Financial Sustainability Economic Growth in Iraq

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Abstract:

The study aimed to demonstrate financial sustainability and its impact on economic performance in Iraq for the period (2004-2019), based on the most important data that determine the extent of the impact of the most important indicators of financial sustainability and their impact on the most important variables of economic performance, which is (economic growth), as the researcher the descriptive approach, in order to identify the basic concepts of financial sustainability, which means, that achieving sustainability does not mean that the state's revenues must cover its expenses, but rather allows the state to borrow to cover the budget deficit, but within a prerequisite, which is the ability to meet the repayment of those debts. Thus, the study reviewed the most important of those International indicators of financial sustainability and then applied to the Iraqi economy to know the financial situation of the country, and the relationship between indicators of financial sustainability and economic growth of Iraq was analyzed. And not to rely on a single productive resource, regardless of its nature and its importance, and it must be directed towards financing investment spending for economic projects, and diversifying Resources, productive sectors and investments that will avoid public debt and reduce waste in foreign reserves, in order for the economy to reach the desired goals of economic stability and financial sustainability.

Keywords: financial sustainability, economic growth in Iraq

المستخلص:

هدفت الدراسة إلى بيان الاستدامة المالية واثرها في الاداء الاقتصادي في العراق للمدة (2004–2019), وذلك بالاعتماد على اهم البيانات التي تحدد مدى اثر اهم مؤشرات الاستدامة المالية وتأثيرها على اهم متغيرات الاداء الاقتصادي وهو (النمو الاقتصادي), اذ استخدم الباحث المنهج الوصفي, لأجل التعرف على المفاهيم الأساسية للاستدامة المالية والتي تعني, أن تحقيق الاستدامة لا يعني إلزامية تغطية إيرادات الدولة لنفقاتها, بل يجيز للدولة الاقتراض لتغطية عجز الموازنة, ولكن ضمن شرط أساسي وهو القدرة على الوفاء بسداد تلك الديون وبذلك فقد استعرضت الدراسة أهم تلك المؤشرات الدولية للاستدامة المالية ثم تطبيقها على الاقتصاد العراقي لمعرفة الوضع المالي للبلد, وتم تحليل العلاقة بين مؤشرات الاستدامة المالية والنمو الاقتصادي للعراق, وقد توصلت الدراسة الى مجموعة من التوصيات, كان من اهمها, ان لتحقيق الاستدامة

1 - The research is extracted from the doctoral thesis of the first researcher.

المالية هو ضرورة تكوين هيكل انتاجي متنوع ومستدام في العراق وعدم الاعتماد على مورد انتاجي واحد بغض النظر عن طبيعته ومدى أهميته, كما يجب التوجه نحو تمويل الانفاق الاستثماري للمشاريع الاقتصادية, وتنويع الموارد والقطاعات الانتاجية والاستثمارات التي ستجنب الدين العام و تقلل من الهدر في الاحتياطيات الاجنبية, لكي يصل الاقتصاد إلى الاهداف المنشودة من الاستقرار الاقتصادي وتحقيق الاستدامة المالية.

الكلمات المفتاحية: الاستدامة المالية ، النمو الاقتصادي في العراق.

Introduction

Financial sustainability is one of the modern and renewable concepts in the science of public finance. It is concerned with the study and analysis of the state's ability and knowledge of its current and future capabilities, to pay its public financial obligations towards creditors from its own resources in the long term, which requires attention to various economic aspects in the country, especially with regard to the aspect of The offer is to increase the economy's ability to supply its debt, as well as to set limits for this debt, and this comes through achieving the goal of increasing GDP rates and its positive reflection on economic growth, and reducing the tax gap and budget deficit, as these indicators constitute the important basis for knowing the reality of financial sustainability.

The financial sustainability of the economic challenge most important faced and faced by developing countries, including Iraq, the subject of our study, in view of what passes by the conditions of an economic of social and of , and witnessed the unrest and political transformations are still features blurred sometimes, as well as sudden fluctuations and semi - continuous in Amos oil prices Lamia, which is the main source of imports for the country , as we find that over the years of study from 2004-2019, the fluctuations in crude oil prices were repeatedly reflected in the cycles of prosperity and depression in most oil countries, including Iraq , as a result of the sharp fluctuation in the international oil markets, which strengthened Of the role and importance of fiscal policy in reducing these shocks and achieving economic stability, in the oil-exporting countries, where the last of these shocks was the double shock of the decline in global demand and the spread of the Corona-Covid-19 epidemic, and the losses were very large and reflected negatively on achieving financial sustainability, not to mention the the scourge of financial and administrative corruption suffered by the country , and in order to clarify the importance of financial sustainability and its relationship to economic growth in Iraq, may include a search of three sections , came search The first of it clarifies the concept of financial sustainability and economic performance in the economic literature, while the second topic dealt with the analysis of financial sustainability indicators and their relationship to economic growth in Iraq, while the third topic came with the most important conclusions and recommendations reached by the research.

Research Methodology: The research relied on the analytical method by analyzing the data issued by the official authorities in Iraq and from accredited international organizations.

Research problem: The research problem can be summarized by the following question: Does financial sustainability affect economic growth in Iraq?

Research hypothesis: The research assumes that sustainability indicators affect the achievement of economic growth in Iraq.

The importance of the research :The importance of the research can be stated through its title, as financial sustainability is one of the important and renewable topics that have a significant impact on various economic variables in Iraq, and the impact of financial sustainability indicators is clear on economic growth and is the most important variable that can be studied carefully as well as Its implications for many economic and social fields.

The first topic

The concept of financial sustainability and economic growth in the economic literature

The first requirement : the concept of financial sustainability Concept of fiscal sustainability

The concept of fiscal sustainability has received wide attention in developed and developing countries alike as a major indicator of the interrelationship between fiscal policy and macroeconomic performance, as well as focusing on the actions taken by governments in order to reduce the degree of dependence on depleted resources or dependence on foreign aid, and to give diversification Sources of income and giving a greater role to self-resources in order to reduce the public budget deficit .

The concept of financial sustainability refers to Fiscal Sustainability (To the financial situation where the state is able to continue its policies and spending power in the long term or resource without reducing financial solvency , especially exposure to the risk of bankruptcy or failure to meet financial obligations to the future , In light of this, financial sustainability must take into account future expectations when estimating public expenditures and public revenues. and economic, and work to limit the growth of public expenditures or to grow in accordance with their alignment with the expected public revenues.

The majority of countries resorted mostly to financial sustainability in order to avoid to get the deficit accumulated in its general budget and in anticipation of falling into the trap of debt, otherwise it is difficult for these countries borrowing in the future, often creditor countries or international institutions lending impose tough conditions and constrained in the process of lending, causing Huge problems that result in high indebtedness and exorbitant debt services, especially in developing countries that are unable to pay the principal and interest .(Kamel Allawi, Analyzing Financial Sustainability in Iraq ,2018,p18)

In any case, financial sustainability is (how the government increases the basic surplus not only in the short term, but also in the long term, which is appropriate and largely to cover its current debt, (Olivier Blanchard, The Sustainability of Fiscal Policy, 1991, p1) Or it is the ability to maintain or support government programs in the future, in other words, fiscal sustainability refers to the government's ability to maintain current policies without making major adjustments in the future, and on this basis, it works to maintain its fiscal policies in the long run. Long term without negatively affecting the financial solvency of the government or when it defaults in the payment of some of its financial obligations.

According to the economist's view(Tanner) that the government in order to meet all its current and future obligations, its revenue streams must be sufficient to offset its obligations to prevent default or resort to restructuring,(- Tanner. E , Fiscal Sustainability, 2013, p3) In other words, fiscal sustainability is the ability to avoid excessive debt by the government(Antonio Alfonzo, Fiscal Sustainability, 2004, p4.)

For this reason, countries seek to maintain their financial sustainability through their ability to reduce the costs of financing their debts in a way that ensures economic stability, It was also defined as (a time corridor of the ratio of government debt to GDP that makes this ratio constantly tend to remain stable in the future (Deiong And Bradford, Macroeconomics, 2012, P399) In addition, it is the debt-to-GDP ratio at the original level, where sustainability means that a country can meet its current and future debt service obligations in full without resorting to debt relief, rescheduling or accumulating arrears (Lobna and Shehat Abdallah , Fiscal Sustainability and the Role of the State. , 2014,p3.)

In general, financial sustainability involves achieving the principle of solvency and financial liquidity. Solvency is the state's ability to meet its financial obligations, while liquidity means the presence of financial resources to meet financial obligations when they are due(Waheed Abdul Rahman, Financial Sustainability Assessment, 2016, p183), Based on this, it means the government's ability to service its debts and obligations in the long term, I have considered it (Buiter) The case in which the present value of the expected future budget surpluses is able to offset the value of the original public debt,(Buiter , fiscal sustainability. 2003.p4.)

In this regard, the International Monetary Fund clarified that financial sustainability is the situation in which the borrower can continue to service his debts without the need to make a fundamental change in public expenditures and revenues in the future), meaning that it requires the absence of a cumulative deficit in the state budget that forces it to restructure and prioritize Expenditure and mechanisms for financing the deficit in the future in order to finance its debt burdens.

Therefore, the Fund’s methodology takes into account in this concept the ratio of public debt to GDP at a certain level, or specifying a specific percentage of GDP to be targeted, but it left the door open for this ratio and so that financial reforms are formulated to help achieve this ratio and so that it is considered a hypothesis to be built He has to anticipate the future under agreed policies for a certain period, usually five years .In this case, fiscal policies are considered sustainable, if they can stabilize or reduce the public debt-to-GDP ratio

The researcher believes that the concept of sustainability is the appropriate way to use resources in a rational manner, through which it prevents the occurrence of a financial deficit between what is achieved from public revenues and public expenditures annually, in a way that ensures access to the economic and social goals in the annual government program expressed in the general budget.

All countries seek to achieve financial sustainability by ensuring the ability to continue in public expenditure and public revenue policies in the long term without reducing current spending, as the country’s loss of financial sustainability or the decline in financial markets’ confidence in its ability to fulfill its obligations may lead creditors to stop lending, or raise rates The interest on its loans to high levels, and the establishment of strict controls and conditions.

In practical terms, financial sustainability means that the governments of the world's countries seek to control public budgets to allow reducing the fiscal deficit and keeping it within the limits of safe debt ratios in accordance with international standards. The European Union has determined that the safe public debt ratio should not exceed (60%) of the volume of GDP. Total, while the Bank for International Settlements set the debt ratio (85%) of the gross domestic product and considered it to be the safe limits. Hence, it becomes clear that achieving financial sustainability requires raising the efficiency of the economy, rationalizing public spending and diversifying exports in a way that increases the volume of GDP and achieves economic stability. for the country.

The problem appears in the oil countries that depend mainly on the financial returns generated from oil exports, where the collapse of crude oil prices resulted in a noticeable increase in the financial deficits and public government debt after the decline in oil imports from the rates of increasing public spending that were normalized by the oil economies, which generated great interest with financial sustainability(Ahmed Omar, Rawi , Policies Required to Achieve Financial Sustainability in Iraq,2017 , p3)

In any case , financial sustainability is seen as the state in which the government is able to implement its work programs for various activities within a certain range without undermining its future ability to spend .This concept is based on an analysis of the government's ability to meet its future obligations .If the government wants or is forced to expand its spending in the short term, it must be able to finance through its own resources to ensure that it performs its tasks effectively and efficiently on the one hand, and in a way that enables it to face any risks or undesirable effects (whether current or undesirable, and this concept is based on the fact that the general budget of any government can be exposed to a variety of risks, as a result of the presence of underlying weakness factors in it, or as a result of its inability to absorb the effects of financial and economic shocks, whether local or global.

The second requirement : indicators of financial sustainability.

As a result of the monetary crises that afflicted some economies for the developing markets in the nineties, the study and analysis of the financial sector's vulnerability became a requirement to improve the ability to analyze key information by determining the critical values of some indicators, which can be reviewed as:

First: the public debt-to-GDP ratio indicator

This indicator is the most widely used and one of the most important indicators for measuring the degree of indebtedness. This indicator measures the level of debt in relation to the country's economic activity and its ability to pay. It is possible that all means of GDP are available to finance the public debt burden, but this does not mean that this opinion is correct .It shows the government's ability to pay and it also indicates the deterioration or improvement of the government's position.

The Maastricht Agreement stipulated for the countries of the European Union that the ratio of public debt to GDP be within the limits of (60%) as a condition for joining the European Monetary Unit (Euro ,(and this ratio varies from one country to another, according to the ingredients available in each country .In some Arab countries, the law does not allow this percentage to exceed more than 40%, while it should not exceed 60% in the European Union, according to the Maastricht Agreement.

The financial position according to this indicator is characterized by financial unsustainability in the following cases:

- If the debt-to-GDP ratio in the country is higher than its counterparts in other countries.
- If the debt-to-GDP ratio results in rates higher than their historical rates.
- If maintaining the stability of the debt-to-GDP ratio requires a major change in fiscal policies.

In general, public debt is characterized by financial sustainability if the ratio of public debt to GDP is characterized by stability or a gradual decline in the long term(Ali Hussein, Financial sustainability and its impact on economic growth, 2018, pg 6).

As the growing public debt to GDP ratio results in the fiscal policy losing its flexibility, and the increase in the possibility of adopting an austerity policy that negatively affects the continuity of the previous spending policy, not to mention the government's competition with the private sector in the credit market .In addition to the aggravation of the burden of the public debt, which results in an increase in the tax burden, and the risks of this on investment and consumption, the process of economic development in general.

Second: Tax Gap Index

This indicator is used to know the taxes achieved for financial sustainability and actual taxes by maintaining an acceptable ratio of government debt to GDP.

It is measured from the analysis of the tax balance and the extent of its coverage of the government debt burden, and is calculated by comparing the ratio of public expenditures to GDP with the ratio of tax proceeds to GDP.

It is often noted that the percentage of actual taxes that are collected annually, i.e. the proceeds of tax revenues available annually is not sufficient to finance the expenditure burdens in a way that pushes towards searching for other financing sources. It is one of the main elements for financing the burdens of government activities and one of the main elements in the implementation of public financial policies(Muhammad Karim, Measuring and Analyzing the Impact of Financial Sustainability Indicators on Economic Growth, 2020 . p114)

Third: the primary deficit indicator

This indicator depends on estimating the value of the primary deficit or surplus of the public budget by calculating the difference between public expenditures and public revenues during a certain period of time, in other words, through the difference between public expenditures without interest payments .And public revenues without the interest collected, that is, it takes its initial form, as this ratio indicates the extent of the restrictions imposed on taking decisions related to the annual public budget due to the increase in the public debt burden, as it entails crowding out other aspects of public spending in the public budget, which results in the transfer of most public expenditures. to inevitable expenses(RoLand Sturm, public deficits a comparative study of their economic, 1999,p7)

The concept of sustainability here requires that the budget deficit not accumulate so that the state does not have to rearrange its spending priorities and search for sources of funding in the future .In order to calculate this indicator, we rely on the analysis of the structure of public expenditures and public revenues, to know the percentage of deficit in the public budget , and the large deficit indicates the weak performance of the economy, This indicator is a necessary condition to ensure the stability of the ratio of public debt to output and financial sustainability, but it is not sufficient to achieve this .In theory, it is required to achieve financial sustainability that the budget continues to achieve a cumulative primary surplus over a long period, through which it guarantees the payment of the public debt burdens due annually .

The third requirement : the concept of economic growth.

There are several definitions and concepts about economic growth, which the economic and intellectual schools have taken care of and expanded upon in their explanation and clarification . Schools (as the continuous increase in the average real per capita income over time) as well as the increase as the relative increase in the size of the gross domestic product .As (Raymond Barr) sees that economic growth (is the increase in available wealth and population), while (François Perot) sees growth as (is the increase that occurs during one or several long periods of time for a positive indicator in a country.

It is considered) Samuelson The real net national product is the main indicator of economic growth, because its data are available and obtaining it is easy, according to his opinion .Thus, economic growth is defined as the relative increase in net domestic product.

As for the American economist (Kuznets), he considers it to be the effect of continuous increases in the production of material wealth, investment in physical and human capital, as well as technical progress and the efficiency of economic systems, as the main sources of economic growth, as physical and human capital positively affects worker productivity and workforce development. In terms of training and qualification to the extent that increases the percentage of economically active forces, as for technical progress, it means the use of new technical methods through invention or innovation, as well as the element of risk in production facilities. As for economic systems , their efficiency appears by transferring resources to areas that achieve Economies of scale and optimum mode of production.

Through the previous definitions, several conditions can be noted in defining economic growth, which are as follows(Ismail Muhammad, Development Economics, , 2012, p. 11)

(A) An increase in the average per capita national income requires that the rate of increase in national income be greater than the rate of increase in population .

(B) be a real increase and not a nominal, so the achievement of an increase in the average per capita income for the real requires that the rate of increase in the average per capita of the largest national income from the rate of increase in the general price level (inflation), the possibility of an increase in the value of The result is only a price increase.

The second topic

Analysis of financial sustainability indicators and their relationship to economic growth in Iraq.

The first requirement: the reality of the Iraqi economy within the framework of some international indicators.

It can be summarized the situation in Iraq from an international perspective through indicators and global classifications adopted, which includes more than 190 often state, Iraq , one of its members, as we find that according to those indicators shown in the table (1) The LED Z Iraq variation in some indicators index is the Gini according His last published statistic reached (29.5), which is an average percentage for other countries, which sometimes reach more than (50) degrees. As for the human development index, we find that Iraq has average indicators (69) and sequentially (119) globally out of a total of (188) countries .As for the rest of the indicators, we find that Iraq needs great efforts to improve its external situation, whether in the ease of doing business (44) or the classification of observations of corruption (20), as well as the economic freedom with which it achieved (15.5) out of 100, and the prosperity index all indicate that Iraq is in dire need To improve its position in order to achieve economic stability and build trade and investment relations with the outside world and to be attractive to capital for the purpose of economic diversification and thus achieve financial sustainability and economic stability in general.

table(1)

International indicators for Iraq for the year 2019

pointer	score out of 100
Gini index.	29.5
Human development index.	67
Doing business index.	44.6
corruption notes rating index	21.0
Index of economic freedom.	15.6
legatum prosperity index.	44.56

Source : From the researcher's preparation based on (Gini Index, Human Development Index, Ease of Doing Business Index, Global Competitiveness Index, Corruption Perceptions Index, Economic Freedom Index, and Prosperity Index) for the country of Iraq available online for the year 2019.

The second requirement : the evolution of the size of the gross domestic product and its per capita share in Iraq.

Gross domestic product is an important development indicator, and for the analysis of the rate of economic growth in Iraq it has taken the size of GDP as an indicator of head of it , and through the data table (2) we find that the GDP increased volume of constant in most years of the study period, and the per capita Iraqi volume of output GDP of rise in most years , a period of study-2004) , (2019and can be seen through the following analysis that the annual growth rate is affected by a variety of factors and external influences are based, and most importantly vulnerable to rising or a decline in oil prices globally , the fact that Iraq is suffering from a structural defect In diversifying production and exports abroad, we can note the decrease in the volume of GDP as a result of the impact of the global financial crisis , as it decreased by (%15.1) in 2009 , while the growth rate reached (0%) in 2014, and fell to (-24.26) in 2015, but in 2016 it decreased by-) (% 1.1only, which is a result of the improvement in oil prices globally, which was positively reflected on the annual growth rate of GDP , as it reached (%11.6) in 2017 , and rose to (14.7 (% in 2018 .However , it soon returned to decline as a result of the decline in oil prices globally The annual growth rate was (% 4.4) in 2019, and the per capita GDP remained conservative at around (5.6) thousand dollars per person, while the volume of the gross domestic product amounted to more than (234) billion dollars in 2019 , after it was (224) billion in 2018, which is the result of the improvement in oil prices as well as the state’s adoption of many measures that would improve the size of Iraq’s gross domestic product .

Table(2)

The Volume of GDP and the rate of annual growth and per capita in a to Iraq

For the period (2004 – 2019)

Details / years	population Thousand people	Gross Domestic Product (Million Dollars)	GDP growth rate %	Per capita GDP (US $)
2004	26313	36,620	-	1392
2005	26922	49950	36.4	1855
2006	27,488	65150	30.43	2370
2007	27911	88830	36.35	3183
2008	28385	131610	48.16	4637

2009	28973	111660	-15.16	3854
2010	29742	138520	24.06	4657
2011	30725	185750	34.1	6046
2012	31890	218030	17.38	6837
2013	33157	234640	7.62	7077
2014	34411	234650	0	6819
2015	35572	17720	-24.26	4996
2016	36610	175150	-1.45	4784
2017	37552	195470	11.6	5205
2018	38433	224230	14.71	5834
2019	39309	234090	4.4	5955

Source: Table prepared by the researcher based on World Bank data on the website :https://data.worldbank.org/indicator/NY.GDP.PCAP.CD .On 12/20/2020.

The third requirement : analysis of financial sustainability indicators and their relationship to growth in Iraq.

Through indicators of financial sustainability set out in the table (3) and their relationship to economic growth, we find its reflection negatively and positively in the growth rate, despite its importance in ensuring the continued access of individuals to public services prescribed for them constitutionally preferred the duty of the state died t it for them despite the change of these indicators , however This remains its impact within the framework of the internal or external environment according to the guidelines of the International Monetary Fund and the World Trade Organization , and the subsequent agreements, protocols and international agreements between Iraq and the world , and it is obvious that with the decrease in public debt, there will be an opportunity to achieve economic growth in general and we find this in the table data (3) As Iraq is keen to reduce the debt rate in general, which provides an opportunity to achieve general and increasing economic growth in some years within the study period , despite the presence of some exceptional years that do not reflect the reality of that growth as a result of the structural imbalance in the Iraqi economy, as we note the decrease in debt from 423% to 88% in 2008, while the economic growth rate increased from 36.4% in 2004 to 48.1% in 2008. In 2009, the debt rose to 102%, while the growth rate decreased to -15.1% for the same year .Debt decreased in the period from 2010 ,2014 - In contrast , the economic growth rate of %24 in 2010 reached, down to zero growth rate in 2014, as a result of lower oil prices globally again, the growth rate of the impact of this to the year decreased (24.2-%) 2015, the debt rate also increased to 66% for the same year, and the debt and growth rate varied between low and high due to the conditions that Iraq is going through, as the debt decreased to 46% in 2019, while the growth rose to (4.4%), which is less than the year that preceded it by -10.3 percentage points, while the change in the growth rate decreased by -12 percentage points.

As for the effect of the indicator of the size of the deficit or surplus on economic growth, we find that its impact is more clear and has a real and apparent impact on the growth rate in the years in which a surplus is achieved in the budget, which gives the government the opportunity to implement its investment and service projects and thus will reflect positively on economic growth in Iraq , either in the years investigated

Iraq , a deficit in the general budget , it is logical that reflected negatively on the level of growth in the volume of GDP and thus lower economic growth in Iraq , the size of the surplus 2998 billion reached which allowed the opportunity to achieve economic growth rate of %36.4 Likewise, in 2006 and 2007, and even in 2008, the growth rate reached about 48%, since the effect of growth often appears in a later year, even if the budget achieved a deficit in 2008, but we find that the renewal of the deficit in 2009 and 2010, by (16660-) and (- 6771 million dollars in 2010, which contributed significantly to the decline in the economic growth rate at a rate of 15.1 in 2009 .As for the years 2011 and 2012, Iraq achieved a budget surplus, and the economic growth rate reached 34% in 2011 and 17.3 in 2012, While the duration of 20 13 to 2019, Iraq achieved a deficit in some years that led to a decline in growth and in years it achieved a surplus that led to a high growth rate up to 2019, as the surplus amounted to 2338 million dollars, while the growth rate reached 4%, which is less than the previous year by 10.3 -) a percentage point, while the change in the growth rate decreased by (12-) percentage points, from this we conclude that economic diversification is very important in order to maintain the continuation of that growth and to achieve an annual increase continuously and to reduce the impact of external conditions on the Iraqi economy.

The tax gap rate it may the effect may be an indirect but if it is to address this gap and reduce the percentage and the elimination of the tax as well as evasion updating laws and procedures their own will find resonance in achieving economic growth faster pace than it is now, where we note that the tax gap is the rate of J for a high level was not there measures to reduce it , except for some years when the price of oil declines worldwide , which generates a reaction to the government 's tightening measures and thus diversify the sources of income and government revenue, in order to reduce the revenge negative effects on society and the economy in general, of reducing Or slow down the rate of GDP growth and thus economic growth in Iraq.

Table(3)
The relationship between indicators of financial sustainability and growth in Iraq for the period (2004-2019)

The details / the year	**financial sustainability indicators**						growth rate %	the change Annual %
	Ratio of public debt to GDP %	the change Annual %	The size of the budget deficit or surplus m. dollar	the change Annual %	tax gap %	the change Annual %		
2004	423.4		-18841		131.78		-	
2005	283.1	-140.3	2998	21,839	92.52	-39.26	36.4	
2006	177.5	-105.6	10245	7,247	72.34	-20.18	30.43	-5.97
2007	101.7	-75.8	8739	-1,506	56.87	-15.47	36.35	5.92
2008	88.4	-13.3	-1345	-10,084	67.83	10.96	48.16	11.81
2009	102.1	13.7	-16,660	-15,315	67.86	0.03	-15.16	-63.32
2010	62.5	-39.6	-6771	9,889	57.85	-10.01	24.06	39.22
2011	47.5	-15th	10313	17,084	49.96	-7.89	34.1	10.04
2012	40.5	-7	10407	94	49.94	-0.02	17.38	-16.72

2013	37.2	-3.3	-16683	-27,090	55.89	5.95	7.62	-9.76
2014	38.3	1.1	-15404	1,279	50.93	-4.96	0.01	-7.61
2015	66.2	27.9	-26573	-11,169	49.91	-1.02	-24.26	-24.27
2016	75.8	9.6	-28712	-2,139	47.95	-1.96	-1.45	22.81
2017	69.6	-6.2	-8413	20,299	42.97	-4.98	11.6	13.05
2018	58.1	-11.5	20916	29,329	36.92	-6.05	14.71	3.11
2019	46.1	-12	2338	-18,578	40.97	4.05	4.4	-10.31

Source: Table prepared by the researcher based on World Bank data on the website:https://data.worldbank.org/indicator/NY.GDP.PCAP.CD .On 12/20/2020.

The third topic :conclusions and recommendations

Through the research, we reached a set of conclusions and recommendations that can be summarized as follows:

First : the conclusions

1. Achieving financial sustainability in Iraq can only come through forming a diversified and sustainable production structure and not relying on a single productive resource.
2. Failure to adopt clear economic plans and targeted economic policies to enhance the level of monetary and financial stability in Iraq will impede the goal of achieving financial sustainability.
3. The developing economies, including Iraq, are more vulnerable to economic fluctuations and crises, and consequently the impact of this on the social and humanitarian aspects, which encourages the difficulty of achieving economic goals and the inability to achieve financial sustainability on an ongoing basis.
4. Iraq has not yet achieved financial sustainability, and its economy is fragile and is dependent on positive or negative external economic conditions and variables.
5. It is clear from the study that the oil sector output dominates the overall GDP in Iraq.
6. The feature of imbalance in the general budget of Iraq, is a clear challenge in the field of fiscal policy of the country and its negative reflection on the performance of economic activity in general.
7. Not activating the role of taxes in Iraq despite its need for it, as it is a significant financial resource in order to supply the general budget with the funds necessary to implement projects and ensure a level of economic stability.
8. Iraq needs comprehensive economic programs in order to eliminate unemployment.
9. Iraq needs a monetary policy managed by the Central Bank that contributes to achieving monetary stability in Iraq and maintains the value of the Iraqi dinar.
10. The father of the year yen my influence in indirect ways of economic growth through the negative impact of these services on the debt expenditure of public spending, especially on services.

Second: Recommendations

1. For the purpose of achieving financial sustainability in Iraq, it is necessary to form a diversified and sustainable production structure and not to depend on a single productive resource.

2. Clear economic plans and targeted economic policies must be adopted to enhance the level of monetary and financial stability in Iraq, which will hinder the goal of achieving financial sustainability.
3. Since Iraq is subject to economic fluctuations and crises, and thus the impact of this on the social and humanitarian aspects, there must be a working mechanism that helps ensure employment and diversified investment in order to provide services and mitigate these fluctuations.
4. The necessity of easing the control of the oil sector's output over the total gross domestic product, in Iraq, through diversifying production.
5. The country's fiscal policy must be controlled and in line with economic changes.
6. Iraq needs to activate the role of taxes as a financial resource to be reckoned with in order to supplement the general budget with the funds necessary to implement projects and ensure a level of economic stability.
7. Iraq needs comprehensive economic programs to eliminate unemployment.
8. Iraq needs a monetary policy managed by the Central Bank that contributes to achieving monetary stability in Iraq and maintains the value of the Iraqi dinar.

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