

Archetype **High-risk/volatile**GDP / person **\$5k**Population **47.02M**10-yr trend **1.9%**Gradual **3.3%** · **#144**Fast **4%** · **#138**

WHERE IRAQ STARTS

Iraq enters the AGI era in the high-risk, volatile group: countries cut off from the AI supply chain, or whose state capacity is too weak to turn AI into growth. The scores show why. Compute and energy access is 1.1 out of 5, geopolitical positioning 1.2 and cyber resilience 1.4 — near the bottom on almost every input a modern AI build needs. Nearly all export earnings, 99.99%, come from oil. Yet Iraq is not without capacity: physical build speed is 3.2, higher than most of its archetype, reflecting projects like the Grand Faw Port and the Development Road corridor. At about \$5,410 per person it is lower-middle-income, with a young population of 47 million. Ten-year trend growth is 1.9% a year. The binding constraints are institutions and power: chronic electricity shortages and fragile, contested governance.

THE THREE PATHS

These are simulations, not forecasts. The Modest path is the baseline; the two AGI scenarios fork from it. Under the **Modest** scenario, AI stays a normal technology. Iraq would hold near its trend at 1.9% growth a year, 120th of 157. Its oil-funded economy would carry on much as today. Under **Gradual** takeoff, growth would rise slowly over two decades and reach 3.3% growth a year once AGI matures around 2045, ranking 144th — an economy doubling only about every 21 years. The world would pull ahead faster than Iraq could follow. Under **Fast** takeoff, growth would reach 4% growth a year from the early 2030s, a doubling roughly every 18 years, and Iraq would rank 138th. Note the oddity: Iraq ranks higher under Fast than under Gradual, because a faster world lifts even weakly connected economies through cheaper goods and firmer demand for oil. In every scenario Iraq stays in the lower ranks. Politics could slow or redirect any path. How Iraqis and their leaders respond to transformative AI is a variable the model holds constant.

HOW YOU WOULD KNOW WHICH WORLD YOU ARE IN

The scenarios look almost identical until about 2030. So watch leading indicators, not GDP, and watch them live. Three global signals matter most. First, whether the METR task-horizon curve keeps doubling every four to five months through 2027–28; METR publishes it at metr.org. Second, whether frontier-lab revenue and capital spending keep compounding; Epoch AI tracks both at epoch.ai. Third, whether growth in the ten to twenty most-ready economies — the United States and China above all — breaks above trend in the early 2030s. Double-digit growth there within a

couple of years of 2030 would signal a fast world; a point or two above trend by the mid-2030s a gradual one; a fade back to trend a modest one. Iraq's own signals would arrive earlier than the growth figures: whether the TotalEnergies gas-and-solar deal delivers reliable power, whether federal and Kurdish authorities settle who controls the grid, and whether oil order books stay firm as frontier economies electrify.

IF GROWTH GOES EXPLOSIVE

For Iraq, explosive is the wrong word. Even under Fast takeoff, 4% growth a year is modest and would leave Iraq far behind. The region's middle would grow at 16.1% a year and the frontier at 39.2% a year. That is relative decline: Iraq walking while others sprint. At 4% the economy doubles only about every 18 years, so a child born today would reach adulthood in a country roughly twice as rich — a real gain, but a small share of what the frontier would post. Faster growth would raise wages and labor demand at home, easing the pressure on young Iraqis to emigrate for work. The honest downside is dependence. Iraq buys the chips, power systems and cloud services it cannot make, so it would be a rule-taker inside regimes set elsewhere, exposed to sanctions and revocable access. The hedge is to diversify partners and keep capital markets open. Even a modest build would test the state: the electricity ministry, the courts, and the federal-Kurdish dispute over the grid and oil revenue.

WHAT IRAQ CAN DO NOW

Three levers follow from the scores, and two pay off whether or not AGI arrives. The first no-regret move is AI diffusion capacity, at 2.5. Digital skills, permissive rules and digitized government services carry weight even in the skeptic's world, so building them costs nothing if AI stays ordinary. Russia, a fellow member of this archetype, has moved most public services onto a single digital portal; Iraq could adapt that model to cut the paperwork that chokes its ministries. The second no-regret move is geopolitical positioning, at 1.2. Avoiding sanctions exposure and keeping access to capital markets protects the economy under every scenario. The third lever is the bet: compute and energy access, at 1.1 and the heaviest-weighted factor. It barely moves growth if AI stays ordinary, but under a fast takeoff it becomes decisive. Ending the blackouts is worth doing regardless, so start with reliable power — the TotalEnergies gas-and-solar programme is one route — before chasing data centers. A cautious government can act on the first two today and lose nothing. Open the atlas's [policy editor](#) to see how raising these scores would reshape Iraq's path under each scenario.

The three levers — and which pay off regardless

AI diffusion capacity

score 2.5 / 5 · weight 24 under skeptic → 13 under fast takeoff

Counts under the Modest scenario too (24→13). Closing this gap pays off whether or not AGI arrives.

No-regret

Compute & energy access

score 1.1 / 5 · weight 8 under skeptic → 24 under fast takeoff

Weight climbs from 8 to 24 as takeoff nears. It barely moves growth if AI stays ordinary — the lever that needs a view on the takeoff.

AGI bet

Trusted chip & tech access

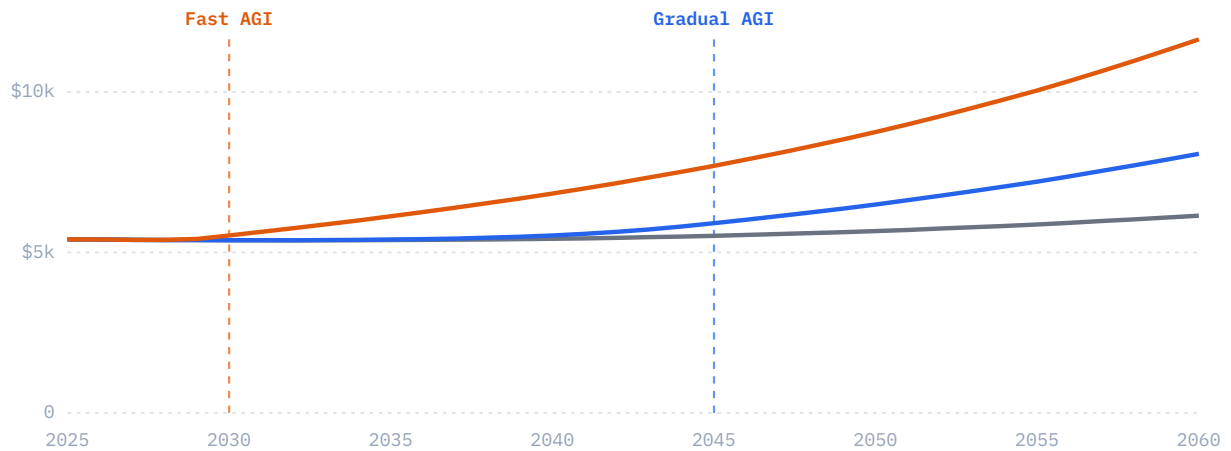
score 1.2 / 5 · weight 8 under skeptic → 12 under fast takeoff

Weight climbs from 8 to 12 as takeoff nears. It barely moves growth if AI stays ordinary — the lever that needs a view on the takeoff.

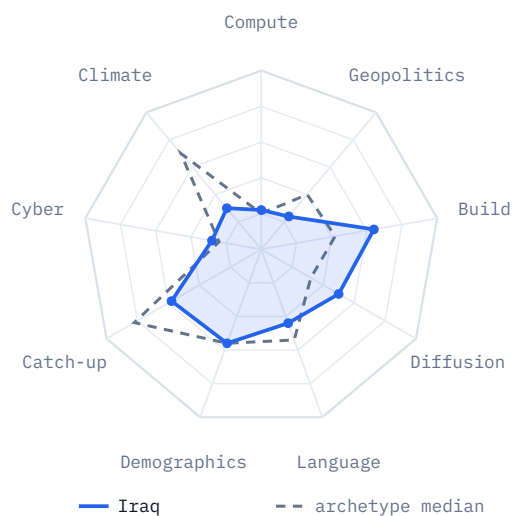
AGI bet

The no-regret levers pay off in every scenario, so a cautious government can act on them today. The AGI bets become decisive only if takeoff is real.

GDP per person to 2060, by scenario



The nine factors



Solid: Iraq. Dashed: the median of its archetype. Scores are relative to the other 156 countries (3 ≈ global median, 5 = leading today).

Outcomes under each scenario

SCENARIO	GROWTH / YR	WORLD RANK	INDEX	DOUBLING
Modest	1.9%	120 / 157	44.8	—
Gradual	3.3%	144 / 157	43.2	21.3 yrs
Fast	4%	138 / 157	40	17.7 yrs

Post-AGI growth rate, rank among 157 countries, AGI Growth Index (0–100, scenario-weighted), and the implied economy doubling time. The Modest path is the baseline the AGI scenarios fork from.

THE THREE SCENARIOS

Modest the Acemoglu view

AI as a normal productivity tool

Intelligence was never the binding constraint on growth, so AI delivers real but ordinary gains. Each country gets a one-time boost of a couple of percent of GDP, phased in through 2035; growth then returns to trend. The mainstream-economics view.

≤0.66% TFP over a decade — a one-time gain

Iraq: 1.9% growth a year · #120 of 157

Gradual Erdil & Besiroglu, base case

Broad automation, on a long timeline

Broad automation of remote work arrives around 2045, with gains building slowly from the late 2020s. Growth then reaches up to ~20% a year for the best-positioned countries — ten times today's frontier trend. A slow arrival gives countries time to adapt, so the gains are wide but uneven.

up to ~20%/yr after 2045 — 10× the frontier trend

Iraq: 3.3% growth a year · #144 of 157

Fast Erdil & Besiroglu, fast takeoff

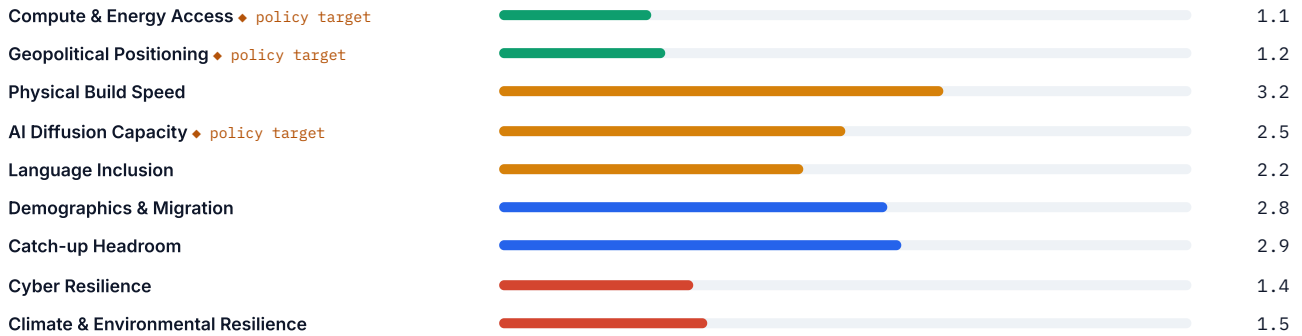
Fast takeoff — today's infrastructure decides

Transformation lands around 2030, before countries can adjust. Whoever already owns compute, capital and the ability to build wins; the gap between countries widens dramatically — and some are left growing slower than they would have without AGI.

up to ~40%/yr from 2030

Iraq: 4% growth a year · #138 of 157

Factor scores — and where policy bites



♦ marks this country's highest-leverage policy targets: the weakest factors carrying the most weight under the AGI scenarios. The atlas's interactive policy editor (agigrowth.org/#editor) simulates how raising any score changes growth under each scenario.

Archetype: High-risk/volatile

Cut off from the AI supply chain, or state capacity too weak or unstable to convert AI into growth.

Wins: Left behind under every lens.

Watch: Sanctions, conflict, fragile institutions, compute-starved.

DR Congo **9.2%** · #65

Russia **8.7%** · #74

Nicaragua **5.8%** · #115

Papua New Guinea **5.8%** · #117

Burundi **5.2%** · #125

Mali **5.2%** · #126

Republic of Congo **4.9%** · #131

Ukraine **3.7%** · #138

Madagascar **3.7%** · #139

Myanmar **3.6%** · #141

The regional picture — Petro-capital pours into compute.

The Gulf is running the clearest experiment in buying a place in the AI economy. Sovereign capital converts hydrocarbons into compute: the UAE and Saudi Arabia have secured government-to-government chip-access agreements and anchor announced build-outs far beyond their economic size, and the UAE posts the world's highest measured AI adoption — about 70% of its working-age population in Microsoft's 2026 data. The dependency is explicit: those agreements, not geography, connect Gulf capital to frontier silicon, and they are revocable at each turn of American politics. The physical constraint is just as explicit: more than 180 days a year above 35°C makes cooling the binding input and water the scarcest one. Israel supplies the region's frontier R&D; Morocco builds steadily at Atlantic temperatures and positions itself as Europe's southern energy partner; Egypt has the population without the complements; Iraq pairs oil with the region's weakest institutions. The twenty-year test of the Gulf model is whether bought compute becomes owned capability — or remains a well-provisioned tenancy.

Method, in brief

Each country is scored 1–5 on nine factors from public data (World Bank, Epoch AI, ITU, IMF and national sources). A scenario-weighted average forms the AGI Growth Index (0–100), which maps to a post-AGI growth rate inside ceilings derived from Erdil & Besiroglu (2023): ~20% growth a year for the best-positioned country under Gradual takeoff (AGI ~2045), ~40% under Fast (AGI ~2030); growth ramps convexly from 2027. The scenario sets the growth rates on offer; the index only decides where each country sits within them. The Modest scenario is the skeptics' baseline — a small uplift on each country's own ten-year trend. These are simulations for structured thinking, not forecasts; no probabilities are attached to any scenario.

Watch the global signals live: the METR task-horizon curve at metr.org/time-horizons · frontier-lab revenue at epoch.ai/ai-companies · AI-chip spending at epoch.ai/ai-chip-sales.

Explore further: full methodology agigrowth.org/#methodology · map & rankings agigrowth.org/#explore · country profiles agigrowth.org/#countries · policy editor agigrowth.org/#editor