



Norwegian Oil Experience and The Possibility of Benefiting From it in Iraq

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ABSTRACT

It is obvious that the oil sector in Iraq is suffering from major problems related to oil infrastructure, in terms of extraction, production, transport, storage and export outlets. Generally, it is often said that the economic policy including the oil policy, have been failed in setting the short- and long-term plans to manage and best use the oil wealth. Although there are a number of official institutions to manage oil industry in Iraq, there is no competent authority in the area of investment and management of surplus reserves which is deposited in a development fund of Iraq (DFI). It is emphasized that Iraq's need to invest these reserves, despite the existence of some intersections between the monetary policy and the fiscal policy. Yet, oil revenues, constitute more than 90% of the public budget of the country. On the other hand, the Norway experience has become a successful model in the oil industry among oil export countries, includes the level of extraction, manufacture and export of oil derivatives. it is possible to benefit from its experience in this sector through attempting to apply its oil investment policy and to be guided in all phases of the oil industry. As a result of its remarkable success is achieved in the oil sector, the researcher will study all development stages and the reasons for the success regarding the oil industry in Norway,

particularly in term of establishing sovereign wealth funds (SWFs) and its role in economic and financial stability.

I. INTRODUCTION

The Norwegian experience in terms of using oil revenues is considered one of the most successful global experiences in the oil industry. Therefore, the study will focus on the Norway model in prospective of the great success has been achieved by Norway in the field of employing its oil revenues economically. Then, this policy has become a guarantee to continue its economic benefits during long-term as well as abandon the principle of a rentier economy and substitute it with the productive economy approach. This is what encouraged other countries to take this model in order to obtain the same significant economic results from it. However, the Iraq experience differs from Norway's experience in this area due to: first the Iraqi government has been depended on other methods of using the oil revenue surplus. Second, due to the economic pattern that every country stands out for it. Third, the economic, political, social and administrative conditions that Iraq has gone throughout previous years is completely different from Norway. whereas, it is possible to obtain benefits from this experience in the coming periods and discover the similarities points and defects points then tackled them. Thus, the study will explain Norway's experience in oil industry area, and how to benefit from it and apply this experience in Iraq.

1.1 Aims of the Study

The main objectives of the study can be shown as follows:

- 1- Analyzing of Norway's experience through clarifying the concept of sovereign wealth funds and its role: in achieving economic and financial stability, preserving oil wealth resources for the future, and the equitable distribution of oil wealth resources between generations.
- 2- Discussing the impact of the development fund of Iraq (DFI) as well as customizations of investment for the regional's development program in Iraq. Then, the possibility of establishing sovereign wealth funds for Iraq depending on Norway's model in the field of the oil industry.

1.2 Significant of the Study

It is true that the economy of Iraq depends on crude oil as the main financial source for the public budget, either of its investment and operational aspects, which is estimated at more than 95% of the total public revenues. Therefore, the significant of the study is based on the fact that a number of oil countries attempt to make sovereign wealth funds. This sovereign wealth funds can be an important financial resource for the oil countries. Its existence became necessary for rentier economies, including Iraq, to against the deficit in the financial resources which are exposed to oil countries as a result of the fluctuations oil price in the global oil markets, particularly.

1.3 Problems of the Study

The study problem can be formulated based on the following fundamental questions:

- 1- What are those aspects that can benefit from the Norway experience the Iraqi oil sector, particularly with regard to sovereign wealth funds?
- 2- Is the Iraqi government depending on a successful strategy to manage oil revenue economically in a method that will benefit the present and future generations?

1.4 Hypotheses of the Study

The study seeks to investigate these hypotheses:

- 1- The Iraqi government can benefit from the Norwegian experience in the aspect of managing surplus oil revenues, particularly, in establishing the sovereign wealth funds.
- 2- The Iraqi government has not exploited the oil revenues in an economic way during previous years, whereas this policy does not lead to guarantee the sustainable development of present and future generations.

1.5 Methodology of the study

To prove the study hypothesis and to reach the outcomes that achieve the objectives of the study. Therefore, it will adopt the descriptive-analytical approach in addition to the quantitative and comparative approach. The data was obtained through secondary sources such as previous academic studies related to the oil sector, periodicals, and scientific journals. Furthermore, the study bases on a variety of data sources, for instance, the reports issued by the ministry of oil in Iraq, State

Organization for the Marketing of Oil (SOMO), The Organization of Petroleum Exporting Countries (OPIC) and Norwegian Ministry of petroleum and energy.

2. Norway's experience in the oil industry focusing on sovereign wealth funds

2.1 The establishing and concept of sovereign wealth funds

2.1.1. Establishing the sovereign wealth funds

The establishing date of the sovereign wealth funds has returned to the fifties of the last century, and it can be described as an old and modern phenomenon as well. The first fund was established in the government of Kuwait in 1953 and was called the Reserve Fund for the Future Generations, and it had independent administration from the Central Bank and the Ministry of Finance represented through the Kuwait Investment Authority at the moment is titled (General Board of Investment). It is utilized to invest oil revenues and then reduce dependence on the oil sector (Caner, M., & Grennes, 2010, p. 598). The sovereign wealth funds are considered a recent concept that appeared on the economic and media fields scene in 2005 through an article which was written by Russian economist Andrew Rosanov in the central banking journal which titled " Who holds the wealth of nations " (Caner, M., Caner, T., & Grennes, T. , 2011, p. 23). It is said that the establishment of these funds was managed by the governments that had financial surpluses in order to invest it in both local and international investment (Caner, M., & Grennes, 2010, p. 23).It is obvious the goal of these funds at the beginning was to invest the revenues of the sales depleting wealth (crude oil) for the purpose of providing continuous annual income for the long-term possible period. However, this concept has been changed. These funds invest the surplus from foreign reserves.

2.1.2. The concept of sovereign wealth funds

There are a number of definitions of Sovereign Wealth Funds. The study will define some of them depending on the banks and specialist organizations of sovereign wealth fund. The World Economic Forum (WEF), sovereign wealth funds is defined as "it is investment funds or arrangements owned by the public government which is managing them to achieve financial goals and using a set of investment strategies that include investing in foreign financial assets " (Richard A. Epstein and Amanda M. Rose, 2009, p. 114). The International Monetary Fund (IMF), defines it " as funds or arrangements for investment of a special purpose owned by the public government. The Governments establishes sovereign wealth funds for medium and long-term to

investigate the macro-economic purposes. Furthermore, these funds retain assets, or employ or manage them to achieve financial goals through using investment strategies that include investing in foreign financial assets. It is clear that sovereign wealth funds typically originate based on balance of payments surpluses, formal foreign exchange operations or privatization returns, public financial benefits, revenue from commodity exports, or all of these resources (Mark Allen and Jaime Caruana, 2008 , p. 5). The International Financial Services in London defines sovereign wealth funds as " a large portfolio of funds which are owned and managed by the government, for a long period of time. The financing of this portfolio will be obtained from investment in local and foreign assets, mostly foreign through foreign exchange reserves and funds of public retirement as well (Al-Kasim, 2010, p. 388). While the Organization for Economic Cooperation and Development (OECD) defines sovereign wealth funds as government-owned investment vehicles that are funded from foreign exchange assets, and the US Treasury adds to that, it is managed separately from the official reserves of the monetary authorities (Richard A. Epstein and Amanda M. Rose, 2009, p. 115). From this definition, it is found that the sovereign funds include all investment entities, which are funded by foreign exchange, whatever its source. based on the above definitions the researcher will define the sovereign wealth funds as "it is investment funds managed via countries however, it is not affiliated with the ministries of finance or central banks. Its financial resources mostly obtain from revenues of raw materials, particularly oil sector. The objective is to manage and invest a part of the state's financial surpluses according to a profitable business plan in long-term investment operations outside the countries of origin".

2.2. Sovereign wealth funds classification indicators:

The classification of sovereign wealth funds based on several criteria can be explained as follows:

2.2.1. Sovereign wealth funds based on the standard of funding sources

This type of funds is classified in terms of income sources as follows:

2.2.1.1 Raw material funds

These funds are established by the countries that depend on export raw materials, meaning that their resources obtain mainly from export oil, gas, copper, and phosphates. as most of these resources are depletable that's why the goal of establishing these funds are to protect the wealth from depletion and preserve the

right of future generations. In other words, the natural resources are replaced by another form of assets. For instance, the Kuwait Investment Authority fund and the Norwegian wealth fund (BANTON, 2019, p. 1). Table No. (1) and figure No (1), show that sovereign funds which are made as a result of raw materials greater than sovereign funds that are created because of other assets.

2.2.1.2. Current payments(accounts) surplus funds

It is possible to say that a number of non-oil countries have managed to achieve significant financial surpluses through the trade exchange of goods and services with the outside world, through which the governments achieve financial flows that benefit the society as a whole. Thus, these countries have been using a part of these surpluses to the establishment of sovereign funds (CHEN, Current Account Surplus, 2019, p. 1). In other words, many non-oil states such as Latin America and East and South Asian countries when they are achieving huge financial surpluses for their investment needs as a result of their export competitiveness. Therefore, they have utilized a part of these returns in the form of monetary reserves to face emergency situations that occur in the country. At the same time, the other part of these returns is transferred to the sovereign wealth funds and then investing it in order to increase financial returns in the future (CHEN, Current Account Surplus, 2019, p. 1)

2.2.1.3. Funds from the budget surplus

The public budget is the statement that includes an estimate and a license for expenditures and public revenues, as it is also known as an estimating of government expenditures and revenues during a specific period of time that is usually a year (Overview, 2013, p. 1). With regard to the balance of the budget, the public revenues should equal the public expenditures, so if the revenues increase over the expenditures, it leads to a surplus of the budget. However, when public expenditures grow than public revenues, this situation leads to the budget deficit (Overview, 2013, p. 1). In general, when financial surpluses are achieved in the state's budget, it will transfer to the sovereign funds in order to benefit from these surpluses to cover the budget deficit that probably, occurs in the future. On the other side, investing these surpluses in financial assets to achieve financial stability and economic development for the country (Overview, 2013, p. 1).

2.2.1.4. Funds from privatization returns

In recent decades, many countries have entered into large-scale privatization

programs for the government sector, which have resulted in huge financial returns. For instance, in France, the returns to the privatization program had reached \$ 24 billion (Gordon Wade Romoss, 2007, p. 32). The countries which have followed privatization programs utilize the returns from privatization in various aspects. It is said that a part of privatization returns amounts may direct to finance programs restructure the economy and paying off public debt. On the other hand, because these returns are the property of all generations, all or part of the privatization proceeds will be transferred to sovereign funds (Gordon Wade Romoss, 2007, p. 35).

Table 1. Classification of Sovereign wealth funds based on the standard of funding sources (2014)

Sources	Value of Asset (billion)	Percentage
Sovereign wealth funds through Raw material funds	4,287.2	59.5%
Other sovereign wealth funds	2,817.2	40.5%
Total	7,104.4	100%

Source: - The table is prepared by the researcher based on: Fund Rankings, Wealth fund Institute,

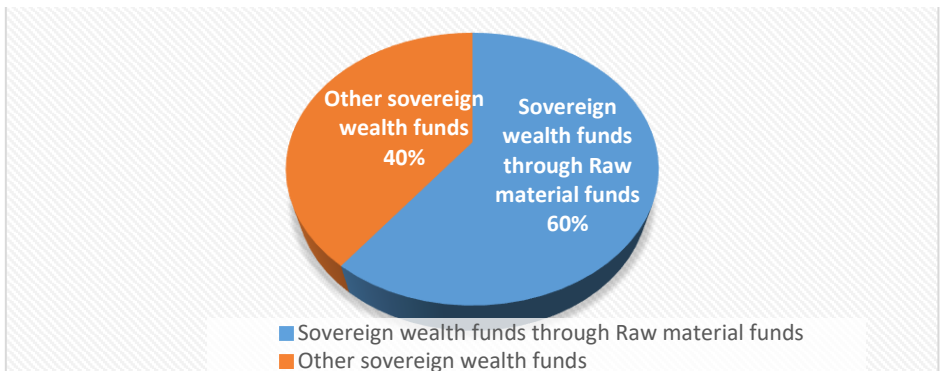


Figure 1: Classification of Sovereign wealth funds based on the standard of funding sources (2014)

2.2.2. Sovereign wealth funds based on the standard of aims

Sovereign funds are classified according to their targets:

2.2.2.1 Future Saving Funds

It is a type of sovereign wealth fund. The main objective of future Saving Funds is to allocate resource revenues for expenditure in the future (Mohsen Mehrara, Abbas Rezazadeh Karsalari and Fateme Haghiri, 2012, p. 338). In other words, to convert depleted natural wealth such as oil, gas, and hydrocarbons... etc., into a diversified portfolio with a strategic dimension that is serving of future generations, as well as to avoid economic problems that result from the Dutch disease (Mohsen Mehrara, Abbas Rezazadeh Karsalari and Fateme Haghiri, 2012, p. 339). These sovereign funds have great popularity in the Arab oil-producing countries, and it may be a suitable option for sovereign wealth funds in Iraq.

2.2.2.2 Stabilization Funds

A stabilization fund is a mechanism which is basically established by a government or central bank to protect the domestic economy from fluctuations of nature resources price on the world market exchange, such as oil (Braunstein, 2009, p. 58). It is mean that a primary target is maintaining steady government revenue through to confrontation the fluctuations in the balance of payments, which are caused by variations in commodity prices, especially oil, as well as avoiding the inflation (Randall, 2017, p. 1). For instance, the first such fund was in Kuwait in 1953 and then stabilization funds since have been set up for Russia, Norway, Chile, Oman, Kuwait, Papua New Guinea the UAE and Iran (CHEN, Macroeconomic Stabilization Fund (FEM), 2018, p. 1). It also may be set up for exchange rate stabilization as in the European Financial Stability, the UK Exchange Equalization Account and the US Exchange Stabilization Fund (CHEN, Macroeconomic Stabilization Fund (FEM), 2018, p. 1).

2.2.2.3. Development Funds

Development funding is the term used to describe financial capital which is employed to develop economic and social projects, in particular infrastructure and services sector .

2.2.2.4. Retirement Reserve Funds or Pension Reserve Funds

The Pension Reserve Funds' target is to support the financing of government obligations arising from the government's guarantee to basic old-age and disability

solidarity pensions. It is clear that this fund serves as a supplementary source for the funding of future pension contingencies (Yermo, 2008, p. 9). In addition, this accumulation rule allows for new resources to be allocated to the fund in any given year regardless of the fiscal situation facing the country each year (Pension Reserve Fund, n.d.). The dependency of retirement reserve funds varies from one country to another. For instance, a number of countries are depending on insurance companies, some of which are affiliated with private companies, and some of them belong to social security institutions which are managed by the state (Yermo, 2008, p. 9).

2.3. Norway's experience in the oil industry

The Kingdom of Norway is one of the Scandinavian countries that is located in the far northwest of Europe and is the fifth-largest oil exporter and the third-largest gas exporter in the world. Despite this, its oil and gas exports do not constitute more than 20% of GDP, and this reflects the diversity of the sources of real income in a country of approximately 4.6 million people (Grytten, 2008). Norway's experience is considered one of the most successful experiences among oil countries in using oil revenues through the sovereign fund (Breno Barreto Medeiros, Frank Ache, Hélio Henki, 2016, p. 1). In other words, the Norwegian oil policy is regarded by many as the only successful example where a country, after discovering oil, has built the competent national oil industry, yet still has managed to maintain an egalitarian welfare state (Ryggvik, 2010, p. 5).

Generally, Norway's oil industry era began over Fifty years back, and some of the early fields are as yet producing. The first fields to be enhanced were in the North Sea, and the oil industry has dramatically extended northwards into the Norwegian sea and the Barents sea (Petroleum, 2020, p. 1). In October 1962, Phillips Petroleum company sent an application to the Norwegian government requesting permission for exploration activities in the North Sea (Ryggvik, 2010, p. 9). The company asked for a license for the parts of the North Sea that were in Norwegian territorial waters and that were designated as part of the Norwegian continental shelf and offered USD 160 000 per month (Petroleum, 2020).

In May 1963, the Norwegian authorities announced sovereignty over the Norwegian continental shelf. A new rule was imposed establishing that any natural resources on the shelf belong to the Norwegian state and that only the King has the authority to award licenses for oil exploration and production (Ryggvik, 2010, p. 11). After issuing new law regarding natural resources, the Norway's government offered first licensing round on thirteen April 1965, and twenty two production licenses were awarded,

covering seventy-eight geographically delimited blocks (Ryggvik, 2010, p. 17). In 1969, oil company Phillips informed the Norwegian government of the discovery of Ekofisk, which is one of the largest offshore oil fields discovered. Production from the field started on 15 June 1971(Austvik, 2014, p. 18) . After that, a series of discoveries were made from several oil fields, which are illustrated in the table (NO.2).

Exploration activity was emphasized in the territory south of 62°N (Stad), during period 1970. The continental shelf was opened gradually, and only limited numbers of areas (blocks) were declared in each licensing round. Therefore, the Norwegian continental shelf has been dominated by large fields such as Ekofisk, Statfjord, Oseberg, Gullfaks and Troll (Al-Kasim, 2010, p. 48). These fields are still very important for the development of Norway’s petroleum industry which is shown in Table (NO.2). In 1979, the area north of 62°N was also opened for petroleum activities. Exploration in parts of the Norwegian Sea and the Barents Sea started early in the 1980s and was later expanded to new areas as they were opened (Al-Kasim, 2010, p. 142). In 1993, production began in the Norwegian Sea, and in 2007 it was the turn of the Barents Sea (Petroleum, 2020).

Table 2. Historical timeline of significant oil fields discovered in Norway according to the year of discovery and production start

Name of petroleum fields	Skofisk	Satfjord	Gulfaks	Osebery	Troll	Asgard	Snohvit	Johan Sverdrup
Year of Discovery	1969	1974	1978	1979	1983	1981	1984	2010
Year of Starting Production	1971	1979	1986	1988	1996	1999	2007	Not known

Source: - The Norwegian Petroleum Directorate.

<https://www.norskpetroleum.no/en/framework/norways-petroleum-history/>

At the beginning of Norway petroleum industry journey, foreign companies dominated the exploration process, and they were responsible for developing the first oil and gas fields. However, in 1972, Norwegian participation gradually increased



as Norsk Hydro became involved. Then, Saga Petroleum a private Norwegian company and Statoil were established in the same year, which was owned by the Norwegian government. It is worthy to say Norway established the principal rule that the government was to have a 50 per cent ownership interest in every production license((Petroleum, 2020) .This system was reorganized in 1985. The Norwegian government participating interest was split into two key parts: the first part linked to Statoil and the second part to the State's Direct Financial Interest (SDFI) in the petroleum industry (Petroleum, 2020).

With regard, part one the Statoil was made responsible for handling the commercial aspects of SDFI on behalf of the government. According to the second part, the SDFI system means that the Norwegian government owns holdings in a number of oil and gas fields, pipelines and onshore facilities. The percentage is determined when production licenses are awarded and varies from field to field. The Norway State as an owner, the State covers its share of investments and costs and receives a corresponding share of the income from production licenses (Petroleum, 2020).

Two decades back from now, Norway's parliament decided that 21.5 % of the value of the State's Direct Financial Interest portfolio could be sold; 15 % was sold to Statoil and 6.5 % to other licensees (Al-Kasim, 2010, p. 249) . The sale of part of the State's Direct Financial Interest portfolio to Statoil was seen as an important element in the successful part-privatization of the company. It is clear that in 2001 the state-owned enterprise Petoro was established to manage the State's Direct Financial Interest on behalf of the Government (Al-Kasim, 2010, p. 250). In 2007, Statoil merged with Norsk Hydro's oil and gas division. Recently Statoil company converted its name to Equinor company((Petroleum, 2020). On top of that, at the beginning of this century, the Norwegian shelf was unfolded to more styles of corporations as a way of ensuring sound best management. The massive worldwide petroleum companies that had been already established on the shelf which have been joined with the other types of companies that could see various types of trade opportunities in Norway's petroleum resources. In recent time, there is a high deal of variety and competition at the Norwegian shelf, and more than forty Norwegian and overseas companies are efficient (Petroleum, 2020).

Significantly, petroleum activities have performed a key function inside the development of today's welfare country in Norway which is illustrate in the figure (NO. 2).

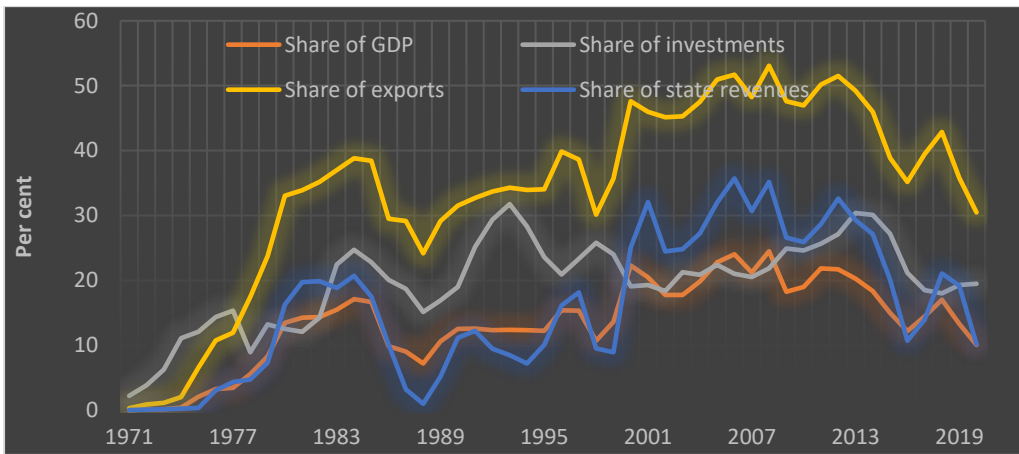


Figure 2: Petroleum sector macroeconomic indicators, from 1971 to 2019.

Source: Statistics Norway (National accounts), Ministry of Finance (The Revised National Budget 2020).

Finally, it can be said that the success of the Norwegian government in the good management of the petroleum sector and its economic and optimal exploitation has led to an improvement and stability of the main indicators of the macroeconomy performance, such as (continuously increasing of the GDP, low inflation and unemployment rates, and the economic forces of the exchange rate of the krone against the euro) as shown in the table (NO.3) Norway has registered stable macroeconomic performance, high per-capita GDP growth and low inflation of around 2%. In 2019, the Norwegian Krone depreciated slightly against major currencies, implying increased competitiveness. Unemployment rate is estimated at 3.37%, the lowest in the European Union in 2019. Life expectancy is around 83 years for women and 79 years for men. 41% of its population has tertiary education (Evarist Mgangaluma, Amos Cheptoo, Gladys Siwela, 2014, p. 6). It is worth to say that even the fluctuation of world oil prices did not have a negative impact on its economy. Obviously, as a result of the stability of the macroeconomic indicators, the level of economic and social welfare of the Norwegian citizen is higher compared to the Scandinavian and other European countries which is shown in figure (No.3).

In other words, the major transformation of the Norwegian economy since the discovery of commercially viable offshore oil and gas fields in the late 1960s helped Norway achieve a high level of per capita gross domestic product (GDP per capita) and is shown in figure (NO.3). It is illustrated that when per capita output did not

exceed 20 thousand dollars in 1970 increased to 60 thousand dollars in 2016, which is higher compared to Denmark, 41 thousand dollars, Sweden 42 thousand dollars, and the euro area 37 thousand dollars. Even if the per capita non-oil GDP is calculated, it remains the highest per capita in Norway's state when compared with the Scandinavian countries and a region Euro, as it reached in 2016 to reach 48,48 thousand dollars (OECD, OECD Economic Surveys, 2018, p. 8). Norway's state has been awarded good scores in every welfare measure according to the OECD's Better Life Index (OECD, OECD Economic Surveys, 2018, p. 9) . Household disposable income ranks third largest in the Organization for Economic Co-operation and Development territory, and this is sound in better results in employs, earnings, and housing. Moreover, scores relating to subjective well-being, work-life balance and the environment are stable and well increase continually (OECD, OECD Economic Surveys, 2018, p. 11). Therefore, good macroeconomic management of the oil wealth via the sovereign wealth fund and the associated fiscal rule has helped achieve impressive standards of living across society.

TABLE 3. MAIN MACROECONOMIC ECONOMIC INDICATORS OF NORWAY: GDP, INFLATION RATE, UNEMPLOYMENT RATE, GENERAL GOVERNMENT GROSS DEBT AND AVERAGE ANNUAL EXCHANGE RATE

Main Indicators	2016	2017	2018	2019
GDP (billions USD)	365.98	381.54	395.87	40.741
Inflation Rate (%)	3.55	1.88	2.87	2.17
Unemployment Rate (%)	4.68	4.16	3.8	3.37
General Government Gross Debt (in % of GDP)	36.3	36.9	40.0	40.0
Norwegian Krone (NOK) - Average Annual Exchange Rate For 1 EUR	8.94	9.34	9.60	9.66

Source: - The table is prepared by the researcher based on: -

- 1- <https://www.nordeatrade.com/no/explore-new-market/norway/economical-context>
- 2- <https://import-export.societegenerale.fr/en/country/norway/growth-indicators>

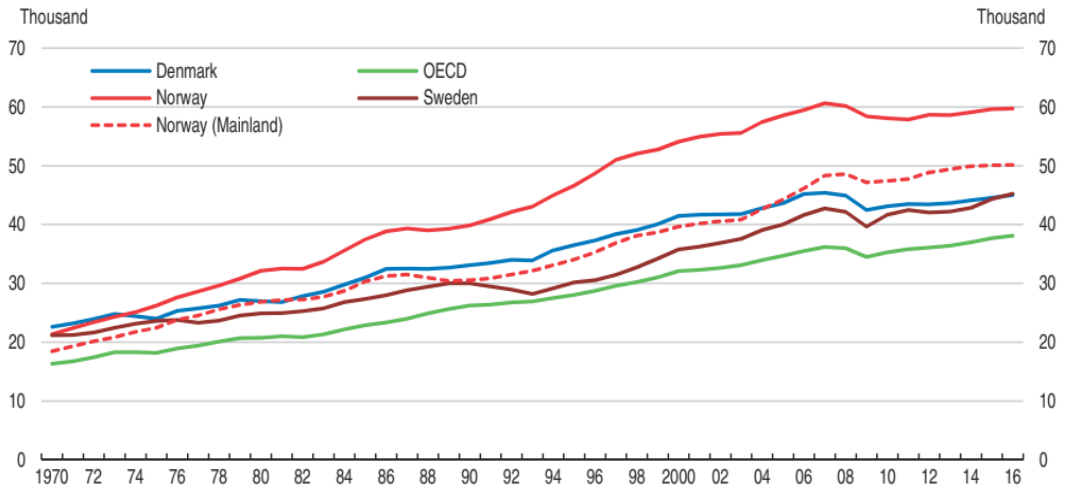


Figure 3. Per capita GDP in Norway, Scandinavian countries, and the Euro area for the period 1970-2016.

Source: OECD National Accounts Database, and OECD Analytical Database

- 1- <http://dx.doi.org/10.1787/888933638505>
- 2- <http://www.oecd.org/economy/surveys/norway-2018-OECD-economic-survey-overview.pdf>

2.4. Norway's experience in sovereign funds

It is obvious that when Norway's state starting to produce and exporting oil since the beginning of the seventies of the last century, the international oil market witnessed an increase in oil prices. Then, it leads to obtaining significant revenues from this newly-established sector on the national economy. It is clear that the oil revenues were directly transferred to the public budget and contributed to increasing government expenditures in both investment and operating expense. In other words, public expenditure dramatically increased to just over fifty percentages during the period 1974 to 1985 (Eriksen, 2006, p. 7). Thus, we can summarize the effects of rising government expenditures as a result of the discovery of oil and the increase in its price in this period by the following points:

- The rate of employees had been increased in the public sector from 1970 to 1985 which were reached 60% compared with private sectors.
- Declining in the competitiveness of the country's exports, which appeared clearly in 1980 due to a number of reasons. Firstly, the numbers of employees

had been decreased in the non-oil sectors. It is often said that a number of workers in the agriculture sector had been transferred to the new emerging oil sector. Secondly, falling support the competitiveness of exports particularly in terms of providing subsidies and support to local non-oil related industries such as shipbuilding, food industries, canning, and agricultural sector (Eriksen, 2006, p. 8).

Nevertheless, in 1986, due to the sharp drop in oil prices, which had not improved until 1990, there had been a flop in future plans for public budget in Norway. It means Norway's state faced an unexpected economic shock for all economic sectors and then the symptoms of the Dutch disease began to appear on its economy which were suffering from a number of oil countries.

On the basis of that, a decision was taken by the Norwegian parliament and government in order to avoid the country's economy from the negative effects resulting from the revenues of natural resources, basically represented into the Dutch disease. On June 22, 1990, the Norwegian Parliament has been passed the Norwegian Oil Fund Law No. (36), so that this fund would support long-term management of oil sector revenues, as well as function to accumulate government financial assets in order to deal with large financial obligations in the future which is related to the requirements of public spending in the area of retirement, population ageing and healthcare (Al-Kasim, 2010, p. 409).

In 1996, the money was transferred for the first time from the state treasury to the fund, and it was invested in currency trading (Al-Kasim, 2010, p. 410). In 1998, the fund's money was allowed to be invested in commercial stocks (Jafarov, E., & Leigh, D., 2007, p. 14). In the spring of the year 2001, the government worked to introduce a financial base that stated the non-oil budget deficit should not exceed (4%) of the total assets of the government oil fund (Jafarov, E., & Leigh, D., 2007, p. 15). Jafarov, E., & Leigh, D. (2007, p15) investigated that when the government prepared and entered this financial rule (rule 4%), Norway's state wanted to enhance and accumulate the fund's assets and save them for the future. It means if the government needs the fund's resources to cover the deficit in the general budget, then the deduction or withdrawal from it should not exceed (4%) of the market value of the fund's assets. Thus, the fund was merged with the financial policy, which is exclusively one of the functions of the Ministry of Finance, as can be explained in the diagram (NO.1).

It is possible to outcome with several results due to issue a rule (4%) which was approved in 2001 and implemented in 2002 as follow (Al-Kasim, 2010, pp. 405-407)

- A- Protecting the public budget from fluctuations of oil revenues
- B - Preserving financial assets for the purpose of using by future generations.
- C - Avoid the appearance of symptoms of Dutch disease in the country.
- D - Attempting to extend the significance of oil wealth through investing it in external financial assets.

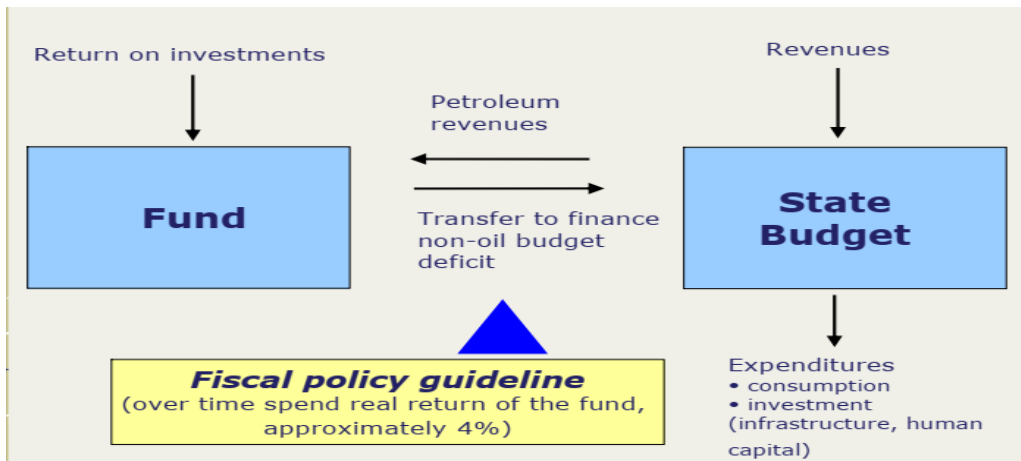


Diagram1. The Fund mechanism – integrated with fiscal policy

Source: <https://www.regjeringen.no/globalassets/upload/fin/statens-pensjonsfond/paris-28-march-2008---tekst.pdf>

In 2005, the fund name was changed from the Norwegian Oil Fund to the Norwegian Governmental Pension Fund - Global (NPGF), or the International Pension Fund (Gordon L Clark & Ashby H B Monk, 2010, p. 3). Added to the above functions, the Fund also plays a role in the fiscal guideline for the state budget. The expenditure of the Fund is a transfer to the Fiscal budget to finance the non-oil budget deficit. Consequently, the net allocation to the fund forms part of an integrated budgetary process and renders visible the State’s use of petroleum revenues. The fund accumulation thereby reflects the actual surplus of the Fiscal Budget (Al-Kasim, 2010, p. 406). It is therefore only through a responsible fiscal policy that Government and Parliament can ensure that the Fund will be large enough to cover the rapid rise in public pension expenditures in the foreseeable future (Al-Kasim, 2010, p. 407). The governance structure of the Fund is marked by a clear division of responsibilities between the political authorities and the operational management which is explained in the diagram (NO.2)

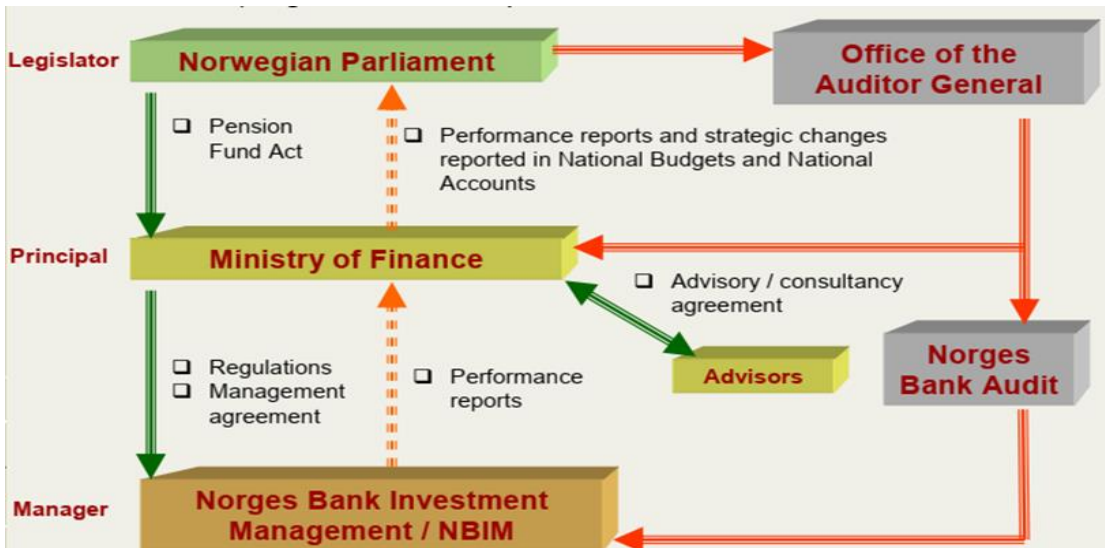


Diagram2. Pension Fund - Global Governance Structure. Founded on Act, regulations and separate contracts

Source: <https://www.regjeringen.no/globalassets/upload/fin/statens-pensjonsfond/paris-28-march-2008---tekst.pdf>

3. The possibility of benefiting from Norway's experience in Iraq

3.1 A Brief Overview of the Iraqi oil Industry

It goes without saying Iraq is considered one of the countries that own a strategic commodity, namely oil, which has a significant and crucial role in influencing the country's economy. The oil sector plays a major role in the process of economic and social development, as the economic activity in its various branches depends mainly on its production, export and financial returns.

In general, oil is the main financier of the public budget in the Iraqi economy, which is the contribution of oil revenues reached almost 88.8% in 2018 of the public revenues, which has led to suffering economic of Iraq (Rentier economy) from the negative impact of Dutch disease (Hakem, 2019, p. 1). However, other non-oil revenues are contributing a tiny amount compared to oil revenues. Thus, it is clear that the inefficiency and inability of other sectors to finance public expenditure, then this situation has made Iraq's state dependent on oil revenues – and import majority of goods from abroad (Hakem, 2019, p. 1).

With regards to the first oil field discovery in Iraq was Kirkuk field in 1927, by the Iraq Petroleum Company (North Oil Company). Then, twelve years later, in 1939, the massive Ain Zala field was discovered in the Mosul area by the Mosul Oil Company, and ten years later, in 1949, the Zubair field was discovered in the Basra territory, by the Basra Oil Company (Al-Dulaimi, 2011, p. 1). Indeed, Iraq has become virtually entirely under the supervision of these three companies via the privileges granted to them.

Generally, it is possible to consider the most significant characteristics that distinguish Iraqi oil from other oil-producing countries:

- 1- It is the only oil in the world that is extracted at a lower cost compared with all types of oil in the world because it is close to the surface of the earth, for example, Rumaila, Kirkuk oil fields which are oil extraction operations in both are easy and inexpensive. Therefore, Iraq's oil ranks first in the world in terms of cost extract (Al-Dulaimi, 2011, p. 2).
- 2- It could be exported Iraqi oil from the eastern Mediterranean ports, and this advantage provides Iraqi oil with a strategic advantage and also in the event of an international or regional conflict threatening the Strait of Hormuz or other oil interests.
- 3- There is a growing demand for Iraqi oil as a result of the quality and characteristics which has most Iraqi oil, particularly in terms of the low of sulfur present in it. For instance, the sulfur concentration in Basra light oil crude has arrived (1.95%). While in northern oil, the sulfur concentration ranged between (0.7-7.6 %). Meanwhile, while oil concentration in eastern Baghdad has reached (4%) as sulfur (Nehme, 2016, p. 23).
- 4- There are enormous reserves of Iraqi oil: the Iraqi oil reserves represent (147) billion barrels as proven reserves in 2018, which represents (11%) of the world oil reserves estimated at (1160.8) billion barrels (Al-Jubouri, 2020, p. 1). According to the United states, Energy Information Administration estimated the unconfirmed oil reserves in Iraq at (500) billion barrels (Nehme, 2016, p. 22).
- 5- Regarding the level of production, Iraqi oil production, in general, have fluctuated according to the nature of events and instability of political and economic situations. However, the general trend is to rise until oil production reached roughly (4.410) a million barrels in 2018, and this production represents the highest production point in the history of Iraqi oil (Al-Jubouri, 2020, p. 2).

3.2. The strategic proposal to establish a sovereign wealth fund in Iraq (benefiting from the Norwegian experience)

In this section, a proposal to establish a sovereign fund in Iraq will be analyzed and presented. However, despite the existence both of the Development Fund of Iraq (DFI) and the Regionals Development Program in Iraq, they did not achieve the significant economic objects (Saleh, 2008, p. 5). Therefore, the researcher will be proposed the most important capabilities (conditions), and determine the sources of financing which is necessary to establish a fund and its objectives, as well as demonstrate the basic governance of the fund and how to invest its resources. All these conditions and determines which are proposed by the study is considered fundamentals and necessities that provide a create the appropriate conditions for establishing a sovereign wealth fund in Iraq, via benefiting from the Norwegian experience in the oil sector.

3.2.1. The basic abilities (capabilities) for establishing a sovereign wealth fund in Iraq

Benefiting from Norway's state experience regarding oil industry, it is required to establish a sovereign fund in Iraq the availability of a number of capabilities which are distributed into three main aspects, First, the constitutional and legislative (legal). Second, regulatory and administrative requirements, and third the economic capabilities.

3.2.1.1. Capabilities of the constitutional and legislative (legal)

Needless to say, it is considered the fundamental capabilities in the process of establishing a sovereign wealth fund, because it will determine the broad lines of establishing the fund, outstanding management and its method of financing. It is linked to the Iraqi parliament, which must legislate for the establishment of the fund. It clearly that since the existing political system in Iraq is a parliamentary system. Therefore, in order to create the fund, it requires the will and satisfaction of the majority of Iraqi parliament members to the feasibility and significance of establishing such a fund for Iraq. Because the existence of the law requires the fund to implement the standards of governance and the inquiries, as well as transparency in performance, publishing data and records to avoid financial and administrative corruption ...etc.

3.2.1.2.Capabilities regulatory and administrative.

The process of direct management of the proposed sovereign fund takes place through the Central Bank of Iraq, by creating a special department for investments in it, to manage the fund’s investment activities, whether direct or indirect, inside or outside the country. It can be this department consists of several units:(A) External Investment, (B) Internal Investment and Mega Projects Funding, (C)Regulation Public Budget, (D) Media, Evaluation and Research), it is a condition that these departments are directly linked to the general manager of the Fund. The administrative division of the proposed fund can be clarified according to the following diagram (NO.3):

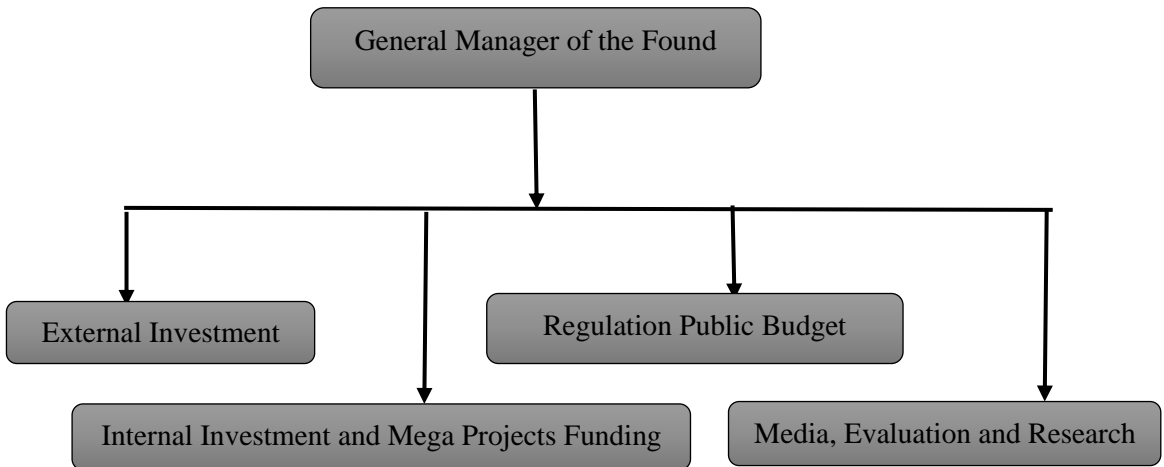


Diagram 3. The administrative division of the proposed fund

Source: The diagram is prepared by the researcher

The researcher considers that the supervision and administrative controls processes are associated with the direct management process that the Central Bank will undertake through the proposed investment department of the Fund. Then, as the supervision and control process will be hierarchically carried out by each of (A)the Central Bank,(B) the Ministry of Finance, (C)the Iraqi Parliament (Legislative) ,and (D)the Prime Minister's Office). it is recommended that the Central Bank, as the direct manager of the fund’s activities, will submit quarterly reports to the Ministry of Finance to take its supervisory role as the owner of the fund (on behalf of the Iraqi

people) and these quarterly reports should be to include a list of the names of the invested companies, the returns achieved, the expected rate of returns, and the rate of error between them. In addition to administration costs. While the Ministry of Finance is working to present a vision for the functions of the Fund (a strategy for the Fund) to the Central Bank, and then at the end of the fiscal year the Ministry of Finance submits an annual report separately from the public budget to Parliament, to be informed of it and take its supervisory role in this regard. Next, after parliament reviews the annual report, it sends its regulatory proposals to the Prime Minister's office, which in the role will send its proposals to the base of the pyramid. It can be explained the organizational structure of the proposed sovereign fund for Iraq, according to the following diagram (NO.4):

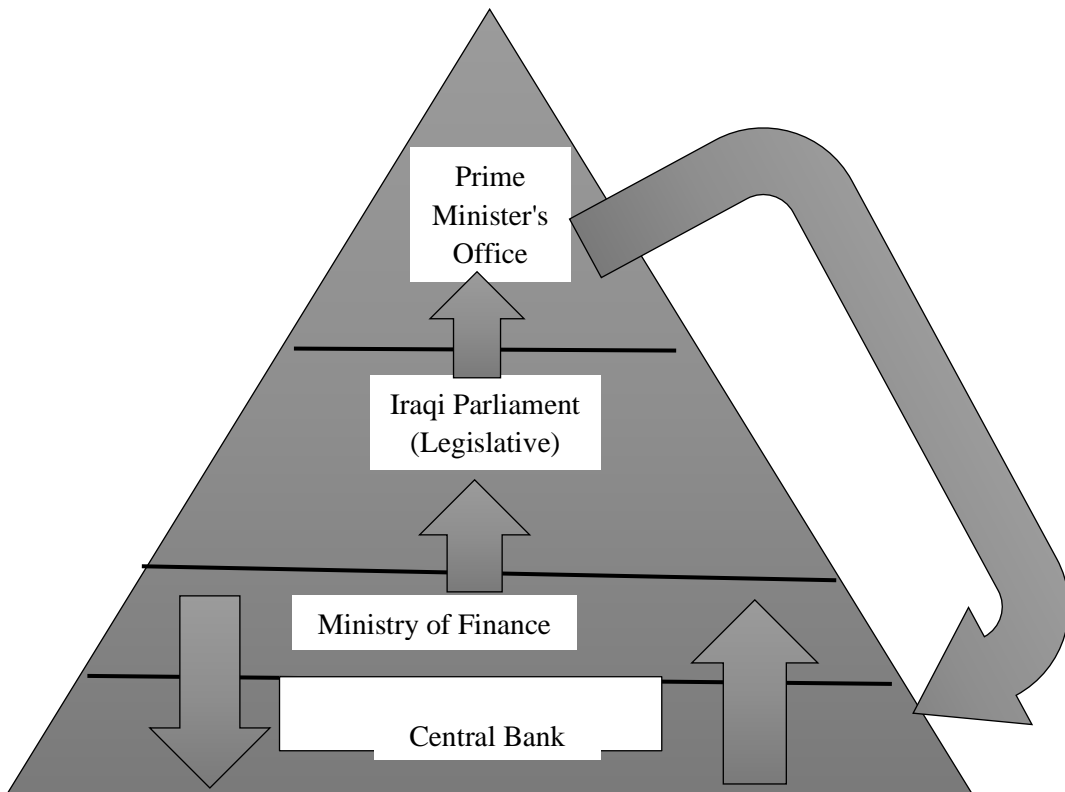


Diagram 4. The organizational structure of the proposed sovereign fund for Iraq

Source: The diagram is prepared by the researcher

3.2.1.3. Capabilities of economic

It means the resources that the government depends on in financing the revenues of the public budget. Clearly, the economy of Iraq is a rentier economy that depends on oil revenues in financing public budget. Although the Iraqi state has owned massive reserves of oil and natural gas, they are depleted economic resources which are depleted through the future. Consequently, it will not have been able to finance the budget either to current and investment expenditure for the Iraqi economy. It is, therefore, necessary to the establishment of a sovereign wealth fund in order to avoid falling into these imbalances as well as to ensure the right of future generations from the benefits of this wealth.

3.2.2. Determining sources of financing to the proposed sovereign fund in Iraq

The researcher suggests three main financial sources in order to fund a proposed sovereign fund in Iraq.

3.2.2.1. Obtaining Financial surpluses from the Public Budget.

According to the researcher opinion, the process of financing the proposed sovereign fund for Iraq will be done through separating or isolating the surplus in the public budget. Then, depositing it in the fund during any period of the fiscal year, instead of spending it to the supplementary budget. The idea can be demonstrated by relying on time series data for previous years linked to the public budget for the period 2004 to 2016.

It can be seen from the table (No. 4) during the period (2004-2012) the public budget achieved fiscal surpluses resulting from the rise in public revenues, which was caused by the increase in oil prices from (\$ 36.06) in 2004 to (\$ 94.45) in 2008. Thus, the public revenues grow from (3229811 million IQD) to (75311190 million IQD) in 2008, Therefore, the public budget gained financial surpluses during this period. However, during the years 2009 and 2010s oil revenues decreased as well as public revenues, due to the global financial crisis, which led to a fall in global crude oil prices, but it returned to raise during the period 2011 and 2012 and achieving fiscal surpluses. Then, the crude oil prices declined between 2013 to 2016 which led to low in oil revenues from (108323859 million IQD) in 2013 to (44267063 million IQD) in 2016. Consequently, public revenues reduced from (113840076 million IQD) in 2013 to (54 409270 million IQD) in 2016. It is therefore, the public budget recorded a financial deficit during this period, and this can be seen in Table (NO.4). Thus, it would be said that the public budget is affected by fluctuations in global oil prices., and the price of

crude oil cannot be predicted in the future. So, the shocks in oil prices have a massive impact on public revenues which leads to reducing public expenditures (operational and investment).

TABLE 4. FINANCIAL SURPLUSES ACHIEVED FROM THE PUBLIC BUDGET (MILLION IQD)

Year	Oil Revenue	Public Revenue	Public Expenditure	Budget Surplus	Budget Deficit	Internal Debt
2004	32298111	32982739	32117491	865248	-	5925061
2005	38953232	40502890	26375175	14127715	-	6255578
2006	46281972	49063361	38806679	10248866	-	5307008
2007	50720915	54599451	39031232	15568219	-	5193705
2008	75311190	80252182	59403375	20848807	-	4455569
2009	46855393	55209353	52567025	2642328	-	8434049
2010	62061730	70178223	70134201	44022	-	9180806
2011	101278169	108807392	78757666	30049726	-	7446859
2012	108692809	119817224	105139576	14677648	-	6547519
2013	108323859	113840076	119127556	-	5287480	4255549
2014	95174441	105364301	115937762	-	10573461	9520019
2015	69081335	72546345	82813611	-	10267266	32142805
2016	44267063	54409270	67067437	-	12658167	47362251

Source: - The table is prepared by the researcher based on Central Bank of Iraq - Annual Bulletins (2004-2017) General Directorate of Statistics and Research, Ministry of Finance - Economic Department.

By analyzing the above table, the researcher believes that it was possible to collect the financial surpluses that were achieved during the period 2004-2012 which was amounted (109072579 million IQD) to deposit it in the proposed sovereign wealth fund, in order to address the deficit that occurred in the public budget during the period (2013-2016) which is reached roughly (38786374 million IQD). It can be clearly seen that the lack of this fund made the Iraqi government depending on the internal debt to deal with those deficits, which was in the form of bonds and loans from financial institutions, commercial banks as well as the debts of the Ministry of Finance, which led to an increase in the internal debt (4255549 million IQD) in 2013 to (47362251 million IQD) in 2016, the external debt also increased. Considering all of the above, it is possible to establish a sovereign wealth fund in Iraq depending on financial surpluses from the public budget which is led to stabilizing the public budget as well as reducing or eliminating internal and external debts in the Iraqi economy. For those reasons establishing the proposed fund will be able to achieve the objectives for which stability of the public budget, economic stability, avoiding the negative economic effects of the "Dutch disease" and global crude oil price shocks. Diagram (NO.5) will illustrate this strategic proposal.

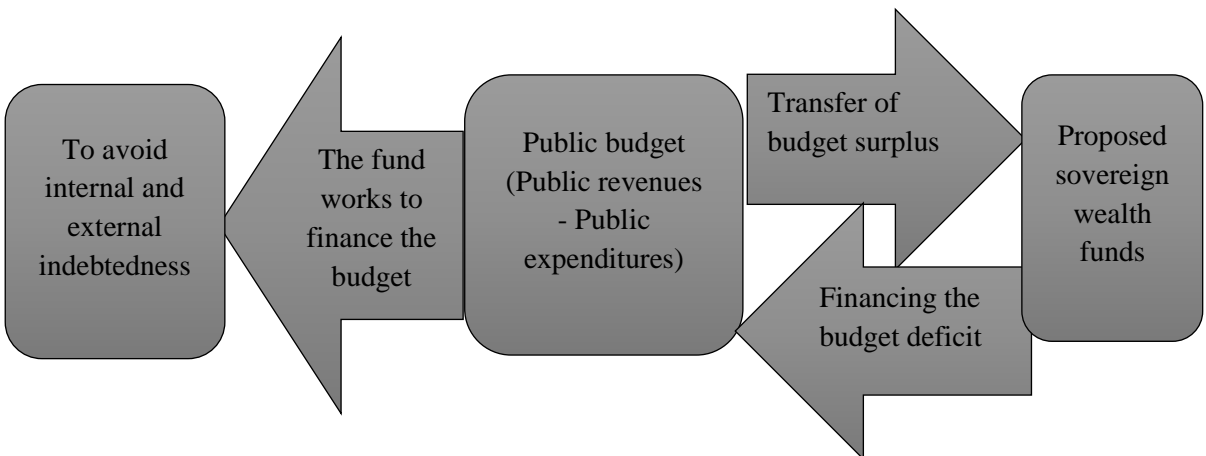


Diagram 5. The role of sovereign wealth funds in achieving the stability of the public budget

Source: The diagram is prepared by the researcher.

3.2.2.2. The variation in the price of Iraqi crude oil

It is important to say that the main reason for the backwardness and economic crises that occur in most rentier countries is that these economies depend on one source for income, which is oil. Generally, besides this, the oil pricing process is relying on supply and demand factors as well as other factors. Therefore, most oil countries depend on estimating oil prices when estimating the annual public budget. Consequently, on the basis of which the amount of oil revenues is calculated and the financing of public revenues which is covering public expenditures. However, indeed, there is another price which is the price of marketing the quantities of oil exported annually, or what is so-called the price of selling oil by SOMO Company.

Table 5. Sovereign wealth fund proposed through oil price variations for the period (2004-2017)

Year	Marketing price (Selling price) \$ (1)	The quantities of oil exported (thousand barrels per day) (2)	Actual oil revenues (1) * (2) = (3)	Estimated oil prices in the budget \$ (4)	Estimated oil revenues (4) *(2) = (5)	The proposed sovereign wealth funds for Iraq (3)-(5) = (6)
2004	31.383	1538	25665247	21.000	11788770	13876477
2005	45.618	1405	34374810	21.000	10769325	23605485
2006	55.635	1505	50216897	46.610	25604038.25	24615858.75
2007	66.734	1643	50216897	50.000	29984750	20232147
2008	87.966	1850	71060928	57.000	38489250	32571678
2009	59.440	1906	48371602	50.000	34784504	13587098
2010	75.660	1890	61081362	62.500	43115625	17965737
2011	104.983	2166	97093622	76.500	60480135	36613487
2012	106.019	2423	109642050	85.000	75483825	34158225



2013	102.265	2390	104024042	90.000	78511500	25512542
2014	91.627	2516	99946283	90.000	82650600	17295683
2015	44.729	3005	58379243	56.000	61422200	3042957 -
2016	36.098	3302	51911283	45.000	54235350	2324067 -
2017	49.321	3309	70876803	44.400	53625654	17251149

Source: - The table is prepared by the researcher based on: -

- 1-Ministry of Finance - Laws and Regulations - General Budget Laws from 2004 to 2017.
- 2-Al-Waqae Al-Iraqiya newspaper for different years.
- 3-Ministry of Oil - SOMO Oil Marketing Company from 2004 to 2017.

It is noticed from the table(N0.5) that the selling oil prices by SOMO company are much higher than the price of oil approved in the public budget during the period from 2004 until 2013 when the marketing price (Selling price) reached (102.265\$) while the approved price(estimated price) was \$ 90.Nevertheless, in 2015 and 2016 the sale price of the oil company was lower than the price estimated in the public budget. it is obvious in terms of this case the proposed sovereign fund cannot be financed during this period. Then, in 2017 the selling price increased for the SOMO company than the price estimated in the public budget. As a result, these sums surplus from the price differences will be benefited via it is deposited in the proposed fund for Iraq, and it can be explained in the table (NO.5)

3.2.2.3. Deduction of 10% of public revenues and deposited it in the Future Generations Fund

It is previously discussed that Iraq is a rentier economy that depends on oil revenues mainly in financing public revenues, so its contribution is more than 90% of public revenues, while other non-oil sectors have contributed a lower percentage to the gross domestic product (GDP). Therefore, the researcher will suggest that despite oil is a depleted source which is reduced with the time and since Iraqi economy suffers from structural imbalances, 10% of public revenues should be deducted annually and deposited in the Future Generations Fund to ensure their right to this wealth. it is a savings fund to guarantee the right of future generations to the financial wealth obtained by the current generation. This idea is developed based on the experience

of Kuwait and despite its deficit in 2016, it continued to deduct this percentage for future generations. The reason for this is that future generations are not responsible for bearing the deficit incurred by the current generation in the public budget. Thus, it guarantees the right of future generations to this depleted wealth, and table (NO.6) clarifies this proposal and these resources are invested every year in stocks and bonds in global markets to obtain more returns in the future.

Table 6. The proposed fund for future generations in Iraq

Year	Public Revenue (1)	Deduction from public revenues (2)	Future generations fund (1*2)=(3)
2004	32982739	10%	3298273.9
2005	40502890	10%	4050289
2006	49063361	10%	4906336.1
2007	54599451	10%	5459945.1
2008	80252182	10%	8025218.2
2009	55209353	10%	5520935.3
2010	70178223	10%	7017822.3
2011	108807392	10%	10880739.2
2012	119817224	10%	11981722.4
2013	113840076	10%	11384007.6
2014	105364301	10%	10536430.1
2015	72546345	10%	7254634.5
2016	54409270	10%	5440927

Source: - The table is prepared by the researcher based on Ministry of Finance - Economic Department and table (NO.4).

3.2.3. Objectives and motives of the proposed sovereign funds in Iraq:

There are a number of encouraging objectives to establish the fund Which can be enumerated below:

- 1- Protecting the national economy and the state’s public budget from the risk of external crises that come as a result of fluctuations in oil export earnings.
- 2- Withdrawal of financial surpluses which are achieved in the public budget in order to avoid extravagance and wastefulness in public expenditure and to achieve economic stability.

- 3- Implementing the principle of justice through the distribution of wealth among the generations by maximizing the saving that goes to the future generations (ensuring that future generations economic welfare via the oil wealth and find alternative sources for oil because it is a depleted resource).
- 4- Addressing the negative impacts of financial flows resulting from natural wealth which is known as (the Dutch disease). It causes unwanted effects in the productive sectors, particularly industrial and agricultural. As a result of the oil discoveries which will create a country of laziness and slackness in the job which afflicted the Netherlands people in 1959.

Generally speaking, depending on the Norwegian experience in how to manage and best use the resources of the sovereign fund, the researcher believes that the resources of the proposed sovereign fund in Iraq should be divided in tow key aspects: **First:** Keeping the part of the fund’s resources without investing in order to protect the Iraqi economy from the risk of external shocks, which are represented by crude oil price shocks. **Second:** part of the fund resources are deducted and deposited in the investment fund, and then these amounts are invested in financial assets that are represented by (ordinary and privileged stocks and government bonds). Furthermore, It is also invested in physical assets represented by (residential and commercial real estate) as well as precious metals (gold and silver). In addition, it is Investing in local and international financial markets and banks. Moreover, it is used through the reconstruction of the infrastructure structures that are represented by, transportation, services sector, industry and agriculture, as well as the trade and tourism sector. Therefore, economic diversification is achieved which are an alternative to the oil resource.

4. Conclusions and Recommendations

4.1. Conclusions:

1- Before the discovering and development of oil industry in the North Sea, Norway states was in terms of socially, economically, politically and culturally an organized and stable society with a high standard of living, and this is what helped Norway to succeed in oil experience.

2- Oil operations in Norway were not only limited the phase of extraction from the ground and selling, (as the case in Iraq)but also, included all the basic phases of the

oil industry (extraction, production, transport, storage, export outlets and the phase of maximizing the value of petroleum products from raw material to more valuable petroleum products "Petrochemical industries") to maximize the national benefit from the oil wealth.

3-Norway state has worked hard since the beginning of its obtaining the oil rents, on the need to made a fund for oil revenues which separated the state oil revenues from the national economy and domestic consumption, and at the same time constitutes a reserve to protects the country's economy from the possible risk of fluctuations in oil prices.

4-At the moment the Iraqi economy is characterized as a unilateral rentier economy which depends on a large extent on crude oil exports, while the economy of Iraq has many capabilities that make diversify this economy and as an alternative to the rentier economy.

5-The Iraqi economy is mainly affected by the performance of the oil sector, which means that a sharp decline in global oil prices for a relatively long period leads to damage and instability of the economy. If the duration of the decline in oil prices is prolonged, probably the country leads to sharp economic crises. Therefore, the internal and external factors will be available to the establishment of the sovereign fund for Iraq are needed. However, the Iraqi government's need to create a mechanism that works to control public revenues and savings which are preserving the stability of the general budget. Consequently, the sovereign fund will act to absorb the shocks that may be exposed to the Iraqi economy due to fluctuations in oil prices in world markets, and it will enable the government to implement its various economic policies (fiscally and monetary).

4.2. Recommendations

1- It is essential to benefit from Norway's experience in the field of oil and attempt to implement it in Iraq in all its details in order to develop the oil sector. It is necessary to take seriously and with honest political willing in order to develop an oil policy and maximize benefit from the oil revenues. Whereas the oil industry in Iraq is not limited to oil extraction only, but also the added value of oil must be maximized via the other stages of the oil industry, represented by the oil derivative industry, the investment



of rentier returns, and the benefit from successful international experiences. In this regard, the most significant of which is the experience of Norway.

2-The returns of oil wealth should be used optimally, by saving and investing for the revenues of oil wealth, at the same time don't acting of it on the basis that it is a permanent income. However, it is responsibility of the country's financial policy have to prepare to face the challenge of oil depletion. The most appropriate and optimal option for the Iraqi economy is to increase the overall saving rates in the economy. In other words, the government have to attempt to find new sources of income rather than oil revenues. This can be achieved through diversifying sources of income, which is probably done in two methods: **First**, through investment operations abroad (diversification of income). This way will enhance financial stability, as well as investment revenues, will go to the government. **Second**, through domestic investment (diversification of production), this way will provide achieving social stability via encouraging job creation in the private sector.

3- One of the most significant requirements for the success of Iraq's sovereign fund is to accurately forecast and estimate the volume of revenues which the fund depends on for its financing. Since the proposed fund for Iraq is a sovereign for savings, it needs long-term financing. It is mean that the financing will be through oil revenues, which in turn are determined according to the prices and quantities produced and exported.

4-The Iraqi government must deal with the oil sector via professionalism and high craftsmanship which is considered into account the economic and social aspects in that deal. It can be done through the formation of independent committees specialized in oil and economic affairs, which should study the problems that the oil sector suffers from in particular, and the Iraqi economy in general. Besides this, it will attempt to develop appropriate solutions of oil revenues and to avoid the Iraqi economy of the negative impacts of Dutch disease. It is obvious that Norway has made this independent economic committee, through the Norwegian government in 1982 that included the best economists' experts in the country, to discuss the issue of the momentum of oil operations, its impact on the national economy and social life in general.

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ئەزموونی نەوتی ولاتی نەرویجی وە توانایی سوود لیبینینی لە عێراقدا

پوختە:

لە راستیدا کەرتی نەوت لە عێراقدا رووبەرپووی چەندین گەرتی گەورە بۆتەو، کە پەییوەستە بە ژێرخانی ئابووری نەوتی لەرووی دەرھێنان، بەرھەمھێنان، گواستەنەو، ھەلگرتن و ھەناردەکردنی. بە شێوەکی گشتی سیاساتی ئابووری لە عێراقدا وە بەتایبەتی سیاساتی نەوتی سەرکەوتوونەبوو، ھەنانە دانانی پلانی کورت خایەن و درێژخایەن بۆ بەرپووەبردنی سامانی نەوتیو بەگرخستنی بەباشترین شێوە لەگەڵ ئەوھێ چەندین دامەزراوھێ فەرمی ھەبەتایبەت بە بەرپووەبردنی پێشەسازی نەوتی لە عێراقدا بەلام دەسەلاتیکی ئەوتۆی نەبە و بەرھێنان و کارگێریکردنی یەدەکی و داراییەکان کە لەرێگای کەرتی نەوتی دەستی دەکەوێت. وە توێژەر پێیوایە کە عێراقی پێویستی بەوھەبەت کە یەدەکە نەوتیەکانی بەگرێخات لەگەڵ ئەوھێ کە داھاتی نەوتی لە عێراقدا 90% داھاتی بودجەکی گشتی پێکدێنێت. وە لەبەرامبەردا ولاتی نەرویج ئەزموونیکە سەرکەوتوی ھەبوو لە پێشەسازی نەوتیدا لە نیوان ولاتانی نەوتی، بۆییدەتواند رێت سوود لەو ئەزموونە وەربگێرێت لەرووی سیاساتی و بەرھێنان و بەرھەو پێشبردنی قۆناغەکانی پێشەسازی نەوتی لە عێراقدا. لێردا توێژەر ھەلەدەستێت بە دیراسەکردنی ھەموو قۆناغەکانی بەرھەو پێشبردن و ھۆکارەکانی سەرکەوتنی ئەزموونی ولاتی نەرویج لە کەرتی نەوت دا وە جۆنەتی سوود وەرگرتن لێی بەتایبەت سەبارەت بە درۆست کردنی سەندوقەکی تاییبەت بە سامانی سیادی نەوتی لە عێراقدا و رۆلی لە سەقامگیری ئابووری و داربیدا.

التجربة النفطية النرويجية وإمكانية الاستفادة منها في العراق

المخلص:

من الواضح أن قطاع النفط في العراق يعاني من مشاكل كبيرة تتعلق بالبنية التحتية النفطية ، من حيث الاستخراج والإنتاج والنقل والتخزين ومنافذ التصدير. بشكل عام ، كثيراً ما يقال إن السياسة الاقتصادية بما في ذلك السياسة النفطية ، قد فشلت في وضع الخطط قصيرة وطويلة الأجل لإدارة الثروة النفطية واستخدامها على أفضل وجه. على الرغم من وجود عدد من المؤسسات الرسمية لإدارة صناعة النفط في العراق ، إلا أنه لا توجد سلطة مختصة في مجال الاستثمار وإدارة الاحتياطيات الفائضة المودعة في صندوق تنمية العراق. وقد تم التأكيد على حاجة العراق لاستثمار هذه الاحتياطيات رغم وجود بعض التقاطعات بين السياسة النقدية والسياسة المالية. ومع ذلك ، تشكل عائدات النفط أكثر من 90٪ من الموازنة العامة للبلاد. من ناحية أخرى ، أصبحت تجربة النرويج نموذجاً ناجحاً في صناعة النفط بين الدول المصدرة للنفط ، تشمل مستوى استخراج وتصنيع وتصدير المشتقات النفطية. ويمكن الاستفادة من خبرتها في هذا القطاع من خلال محاولة تطبيق سياساتها الاستثمارية النفطية والاسترشاد في جميع مراحل التطوير وأسباب النجاح فيما يتعلق بصناعة النفط في النرويج ، لا سيما فيما يتعلق بإنشاء صناديق الثروة السيادية . (SWFs) ودورها في الاقتصاد والاستقرار المالي.

الكلمات المفتاحية: البنية التحتية النفطية ، السياسة المالية ، تجربة النرويج ، صناديق الثروة السيادية