

From reconstruction to building the future

For a new series for Iraq Business News, I will be interviewing Iraqi and foreign professionals and asking them about their experiences working in Iraq. For the first edition I spoke with Hameed Abid, an architect who has worked on some 600 projects in Europe and the MENA region. Hameed's first project in Iraq was in 1969 and he returned to Iraq to work on projects there in 2008. I met Hameed at a superbly organised conference in London, put together by the [Al Kindi Society for Engineers](#). The conference had a number of Iraqi expert speakers discussing the applications of IT in the fields of engineering, education and security in Iraq. It was striking to see the ongoing efforts of Iraqis within the UK, building bridges to their homeland and building new bonds of commerce and knowledge transfer. Nobody at the conference was ignorant of Iraq's challenges, but the focus was firmly on a better future, and how to get there.

RT: What was your first project in Iraq?

HA: Before 2008, the only thing I did was to design a villa for my brother, but I never saw the finished building, I have only seen photographs. That was in 1969. I was still a student.

RT: In some ways 2008 was a critical year. Levels of violence were still very high but they had also fallen dramatically, from the chaos of 2004-07. The Iraqi economy was starting to show signs of life.

HA: Yes. I was invited by an engineer to work on a multi story car park, private hospital and the refurbishment of a medical centre, and a new "water city." I also worked on a childrens' playground for one of the governors, and a 5 star hotel in Maysan as well. So I developed proposals for that. But the one that actually was built was the medical centre in Baghdad. It's now completed and operational.

RT: So this is a different kind of project to working with clients in the Gulf States or Jordan for example, based on your experience? Because in Iraq's political system, different ministries are run by different political parties. In 2008 the health ministry was under the politically independent leadership of Dr. Salih al Hasnawi. Previously it was under Sadrist control.

HA: Yes, but this wasn't for the health ministry, it was for a private investor. He came to London and asked me to look at his building, and I did a survey for it, photographed it and produced designs and sent them his way. And then he called me and said he had started building it, and I went there to supervise it, and now it's completed. During those trips I was protected, in addition I had invitations from the PMs office and the mayoralty.

RT: So this was not an NIC project?

HA: No, private sector. An Iraqi investor.

RT: How different might that have been if it had been a foreign venture? For example, you mentioned security.

HA: Well, although I was Iraqi, I insisted on security after reading the FCO warnings. So my Iraqi partner hired a private security firm for me to move around.

RT: Since the return of foreign business to Iraq in 2008, we hear about how difficult it can be to get things done, not just because of security but because of bureaucracy. Some say it is worse than security. Do you think things were easier as an Iraqi?

HA: Well, I was invited by the Minister of Youth and Sport, to get my team over to Iraq to give them advice and analysis of tenders, “design and build” for four projects, in Tajiāt, Mosul and Babil. These were sports centres. The Babylon and Tajiāt projects were 30,000 and 60,000 capacity respectively. But for that the minister insisted that because of the type of project, which was analysing the tenders, because of security they wanted to keep it confidential, they wanted to do it in Iraq. So myself and three English professionals went to Iraq, got the visas and stayed at the Sheraton hotel.

And they brought in the documents but we proceeded on word initially. It was a verbal contract until we completed the project, we signed the agreement after the job was done! And it took me a long time to get paid because of the red tape and I had to stay 3 months after that, which was quite costly. In fact, a lot of the profit was taken up by the cost of me staying. So there was little profit. And then another problem was that I had to pay tax on the income. And that was a surprise we didn’t know about. This is 2010 /11. But we got paid and we made profit and we were happy to pay the tax. Then we had also security when we stayed at the Sheraton. For me, the British colleagues didn’t go out, but I did, being an Iraqi, speaking the language, I didn’t personally need security, but when they moved we had protection.

RT: What would you say to anyone going to work in Iraq who has experience in the MENA region? How different is the environment?

HA: Well, its actually a lot harder. The problem is cultural, in that the Gulf States have an easier situation because the Emiratis or the Kuwaitis, they grew up in an English environment, essentially under British rule at times, so most of the decision makers spoke English very well. So the language and culture is less of a problem. In Iraq, it’s different because the Iraqis have been cut off for the past 30 years or so, from the rest of the world. So most of the leaders, technocrats, civil servants, don’t speak english so theres a communication issue. So anyone who wants to set up business in Iraq, they must have an Iraqi professional ideally from outside of Iraq.

You have to understand the Iraqis don’t share the same concept of “professional” as people have in the West. So with expatriate technocrats and professionals, we understand the normal business ethics, the conduct and the modus operandi in the UK, US and Europe. For example, I am a member of the Royal Institute of British Architects.

Iraqis don’t have that. For example, when I go to Iraq I carry professional indemnity insurance, which is a requirement. In Iraq they don’t know the need for this, so much so that I asked the engineering society, the union, “how would you compensate a client when an architect or engineer makes a mistake, in terms of negligence, errors or faults, how would you compensate

the client?" They don't have that.

But the British companies must have that. So in order to communicate with them, you need a means, a vehicle to do that. Also, the personal relations are very important because in the majority of Iraq it's still a verbal society, and if you send them 100 emails it probably doesn't matter, they might not read it. They have an email address, but they don't necessarily see it everyday, or treat it as we do in the West. So there's a problem of passing on ideas or the transfer of technology. So they will have difficulties, no doubt, unless you use people such as myself, to help them break into the market. And there are many people like me. (*One of Saddam's unintended legacies is a large Western educated diaspora-RT.*) And we are talking about a market of huge potential.

RT: When starting business in Iraq, you should hire an Iraqi legal firm? I can think of two who work with foreign businesses.

HA: Yes I think that's important to hire a firm who know the system, the laws. Sadly, there is a lack of Iraqi English speakers, and that includes graduates. In the Gulf, you can take it for granted that professionals speak English, you can rely on them. The British, French, Japanese, Spanish-- their diplomats in Iraq all speak Arabic or employ Arabic speaking citizens. So contractors and engineers need Arabists. One of the most successful management consultancy firms in Iraq have a regional vice president who is an Iraqi and they have staff in Iraq.

RT: It is hard to understate the importance of cultural orientation, to avoid situations that we saw recently such as incident with the Schlumberger / G4S employee who was quite seriously injured. A major altercation occurred following allegations that he removed a religious poster with a knife. (Watching the video of the incident, it looks like his Iraqi colleagues and the Iraqi police saved his life.)

HA: Yes, that was a tragic incident. There were a lot of Iraqis who condemned that attack. It really gives a bad impression of Iraq. The majority of Iraqis were up in arms against that. This guy who did that had not been briefed properly, so the education of the staff of these companies needs to be improved. I remember when I was working in the Gulf States, the British companies had contractors and consultants who had orientation classes for their staff before they went to the Arab world. I actually led some of these classes for the IIB, the Institute of Independent Business.

We gave lectures to would be directors and project managers about appropriate behaviour, even social behavior. Things like how to hold a cup of coffee, which hand to hold it in for example. I remember in Bahrain, I had some American guests visiting a sheik, and when the coffee pourer came one of the Americans didn't know how to say "no" to more coffee, so he kept on drinking more and more servings, until this American guy gets fed up, and just pulls out a handkerchief, dried the cup and put it in his pocket!! I remember I had to give this kind of cultural training. So for example, you do not ask about someone's wife or sister, that's taboo. And of course, some of those that we taught really absorbed the culture and became experts themselves.

RT: Tell me about the Al Kindi Society for Engineers.

HA: Al Kindi was established in 1994. The aim was to help Iraqis academically and to help Iraqi engineers, through training but also to send expertise to universities in Iraq. And the society has some 400 or more members, and they are doing a great job for Iraq and for the Iraqis. When they come here, they work very closely with the cultural council at the embassy and they advise. We've been here a long time.

One of the companies at the Al Kindi conference was Cyfas Systems, a communications company. Their clients include the police, the NHS and the Fire Brigade in the UK, and they transfer some of that knowledge to Iraq. An Iraqi man from the Cyfas board of directors, Nash Ramadhen, was at the Al Kindi meeting. So Al Kindi also looks at other areas, as mentioned, IT applications in counter terrorism, healthcare, and education. So we are seeing these bridges between the UK and Iraq.

And I believe there's a good chance that we will see a cultural shift among Iraq's youth. That transition from paper and verbal agreements to e-governance for example. Recently I was elected VP of an Iraqi academic institute, and Al Kindi is helping Iraqi universities, and hopefully this year or next year, we're going to be twinning British and Iraqi universities and ministries. I'm discussing this with the Iraqi cultural attache. Really, what we don't get from watching the news is that, for much of southern Iraq there is still hardly any violence. Iraqi society is incredibly resilient, even in Baghdad and elsewhere where violence continues.

RT: It's true. In the most southerly governorates, the terrorists really struggle to operate. They can't carry out a high tempo of attacks, but an *absence* of violence is a rare news story. "If it bleeds, it leads" as the press saying goes. Even in Baghdad, life goes on.

HA: Absolutely. To take one example, there are banks and I have set up a bank account myself, who provide ATMs and I use the cards to take out money. My bank is Baghdad bank, and because it is associated with CITI, their banking standards have improved. Last week we had the first British bank open a branch in Iraq, Standard Chartered. And that is a great event. For me, if the British banks open in an area, it means they have done their homework, there is safety. So, the violence is terrible but it is exaggerated out of all proportions. When I was working in Baghdad on my last project, there were school children going to school with their rucksacks every morning. People were going shopping at supermarkets, buying clothes and suits. Street markets were busy. So there is life, there is activity. And the government are producing agreements, and contractors sign them, and so there are money transactions, deposits and bank guarantees and payments and progress payments and so on, so it is normal as far as I'm concerned. Standard Charter are actually opening a branch in Basra and in Erbil as well.

Next time: Discussing engineering and construction in Basra in the last decade with the CEO of an Iraqi construction firm.

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