

The economy of Iraq: collapse of oil prices, and the lockdown of Covid-19 (2019-2021).

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- **Abstract:** Iraq has enormous natural oil reserves, albeit being one of disputed areas of Middle East. Its oil history goes back to the last century, and many foreign organizations have signed deals with the Government of Iraq for the extraction, production and oil transportation. Technological advancement has improved situation in Iraq; however, it has become more reliant on oil industry with the passage of time. Policies for the economic development of Iraq revolve around and are dependent upon the oil industry. This has exposed Iraq's economy to vulnerability, because oil industry has uncertainty and unreliable profits, and price fall of oil in the global market will collapse the economy. Similarly, the spread of COVID-19 across the world in early 2020 carried a profound shock to the global oil markets and the overall fossil fuel industry. With fluctuation in energy demand due to COVID-19 pandemic, international oil markets were concurrently hit by the March 2020 "Oil Price War" between Russia and Saudi Arabia, when both promised to considerably increase international supplies. Consequently, international oil prices decreased to multidecade lows, and producers rushed to find storage space on land and sea for their oil reserves rather than to sell it at a loss. This paper aims to analyze the impact of COVID-19 on the economy of Iraq with respect to oil price fluctuations and global oil market situation.
- **Keywords:** Enormous, disputed, Policies, vulnerability, fluctuation, multidecade, COVID-19,