

## Iraq's Public Administrative Issues: Corruption

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### Abstract

Iraq has been deeply affected by corruption, particularly during the years of wars that left a heavy imprint on the country, at all levels of social functionality, including the public administrative system. Corruption is deeply rooted in Iraq, as it seemed to gain proportions with the coming of the Islamic State to power. The topic was chosen particularly because the issue of corruption represents a very important subject, also being a social phenomenon that affects the administration along with the society of Iraq. Moreover, with the coming of the Islamic State to power, corruption reached its peaks, as the organization gradually destroyed the administrative system. Along with the fall of Saddam Hussein's regime, Iraq suffered from the outcomes of the disastrous management at the level of government. Because of the lack of resources, along with the unequal distribution of goods among the people, corruption spread just as a malignant disease in the country. This eventually had a great impact on the proper functionality of the public system, as the people were left behind, and no effort was put in to bring about the changes needed by the population. Although several efforts were made by organizations in order to find solutions to the problems related to corruption, little has been done at this time. Iraq is still struggling to reach a stable line, and it will prove extremely difficult for the outside parties to address the most pressing issues of the country.

**Keywords:** Iraq; Corruption; Public administration

### Introduction

The present article was written for the purpose of providing a view, as much connected to the reality as possible, about one of the greatest issues at the level of public administration in Iraq, being corruption. The intention behind the topic is to let the public know about the way corruption is affecting Iraq at various levels, placing emphasis on the public administrative system.

### Methodology and Research Questions

The method used for the present research is qualitative, as the data is provided in the form of words, textual analysis being employed for this matter. The questions for the inquiry are: How does corruption affect the public administrative system of Iraq? Why did it develop to such a great extent? What are some of the sources of the corruption system? and Is there any way to fight corruption in Iraq? What are some of the feasible ways to bring stability at this level, and eventually change the system? -Is it even a realistic view of the future?

### Theory

One of the most serious problems currently festering the public administration system of Iraq is represented by corruption. This seems to be the "root of all evil" when it comes to the effort of analyzing the triggers of the instability that is consuming the country from the inside. Yet, more important, corruption is already deeply rooted within the system, as bribery and kleptocracy came to be common practices in the area, since the waves of conflicts that de-stabilized the society. In other words, corruption paved the way to a downward spiral, leading to a circle of violence and deeply-rooted "societal malfunctions", that

are now bursting out in the national scene, doing no good to anyone involved.

### Main Research

Among the most pressing issues of Iraq one can bring up the topic of corruption. The country is in need for recovering all the stolen assets [1], due to the fact that it is running out of resources and money to keep the society on a stable line. Fighting the Islamic State has become a tiring routine for Iraq.

KARI-the Kleptocracy Asset Recovery Initiative was created by the United States for the scope of providing financial assistance to ministries in order to train people in spotting and preventing the acts of corruption [1].

Corruption in Iraq seems to be tied to its weak accounting and governance. When it comes to actually adding all the numbers from the money that is missing due to corruption, there is a high chance to encounter some overwhelming data. The Ministry of Defense was accused of stealing over 1 billion dollars in 2005 alone; and by 2012 the Commission of Integrity is known to have investigated a number of officials, only to discover that \$4.2 billion were stolen from a single arms deal.

### Companies

Moreover, in 2015 it was found that nearly thirty companies were growing in resources "overnight" through forgery of invoices and taking a considerable amount of funds from the Central Bank of Iraq. What is even more lamentable, the subsidies that were provided by the government, along with the funds provided by the international community, to aid in the supply of fuel and food, eventually created "great" opportunities for black market development.

## Political Arena

Saddam Hussein's power rested upon the support of the minority Sunni population in Iraq, under the auspices of the idea that eventual developments in the Shi'ite majority could lead to uprisings in the territories of the country. Meanwhile, in the United States, the members pertaining to the Bush Administration acted under the suspicion that Saddam Hussein was collaborating with Osama bin Laden. The US President named Iraq the "Axis of Evil", next to Iran and North Korea.

A massive search for Saddam Hussein was carried out by the American forces, as he was captured on December 13, 2003 in ad-Dawr. The dictator was moved to a US base in Baghdad, as he remained there until the 30th of June, 2004, where he had to stand trial for crimes against humanity. Saddam was sentenced to death in 2006, being hanged on December 30.

On the other hand, the emergence of the Islamic State, ever since 2013, paved the way to reaching new heights in the area of corruption. This happened particularly because the group took over the territories of Iraq and Syria, forcing people and organizations to play by their rules. The Islamic State paves the way for the development of corrupt governmental entities, at the same time promoting a utopian Islamic state, classified as free, virtuous and seeking legitimacy in the religious practices [2].

The group used corruption for the purpose of facilitating their operations in a ridiculously short amount of time. It is known that in the territories of Iraq, as well as Libya, the Islamic State relied on smuggling, criminality, as the corrupt officials seek to portray themselves as great alternatives to the abusive systems of power.

As for the political environment, the salaries of the Members of the Parliament reached the outrageous sum of \$11,000 per month, representing 20 times the average salary in Iraq [2]. The political aspects are a taboo topic in Iraq, as the inhabitants are prohibited from tackling these issues. This also constitutes a problem for the forces that might want to intervene in Iraq, due to the fact that it is considered inappropriate for a foreign force to approach the governmental issues of the country. From this point of view, Iraq remains an entity that continuously digs its own grave, considering that any outside involvement will end up doing more harm than good. This can easily be regarded as an unrealistic perspective of the Iraqi people projected toward the Westerners, but, if it is to take into consideration the developments that were unfolding since the Iraq War from 2003, their perspective becomes valid.

## Judiciary System

According to the Iraq's Corruption Report of 2017, the judicial system is plagued by this issue, along with political interference. The judicial decisions themselves are influenced by intimidation and corruption, and more than a quarter of the Iraqi population believes that the legal institutions are corrupt [3]. The judiciary system is very slow, lacking the necessary resources and training, as there is information that simple commercial cases have a tendency to drag on for months or years. The processes of enforcing contracts are also extremely problematic because of the unclear regulations that were drafted. In the present times, it takes closely to 34 days and nine procedures to simply enforce a contract in Iraq.

Domestic arbitration is applied in Iraq, taking into consideration the Shari'ah law, along with the system that resembles the setting of the

Medieval times, where the gatherings of seniors acted as decision makers and were responsible for the processes of dispute settlement. The problem is that these mechanisms are both unreliable and non-transparent.

## Law Enforcement and Police

At the level of law enforcement and police services, corruption is regarded as a very serious problem within the system of security pertaining to Iraq. Another problem constitutes the fact that the prosecutions related to grave abuses and cases of corruption connected to the security forces are not released to the public [3].

Patronage is also very common within the police forces, as it is known that many officers obtain positions through bribery. Monthly amounts of money fill the pockets of the supervising staff, along with those in superior positions. Extortion is a well-known practice among the police officers, obtaining money from detainees and their families [3].

## Public Services

Because of the constant shifts and inconsistently enforced regulations, the investors tend to stop prioritizing Iraq. There is no stable system of laws, this aspect painting a terrifying picture for international investors. The more companies are avoiding Iraq, the more the country will sink into its own problems and lead itself on the downward spiral, virtually from all points of view (political, economic, legal, social, etc.)

Unfortunately, the institutions are plagued by nepotism, along with the various appointments that are motivated by political interests. The public administration of Iraq is among the weakest and most corrupt systems in the world, and there are very few ways to intervene in order to trigger a change.

Bribery is widespread in Iraq, as much as a malignant disease, over the public administration. Even though the levels of bribery have a tendency of varying from one region to another, bribes, according to studies and estimates, are involved in more than a third of all the business transactions that have connections to the public sector, as most of the companies that are currently operating in Baghdad had the sad experience of bribery requests.

## Land, Tax and Customs Administration

At the level of land administration, the lack of a regulatory framework that will support property claims represents a very high obstacle, negatively impacting the business life-cycle of Iraq. The aspects that raise the most concerns are the expropriation of land for the purpose of drilling oil, along with other large projects that play an extensively important role in the development of the country.

When it comes to the issue of tax administration, it seems that the population in Iraq simply does not give credit to anyone. Most of the businesses strongly believe that the tax officials are neither honest nor free from corruption. To support this argument, it was found that the Ministry of Finance made a discovery of \$250 million that were lost to fake companies, as they claimed tax refunds from some items that were never purchased [3].

At the level of customs administration, trading across borders becomes a real challenge for the people, as the process is reportedly plagued by corruption and bribery. The acts do not represent a good

investment in terms of time and money, since more of those are lost with every transaction made [3]. Unfortunately, misappropriation of public funds became a very common practice in the Iraqi territories.

It was found that the UK Fraud Office recently opened investigations into corrupt affairs between Rolls Royce and some Iraqi officials. The engineering company was suspected of bribing Iraqi officials, as the bribes were said to be sent through Unaoil, which is a Monaco based oil firm to help Rolls Royce with contracts.

## Natural Resources

When it comes to the natural resources, it is known that Iraq is very connected to the oil industry, as corruption managed to push the environmental concerns aside. According to the available information, the state-led oil sector, accounting for 90% or more of the total government revenue, also represents the top commodity on the black market [3]. The unlawful networks are continuously smuggling oil out of the country and making considerable profits.

## Legislation Issues

The Accountability Act represents the main anti-corruption law, criminalizing the active and passive bribery, along with the attempts of corruption, extortion, money laundering and the abuse of official positions. The Anti-Money Laundering Act that covers the concealing and altering of goods that originate from trafficking, corruption and misappropriation of public and private property.

The public officials are legally compelled to disclose their assets, along with those of their partners and their minor children within the first two months of employment. On the other hand, the Iraqi Criminal Procedure Code allows ministers to redirect ministry officials from the work-related prosecution in cases of corrupt acts. The cases of such kind are brought against the low-ranking and the mid-ranking officials. More than 1,000 officials were found guilty of corruption over the course of 2013. During the same year, Iraq signed and ratified the United Nations Convention against Corruption.

## Results

Is there anything to be done to fight corruption in Iraq? People steal openly within the territories. There is no secret in the fact that the social system suffers from the outcomes of corruption. Moreover, the corrupt syndicates are running the whole country, and it will prove to be almost impossible to oust them from power [4].

Even if ousting the corrupt people from power seems impossible, some of Iraq's top office holders, led by Haider al-Abadi have repeatedly tried to take the matter into their own hands, and apply some of the ways to fight corruption. The Ayatollah Al-Sistani, Iraq's highest religious authority, made efforts to launch an anti-corruption drive that was designed to oust the guiltiest officials and, at the same time, introduce meaningful accountability processes across all levels of business, along with the political arena [4].

In the military, according to the official reports, there are as many as 30,000 ghost soldiers, along with corrupt officers that are stealing money representing salaries. Unfortunately, the impact of these acts takes up significant proportions. Along with the fall of Mosul, back in 2014, the military was blamed for failing to further involve in the matters that were crucial to the future of Iraq. There were far fewer military personnel available to defend the city that were on the papers. 1 billion dollars were lost due to the fact that the military paid for war planes that failed to arrive. On top of that, there are several projects to be applied in Iraq, with the necessary funding being already provided, but these, unfortunately, had never been put into practice.

## Conclusions

Iraq has made an important progress in fighting corruption over the past years, but it would still take an extended amount of time to prove the ability of triggering a real change in the administrative system. In my opinion, the continuous enforcement of laws will end up making a difference and make the change the population needs. It will take a real and significant effort. Even though it is difficult to create a view marked by optimistic possibilities, the latter still play a role as the real alternatives that Iraq has at the moment.

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