



Tom Foley's Service in Iraq from August 2003-March 2004

Tom Foley was asked by the White House in June of 2003 if he would go to Iraq to help restart the state-owned businesses and restore the foundations of Iraq's once vibrant private sector economy. Tom was asked to serve because of his academic background in economics and management, his proven problem-solving skills, and his experience turning around businesses. He spent six weeks in consultations in Washington and New York before arriving in Baghdad in August, 2003. His title was Director of Private Sector Development.

Tom worked in the Green Zone where he lived in a four-man trailer several hundred yards from the administration building where the Coalition Provisional Authority ("CPA") had its offices. He had a team of fewer than ten professionals helping with his assignment. Security was tight when Tom arrived, but it significantly deteriorated during the fall of 2003. Travel outside of the Green Zone became more and more risky. Even so, Tom and his team had to travel outside of the Green Zone to conduct their work. Donning bullet proof vests, dodging rockets and mortars, and avoiding IED's became regular parts of the routine.

Tom's duties included overseeing 160 of Iraq's state-owned businesses. Tom and his team helped restart many of these businesses post-invasion. They also assessed each company to determine its requirements for investment, its long term viability, and whether it was a candidate for privatization. For the companies assessed to be candidates for privatization, a privatization plan was prepared as a road map for the sovereign government of Iraq. The privatization experience of eastern bloc countries was used to design a privatization plan that would work best in Iraq. The plan anticipated that privatizing Iraqi state-owned companies would take five to eight years.

To lay the foundation for a vibrant private sector economy, Tom's team helped rewrite all of Iraq's commercial laws to strengthen contract law, to provide a framework for contract and tort litigation, and to permit foreign investment and foreign ownership in companies. Those laws were affirmed by the sovereign government of Iraq and remain on the books today. The team designed and stood-up a new, modern stock exchange to provide equity pricing and liquidity for domestic companies and to support company ownership by Iraqis. That stock exchange remains open today and continues to grow in size and volume. The team also helped restructure the banking system to restore credit-based lending, set-up a network of business bureaus to help entrepreneurs and small merchants start and build their businesses, and brought in non-government organizations to provide micro-lending in communities not served by banks.

As security problems diminish and the Iraqi government gains stability, Tom regularly sees his team's work bearing fruit as foreign companies begin investing in Iraq, the stock exchange completes initial public offerings ("IPO's"), and private sector employment continues to rise.

Tom received the Department of Defense Medal for Distinguished Public Service for his service in Iraq.

Paid for by Tom Foley for Governor

Larry J. Lawrence, Treasurer | Approved by Tom Foley