

# Comments on Iraq in the backdrop of the Iran war in The National, 18 Mar 2026

Dr. Nasser Saidi's comments on Iraq's polycrisis in the backdrop of the war in Iran appeared in an article in The National titled "[Iraq faces polycrisis as Iran war grinds its oil exports to a halt](#)" published on 18th March 2026.

The comments are posted below.

*Iraq produced about 4.35 million barrels per day and exported about 3.4 million bpd before the war, which has come to a near standstill. With the war now in its third week, Baghdad is moving urgently to find alternative ways to ship its oil to global markets to fuel its economy.*

*"This is a polycrisis shock for Iraq: economic, fiscal, military/security and political," Nasser Saidi, president of Nasser Saidi and Associates and former economy minister of Lebanon, said.*

*Mr Saidi said Iraq is the least prepared of regional oil producers to face the fallout of the war.*

*"Economically weak and vulnerable, the country faces internal political divisions and ethnic divides, in addition to the security risks from its borders with Iran, Turkey and Syria," he said. "It has neither modernised its old energy infrastructure nor diversified its economy, trade or finances."*

*Even if Baghdad manages to resolve differences with the KRG and strikes a sweet deal with Iran on passage through the Strait of Hormuz, Iraq's economic woes and its policy independence troubles are far from over, Mr Saidi said.*

*"Iraq is the only major sovereign nation whose primary revenue stream (from oil) is held in a foreign central bank (the Fed), giving the US substantial power over Iraq's domestic governance," Mr Saidi said.*

*While Iraq's central bank claims to have about 11 to 12 months of import cover, this liquidity is still in NY Fed-controlled accounts.*

*The country's international reserves stood at \$97.5 billion as of November, according to the Central Bank of Iraq.*

*The country imports about 90 per cent of its consumer goods, food, and medicine and is "financed by the petrodollar held at the Fed", Mr Saidi said.*

*"The large informal economy (an estimated 60 per cent of non-oil GDP) will also be vulnerable to the current Hormuz shutdown," he added.*