of spreading the culture of this type of work, despite the other negative aspects that befall this phenomenon.

The second criterion is the impact of foreign workers on Iraq after 2003, both favorable and negative:

The problem of the proliferation of foreign labor, both legal and illicit, has had a variety of ramifications that impact the character of economic, social, and even political life in direct and indirect ways. Life in Iraqi society is an important reality:

1. let's look at the advantages:

The expansion of development and economic projects in Iraq may be seen as a true complement and support for local employment, and therefore as a beneficial component in propelling the economy ahead, provided the proper steps are taken to ensure that the experience is a success, such as the following:

- 1- Foreign labor accepts work at lower salaries than local labor, lowering the cost of manufacturing products and services.
- 2- It makes a substantial contribution to enhancing and improving the experiences of local employees, as well as developing them in certain circumstances where activities need the acquisition of technical skills, all of which help to raise the level of output.
- 3- Creating a balance between supply and demand in the labor market, as it works to fill the shortfall in the supply of local forces, which is due to an imbalance in their organization and planning, such as the lack of coordination of educational outputs with national development plans, at a time when the demand for technicians and skilled people is increasing. On the other hand, according to the requirements of the production process, the number of graduates from non-professional categories, such as humanities and arts colleges, is increasing, while the number of graduates from engineers and doctors does not always correspond to the number of professionals.

- 4- Foreign employees embrace labor in every productive opportunity that comes their way, regardless of the regions that fit within the needed job categorization.
- 5- Rationalizing local labor's goals, making them more receptive and tolerant of market demands, and guiding them to currently accessible job until a better chance arises.
- 6- Working to strengthen international relations between Iraq and the countries from which different nationalities supplied foreign workers, which is one of the most important tributaries of opening horizons for developing joint work and extending cooperation bridges in order to create a new economic spirit and sources of development.
- 7- The visible movement of the national economy, in addition to services that fulfill the demands of the foreign worker, via the creation of a number of new activities.
- 8- Disseminating the country's culture, introducing its civilization, and the breadth of its international impact, which is necessary to reflect the true picture after the shadowing that has been cast by the opposing media, which seeks to repel foreign investment by spreading fear and terrorism, and what terrorist movements and hostile forces carry from broadcasting propaganda that threatens security. calm society, and discourages expatriates from looking for profitable business options with a financial component.
- 9- There is no doubt that the expatriate who has taken on the burden of travel and separation from his environment and origin has the preparations necessary to manage himself and control all of the obstacles that he will face, and thus is psychologically prepared to perform his work satisfactorily, with fruitful and profitable results. On a personal level, this has an impact on the company where he works.

2. Negative Consequences:

- 1- A decline in the pace of economic growth as a result of remittances from abroad, which impact the components of GDP (investment or saving), resulting in a visible fall in the volume of quantities produced owing to a decrease in demand for products and services. (Aseel O. M. , 2017 ,p76)
- 2- The harmful contribution made by foreign employees via increased unemployment as a result of labor market rivalry between foreign and local workers, which ceases once job stability is reached, and adds to an increase in crime and societal perversion in general.
- 3- The high levels of poverty and crime, people' low levels of income, and the ongoing desire for it all point to the severity of the situations that ensue.
- 4- Influencing the factor of values, customs, and traditions, as foreign labor contributes to the dissemination of extraneous cultures through its interactions with families, which may cause a societal crisis and push towards an environmental disaster, creating social contradictions and impeding the overall system's functioning.
- 5- Raising the social cost of services in the sector Basic amenities such as power, water, and others must be given to the foreign worker and his family, if any.
- 6- Confusion in the local labor market, since allowing low-wage foreign employees leads to inefficient competition, the cost of which is borne by the local worker, and a favorable effect for the foreign worker is obtained via the exchange rate between the two nations.
- 7- Creating an unsuitable environment inside Iraqi culture by relying on foreign nannies to raise their children, which may violate numerous social conventions and traditions and produce collateral damage that disturbs the state's public order.
- 8- The fact that the number of foreign employees continues to rise encourages the creation of isolated economies, such as schools, restaurants, and other

businesses that will be created on the land with the presence of significant numbers of people, particularly non-Arabs.

- 9- In many sectors where foreign employees operate, this excessive quantity does not correspond - for the most part - to the country's genuine demand for people, whether skilled, semi-skilled, or technical, resulting in a waste of manpower and increasing the occupational and sectoral imbalance.
- 10- Spreading a culture of law-breaking and internal chaos, owing to the numerous parties that recruit foreign workers in a variety of ways, the majority of which are illegal, as evidenced by the statements of many government officials and official media, as well as field investigations discovered through the presence of those Employment in foreign companies and other investment sites.

3. The influence of foreign labor on certain Iraqi economic sectors:

The private sector employs 40-50 percent of the workforce, but it has failed, as has the public sector, to absorb the growing number of young people who join the labor market at high rates each year, as well as the jobless. Due to years of political and social turmoil, during the era of the emergence of terrorist groups, and spreading an atmosphere of financial corruption, due to the charged political atmosphere, up to The Corona pandemic, the security situation has had the greatest impact on the private sector's economic activity, as it created an unstable environment, incompatible with the start of a modern business, and an unfavorable financial environment.(Haider H. Al Tohme, 2020 , p105)

It is clear from what has been said about the private sector that it plays a minor role in establishing a strong economic foundation for the country, and that real reform is required to activate the state's role in the economy and to encourage the private sector to play a larger, rather than minor, role in the Iraqi economy in order to improve growth rates. As a result, the removal of hundreds of thousands of foreign employees is one of the most significant actual treatments that may be

regarded a doorway to changing the direction of this industry. His support for the state's renaissance was shattered, and he produced a state of internal attrition for the entire amount of free services offered to these employees, despite the fact that, as previously said, they do not meet what the labor market requires. Despite the actual evidence of the positives that must be acknowledged and achieved from the employment of foreign workers who come to Iraq, we must examine whether this benefit plays any role in achieving an economic vision, in a fundamental basis for the development of the Iraqi economy, as these individual contributions. It is not about a genuine research that was allowed by the state, given that the state did not initially control the course of work in this sector, and there has not yet been an actual strategic plan to develop an economic system that would remove the state from its rentier system. It generates private sector outputs to create a construction renaissance, eliminates unemployment, and executes a development program that satisfies the need to enhance the skills of graduates, professionals, artisans, and others to meet labor market demands (ESCWA , 2019 , p 11)

exposure The four contracts signed by Iraq Last but not least, to me Many challenges have arisen, the most notable of which being wars and sanctions. International, since it had a significant influence on economic, social, and political elements, leaving almost full damage of Brown infrastructure and a shaky economic condition, which worsened as a result of it. Human development and social services indicators have been canceled. Basic, plus a lack of security stability and a significant amount of immigration preparation All of the above was described, from the populace to the outside, as well as forced internal relocation. It has a significant influence on domain work since it is not structured, which is the form of From forms. Economies and Adaptation Unable to offer appropriate employment possibilities for people, as well as economic and social rights; According to statistics, 53.7 percent of employees are engaged in jobs that aren't organized once a year. In the years 2014 and 2015, the scenario grew more

common. In addition, the year 2016 In the midst of the situation, I have a counterpart. Iraq has been exposed to it since the early 1990s. Finally, we may discuss the primary causes for the formation of informal employment in Iraq, since the Iraqi economy is based on a key resource, crude oil, and this sector is He approves of my dense head money, but he only understands about 2% of it. What the worker's abilities are, and what the actions record Chances are generated by productivity. jobs in the agriculture and industrial sectors The industrial sector is suffering from a notable downturn that does not provide any economic assistance, and it is also constrained, which is relevant to the issue at hand. Private role sector, which may be dealt with a variety of correctional points; The fall in the customized to invest in Iraq is also one of the primary factors that lead to the growth of informal labor. From the general public's total spending budget, as well as the high growth rates of the labor force and population of working age, and the fall in those rates, Become a part of education in contrast to the sharp rise in rates. Height rates, leakage Poverty, as well as what the displacement factor leaves behind in terms of collective poverty In this sense, the population has a tremendous influence. Security has deteriorated as a result of the worsening circumstances.

The private sector prefers to hire foreign workers, claiming that the wages paid to foreign workers are much lower than those paid to Iraqi workers (which they are not, if the damage and loss costs of foreign workers for the services provided to them are calculated for free), and that this is due to a lack of government oversight, as well as the fact that employers do not feel responsible for this cost. Despite Iraqi legislative efforts to limit foreign workers, impose limitations, and add criteria to their entry in order to legally frame them, the situation remains uncontrolled, according to government and parliamentary declarations, and there is a pressing need to preserve Iraqi native labor. Because job opportunities in any country are essentially a legitimate right of its citizens without regard to

foreigners, foreign workers may be allowed to work in Iraq under certain conditions, the most important of which is obtaining a work permit, within reasonable limits, inevitable requests, and exceptional cases. There are extremely few jobs registered in the private sector (according to the Ministry of Labor and Social Affairs). It does not imply the absence of unregistered foreign workers in this sector, nor the lack of detailed data on this labor force, at a time when Iraq's economic policy recognizes that the success of economic development plans is achieved by contracting with foreign companies, both public and private, to contribute to the achievement of economic development goals, whether in infrastructure or production projects. (Elham Nashour,2017, p59)

Conclusions:

- 1- low wages of foreign workers and their endurance for long hours of work were compelling reasons for employers to bring in foreign workers to continue their projects, and the matter even extended to families who began contracting with foreign nannies to raise their children and to fill the shortage in the provision of domestic services, especially among employees, accompanied by That is some societal considerations of customs and traditions
- 2- Foreign labor rationalizes local labor's ambition and makes it more responsive and flexible to market requirements and other advantages, and to move towards what is available from business until alternative opportunities become available, despite the security situation; whereas, housing, food, and other important aspects of the worker's life are borne by the project owner - for the most part - and thus are among the most important factors of attraction.
- 3- The relevant authorities in Iraq do not have accurate data based on scientific foundations, and they withhold a lot of information from researchers, making it difficult to access it, reducing the database available to study demographic phenomena, the workforce, and expatriates, so everything that has been obtained is lacking. Various evaluations, whether from individuals or regional or international organizations, are used to determine accuracy.
- 4- The presence of large numbers of illegal foreign workers, which poses a security risk; it opens the door for their recruitment into terrorist groups, especially since the majority of them are men, and thus poses a risk of moral crimes; it also disrupts established laws and distorts the image of the economy; and it does not meet the requirements of the actual labor market need in Iraq.

Recommendations:

- 1- economic policy should take into account the size of the employment phenomenon in Iraq by tightening control over the number of foreign workers in contracting companies or the private sector, and categorizing the details related to the wage and wage package for this employment in accordance with the requirements of the Iraqi labor market, as well as the positive returns of foreign labor on private sector projects, business owners, and investors.
- 2- Limiting the use of skilled foreign labor, particularly those with insufficient experience in local labor, and imposing high taxes on unskilled foreign labor, which means increasing state revenues, and working to reach agreements on the need to train local workers through coexistence and field work with foreign labor skilled people, in order to gain experience and open new horizons that benefit the Iraqi labor market and paint a different picture of the country's future.
- 3- Working on training, qualifying, and transforming unskilled local manpower into skilled and productive ones, through intensive programs and academic and scientific expertise, to bridge the gap in the recruitment of foreign workers, which has positive effects on raising the level of efficiency and creating a new balance in the labor market, by understanding the need. The current workforce in the local market and how to develop it in accordance with technological advancement criteria.

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