

## Gailani sees no need to rush with privatisation

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Privatisation can wait until the new constitution is in place and elections have been held, Kamil Mubdhir Al Gailani, finance minister in Iraq's interim government, said yesterday. "This is my own opinion. I prefer that, because privatisation is new in Iraq," he told *Gulf*

*News*.

Many in the US neo-conservative lobby had been keen to see the Coalition Provisional Authority and the interim governing council and cabinet press ahead rapidly with the dismantling of Iraq's old economic structures.

However, the newly appointed ministers seem to feel that when it comes to major parastatal entities, they lack an adequate mandate to press ahead with changes in ownership.

Indeed, that point may have been reinforced during the IMF/World Bank meetings here in Dubai.

It is understood that there will be no meeting between Gailani and Fund managing director Horst Köhler, although the interim minister has met Shigemitsu Sugisaki, one of Köhler's deputies.

The World Bank also feels unable to recognise the interim administration as a sovereign government until there is a broad international consensus on the issue, or a ruling by the United Nations Security Council.

Oil minister Ibrahim Mohamed Bahr Al Uloum had already said that - although he personally favoured foreign investment in the oil industry - he felt major changes in the oil ownership arrangements should be decided by a government that the Iraqi people had elected.

Now Gailani, in his interview with *Gulf News*, has made the same point about other industries.

While in Dubai, Gailani announced a raft of regulatory and fiscal concessions designed to attract investors to Iraq, although it is unlikely to tempt many takers in the present fragile state of security.

But selling off existing public enterprises is an especially sensitive matter for a country that is isolated internationally and completely missed the wave of economic liberalisation that swept the world after the collapse of communism.

Nevertheless, Gailani tries to remain upbeat: "I am always optimistic, even before I became minister."



Kamil Mubdhir Al Gailani