

Fiscal policy and the private sector and the relationship between them Iraq as a model for the period (2003-2017)



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ABSTRACT: The fiscal policy is one of the important economic policy used by the state, as it seeks through its tools to achieve economic and social goals, thus satisfying public needs, achieving economic growth and stability, and creating a balance between the public and private sectors, in addition to that, it plays an effective role in reducing inflation and unemployment rates and achieving full employment.

As for the private sector, it has the capabilities and characteristics that qualify it to work in many fields, as it works to provide and build a free economy and contribute to the elimination of unemployment and the provision of job opportunities.

INTRODUCTION

The Iraqi economy is a rentier economy that depends mainly on oil revenues to finance the general budget, and in light of the circumstances that Iraq went through from wars, international sanctions and its fight against terrorism, as well as the various political, economic and security problems that it suffered from in successive periods of time, which caused the waste of many economic resources that could have formed important tributaries in all directions and sectors for development advancement that is commensurate with the size of these resources and capabilities.

Perhaps the political transformation that took place in Iraq after 2003 has produced an economic shift towards a free market economy, which requires the need for the private sector to play its role in leading economic activity in light of all the data available for this trend and the possibilities of its success, and accordingly, the state, through its various policies, especially the financial policy, must support this trend and stimulate and activate the private sector in a way that contributes directly to achieving the development goals of the Iraqi economy and reducing the large dependence The oil sector should move towards diversifying sources of income and improving the contribution of various sectors to the formation and increase of GDP, especially the creation of an economic, social and legal environment that supports the work of the private sector in proportion to its size and capabilities, and the elimination of financial and administrative corruption and the elimination of bureaucracy to advance the reality of the private sector.

THEORETICAL FRAMEWORK OF FISCAL POLICY

First: The Concept of Fiscal Policy

The concept of fiscal policy was derived from the French word *Eise*, which means wallet or treasury, and that the importance of fiscal policy has increased in various countries because fiscal policy is used to direct economic activity, and a means to maintain internal balance and income distribution, and the concept of fiscal policy has varied according to the stages and economic, intellectual and social conditions that it went through.

Therefore, fiscal policy is a very important part of economic policy and seeks through its tools to achieve economic goals, and accordingly financial policy is defined as ((a set of rules, methods, means, procedures and measures taken by the state to manage its financial activity as efficiently as possible to achieve a set of economic, social and political goals during a certain period of time)) (1).

Or it is ((the multiple government efforts and attempts to achieve full employment without inflation through a spending policy, a tax policy and a public borrowing policy)).2(

Fiscal policy is ((also defined as the direction of government revenues and expenditures by the public authorities of a country to ensure the necessary balance in the budget of the state over a period of time, usually a year)).(3)

It is also defined as ((a set of government policies that use financial means such as public expenditures, taxes, loans, monetary means, budget, etc. to achieve the objectives of economic and social policy, cultural and health policy)) (4).

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Second: Fiscal Policy Instruments

1 -Public revenues: Public revenues have the following types:

• Domain

It means (state property) real estate and movable funds owned by either public property or private property, and the domain is divided into the public domain and the private domain, the public domain is the money owned by the state or any of its public bodies and is allocated for the purpose of public benefit and subject to public law.

As for the private domain, it means the money owned by the state or its public bodies in private ownership and can be disposed of by sale or owned by long-term prescription by individuals, which are subject to private law, and the private domain consists of the real estate, commercial, industrial domain and the financial domain (5).

• levies

Fees are revenues used by the state to finance public spending and are obtained from individuals when they resort to requesting a special service, such as judicial fees paid by the citizen when he claims his rights and university admission fees, or as fees for car licenses, passport issuance fees and equal services, as well as the state resorts to imposing fees that exceed the cost of the service, such as customs fees, in order to reduce import or protect the national industry (6).

• Loans

A public loan is an amount of money paid by a person to the state under a contract based on a legislative instrument, and the public loan is currently one of the important and dangerous state revenues to finance public spending, public loans arose in the life of the state and were calculated as exceptional revenues to finance wars and emergency conditions under the traditional financial theory, but today it is a regular revenue and a financial means in the hands of the state to influence the economic, social and financial life of society, the importance of public loans has increased and has become an important resource for economic balance, and it has become A financial phenomenon that affects the general economy, whether by the role it plays in the financial market, money or by redistributing capital and income between social classes (7).

2- Public Expenditures:

Public expenditure is defined as a monetary amount spent by a public person intended to achieve public benefit) (8), or it is a monetary amount that comes out of the state's financial disclosure to achieve a public benefit. Public expenditures are the tools used by the state as a means to satisfy public needs and achieve the goals it seeks to apply, but the size of this spending is reflected in the effectiveness of the government and the extent of its impact on economic activity to a large extent (9).

As most governments, through public spending, tend to establish projects that private investors cannot establish because of the great risks they face, as is the case in heavy industry (10), public expenditures are divided into two parts (11):

- A- Operational expenses represented by employees' salaries, workers' wages, allowances, bonuses, service supplies, i.e. what the unit spends in order to obtain services, as well as commodity supplies and other expenses.
- B- Investment expenditures: They are expenses for the purchase of fixed assets or the increase and expansion of infrastructure activity, and this investment enjoys being the second determinant of national income and is more subject to volatility, so several fluctuations occur on the overall economic activity.

The government also uses spending to address economic conditions, when there is monetary inflation resulting from the high level of economic activity, the government works to reduce government spending to reduce aggregate demand and thus reduce prices, and vice versa when there is economic stagnation and unemployment, as the government works to increase spending and thus increase demand, production, incomes and provide job opportunities for unemployed individuals.

Third: The concept of the private sector

Many studies and economic literature dealt with the concept of the private sector, and despite the multiplicity and variation of definitions, they meet within the framework of the general features that characterize it as well as the role it plays in the economy, and several labels and expressions came to the private sector, some of them see the private sector according to the type of ownership, it is called individual ownership or may be called private ownership, or according to the nature of the economic activity carried out by this sector, it was a private activity or an individual activity for that.

It is defined as ((that part of the economy that is not subject to direct government control, as it includes the economic activities carried out by private enterprises, individuals and organizations that aim to achieve profit, which are usually called the private sector)) (12), and it is also known as ((that sector that refers to the economic activity of a group of individuals who aim behind their activity to achieve profit, provided that this project has a high return, and what individuals get from the profits returned to them after deducting the tax of these profits))(13). **Fourth: The impact of private activity on some variables**

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The private sector contributes to creating opportunities for rapid economic growth by allocating resources to the private sector that increase its position in economic activity, provide suitable job opportunities and reduce poverty, as follows:

1 -The private sector and poverty reduction

The contribution of the private sector to achieving economic growth results in many advantages that contribute to the completion of the social objective of the economic objective of developing the private sector, in a way that increases the importance of planning and developing an appropriate strategy for the advancement and increase the position and role of the private sector in economic activity. The issue of poverty is one of the most important issues facing economic policymakers, based mainly on its social effects, which require the need to work to reduce its spread and the suffering of members of society from its repercussions, as poverty reduction is manifested through the ability to provide job opportunities and increase incomes, the private sector in a competitive economy plays a major role in this through institutions and companies, whether small or large, which are the main engine for providing job opportunities. Incomes have increased to help break out of poverty.(14)

That is, the role of the private sector revolves around promoting innovation, creating wealth, income, jobs to mobilize domestic resources and then achieve the greatest economic growth in order to create the appropriate conditions for people to overcome poverty, as the private sector is the main engine of economic growth (15), private investment helps reduce poverty, as the strong and effective local private sector is an essential element in the growth of a sustainable economy and the provision of jobs and income-generating opportunities.

2 -The role of the private sector in economic development.

The private sector represents the focus of the economic and social development process in most developed and developing countries alike, due to the great advantages and potential of this sector that qualify it to play a leading role in the development process, as the private sector takes its role in economic activity, protects consumers and guarantees their rights, as well as bringing about economic diversification through building, construction and contracting because it has sufficient expertise and investment .)16(

The private sector affects growth and development because this sector has the potential and characteristics that qualify it in many areas, as it works to provide the appropriate climate for its activity and build a free economy and contribute to the elimination of unemployment and the provision of job opportunities, as well as the competition of the government sector in the provision of goods and services and thus increase income and reduce dependence on imports, and all this is reflected in individual income, as well as its role in promoting economic stability (17).

THE REALITY OF THE PRIVATE SECTOR IN IRAQ AND ITS MOST PROMINENT DEVELOPMENTS

First: The role of the private sector in the Iraqi economy

The role of the private sector revolves around the following:18(

- 1- Contribute to the establishment of a new legislative environment based on Article (25) of the Permanent Constitution and the laws on economic reform and the development of the private sector to ensure its activation and leadership of the market in the future.
- 2- Encouraging private banks to invest in economic projects in a way that enhances the percentage of their contribution to GDP growth and accelerating legislative amendments to achieve this goal, as well as their main mission in granting loans to private investors in order to establish various investment projects.
- 3 -Adding sources to finance the state's general budget by adopting the development and diversification of resources in order to raise the proportion of other non-oil resources in the composition of the gross domestic product.
- 4 -Providing infrastructure to encourage private investment in industry, trade, agriculture, tourism, mineral resources, energy and services.
- 5 -Building a financial and statistical information base and ensuring its transparency through cooperation with the concerned financial and statistical institutions and ministries.
- 6 -Qualifying and training human resources in cooperation with the relevant institutions.
- 7 -Encouraging the establishment and development of small and medium enterprises in order to achieve comprehensive and sustainable development.
- 8 -Directing private sector investments towards productive areas that generate job opportunities. 9- Contribute to improving the business environment in Iraq and provide an encouraging investment climate to attract national and foreign capital and encourage partnership between the public and private sectors.

The following table shows Iraq's ranking among countries in doing business.

Table (1) Ranking of Iraq in the Doing Business Reports in Iraq for the Years 2007-2014

Year	Ranking (among 180-183 countries)	Year	Ranking (among 180-183 countries)
2007	140	2013	165
2008	141	2014	151
2009	146	2015	156
2010	150	2016	161
2011	166	2017	165
2012	164		

Source: Private Sector Development Strategy 2014-2030, Republic of Iraq, 2014, p. 49.

From the above table, we note that Iraq was ranked among the lowest ranks in doing business, and the reason for this is due to the poor Iraqi banks, whether governmental or private, in providing loans, as well as Iraq's ranking was the worst in protecting investors and cross-border trade.

Iraq started in the Doing Business report in 2007 and since then Iraq has been ranked among the lowest ranks, as Iraq ranked 151, recording a significant improvement over previous years, thanks to the reduction in the time it takes to complete the main activities:

As it advanced from 176th place in 2012 to 169th place in 2013 on the index of starting a business thanks to the simplification of the required procedures, which led to a significant shortening of the required time, as well as a decrease in the procedures required to obtain building permits, thus raising Iraq's ranking from 187th to 139th.

Second: Private Sector Activities in Iraq

The most important activities of the private economic sector in which it invests are:

1 -Private Industrial Sector

The private industrial sector is of great importance in economic activity, but its contributions are small to the gross domestic product, and the reason for this is due to the inefficiency of private industrial sector projects in achieving the necessary revenues due to the limited production and destruction witnessed by this sector, as well as the absence of the state's role after 2003 in determining import controls and trade exchange, which led to chaos in the supply of inferior and cheap foreign goods, which led to the disruption of similar industry (19).

The private industrial sector has not developed at the required level because it is associated with poor planning and political interference in the economy, and for the development of this sector it is necessary to work to curb the significant rise in inflation rates and then maintain the purchasing power of the national currency, as well as the inclusion of the private industrial sector with financial allocations and grants by countries to benefit from the bounties of those countries and the advancement of the private sector and raise its administrative and technical expertise and reduce administrative and financial corruption, which leads to raising the efficiency of industrial performance (20).

2 -Private agricultural sector

The agricultural sector plays an important role in the Iraqi economy and the reality of this sector in Iraq is different, as it no longer meets the needs of people at the present time Iraq has become a major importer of goods and foodstuffs after it used to produce enough and more than its need despite its limited capabilities, as it was exporting grain and agricultural commodities to other countries, although most workers in this activity are unskilled workers because work within this field does not need skill.(21).

Among the reasons for the deterioration of the agricultural sector are:

- The lack of seriousness of the state in the treatment of irrigation water.
- Discourage the farmer from farming by providing support and facilities in agricultural factors.
- Discourage the farmer from using modern technology in agriculture, including machinery, equipment, fertilizers and seeds, while the market was flooded with various cars that lack durability and safety controls.
- Discouragement in the opening of industrial projects based on agricultural and animal products.

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- Preventing the transformation of the Earth's sex.
- Failure to activate the Product Protection Law.

3 -Private Banking Sector

The newly established private banking sector and banks were mostly and still have limited capital, but after 2003 the number of banks rose to 46 private banks, including 7 government banks, and the total deposits in the government and private banking system to 47132 billion dinars until 30/9/2010, i.e. the total private deposits 11%, but the lack of support, guarantees and protection, was an obstacle to private banks.)22(

Third: Problems Facing the Performance of the Private Sector The performance of the private sector faces several problems, including: (23)

- 1-Fears of the inability of the private sector to carry out development work that meets development requirements and economic growth.
- 2- Pessimism about political control performed by economic control and private capital.
- 3 -Fear of the concentration of wealth in the hands of a few segments of society, which leads to poverty and misery for many citizens.
- 4 -The establishment of the private sector leads to the entry of different cultures and customs that differ from the customs that were established hundreds of years ago in developing societies.
- 5 -The state of misery increases among individuals for fear of the control of private capital and the entry of foreign capital, which leads to external domination and dependence on the economy of the developing society.
- 6 -Political and security instability and the spread of crimes, violence, kidnapping and vandalism, all these problems lead to difficulty in advancing the reality of the private sector.
- 7- Irregular production and its high costs due to the increase in the prices of oil products, as well as high transportation fees and the need for private generators due to the scarcity of electricity (24).
- 8 -Due to the inappropriate work environment, poor security conditions and increased wages of workers in the private sector, this led to high costs and made Iraqi industrial production unable to compete with foreign goods in local markets.
- 9 - lack of stability of the Iraqi economic climate, due to the spread of inflation and unemployment, which leads to a large deficit, so the focus of the private sector on the purchase of real estate and other property, and discourage this sector to contribute to the establishment of economic projects (25).

WAYS TO PROMOTE THE PRIVATE SECTOR USING FISCAL POLICY TOOLS

First: Ways of Advancement Adopted at the Sectoral Level

The private sector in Iraq has suffered from economic mismanagement during the previous era as a result of the application of central planning policies and the consequent marginalization of its contribution to the paths of finance and investment, as the private sector was not allowed to exercise its role, so it is necessary to support and encourage this sector .

The general budget in Iraq has tended for years to provide various sectors, especially the industrial sector and the agricultural sector, with direct support by directing allocations to support farmers, including:

- Purchase of agricultural crops
- Poultry
- Seeds
- Selling fertilizers at low prices

The reform of the agricultural sector aims to achieve food security and increase employment opportunities in this sector by building financial and administrative skills, managing credit for farmers, reviewing agricultural policies and improving investment conditions in this sector .)26(

The growth in agricultural output works to reduce the goods imported into Iraq and increase the supply of local agricultural commodities, but at the lowest prices, because improvements in agricultural productivity enhance diversification by increasing other services, and thus increasing the growth of household income, and this increase comes from the decline in the prices of agricultural products (27). The agricultural sector in Iraq is one of the most important economic sectors because of the relative abundance of resources necessary to achieve comprehensive development not only at the level of the sector but at the level of the economy as a whole, and in light of the available materials can lead the agricultural sector in Iraq the process of economic development because of what this sector has of the basic components that are represented by natural, human and capital

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resources, especially as these resources have been optimally exploited through the development of integrated economic plans and then achieve the goals Economic diversification.(28)

That is, the agricultural sector in Iraq must be developed and occupies exceptional importance because this sector is directly responsible for meeting the country's food requirements, as well as meeting the needs of industry of raw materials, as agriculture is one of the components of the industry on which other productive activities are based, so the state must use agricultural resources optimally and give priority to agricultural development and other industries associated with it (29).

Table (2) Contribution of the agricultural sector to the GDP Million JD (2002-2017)

Years	Agriculture, Fishing and Forestry (Million JD)	Mining and quarries (Million JD)	Gross Domestic Product Million ()JD	Contribution of agriculture)%(to GDP	Contribution of the mining sector to)%(GDP
2002	3512658,6	29044563,4	41022927,4	8,6	70,8
2003	2486865,5	20372293,8	2958788,6	8,4	68,8
2004	36936768	30855992,8	53235358,7	6,9	57,9
2005	5064158	4529152	73533598,6	6,8	6,1
2006	5568985,7	53030897	95578954,8	5,8	55,4
2007	54944212,4	59274337,1	111455813	4,9	53,18
2008	5716815,1	86867107,9	155982258	3,6	55,69
2009	6132734,6	56654018,2	139330211	4,4	40,6
2010	8657390,6	74357162,3	177008632	4,9	42,0
2011	8808617,7	9918316,8	212254917	4,15	4,62
2012	10403600	126435557,7	253030756	4,1	4,67
2013	10742378	1329960	26739514	4,0	4,97
2014	13128622.6	117357982	260610438	5,0	45,03
2015	8160769.7	65590963	207576191	3,9	31,59
2016	7832046.9	67796890,8	196535350	3,9	34,49
2017	6347695,3	89065057.7	225722375	2,8	39,45

Source: Central Bureau of Statistics / Ministry of Planning (2000-2017)

The contribution of each sector, whether service or productive, in the formation of the national economy, and the agricultural sector is one of the important sectors, although it did not take the lead in the formation of GDP due to the huge contribution of the oil sector, especially in recent years, which witnessed the return of Iraq to the international oil market, as we note from the table above the fluctuation of the weight of the agricultural sector during the period 2000-2017, as it reached the lowest limits in 2003 by (2.8) trillion dinars, and thus the percentage of the contribution of this sector to GDP (8.4%)

As for the highest contribution, it came in 2011, where the size of this sector reached 8.6 trillion dinars, thus constituting a contribution of (4.9%) to the GDP.

In general, the contribution of this sector is still limited if compared to the contribution of the mining and quarry sector, as it amounted to (68.8) trillion dinars in 2003, while the contribution of this sector has decreased to 0, reaching (73.3) trillion dinars, thus forming a contribution to the GDP amounting to (42%). The decrease in the percentage of contributions, whether from the agricultural sector or from the mining and quarries sector, came as a natural result of activating the contribution from the rest of the other sectors.

As for the industrial sector, it has a great impact on the employment of many manpower in their various specialties and professional levels, as well as it has opened a wide field with the outside world through the transfer of technology to open wide horizons of creativity in addition to the size of the local market, which is an important factor in the growth of the industrial sector, whether its products go to direct consumption or contribute to the development of the agricultural sector and the requirements

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of reconstruction to achieve the principle of integration between the different economic sectors that contribute to the formation of GDP (30) .

The private sector is promoted by increasing the share of productive sectors, industry, agriculture, tourism in the formation of public revenues and ridding the state of the unilateralism of the Iraqi economy, which was invested for long periods, which was a direct cause of the formation of large numbers of unemployed and rampant administrative corruption in the joints of the state, it is not easy to carry out the reform process unless the private sector is involved in providing revenues and in providing job opportunities and reducing dependence on oil revenues.)31(

The government should strengthen the role of the private sector to take its place in the reconstruction of Iraq and economic diversification through (32):

1 -The need for the government to support the private sector by legislating antitrust laws, protecting consumers and guaranteeing the rights of its workers by setting institutional rules to regulate the market and make it a factor for the reconstruction of the country, which has a lot of experience and manpower that qualify it for that.

2- The private sector can work in building, construction and contracting because it has sufficient expertise for that, and economic diversification can be brought about by the private sector when given a role in the development and investment in the food industry sector, which can compete with foreign products, which leads to solving the problem of unemployment and improving the standard of living.

Second: Proposed scenarios--

1- Public-Private Partnership Scenario

The partnership between the public and private sectors represents a purposeful cooperation between them in the accumulation of resources and the optimal utilization of them, and then achieve mutual benefits beyond the overlapping and sometimes decreasing goals between the two sectors, the partnership between the public and private sectors aims to achieve economic and social development, especially in developing countries, as the role of the state in decision-making and policy development, while the private sector highlights its role in the implementation of projects and partnership with the private sector in their management based on the idea of supporting the efficiency of the implementation of economic development plans This partnership is from the perspective of the World Bank.

A- Benefits and advantages of partnership

There are several benefits of partnership, including)33(

- Through partnership, the risks arising from the establishment of projects can be distributed. - Creating the added value provided by financial flexibility, improving the administrative capacity of the public sector and alleviating the financial impact suffered by this sector.
- Promote the principles of disclosure and accountability in how resources are managed.
- Giving the economic dimension wider attention than the relevant policies and managing projects on economic bases in order to achieve social and economic gains.
- Providing the capital of the private sector and its knowledge and experience in managing projects in which the element of time is crucial.
- Adopting more strategic work approaches by partners, i.e. providing them with better ideas, coordination approach, maintenance and better implementation.
- Reaching flexible solutions that respond to development and development policies, as the local partner facilitates the adaptation of the programs owned by these policies for the purpose of reaching the specific problems of opportunities available to labor markets.
- Create a dynamic working environment for change within fortified government bureaucracies The partnership allows governments to implement change without affecting their real actions related to social policy development, future direction and service evaluation management.
- Protects consumers from monopolistic market control.
- Encourage competition and innovation.
- Achieving success and financial expansion in business through motivation, future outlook and finding solutions to economic and social problems.
- Allowing SMEs to enter the markets that were excluded or unstable.

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B- Requirements for a successful partnership

The partnership has several requirements, which are as follows (34):

- Strong political support at the national level: This activity is encouraged with a common realistic vision of partnership based on the strengths and weaknesses of the parties to the partnership .
- Well-constructed, transparent and competitive contractual process .
- Risk analysis of the project for both technical and commercial aspects as well as political risks .
- The willingness of the public sector to accept innovative solutions by private sector applicants .
- Pre-contract project feasibility analysis: A good project framework compared to the public sector or specific achievements to confirm the government's ability to afford to provide the required payment units for service availability.
- A detailed contract that accommodates certain changes in project requirements over time.
- Effective and professional control of the private sector contractor on the part of the client: for the full operation phase is carried out in the spirit of the desire to activate the comprehensive partnership .
- Choose the right projects: not too small to replicate with a clear desire from the private sector to participate.
- Good preparation: a clear study of the field of work with a clear employment of outputs and a dedicated team to work with sufficient capabilities and expertise to contract the output.
- Appropriate legal, technical and financial advisory support by experienced specialists.
- Insist on activating the partnership between the public sector, the private sector and the concerned parties, i.e. the government, investors, borrowers, users and customers.

2 -Partnership scenario with foreign direct investment

Private sector investment is a vital complement to public sector investment so that this relationship is not governed by the law of displacement of one of them from doing business. Private investment in Iraq plays a major role in the transfer of capital, technology, machinery and equipment, and the training of human and local cadres. As for the local private sector in Iraq, it did not have the opportunity through which it could appear at the required level, as it was hoped that it would have a vital role as is the case in developing countries, so foreign direct investment flows to Iraq can contribute seriously to achieving economic growth and supporting development. The following table shows foreign investment flows to Iraq for the period (2003-2017) million dollars.

Table (3). Foreign Investment Flows to Iraq for the Period (2003-2017) Million Dollars

Years	Foreign direct investment incoming to Iraq	Years	Foreign direct investment incoming to Iraq
2003	-	2011	2082
2004	90	2012	2376
2005	300	2013	2852
2006	394	2014	- 10176
2007	972	2015	- 7574
2008	1856	2016	- 6256
2009	1598	2017	- 5032
2010	1396		

Source: UNCTAD, World investment Report, 2007- 2017

CONCLUSIONS

- 1-The Iraqi economy has a lot of potential and large economic resources, and this in turn enables it to achieve growth and progress, and all it needs for that is to employ these capabilities and capabilities by following sound economic policies in order to mobilize them efficiently and stay away from anything that hinders it, such as nepotism, financial and administrative corruption, and others.
- 2 -The partnership between the public and private sectors represents a purposeful cooperation between them in the accumulation of resources and the optimal utilization of them, leading to a joint leadership of economic activity that works to achieve development goals in a manner commensurate with Iraq's great potential and wealth.

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3- Investment in the private sector is a vital complement to investment in the public sector, so that this relationship is not governed by the law of displacement of one of them from carrying out his business.

RECOMMENDATIONS

- 1 -Creating an economic and social environment towards strengthening the work of the private sector in proportion to its size and the possibilities available to it, as well as in light of the ambition and desired goals.
- 2 -Achieving partnership between the public and private sectors on the one hand and between the local private sector and the foreign private sector in order to enhance its role in leading economic activity .
- 3- The private sector must be provided with the opportunity to work in all sectors and provide the appropriate environment for it, while providing the appropriate environment to attract foreign capital to advance the reality of the private sector in Iraq.

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