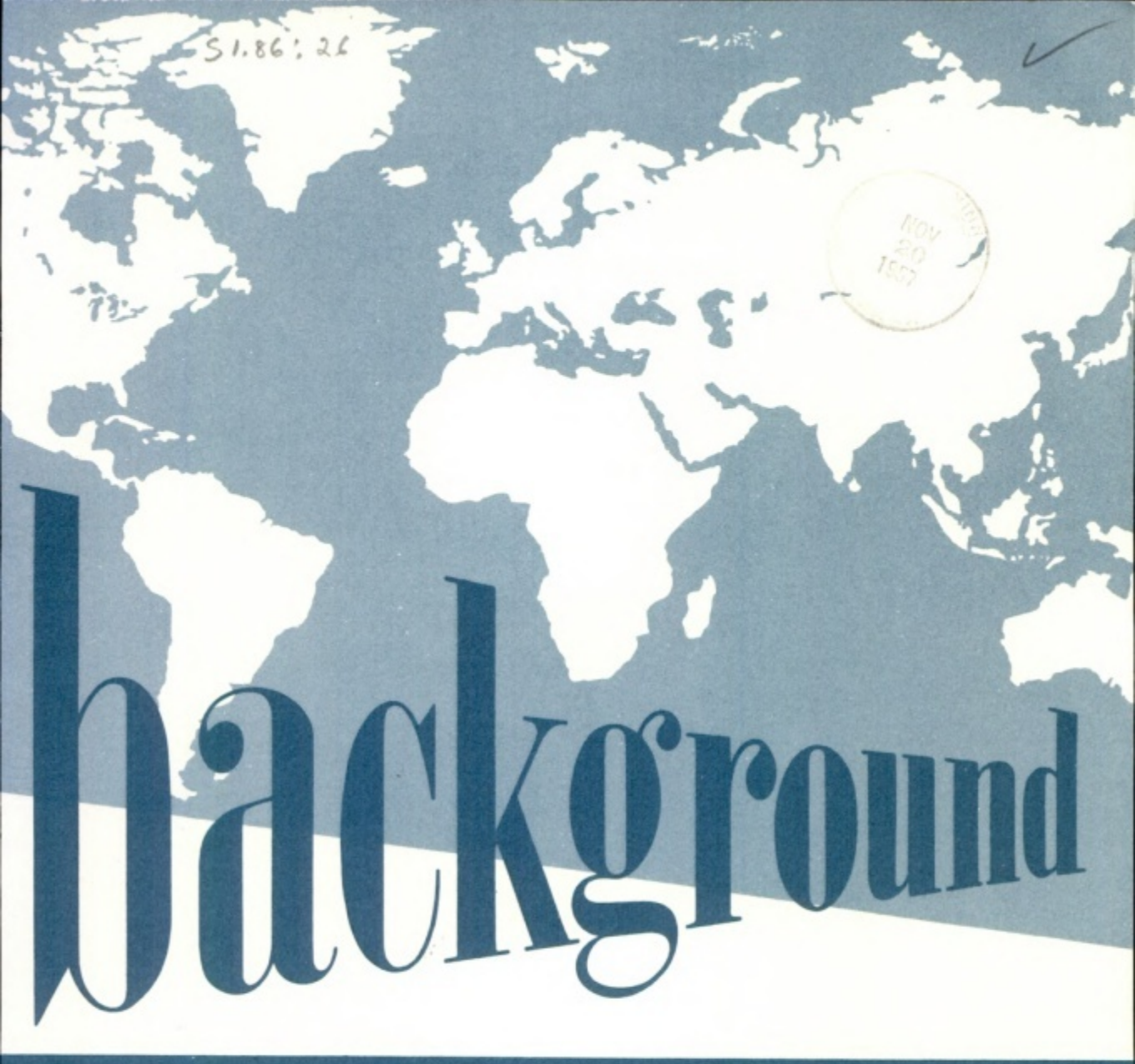
S1.86:2L



NOV 20 1957

background

IRAQ

PUBLIC SERVICES DIVISION • DEPARTMENT OF STATE

Digitized by Google
Original from UNIVERSITY OF MINNESOTA

The United States and Iraq formally established diplomatic relations in 1931. But American interest in Iraq, its history, and its people goes back to the last century, when American educational institutions organized the first U.S. archeological expedition in southeastern Iraq in 1889.

Today the United States maintains an embassy in Baghdad and consulates in Basra and Kirkuk. Iraq has an embassy in Washington and a consulate general in New York.

Early in 1957 Iraq associated itself with the American Doctrine for the Middle East, whose principal aim is to help the states of that area maintain their freedom and national independence.

CONTENTS

	Page
Introduction	1
The Land and the People	1
Historical Development	3
The Government	6
The Economy	6
Work of the Development Board	10
U.S. Technical Assistance	13
Iraq in International Affairs	14

Digitized by Google

Original from
UNIVERSITY OF MINNESOTA

Ancient headgear and the famous gold harp of Ur, now in the Iraq Museum in Baghdad. The harp dates from about 3000 B.C.

much to the shifting of trade routes as to the years of pillage, mismanagement, and the breakdown of irrigation.

Turkish Rule

In 1638 the territory came under Turkish rule, and it remained a part of the Ottoman Empire until the end of World War I. During the latter half of the 19th century it began to attract missionaries, scholars, archaeologists, and prospectors.

As early as 1871 indications of rich oil deposits in "Turkish Iraq" were reported by German experts. A company organized on the eve of World War I by British and German interests was granted the right to acquire and exploit the oil resources of upper Mesopotamia. At the end of the war the company's German assets were liquidated, and further development did not take place until 1927 when oil was struck for the first time near Kirkuk.

In 1890 Germany was granted a concession to complete a railroad that would pass through Constantinople (now Istanbul), linking Berlin to Baghdad. The railroad was not completed until 1940, and then with British capital.

At the turn of the century Islamic scholars in Baghdad, Beirut, and Cairo began communicating with one another to spark the Arab reawakening which has been a potent force in the development of nationalism in the Middle East. During World War I, Arab leaders under Hussein ibn'Ali al Hashimi, Sharif of Mecca, played an important part in the overthrow of the tottering Ottoman Empire. In the peace settlement that followed, a mandate over Mesopotamia was entrusted to Great Britain by the League of Nations. Later the province of Mosul was added, and the entire territory was given promise of eventual self-government.

King Faisal I

Faisal, one of the sons of Hussein and himself a prominent leader in the Arab revolt, made an extremely favorable impression on Western statesmen at Versailles when he pleaded the Arab cause. As commander in chief of the Arab army at the end of World War I, he assumed responsibility for the administration of Syria and was proclaimed King of Syria in March 1920. However, he did not reach agreement with France which held a mandate over Syria, and he gave up his throne in July. At the Cairo conference, called between Britain and France in 1921 to help solve problems left by the dismemberment of the Ottoman Empire, Winston Churchill suggested that Faisal be placed on the throne of Iraq; and in June of 1921 he was elected King of Iraq in a plebiscite by a 96-percent majority.

Because of the prestige of King Faisal's family—he was descended from the Prophet and the first four caliphs—the people gave him ready alle-

Digitized by Google
Original from UNIVERSITY OF MINNESOTA

giance. Throughout his 12-year reign Faisal I demonstrated unusual statesmanship in the international field. He was able to initiate many steps for the country's improvement in cooperation with the British, but at the same time he worked constantly for independence.

Iraq was first recognized as a separate state in 1930. Diplomatic missions were exchanged with the United States the following year, and in 1932, when Iraq entered the League of Nations, the mandate came to an end. In 1933 the Council of the League of Nations fixed the boundary between Iraq and Syria, thus putting an end to a vexing situation.

King Faisal's death in 1933, the first year of Iraq's complete independence, deprived the country of a figure that had had the confidence of all the people. He was succeeded by his son, Ghazi, who died in an auto accident 6 years later. Ghazi's son, born in 1935, became King Faisal II, with his uncle, Prince Abdul Ilah, acting as regent until the boy came of age in 1953.

World War II

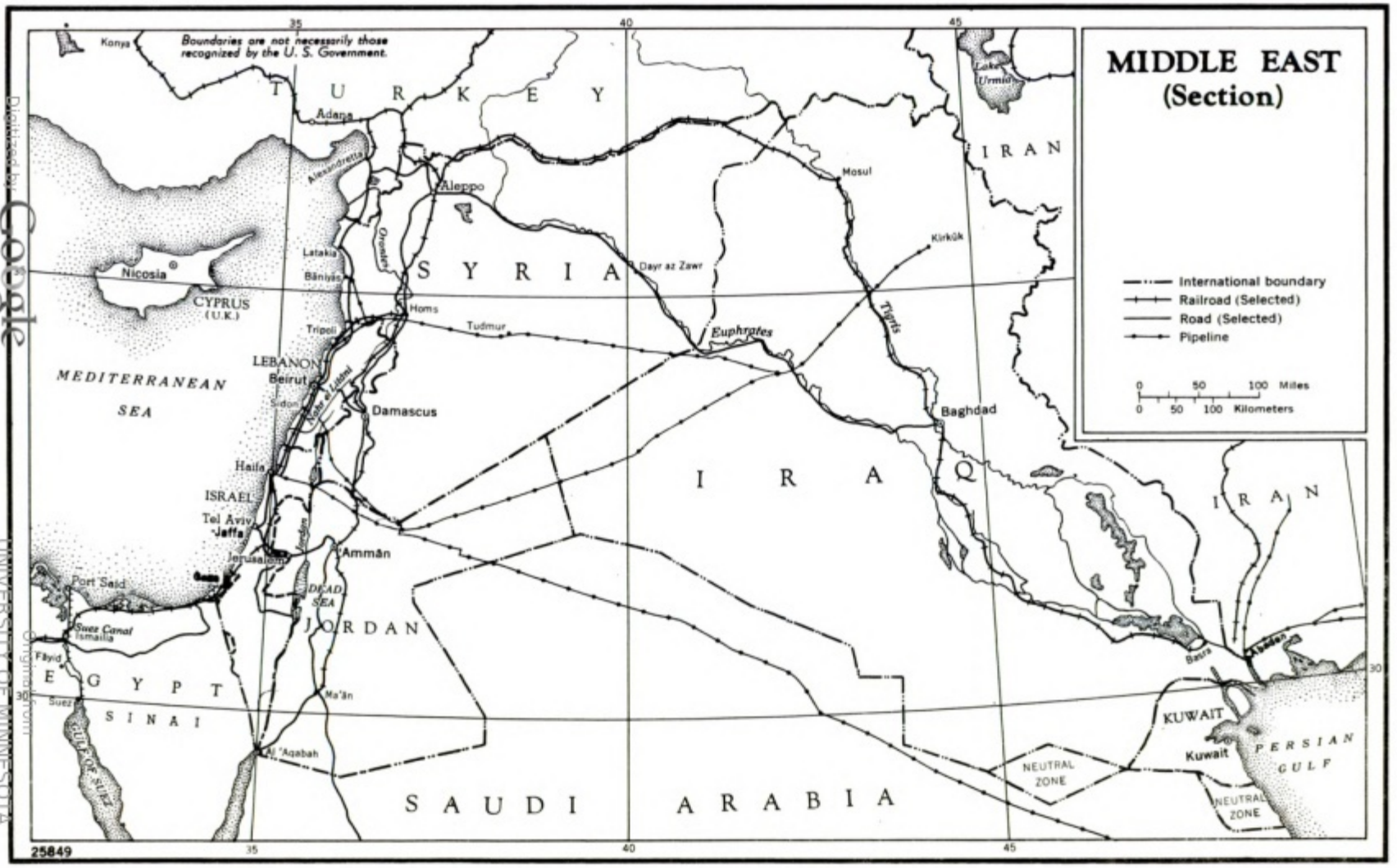
During the Second World War Iraq's strategic position at the head of the Persian Gulf made it an important Allied supply base. In 1941, however, a combination of political intrigue, nationalist and anti-British sentiment, and a constant bombardment of Nazi propaganda led to a coup which put an anti-British faction in power. The regent and several of his ministers left the country. They returned only after the British were able to move a considerable number of troops into the area. After the legitimate government had regained its authority, Iraq entered the war on the Allied side and became a vital link in the transfer of oil and other supplies to the Soviet Union.

In the postwar period Iraq took an important

The Mosque of Al-Kadhimain near Baghdad.

Digitized by Google

Original from
UNIVERSITY OF MINNESOTA



Digitized by Google
Original from UNIVERSITY OF MINNESOTA

largest export, and their production and marketing are handled under a special board.

Central Iraq once was the granary for much of the entire region, but yields are much smaller today and, except in unusually good years, there

A Baghdad worker climbs a date palm tree to spread pollen. Iraq leads the world in date production, her annual crop averaging 288,000 tons.

is little surplus to export. Barley and wheat are the only significant winter crops, while rice and, more recently, cotton are the principal summer crops. A very small part of the area is sown to sesame, corn, millet, and grain sorghum.

The rolling, elevated plains and mountain valleys of upper Iraq are favorable for growing fruits and vegetables. Excellent citrus fruit is produced, particularly in east-central Iraq. Tobacco assumes some importance in the mountainous areas of the north.

One of Iraq's greatest agricultural problems is related to land tenure and to the improvement of crop yields.

The present unequal distribution of land is due largely to the fact that, in order to facilitate title registration, the acres formerly held in common by the tribes in many areas were entered in the names of the various sheiks. They, or their descendants, are now the legal owners while the rest of the tribe has no ownership rights.

A land law passed in 1951 provides for the distribution of state land in small parcels to selected settlers. Preference is given graduates of the agricultural schools, unemployed graduates of other schools, and retired soldiers and civil servants.

A beginning has been made in settling small holders on Government acreage now being made arable through irrigation, and an agricultural extension service is helping them to get a good start. Iraqi officials hope that the successful introduction of improved methods in these areas will spread to the rest of the country.

The growth of cooperatives for the purchase of pumps and other equipment is being encouraged, and there is an agricultural and industrial bank to provide inexpensive credit to small farmers.

The Government also is helping to cope with pest control, a serious problem in much of the Middle East. In fighting locusts, Iraq has earned a high reputation, and it has lent experts to other countries.

There is some livestock raising. Sheep and goats predominate because they thrive despite poor grazing and feeding. These animals, as well as camels, are kept primarily by pastoral nomads, who probably number well over 250,000. Cattle and water buffaloes are the livestock of the settled agricultural population. Many peasants, however, have no livestock at all except a draft animal or two.

Industry

Industry is as yet little developed in Iraq. The industrial list includes cotton ginning, cement production, textile manufacture, cigarettes, date packing, syrup making, brewing and distilling, vegetable oil extraction, and shoemaking and other leather work.

The processing of various agricultural commodities accounts for most of the industries, but the country also has a few plants for making light steel and aluminum products. Several of the larger factories are run by electricity, though much work is done by hand labor particularly in small establishments.

The Government encourages the expansion of

Digitized by Google
Original from UNIVERSITY OF MINNESOTA

industry by every available means, and industrial progress in 1956 indicates that the Government's efforts are beginning to bear fruit. Vegetable oil production rose following the installation of a new hydrogenation and solvent extraction plant. Two new cement plants, each with a 750-ton per day capacity, went into operation. The eight rayon textile factories installed more than 100 looms and found it necessary to import workers from Syria. The milling industry increased output, and Government-licensed bakeries operated in Baghdad with a 250,000-loaf per day capacity.

Expansion, however, is hindered somewhat by the lack of sufficient private capital, as well as by limited skilled manpower. Industrial development in the immediate future will have to depend very largely upon the initiative or financial assistance of the Government.

Petroleum

Aside from agriculture the main economic resource of Iraq is petroleum. In oil Iraq possesses not only a source of foreign exchange but also a cheap source of power and raw materials essential to the development of industry, agriculture, and transportation.

The extent of the oil reserves clustered in the region around the Persian Gulf is without parallel anywhere in the world. Iraq's crude production runs close to 400,000 barrels a day, but, before the cutbacks in production occasioned by the pipeline sabotage, it averaged 715,000 barrels a day. Present concessions are held by the Iraq Petroleum Company which consists of the British Petroleum Company, the Royal Dutch Shell Company, the French Petroleum Company, and the Near East Development Corporation (composed of the Standard Oil Company of New Jersey and the Socony Mobil Oil Company). These four companies own 95 percent of the concessions, the other 5 percent being controlled by the Gulbenkian interests.

In accordance with an agreement reached in 1951, the oil companies have undertaken to raise oil output and to turn over to the Iraqi Government, in the form of royalties and taxes, half of the profits. Funds thus earned now constitute a major source of Government income.

Oil from the fields near Kirkuk and Mosul flows to ports on the Mediterranean where it is either processed or shipped crude. Most of the rest of Iraq's oil is produced near Basra. Pipelines go from Iraq through Syria and Lebanon to the port of Tripoli where there is an Iraq Petroleum Company refinery. Refined products from Tripoli supply Lebanon, Syria, and Jordan. Part of the oil is shipped crude in tankers from the Persian Gulf port of Fao.

Other raw materials are sparse. Iraq has deposits of salt, gypsum, sulphur, potassium nitrate, crystal quartz, and low-grade bituminous coal. Stone and timber are found only in the hilly districts.

A technician stands against a background of the oil installation plant at Kirkuk. Like many of his fellow workers, he was trained at a technical school maintained by the Iraq Petroleum Company as part of its policy to equip Iraq personnel for all kinds of technical and administrative jobs.

Transportation

The existing transport system is becoming increasingly strained as the country's economy expands.

The Tigris is navigable throughout the year. There is barge traffic between Basra and Baghdad, and smaller craft go up as far as Mosul. Boats

Digitized by Google
Original from UNIVERSITY OF MINNESOTA

use the river's many tributaries and also move goods and people over the Euphrates during periods when that river is unaffected by flood or drought. The port of Basra is efficiently run, but facilities are inadequate to meet present and anticipated needs.

Motor traffic in Iraq is light but growing. Trucks and buses have virtually replaced caravans as the principal means of overland transportation. Great strides have been made in implementing the country's highway program. Two roads of particular interest from the international standpoint are approaching the final stages of construction. They are the new Baghdad-Ramadi segment of the truck-transport route to the Mediterranean and the Basra-Amara segment of the Baghdad-Basra road.

The principal rail line links Basra, Baghdad, and Mosul with Aleppo in Syria. From there one branch goes south to Cairo (not now in use) and the other northwest to Istanbul.

The Iraqi State Railway has been handicapped by the obsolescence of rolling stock and the bottleneck at Baghdad where the track changes from narrow gage to standard gage on the line to Mosul. This requires complete transfer of all northbound freight. In the new railroad development program, funds have been allocated for replacing rolling stock and also for laying a standard gage track from Basra to Baghdad.

International airports at Baghdad and Basra accommodate airlines of many nations.

WORK OF THE DEVELOPMENT BOARD

The Iraqi Government is very much alive to the country's need for economic and social progress. The planning and execution of a number of large-scale public works have been assigned to the Development Board, an agency of the Iraqi Government. As previously noted, the program is being financed by Iraq's oil revenues. Under the Iraqi Development Law of 1950, 70 percent of oil revenues, now more than $250 million a year, goes to the Development Board and 30 percent to the Ministry of Finance for the regular government budget. The board's overriding assignment is to increase productivity and raise substandard living conditions.

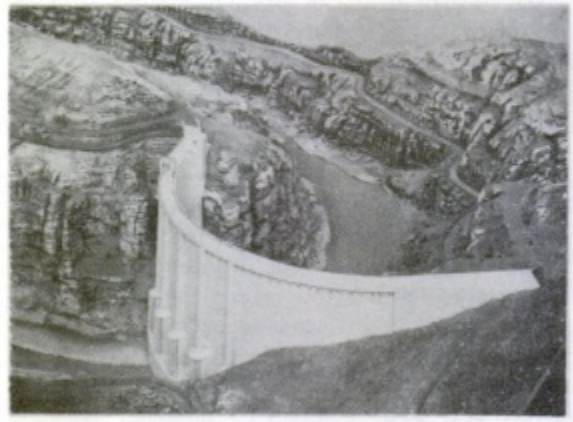
The board's new 5-year, $852 million program went into effect on April 1, 1956, terminating the 1951–56 program a year ahead of time. Cost of the new program will be nearly twice that of the previous plan, but the program remains basically the same as regards the general categories of planned expenditures which are as follows: irrigation, flood control, and drainage, 36 percent; roads and bridges, 19 percent; public buildings, 15 percent; industry, mining, and electricity, 14 percent; railways, 5 percent; housing and miscellaneous projects, 11 percent.

Irrigation and Flood Control

The key to further development rests largely with renewed and extended irrigation and water control. In the main the twin rivers are to Iraq what the Nile is to Egypt, with this important difference: in Iraq flood time comes after the crops are planted and causes considerable damage. The problem is to even out seasonal flow so as to prevent both flooding and drought and also to increase the area that can be cultivated. Protection of Baghdad and the surrounding area from floods has been a major preoccupation. In March 1954, when complete evacuation of Baghdad was considered, flood damage was estimated at $80 million.

The new and ambitious projects of the Development Board include works at Habbaniya for flood relief and storage, now finished, and the building of another dam on the Euphrates at Ramadi.

The principal plan for the Tigris is the drawing off of flood waters into the Wadi Tharthar, a wide area suitable for storage, and the construction of a series of dams at other points. The Wadi



Digitized by Google
Original from UNIVERSITY OF MINNESOTA

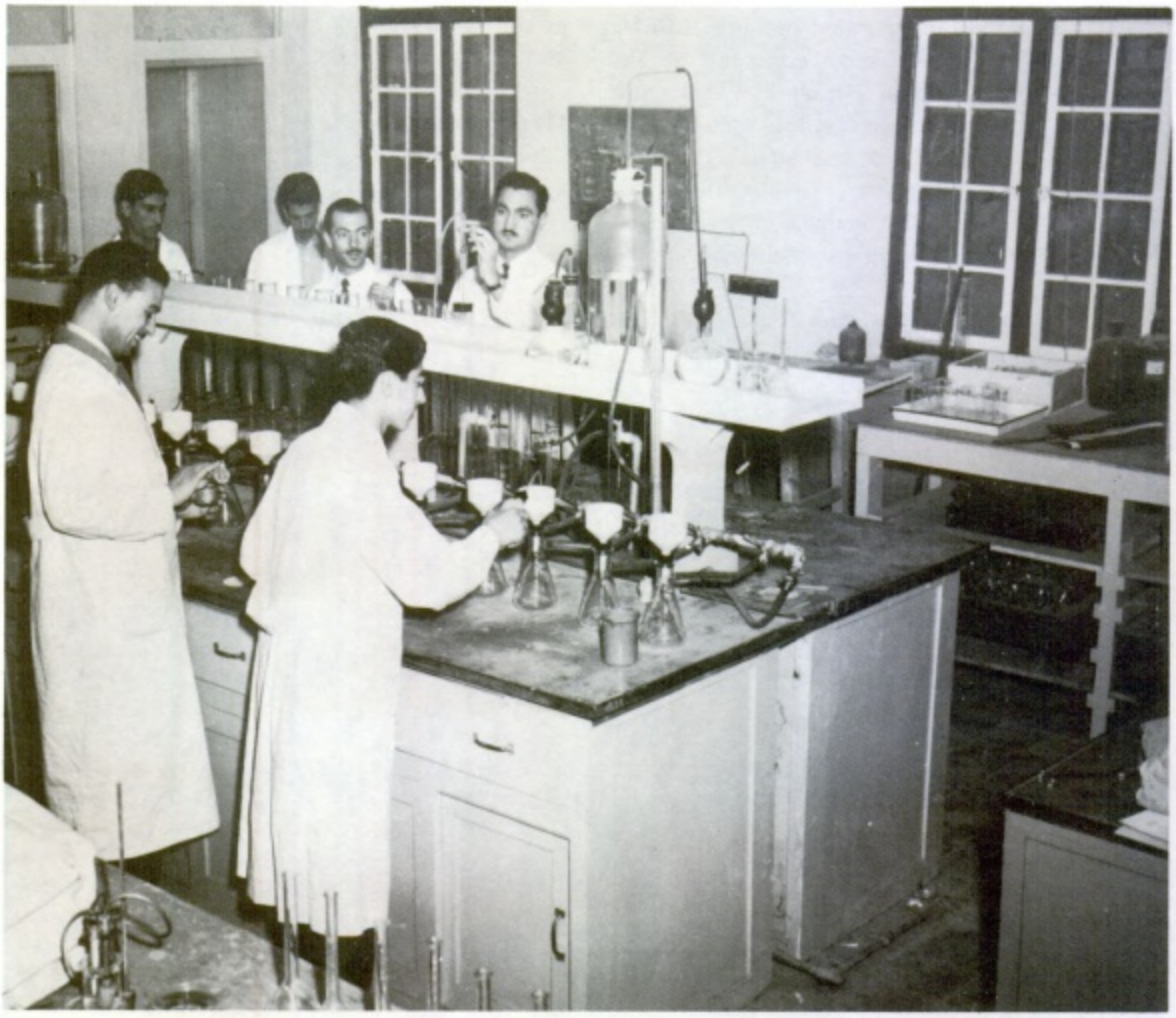
Tharthar Dam was inaugurated in April 1956 by King Faisal in an impressive ceremony at Samarra, 80 miles north of Baghdad. This dam, the key to the huge water control system, cost about $30 million, and it has already brought beneficent results to the Iraqi people: there were no serious floods in the Baghdad area in 1956. These projects also envision a tremendous increase in the generation of hydroelectric power which may be used to develop local industry.

Health and Education

The board is also concerned with problems of health and education. The number of hospitals, dispensaries, and physicians has greatly increased. Yet infant mortality is still extremely high—

The Dokan Gorge in northern Iraq, site of the Dokan Dam now under construction. (Scale model at left.)

Digitized by Google
Original from UNIVERSITY OF MINNESOTA



Instructors and students at work in the laboratory of the College of Engineering at Baghdad.

perhaps as much as 250 per 1,000 births—and there is still a very high incidence of such endemic diseases as malaria, trachoma, hookworm, bilharzia, and dysentery. However, it is believed that an increase in production and the resulting improvement in the standard of living will contribute to a satisfactory solution of the health problem through expansion and more effective organization of governmental health services. Already hundreds of health centers and hospitals, schools, and college buildings are being constructed. Training programs for doctors and nurses are badly needed and are included in the development plans.

Under the direction of the Ministry of Education considerable progress has been made in increasing the rate of literacy in the country. School attendance is compulsory for all children as far as the sixth grade, but attendance cannot yet be enforced everywhere. The principal medium of instruction is Arabic, although Kurdish is used in primary schools in some northern districts.

At present the Baghdad public schools are serving as a teacher training ground for the rest of the country. More emphasis is being placed on vocational and agricultural education and, for those continuing through higher grades, on science and technology.

Digitized by Google

Original from
UNIVERSITY OF MINNESOTA

military aid from the United States. The country has also borrowed and repaid $2.8 million from the World Bank. In addition to U.S. aid, Iraq has also received technical help, mostly in the form of expert assistance, from various U.N. specialized agencies.

Military Aid

Iraq has a well trained army, heretofore equipped mainly with British assistance. Since 1954 the United States and Iraq have had an agreement under which Iraq has been receiving U.S. military equipment and supplies. The emphasis is on training local units in the use of modern defense weapons. This agreement is similar to other U.S. military agreements, all of which stipulate that material furnished by the United States is to be used for defensive purposes only.

IRAQ IN INTERNATIONAL AFFAIRS

When the Arab independence movement first began to flourish as an intellectual revival, Arab unity was an inseparable part of it. Arab leaders were bitterly disappointed after the First World War when large portions of the Arab lands came under separate British and French authority. In 1947 the establishment of Israel as a political state was, in Arab thinking, another blow. Thus it seemed to the Arabs that their dream of unity lay shattered. Meanwhile combinations and rivalries arose among the separate states, and now, as each new event shakes the area, the pattern changes.

In these problems of the Arab world the United States is inevitably involved either because our influence is sought or because we feel we must work toward a mutually satisfactory solution which is so important to the security of the area and hence to the whole world. The policy our Government strives to put into effect is, in President Eisenhower's words, one of "sympathetic and impartial friendship" to all the states in the Middle East.

Israel and Iraq

The Palestine conflict of 1948 evoked strong feelings in Iraq. The pipeline to Haifa was closed and never reopened. Iraqi contingents fought with Egyptians and Jordanians against Israel and were not withdrawn until after the U.N. negotiations had produced a series of armistice agreements among the bordering states. To this date neither Iraq nor the other Arab nations have recognized Israel.

Iraq has sent contributions of both public and private funds toward the relief and rehabilitation of the Arab refugees who left their homes in Palestine during the conflict.

Iraq in the U.N.

Iraq, a charter member of the United Nations, has taken an active role in U.N. affairs. In matters related to differences between the Communist bloc and the free world, Iraq has generally supported non-Communist causes.

The new Queen Aliyah Bridge across the Tigris at Baghdad.

Digitized by Google
Original from UNIVERSITY OF MINNESOTA

The United States and Iraq formally established diplomatic relations in 1931. But American interest in Iraq, its history, and its people goes back to the last century, when American educational institutions organized the first U.S. archeological expedition in southeastern Iraq in 1889.

Today the United States maintains an embassy in Baghdad and consulates in Basra and Kirkuk. Iraq has an embassy in Washington and a consulate general in New York.

Early in 1957 Iraq associated itself with the American Doctrine for the Middle East, whose principal aim is to help the states of that area maintain their freedom and national independence.

CONTENTS

	Page
Introduction	1
The Land and the People	1
Historical Development	3
The Government	6
The Economy	6
Work of the Development Board	10
U.S. Technical Assistance	13
Iraq in International Affairs	14

Digitized by Google

Original from
UNIVERSITY OF MINNESOTA

The United States and Iraq formally established diplomatic relations in 1931. But American interest in Iraq, its history, and its people goes back to the last century, when American educational institutions organized the first U.S. archeological expedition in southeastern Iraq in 1889.

Today the United States maintains an embassy in Baghdad and consulates in Basra and Kirkuk. Iraq has an embassy in Washington and a consulate general in New York.

Early in 1957 Iraq associated itself with the American Doctrine for the Middle East, whose principal aim is to help the states of that area maintain their freedom and national independence.

CONTENTS

	Page
Introduction	1
The Land and the People	1
Historical Development	3
The Government	6
The Economy	6
Work of the Development Board	10
U.S. Technical Assistance	13
Iraq in International Affairs	14

Digitized by Google

Original from
UNIVERSITY OF MINNESOTA