

## I R A Q

Economic classification:	Middle Income economy	
Oil exporter or importer (net):	Exporter	
Annual per capita income:	US\$2,954	year 1982
Annual per capita GNP	US\$2,258	year 1982
Average annual growth	5.3%	
Annual inflation rate 1970-80	14.1%	
Annual inflation rate (current)	30-50%	
Volume of imports	17.7 billion US\$	year 1982
Of which food	16%	year 1982
Of which fuels	0.5%	year 1982
Principal foreign exchange earning export:	Petroleum	
Population	14.5 million	year 1982
Annual population growth	est. 3.5%	years 1980-2000

### I. GENERAL INFORMATION

#### 1. Crop Situation and Outlook

Iraq's crop in 1982/83 of 965,000 tonnes of wheat, 160,000 tonnes of rice and 900,000 tonnes of barley compared very favourably with previous annual harvests. These results were especially encouraging given the growing scarcity of agricultural labour as a result of conscription and the government's decision not to extend the working visas of many workers, mostly Egyptian.

The weather has reduced yields dramatically in 1983/84. At mid-season, the director of the Iraqi Grain Board stated that the drought being experienced in north and central Iraq was the worst in 27 years. In many unirrigated areas of the north, there has been so little moisture the the total crop is expected to be less than the tonnage of the seed. Estimates for national wheat production have fallen to 300,000 - 350,000 tonnes. Domestic wheat production in 1983/84 (a very bad year) met only 15% of consumption. Similarly reduced yields are forecast for other coarse grains.

#### 2. Foreign Exchange Situation

The continuing war with Iran has exacerbated the serious strains on Iraq's finances. Despite severe austerity measures introduced in the civil sector in early 1983, the government was forced to rely on foreign credits to cover all imports except those of greatest national importance or urgency. By mid-1984, prospects for the government's cash-flow had not yet brightened but all observers agreed that the financial authorities had regained firm control over the foreign debt. Extremely strict currency controls are in place and the national currency is non-convertible. Foreign credits and war-related financial assistance from other Arab countries will keep Iraq from becoming eligible for international aid.