

Baghdadi Fortunes Rise

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The post-war economy of the Iraqi capital has picked up and giving hope of widespread prosperity.

For people like Alaa Saad, an engineer at the ministry of housing, the Coalition's post-war decision to hike salaries long eroded by sanctions-era inflation has brought a major increase in his standard of living.

Before the war, Saad earned the equivalent of 20 US dollars a month. He says that meant "we lacked the smallest things in our daily lives". Now Saad's salary has risen to around 275 dollars, and he was soon able to replace about half of his furniture.

Thanks largely to increased salaries in government jobs, many Baghdad families have seen their purchasing power increase dramatically since the fall of the Saddam regime.

For ten years, Saad was unable to afford new furniture, while his fellow public servants referred to electrical appliances as "forbidden things" because they were so out of reach.

"I used to have to go shopping [for food] every day, because we could not afford a refrigerator," he recalled. But now, he said, "I see and feel the improvement of my family's living standards. I can live in dignity on my salary."

Teacher Mohammed Ali has also benefited as his salary has climbed to the equivalent 240 dollars a month – a forty-fold increase.

"Now I can meet all the demands of my wife and children," he said. "I can now plan for a future for my family."

Waleed Jabbar, a physician in al-Yarmook hospital, used to receive around 20 dollars a month.

"We heard that physicians' salaries in other countries are very high and they counted among the prominent figures of society," he said bitterly.

After the war his salary increased 17 times to the equivalent of 344 dollars. "My colleagues and I now feel the importance of our role. It's just like we regained our missing rights," he said.

Civil servants' salary hikes have also filtered through to the retail and service economy.

"Demand for buying furniture has changed considerably," said carpenter Ahmed Hatem. Formerly, he said, his clients came only to have their old furniture refurbished, or sometimes even to sell it off.

Now, he says, "The number of clients is increasing and our workshop is flourishing. Young people are getting married [and furnishing their households] as their economic standards improve. Our profit has doubled or tripled."

The lifting of regulations has also improved business.

Supermarket owner Ghassan Akram says his profits have doubled since the fall of the regime, thanks largely to abolition of the Office of Economic Security, which prevented the import of certain goods.

"In the past, we dealt with locally-made and other poor merchandise. We suffered from the Office of Economic Security... They prevented us from importing Coca Cola under the allegation the company worked against the former regime's interests," he said.

"Now, we are rid of the oppressive rules of the Office, and we are free to import many well-known brands from which the public was formerly deprived."

Cigarette seller Omar Khalil, meanwhile, says that he has profited not only from the increased demand but also from municipal officials giving up efforts to enforce laws preventing him from selling his wares on the pavement.

Before the war, he says, his goods were confiscated once or twice a month.

But now "they allow us to buy and sell on the pavement as long as we don't hinder the flow of passers-by, and we clean up the place afterwards".

A post-war housing boom, fuelled partly by the removal of regulations which prevented many non-

Baghdadis from moving into the capital, has also increased the number of jobs for unskilled workers.

"Before the war, I got 3000 dinars (about two dollars) a day which was not enough to cover my family's basic human needs," said day labourer Basher Amer.

"We lived on vegetables because we could not afford meat... I had no telephone, no car and it was so difficult to buy new thing to the family because of the restricted income.

"Now work is getting better and we get 8,000 Iraqi dinars a day. We feel some improvements on our daily life and we can now replace some of our furniture. The future looks bright."

The war also brought an end to compulsory military service, which often paid too little to meet soldiers' expenses.

Hamid Rasheed, a former soldier in the Iraqi army, says that his roughly three-dollar salary as a soldier was not enough for his own transportation to the camp where he serves.

After the fall of the regime, Rasheed found a new job as a security guard at a mobile phone company, paying the equivalent of 200 dollars per month.

"I managed to rent a house for my family, after having lived in a bed room at my father's house. Now I am happy with my work and salary. I am buying furniture and everything we need."

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