

Iraq's Young Population – A Challenge or an Opportunity?



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INTRODUCTION

his March marks the 20th anniversary of the US-led invasion of Iraq. These 20 years have been dominated by occupation, insurgency, civil war and political chaos.

Yet the urgency of Iraq's present should not prevent a focused discussion of its future, in particular the reality that the demographics of the country present both a challenge and an opportunity. A staggering 40 percent of Iraq's population is now under 15, according to the latest estimates by its ministry of planning¹. Iraq has one of the youngest populations on the planet. Yet the drama of current events has meant that, as Arab News has reported, this significant youth bulge "has been failed by successive administrations who have failed to harness it to boost its weak economy."²

The Arab Gulf States Institute in Washington was also damning in its view that "the Iraqi government's failure to invest in human capital and reconstruction has left the country unprepared for the current rate of population growth."³

Iraq has struggled to put any form of functioning government together — long periods of the past two decades have been

without a sitting administration as various parties and factions failed to negotiate⁴. In this absence of leadership, the almost existential issue of the country's changing demographics has become simply a too-big, too-difficult and too-distant-into-the-future issue to grapple with.

Currently, the default narrative of Iraq's youthful population is that they represent a political constituency that needs to be either ignored or repressed. Much of this is down to the dynamics of public protests that have emerged over recent years, in stark contrast to the generations who lived under the authoritarian policies of Saddam Hussein and resisted in more clandestine ways. Yet street protests have myriad causes and extend far wider than simply younger parts of Iraqi society⁵. Instead, they are driven partly by the country's mix of political instability, continually high rates of unemployment and the fact that a Gallup survey recently showed that Iraq was the fourth angriest country on the planet. As a Chatham House study revealed "although a majority of protestors are known to be young and either unemployed or in education, the survey responses suggest widespread support that transcends societal divisions by age, employment status, gender, or income.⁶"

By 2050, the highest fertility rates in the MENA region are projected for Iraq



THE DEMOGRAPHIC EXCEPTION

Iraq is not the only country in the world that has failed to devote political attention and bandwidth to its children and youth. However, when it comes to global demographics the structural aging of populations, not youth bulges, is considered one of the most important trends of the 21st century. Indeed, the 2015 World Population Ageing report noted that "population agingthe increasing share of older persons in the population - is poised to become one of the most significant social transformations of the twenty-first century, with implications for nearly all sectors of society, including labor and financial markets, the demand for goods and services, such as housing, transportation and social protection, as well as family structures and intergenerational ties.7'

China, for instance, saw its population fall in 2022 for the first time since 1961 when the country was in the throes of Mao's great famine. Official statistics showed that the population dropped by 850,000 last year, compared with 2021, to 1.4118 billion people⁸. That may mean that China has already lost its position as the world's most populous country to India⁹, a change that had not been expected until later this year. The shift will fuel fears of a demographic crisis, with

June 2007 saw a US troop surge, with over 20.000 additional soldiers deployed into Irag. AFF



too few young Chinese to support an aging population.

THE URGENCY OF NOW

Iraq appears to have the opposite challenge; an aging body politic seemingly unable to support a young population. Iraq – and Sudan — are exceptions to regional and global demographic trends. Over the 15 years between 2015 and 2030, the population of Iraq has been projected to grow by almost 50 percent. By 2050, the highest fertility rates in the MENA region are projected for Iraq -3.0children per woman, down from more than 4.0 in 2015. Improving rates of child mortality mean the share of children and adolescents and youth by 2050 is estimated to reach 50 percent of the Iraqi population¹⁰.

These are huge numbers, yet Iraqi policymakers would rightly point to the scale of Iraq's immediate priorities as vital context to better understand why it is failing to tackle demographic problems down the road. For example, currently more than 4.1 million Iraqis need humanitarian assistance, including 2.4 million people who are in acute need¹¹. Meanwhile, 2 million Iragis remains displaced from their homes, the country has a national debt of more than \$100 billion¹² and the cost of reconstruction following the four-year conflict with Daesh is estimated at



\$88 billion¹³.

Corruption in the country remains another impediment to long-term planning; Iraq is placed 157 out of 180 countries listed in Transparency International's corruption perceptions index¹⁴, which ranks countries and territories by their perceived levels of public-sector corruption according to experts and businesspeople. In January, the government announced that it had recovered another \$2.6 million in public funds fraudulently withdrawn from a government account¹⁵, but the money is still only a fraction of the \$2.5 billion that disappeared in this one instance alone.

Beyond millions being dependent on aid and the challenge of corruption, Iraq is still undergoing the wider transition from the planned economy of the Saddam Hussein years to a market economy, which has significantly affected employment trends and priorities. More than 700,000 young Iraqis enter the labor market every year¹⁶, a huge issue for the government that previously used patronage as a core plank of its economic strategy. While the state is still vastly reliant on its oil sector¹⁷, other traditional Iraqi industries are in decline with climate change acting as an accelerant, changing Iraq's environment considerably

Years of war as well as the economies reliance on oil production have taken a toll on Iraq's agriculture. AFP

At least 100 young Iraqis died in the first five days of antigovernment protests in 2019. AFP

and therefore what is possible for the economy of tomorrow. According to a report by US research body, the Atlantic Council, agriculture's value to the Iraq economy as a percentage of gross domestic product has tumbled from about 20 percent before 2003 to 3.3 percent in 2019¹⁸.

Nearly three-quarters of youth (aged 15 to 24) across 92 countries, including Iraq, are off-track for acquiring the skills needed for employment, according to a report published in 2022 by the Education Commission and UNICEF¹⁹. Iraq, meanwhile, already has a youth unemployment rate of 35.6 percent, its banking system remains underdeveloped — only one in five have bank accounts, according to the World $Bank^{20}$ — and 59.2 percent of the country's youth lack the digital skills to perform basic computer-related activities²¹. Young Iraqis also lack opportunities to access education, employability and entrepreneurial skills that will enable their smooth transition into the labor market. There are also limited opportunities to equip youth with the necessary skills to increase their civic engagement and enable them to become active and informed citizens and promote their participation in decision-making

BRAIN DRAIN

The European Commission's 2017 Migration Profile for Iraq revealed that 1,679,000 Iraqis had legally migrated out of Iraq²². This represented 4.4 percent of the Iraqi population and of course did not account for informal departures. More worryingly, survey data from the Middle East Institute showed that 35 percent of Iraqis expressed a desire to leave the country²³ despite their options being hampered by the fact that Iraq has supposedly the "third worst passport in the world,²⁴" as Iraqi passport holders can only visit about 29 destinations visa-free²⁵.

TIME TO STEP UP

Back in 2017 the new UN youth envoy reminded the world that "(young people) are the most valuable force we have to shape a better future.²⁶" While China, Russia, Japan and many others are struggling with the future of an aging population, Iraq has what is recognizes as the potential for a demographic dividend, but only if it is able to realize it. If Iraq's young can chart a roadmap toward being part of a productive workingage population — especially before they have dependents of their own — they will be able to secure disposable income "which can in turn spur greater consumption, production and investment – ultimately accelerating growth and shared wealth.²⁷

Yet "the present political elite look at youth as either tools or rivals, not as partners," said a participant at a Baghdad workshop organized by the Chatham House Iraq Initiative in partnership with Al-Bayan Center²⁸. Iraq's youth could support an Iraqi national renewal and a rethinking of the basis of the nation-state for the next 20 years. Putting the voices of young people at the heart of an anticorruption watchdog – proposed for years but never realized — is just one policy in a toolbox of ideas that could help the country make progress. However, for change to truly happen Iraq's next generation need to be included, represented and championed. In Irag's current Cabinet there is currently only a minister of youth and sports. The scale of the challenge, opportunity and importance of Iraq's young surely justifies a post that focuses entirely on them.

If being the engine of Iraq's future economy is the carrot, the stick is the prospect of further protests. International Crisis Group Iraq Senior Adviser Maria Fantappie wrote that "for a growing segment of the (Iraqi) population, street action has become the only meaningful form of participation in politics.²⁹" For the Iraqi government, ending a leaderless protest movement is a zero-sum exercise with no winners. Instead considering the current dominant role of the state in its economy, Iraq's leaders need

conflict³².

Getting all school-age children into repaired schools is an urgent priority while also making sure that the quality of education is high (corporal punishment is still used) and tailored to what Iraq's future economy needs. Children not in education are far more likely to grow into adults who are not in work or able to fully realize their potential. Policies should look to cover the critical early years period all the way through to the transition into the workplace. There is an urgency to this issue, with Iraq's school-age population predicted to be 17 million children by 2030³³. Climate change in Iraq is forcing people from rural to urban areas, and currently the population is 70 percent urban and



processes.

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to move from clichés around youth "being the future" to charting what that means in practice. Conflict, political divisions and crises cannot be an excuse to forget those who will one day inherit and run the country.

PREPARING THE NEXT GENERATION

The central plank to any country's plan for its future economy is how it educates and trains the next generation of its workforce. Iraq's youth bulge classifies it as a "pre-dividend" country that is yet to see the benefits of a large workforce unencumbered by child dependents³⁰. However, according to UNICEF, close to 3.2 million school-age Iraqi children are not in education and the country has child labor rates of about 5 percent³¹. An additional challenge is that more than one in two schools in the country is estimated to have been damaged by the country's legacy of

1.679.000 Iragis had legally migrated out of Iraq





climbing³⁴. A young, skilled, urban population can be a rich source of foreign direct investment, supported by state-led schemes that are able to hopefully take advantage of a "peace dividend" and offer a far more stable next 20 years than the previous period.

NOT A QUESTION OF CHOICE

Ensuring that Iraq's youth bubble becomes a demographic dividend not a demographic deficit is not a matter of real choice. Iraq cannot maintain the existing model of reliance on oil and state patronage for its future economy. Investing in youth is a hard-nosed economic decision, not a "nice to have," as the country must transition from a reliance on Iraqi oil to a reliance on Iraqi people. Research by academics at Manchester University estimates that if Iraq starts the transition now, it could phase out oil and gas production by 2050³⁵. The authors of the research report say that any delay will mean

By Jan. 2022, Basrah **Gas Company** employed 180 women out of its 5,000 workers. AFP





Investing in youth is a hard-nosed economic decision



faster change later, which will be harder to manage.

The prominent Iraqi sociologist, Faleh Jabar, wrote that Iraqi youth are ready to embrace a more inclusive national politics³⁶. Doubling down on an inclusive strategy toward unleashing the youth dividend is desperately needed, and starts by the government viewing its young population as a partner not a threat. Secondly, any strategy that charts this huge effort needs to be properly resourced. In 2021, Iraq spent \$4.73 billion

Anti-government protesters vow on Feb. 6, 2020, to persevere after burying seven fellow activists killed overnight in violence blamed on Moqtada Sadr supporters. AFP



Some 18,000 displaced Yazidis lived in 4,000 tents in Sharya camp, 15 km from the northern city of Dohuk. AFP

on its defense budget, down from \$7.6 billion in 2019³⁷. As the country's defense budget goes down, its education and skills budget must surely rise. Iraq's peace dividend must benefit those who grew up in the shadow of war, displacement and poverty. Finally, it is worth recognizing how difficult these ideas are to realize, and Iraq's allies both regionally and globally should commit their support to an ambitious youth strategy that would lead to Iraq becoming a far more stable and prosperous country.

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