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## The External Financial Crises and Their Role in The Economic Growth Fluctuations in Iraq During the Period (2004-2021)

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### Abstract:

Financial crises are a concerning and essential phenomenon due to their severe and dangerous negative impact on global stability. These crises have also spread to developing and advanced countries due to their financial and economic openness. The adverse effects of financial crises have had repercussions on global oil prices, which in turn affected economic growth in Iraq, given its dependence on the oil sector. The main objective of the research was to examine the impact of the global financial crisis on economic growth in Iraq. The research utilized deductive methodology and descriptive analysis as the appropriate approach to achieve the research goal and understand the effect of global financial crises on economic growth. The research begins with the hypothesis that the economic growth in Iraq is affected by global financial crises through oil prices in international markets. The researcher utilizes specific indicators of the Iraqi economy, including oil prices, public revenues, public expenditures, and public debt, to demonstrate the impact of global financial crises on these indicators and how this impact reflects on economic growth in Iraq, represented by the gross domestic product (GDP). The research findings highlight several impacts on the Iraqi economy due to various financial crises. These include the 2009 mortgage crisis, which decreased crude oil prices in the global market due to the global economic recession.

Additionally, the financial crisis since the second half of 2014 was caused by a decline in crude oil prices due to sluggish global economic growth. Furthermore, the COVID-19 crisis at the end of 2019 had significant financial consequences, accompanied by decreased oil prices. It is evident that the Iraqi economy is directly and unexpectedly affected by financial crises through the oil markets, as the country heavily relies on oil revenues, which constitute a large proportion of the GDP.

**Paper:** Research paper

**Keywords:** The External Financial Crises, Economic Growth, The Iraqi Economy.

## **1.Introduction:**

The recurrence of financial crises is a concerning and alarming phenomenon because of their severe and unsafe adverse effects, which have threatened global stability. Moreover, the scope of these crises has expanded to encompass both developing and advanced countries due to financial and economic openness in these nations.

Financial crises can threaten a country's economy or the world when their effects can spread to other areas. In the initial stage, these crises primarily affect financial markets. However, their evolution can lead to a noticeable deterioration of the real economy, negatively impacting economic activity. This, in turn, results in reduced production rates, increased unemployment, and a decline in economic growth. Economic growth is a fundamental condition for developing and progressing countries, as it is a source of wealth creation, increased production, and higher individual incomes. It also addresses many problems governments face, including underdevelopment, unemployment, and poverty.

The Iraqi economy is not immune to financial crises, even though its connection to the global economy is limited. Nevertheless, it remains under the influence of these crises because of its heavy dependence on oil revenues as a primary funding source for the general budget. The recessionary conditions experienced by countries during financial problems have led to changes in global demand for crude oil. Factors such as shifts in the market, speculation, and expectations, among others, work to alter crude oil prices. This, in turn, hurts economic growth in Iraq due to its significant dependence on oil revenues generated from crude oil exports.

### **1.1 Literature Review:**

Many studies have dealt with financial crises' first variable, as follows:

Muhammad (2014) revealed some essential aspects related to the state of financial crises by researching and studying financial crises, their expansion and impact, and knowing the effects that financial crises have on the factors affecting crude oil prices and thus changing their prices, and the extent to which the effects of crises are reflected through the change in oil prices on Financing the Iraqi general budget. The analytical approach was adopted to determine the nature of the effects of financial crises on the financing of the Iraqi general budget. The most important finding of the research is that the recurrence of financial crises, their expansion, and the speed of their transmission are among the matters of controversy and attention due to the resulting extensive, comprehensive, and insignificant economic damages. It is expected that it is not limited to the financial sector only but extends to other sectors and entails high economic and social costs that are not limited to the crisis country only but also to other countries whose financial markets may not be directly linked to the financial market of the crisis country, as is the case in Iraq. The research recommends that oil-producing countries, especially Iraq, seek to eliminate the dominance of oil resources by diversifying their production base and raising the contribution of other sectors to the gross domestic product.

Alwan (2017) explained the economic reform policy followed by developing countries and the extent of its success in addressing financial crises, whether by creating a stable economic environment or through the necessary legislation to shift towards the private sector, an analytical study from the period 2004-2013 to determine the effect of the global financial crises on the Iraqi economy, that The Iraqi economy's dependence on the return of a single rentier commodity (crude Oil) as a primary source of public revenues has made the Iraqi economy affected by changes in global oil prices, just as it is affected by the financial crisis that the global economy is going through and is doomed to. The most important findings of the research were that the crisis (2008) had effects on the global level; most economies entered the stage of economic contraction, while some of them entered the stage of economic stagnation, which negatively affected the living standards of individuals. The research recommended the necessity of emphasizing international variables when dealing with the issue of financial and economic crises, as the crisis was internationalized through a group of financial and commercial channels,

which is necessary to point out the mechanisms of transmission of the crisis and the attempt of capitalist countries to adapt their economies through this and by transferring the crisis to developing countries, which exposed them to many external shocks.

Mushira and Yasmina (2021) wanted to know the real reasons that led to the financial crises and highlight the challenges that the global economy in general, and the Algerian economy, in particular, will face. This study attempted to analyze the effect of the international financial crises on the Algerian economy by studying some economic indicators, such as foreign direct investment and the trade balance, and the effect of these indicators on Algerian economic growth. The most important findings of the research are that the effects of the financial crisis extended to the Arab countries to varying degrees, as the Gulf Cooperation Council countries were more affected by the close connections and links that link them to the global capitalist economy, and they declined due to the crisis. The demand for Oil, which represents the primary source of income for most Arab countries, and the public revenues of non-oil Arab countries also declined due to the crisis as a result of the decline in financial flows coming to them through tourism, a decrease in exports, remittances from workers abroad, and direct foreign investments. The researcher recommended not relying on oil revenues to a large extent and working to encourage exports outside the oil sector by increasing support for the agricultural and industrial sectors.

Jawid (2022) explained some essential aspects related to the state of the financial crisis, its expansion, and its impact, and studied modern trends in analyzing financial crises and the approach was adopted Analytical analysis of the variables of the study and treatment of the nature of the effects of financial crises in Arab financial markets, with particular reference to the Iraqi reality, and that in light of the increasing openness in international financial markets, every new crisis will come with greater force and leave a worse impact on the real economy, and that the intervention of international financial institutions did not contribute to Addressing these crises, and this, in turn, leads to deepening the imbalances in the economies concerned and may lead to the emersion of severe financial crises. The most important findings of the research are that one of the most critical repercussions of the international financial crisis on the Arab economies was the sharp decline in the prices of Oil and its derivatives, the decrease in global demand for it, and the slowdown. At the pace of economic activity, the decline in public financial conditions and the decrease in cash flows coming into these economies, the researcher recommended the necessity of taking precautionary measures and trying to find mechanisms to deal with external shocks and potential crises, especially in the Arab countries that were negatively affected by financial crises in order to reduce their effects, as it is necessary to restore Consider setting the rules of the market economy and restructuring, as a new formulation of the state's economic role must be consistent with the new economic transformations and conditions. There are many studies discussing the second variable of economic growth, as follows:

Saeed (2022) touched on the results of the budget, leading to the effects of the deficit on local economic growth in Iraq through 2003-2013, and that the budget deficit is the result of natural factors and negatively affects economic growth in Iraq, an analytical study aimed at showing the real impact that was achieved and what could be achieved. It has effects on the level of economic activity. The research's most considerable finding is that the Iraqi economy's general budget depends primarily on oil revenues, which are estimated based on international oil prices and the amount of domestic oil production. Thus, any variation in these factors will negatively affect the public budget. This leads to a decline in economic growth, and the researcher recommended benefiting from surplus oil revenues by establishing a fund to manage these surpluses to finance the budget deficit.

Hanan and Fateha (2022) pointed out the extent of the financial markets' impact on economic growth in Kuwait, measuring the effects through Kuwaiti stock market indicators and linking them to the gross domestic product. The most considerable finding of this research is that the financial markets positively impact economic growth through financing various economic projects and expanding investments, thus increasing production capacity. It was also shown through the standard results that there is no statistically significant relationship between economic growth and the indicators of the Kuwait Stock Exchange, as the probability of the cointegration test (Johannes test) proved to be greater than zero, meaning there is no effect. He recommended Researching the need for each country to seek to provide the appropriate environment and atmosphere to develop its financial markets.

Jahil (2023) researched to study the impact of shocks in oil prices on Iraqi economic growth by measuring the relationship between them for the period 2007-2022, relying on quantitative methods represented by the historical decomposition method within Vector Autoregressive (VAR) models, which is one of the econometric models. The results of this study will contribute To determining the amount of economic growth's response to any shock in oil prices, thus demonstrating the negative impact of these shocks on the Iraqi economy and showing that there is a direct relationship between oil price shocks and economic growth, the most critical finding of the research is that oil shocks are external variables that cannot be predicted or reduced. The factors affecting prices have become multiple; thus, avoiding them requires developing more than one future scenario that relies on realistic readings of global events. The researcher recommended the need to make economic policy in Iraq, whether financial or monetary, to study the economic situation internally and externally and to develop plans and policies to protect the Iraqi economy from the impact of oil shocks.

There are studies linked between the first and second variables, such as:

Al-Muhammadi and others (2017) proved the effect of external shocks on economic growth in Iraq by measuring and analyzing the relationship between them for the period (1990-2017) if the vector error correction model (VECM) was used to estimate the short-long-term equilibrium and causal relationships, and that the fluctuations occurring in prices Oil, exports, and external debt are among the primary sources of external shocks in the Iraqi economy. The most important finding of the research is the presence of a long-term equilibrium relationship among the dependent variable, GDP, and the independent variables, which are oil prices, exports, and external debt, given that the error correction term parameter (Cointeq1) model rates take a negative and significant sign. Therefore, a long-term causal relationship goes from these variables to the GDP variable and not vice versa. The researcher recommended adopting structural reform policies that seek to achieve and deepen the interconnection between the various economic sectors within the base diversification policy—economy productivity to reduce the effects of external shocks on GDP.

Safar and Zahir (2020) concluded by determining the effect of economic shocks on Iraqi economic growth (2004-2018). The most important factors that influence economic growth were illustrated: oil prices, the exchange rate, external debt and trade openness, and they represent... The independent variables of the model used, while economic growth was expressed in GDP as a dependent variable, and due to the characteristics of the rentier Iraqi economy, it was exposed to several economic shocks, which varied in terms of their impact on economic growth. The ordinary least squares method was employed in Estimating the model parameters. The unit root test and the cointegration test were also utilized. The most important finding of the research was that there is a long-term equilibrium relationship between the variables used. Also, it was shown that the effect of economic shocks resulting from fluctuations in global oil prices was evident in economic growth in Iraq. The research recommended reducing our dependence on external means of financing and increasing our dependence on internal means of financing because external sources usually fluctuate considerably, causing an external shock that affects financial policy tools.

The problem of the research is that the successive occurrence of financial crises in global economies, the accompanying periods of recession and decline in global economic growth rates in general, and the imbalance in financial market activity have caused an imbalance in the global market for crude Oil, and because of Iraq's dependence to a large extent on the oil sector as a primary source of growth. Economically, the financial crises will play a primary role in affecting Iraqi economic growth. The main question stems from the problem of studying.

What economic sectors have been affected by the global financial crises, and what is the extent of this impact and its reflection on the economic growth in Iraq?

The research objective is to analyze the impact of the global financial crises on Iraqi economic growth and to develop appropriate solutions to absorb or reduce the impact of these crises.

## **2. Material and Methods:**

In this section, theoretical literature on the concept of financial crises and economic growth will be presented, as well as an analysis of the impact of external financial crises on economic growth in Iraq. The research period approved for analysis extends from 2004-2021 when the Iraqi economy was exposed to severe financial crises. These are (the mortgage crisis in 2008 and the financial crisis in 2014), as well as the (COVID-19 crisis, as its effects were financial, and these crises affected the gross domestic product. The state of the economy of Iraq determined the spatial limits of the research.

### **2.1 Research Hypothesis :**

The hypothesis of research revolves around the economic growth in Iraq is affected by global financial crises through the channel of oil prices in international markets.

### **2.2 The concept of financial crises:**

The term "financial crisis" (Crise financière) appeared for the first time with the writer Comte de las Cases (Comte de las cases) in 1823 (Abu Al-Ala and Al-wafi, 2009). A financial crisis is "a sudden collapse in a country's currency, stock market, real estate market, or group of financial institutions, which then spreads to the rest of the economy" (Kortel, 2010). It is also known as a sharp and sudden disturbance in some economic balances, followed by the collapse of several financial institutions, the effects of which extend to other sectors (Al-Dulaimi & Dodin, 2011). The financial crisis is also known as a decline in the level of trading in financial and money markets, which leads to imbalance and confusion in the indicators of rise and fall (Rizk, 2010). The financial crisis was also known as the financial system's collapse, accompanied by the failure of many financial and non-financial institutions with a sharp contraction in economic activity (Mohsen, 2018). We conclude from the above that the financial crisis represents a profound imbalance or a sharp and sudden disturbance that affects the financial market, leading to confusion in the financial sector, followed by similar actions in other sectors, leading to negative economic consequences.

### **3. Types of financial crises:**

#### **2.3.1 Currency crisis and exchange rates:**

Often called the balance of payments crisis or foreign exchange crisis, this crisis emerges due to a sudden variant in exchange rates (Racickas, 2012). Some of these crises have a limited impact on the non-financial sector (Mishkan, 2001). As for others, they play a fundamental role in slowing down economic growth and causing deflation (Abu Fara, 2020). It may reach a recession (Ali & Al-Mashhadani, 2010).

#### **2.3.2 Banking crisis:**

Banking crises receive more attention than other financial crises because their effects on the economy are severe (Cong et al, 2022). These crises appear when the bank faces a large and sudden increase in deposit withdrawal requests (Al-Mahna, 2022).

### 2.3.3 Financial market crisis (bubble condition):

Many crises occur in financial markets as a result of what is known economically as the bubble phenomenon (Hizia, 2018). The bubble is defined as the period during which the price of an asset exceeds its basic value because of the intensity of the speculator (Xiong, 2013).

### 2.3.4 Debt crisis:

It is the crisis facing a country in the event of an inability to pay interest or the principal amount of the debt on the due date (Hamdan, 2020). This crisis occurs for macroeconomic reasons, such as the current account deficit, increasing inflation rate, and excessive expansion of borrowing (Khadija et al, 2020). The external loan is called the “sovereign loan” (Al-Amri and Al-Badri, 2009).

## 2.4 Causes Of Financial Crises:

**1. Macroeconomic instability: fluctuations in the global interest rates**, one of the external sources that produce financial crises in developing countries. Their changes impact not only the cost of borrowing but also the flows of foreign direct investment and the degree of its attractiveness in these countries (Khudairat & Nejadat, 2010), as well as fluctuations in actual exchange rates, as they are considered one of the sources of disturbances at the macroeconomic level, which was a direct or indirect reason of the existence of many financial crises (Khadija et al., 2020).

**2. Weak readiness to deal with financial liberalization: Weak readiness for financial liberalization**, ineffective regulation and supervision, and lack of timely intervention were among the most important reasons for the occurrence of financial crises in some countries (Shamkhi et al., 2021), as financial liberalization creates new conditions and circumstances that require regular and sequential procedures, policies, and strategies. The banking system was not accustomed to it in the past) Saho (2010, and some countries, especially developing countries, suffered from their lack of adaptation and insufficient preparation to deal with financial liberalization as they should, as the rapid and extreme developments in international financing methods did not give sufficient time for economic institutions to adapt to them, which will lead to the risk of the emergence of some behaviours. Inappropriateness (Claessens, 2014).

**3. Weakness of the accounting, supervisory and regulatory system:** Most of the countries that were exposed to financial crises were suffering from weakness and leniency in the accounting system and procedures that they follow and the degree of disclosure and transparency of information, especially about bad debts and their percentage in the bank’s credit portfolio) (Stijn et al., 2021), They also suffer from the weakness of the legal system that supports bank operation. Failure to adhere to the law regarding the maximum limit on loans provided to a single borrower and their percentage of the bank’s capital (Alwan & Makki,2020); the lack of precise oversight of granting credit loans leads to increased risks when expanding the granting of loans, whether consumer or real estate, as happened in the financial crisis in South Korea (Saleh & Muhammad, 2014).

**4. Exchange rate policies: Countries that followed a fixed exchange rate policy were more vulnerable to external crises.** When this system is followed, it is difficult for the monetary authorities to act as a last resort for borrowing in foreign currencies, as this means the monetary authorities lose their foreign exchange reserves and the occurrence of a currency crisis) Al-Amin (2002) As happened in Argentina and Mexico, a currency crisis results in a deficit in the balance of payments and then a shortage in the money supply and a rise in local interest rates, further exacerbating the severity of the financial crisis. On the other hand, when a floating exchange rate policy is followed, the occurrence of a currency crisis will lead to a devaluation of currency and an increase in local prices, which leads to a reduction in banks’ assets and liabilities to a level more consistent with the requirements banking security (Ali & Al-Mashhadani, 2010).  
2.5 Economic growth

### **2.5.1 The concept of economic growth:**

The American scientist Simon Kuznets, winner of the Nobel Prize in economics, is the first to introduce the concept of modern economic growth into scientific circulation, and he confirmed its emergence at the end of the eighteenth century (Shaheen, 2021), but there are other points of view with which most contemporary economists agree that economic growth appeared as a term in the decade. The second of the nineteenth century (Poliduts and Kapkaev, 2015). There are several definitions of economic growth, but they all agree that economic growth means the rise in the productive capacity of the economy. It is also defined as the continuous increase in the average per capita income, which occurs through continuous improvement in the means of production (Hagen, 1988). It is also defined as the continuous increase in the amount of goods and services produced annually through the forces of demand and supply in the market (Gutema, 2015).

### **2.5.2 Importance of economic growth:**

1. It leads to a development in the standard of living of individuals as well as an increase in well-being due to increased satisfaction of human needs, especially basic needs (Ali and Obaid, 2020).
3. It helps eliminate poverty, reduce unemployment rates, and improves the health and educational level of the population (Abdul and Abdul, 2021).
2. Increasing the quantities of goods and services available to community members (Hussein and Hamdan, 2020).
4. It leads to achieving a rapid, cumulative and permanent increase in individual income during a certain period of time and a continuous increase in the national product through the development of productive projects, which leads to an rise in production and therefore will lead to a continuous rise in the national product (Al-Ani, 2020).

### **2.6 The impact of financial crises on economic growth:**

Most of the countries that were hit by financial crises have suffered from a deterioration and decline in the rate of economic growth (Boyer et al., 2004). In the event of uncertainty and lack of confidence that accompany financial crises, banks do not grant new loans to their customers who have weak "solvency," meaning (their ability to fulfil or repay obligations is weak) (Fingerand & Schuknecht, 1999). It also works to limit the expansion of granting loans to financially sound institutions (Al-shammari & Abdel Reda, 2016). This negatively affects the production volume and, thus, the country's domestic product. Financial crises may also affect economic growth in other countries, as banks are forced to reduce their lending activity in the country of the crisis and towards other countries (Ghazazi, 2014). Financial crises result in many costly effects, the price of which everyone pays, especially those with low incomes. Financial crises affect the budget balance and trade exchange and work to increase the severity of poverty and unemployment (Dagher, 2014). Below, we present the most considerable effects of financial crises and their effect on economic growth (Al-Azzawi & Al-Khatib, 2014).

#### **2.6.1 The role of financial crises in deepening poverty and unemployment:**

Financial crises cause many problems in addition to large social costs (Al-Mamouri, 2009), especially those related to high rates of unemployment and poverty. For example, when there is a contraction and decline in economic activity, and when most institutions close their doors or their activity slows down, there are layoffs of workers and a decline in... Real wages. In general, serious financial crises result in a decline in the volume of global production, the volume of international trade, and economic growth rates (Bolquierat, 2021).

### **2.6.2 The impact of financial crises on the state budget deficit:**

Financial crises lead to a reduction in economic activity, and they also impose large costs on the state budget resulting from state intervention in the event of crises, which negatively affects the gross domestic product (Claessens, 2014). Also, this intervention may be financial in various markets to support prices, or monetary intervention led by the Central Bank to pump liquidity, or through tax redistribution (Hamad et al, 2020).

### **2.6.3 Instability and fluctuation in oil prices:**

Oil plays a major role in the economic growth of most developing countries, given their heavy reliance on revenues from its exports to finance their development projects (Qariqa, 2021). Despite the benefit they obtain through rising oil prices, if oil prices fall, their economies are exposed to the risk of crises (Abu Rafah, 2015). Many of these countries have not succeeded in building solid economic foundations based on diversity and complementarity between various activities (Saleh and Muhammad, 2014). During the financial crises, the fragility of the economy became apparent, as their repercussions affected most sectors, starting with a decline in exports and an imbalance in the trade balance and balance of payments, as well as a decline in spending due to a decline in state revenues as a result of the decline in oil prices (Abdullatif and Abdullh, 2021).

### **2.6.4 financial crises impact on public debt:**

Financial crises lead to a sharp increase in the sovereign debt of countries, especially developing ones (Othman, 2021). Countries resort to borrowing because of the deficit in the public budget in times of crises, which indicates an increase in public spending on public revenues (Gomez and Sosvilla, 2015). In order to finance the state's public spending, the state must borrow by selling government bonds to individuals or to the central bank (Al- Hariri, 2012). Or through borrowing from external parties, such as the International Monetary Fund, the World Bank, or countries, because it provides the state with revenues that help it fulfill its obligations and finance its development programs. Public debt also has an impact on economic growth, as many studies have indicated. The results of those studies have shown that an increase in public debt usually leads to an increase in the rate of economic growth, while other studies have indicated that only low levels of public debt have a positive impact. In the rate of economic growth, as for high levels of it, their impact is usually negative on economic growth (Rasheed et al, 2020).

## **2.7 Gross domestic product and some indicators of the Iraqi economy:**

### **2.7.1 Oil prices and GDP:**

Gross domestic product is one of the primary indicators in measuring any country's economic activity level. In addition, the percentage of change in it is used statistically to measure economic growth, and this indicator is also used with other indicators in formulating the country's economic policy. Iraq is one of the oil-producing countries that occupies an advanced position among the Arab and international oil-producing countries due to the largeness of its reserves; in addition to that, it is considered one of the founding members. According to OPEC, the oil sector is one of the most essential pillars of the Iraqi economy as it is a source of foreign resources that contribute to the development of other economic sectors. Accordingly, the changes that occur in global oil markets directly affect oil prices, which leads to oil-producing and consuming countries being affected. To him, price fluctuations affect the gross domestic product in Iraq in the same direction due to the high volume of the oil sector's contribution to the creation of the gross domestic product.

It is clear from Table (1) that oil prices have witnessed a gradual increase since the beginning of this period, rising from (31.38 d/b) in 2004 to (87.93 d/b) in 2008, and this is due to the improvement in the global economic situation and the prevailing optimism that the economy is witnessing. Internationally, the price of a barrel of oil quickly declined with the global financial crisis in 2009 if it fell to (59.40 d/b), with a negative annual growth rate of (32.44), and this was due to the effects of that crisis on the global economy and the slowdown that occurred



in the global growth rate. However, oil prices soon witnessed a gradual recovery and began to rise again to reach (102.26 d/b) in 2013, but with the financial crisis in 2014, oil prices gradually decreased during 2014 and the following two years to reach (36.09 d/b) in 2016, but with... Gradual improvement: These prices rose to reach (49.31 D/B) in 2017, then decreased to reach (38.41 D/B) in 2020 as a result of the Corona pandemic, and then rose again to reach (68.3 D/B) in 2021. This, of course, has a significant impact on Iraq's gross domestic product and the volume of expected revenues from oil exports. The gross domestic product also witnessed a gradual increase from the beginning of the research period until the end, recording favourable growth rates, as it rose from (53 499 238) million dinars in 2004 to (302 691 912) million dinars in 2021, with a compound growth rate of (10.10) for the same period, and this is due to A significant increase in the amount of production and oil prices, as prices rose from (31.38 d/b) in 2004 to (68.3 d/b) in 2021, with a compound growth rate of (4.41) for the same period. Thus, the gross domestic product directly relates to changes in oil prices. When it rises, the output rises and vice versa when it decreases. This is clear in the years oil prices decreased (2009, 2014, 2015, 2016, 2020), recording negative growth rates due to global crises. This occurred in those years and the subsequent decline in global oil demand, which negatively affected the volume of oil revenues and the gross domestic product, which also recorded negative growth rates in these years.

At a time when oil prices achieved high growth rates, the gross domestic product also achieved high growth rates, and this strengthens the link between oil price changes and the gross domestic product and enhances the economy's rents towards the oil sector, as the compound growth rates for oil prices recorded (22.88%) for the period. 2004-2008, then it decreased to (11.47%) for the period 2009-2013, then it achieved a negative growth rate of (26.69) for the period 2014-2016, then it increased for the period 2017-2021 to reach (6.73%), which in turn led to a decrease in those rates for The GDP for the same periods reached (24.25%) for the period 2004-2008, then decreased to (15.85%) for the period 2009-2013, then achieved a negative growth rate amounting to (9.93%) for the period 2014-2016, then it increased for the period 2017-2021 to reach (6.14%), and this is of course due to the global financial crises and other external crises to which the Iraqi economy was exposed.

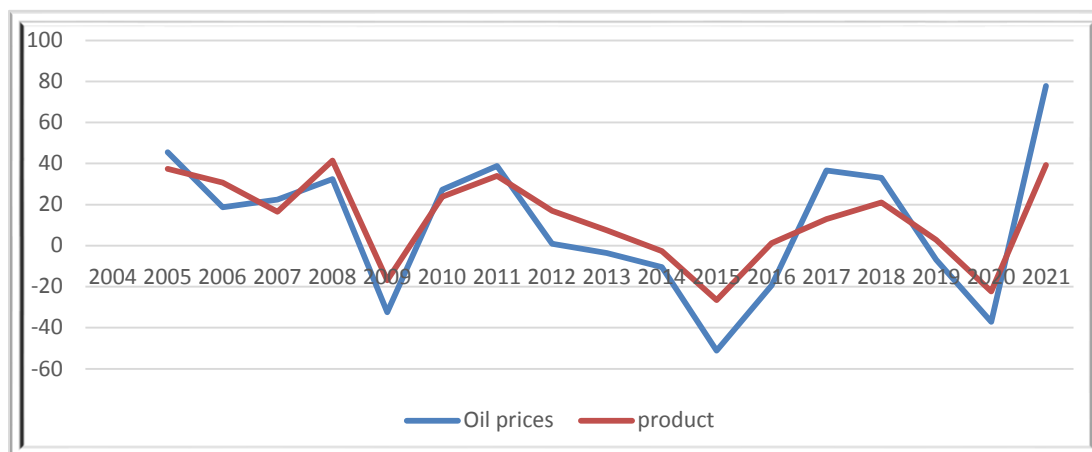
**Table 1:** Gross domestic product and oil prices in Iraq for the period (2004 - 2021) million dinars

Years	Oil prices (ID /B	Growth rate	gross domestic product	growth rate
2004	.3831	-	53,499,238	-
2005	45.66	.5045	73,533,598	37.44
2006	54.20	18.70	96,067,161	30.64
2007	66.36	22.43	111,961,231	16.54
2008	87.93	32.50	158,443,584	41.51
Compound growth rate for the period (2004 - 2008) %	22.88	-	24.25	-
2009	59.40	- 32.44	131,632,210	-16.92
2010	75.65	27.35	163,104,740	23.90
2011	105.05	38.86	218,617,834	34.03
2012	106.01	0.91	255,727,068	16.97
2013	102.26	- 3.53	274,745,875	7.43
Compound growth rate for the period (2009 - 2013) %	11.47	-	15.85	-
2014	91.63	- 10.39	267,262,787	-2.72
2015	44.73	- 51.18	196,203,013	-26.58
2016	36.09	- 19.31	198,774,370	1.31

Compound growth rate for the period (2014 - 2016) %	-26.69	-	-9.39	-
2017	49.31	36.63	224,636,322	13.01
2018	65.60	33.03	272,083,889	21.12
2019	61.06	- 6.92	279,757,642	2.82
2020	38.41	- 37.09	217,413,593	-22.28
2021	68.3	77.81	302,691,912	39.22
Compound growth rate for the period (2017 - 2021) %	6.73	-	6.14	-
Compound growth rate for the period (2004 - 2021) %	4.41	-	10.10	-

**Source:** Table prepared by the researcher based on: data from the Central Bank of Iraq, Department of Statistics and Research, Annual Statistical Bulletin, multiple years.

It is noted from Figure (1) the great correlation between the growth rates of the gross domestic product and the growth rates of oil prices, up and down, and this indicates the Iraqi economy's dependence on the oil sector in running the wheel of its backward economy, which is characterized by oil rentierism.



**Figure 1 :** Evolution of oil price growth rates and GDP for the period (2004 - 2021)

### 2.7.2 Public revenues and gross domestic product:

The imbalance in the economy's productive structure through its reliance on one primary commodity for export leads to an imbalance in the structure of the state's financial resources. In the Iraqi economy, most of the state's resources are covered by oil revenues, as oil revenues are considered a primary source in the formation of public revenues, as is the case in rentier states. This depends on the oil sector, as oil revenues constitute the most significant proportion of public revenues. Moreover, since Iraq is a rentier country that depends on oil, this type of economy is more exposed to global economic fluctuations as soon as any adverse change in oil revenues occurs, negatively affecting the gross domestic product. This is due to the high contribution of the oil sector to the formation of the gross domestic product.

It is clear from Table (2) that public revenues and gross domestic product witnessed an increasing increase for all years of the study except for some years (2009, 2014-2016, 2020), during which global circumstances and crises occurred and negative growth rates were recorded. During the period (2004-2008), the growth rate of public revenues continued to increase, rising from (22.57) in 2005 to (46.71) in 2008, with a compound growth rate of (19.57). This is due to the increase in oil revenues because of the rise in oil prices and the increase in oil production. Source On the other hand, the GDP growth rate increased from (37.44) in 2005 to (41.51) in 2008, the compound growth rate reached (24.25), and the ratio of public revenues to GDP reached (50.89%) in 2008.

In 2009, the rate of change in public revenues decreased significantly due to the global financial crisis and global economic recession, which led to a decline in crude oil prices that caused public revenues to reach (-31.49); in contrast, the growth rate of the gross domestic product was also low, reaching (-16.92). The ratio of public revenues to output declined to (41.96%). Then, the rate of change in public revenues rose again to reach (4.98) in 2013. In contrast, the growth rate of the gross domestic product had increased to reach (7.43), and the ratio of public revenues to output reached (41.43%). The compound growth rate of public revenues reached (15.55), while the compound growth rate of gross domestic product reached (15.85). The increase in public revenues is due to the rise in oil prices, which exceeded the threshold of (100) dollars per barrel on the one hand, and the increase in oil production as a result of Oil licensing rounds, which led to an increase in oil exports and then oil revenues on the other hand.

In 2014, there was a decline in the growth rates of public revenues as a result of the economic recession and the decline in oil prices, in addition to the security conditions that Iraq witnessed, which greatly affected the economic situation, as the growth rate of public revenues reached (-14.24), and in contrast, the growth rate of the gross domestic product decreased. It reached (-2.72), and the ratio of public revenues to output declined (36.52%). The growth rate of public revenues continued to decline, reaching (-18.14) in 2016, while the growth rate of gross domestic product was positive, reaching (1.31), as a result of the improved performance of economic sectors, and the ratio of public revenues to output reached (27.37%). The compound growth rate of public revenues was decreasing with a negative sign, reaching (-17.70), and the compound growth rate of gross domestic product was also negative (9.39).

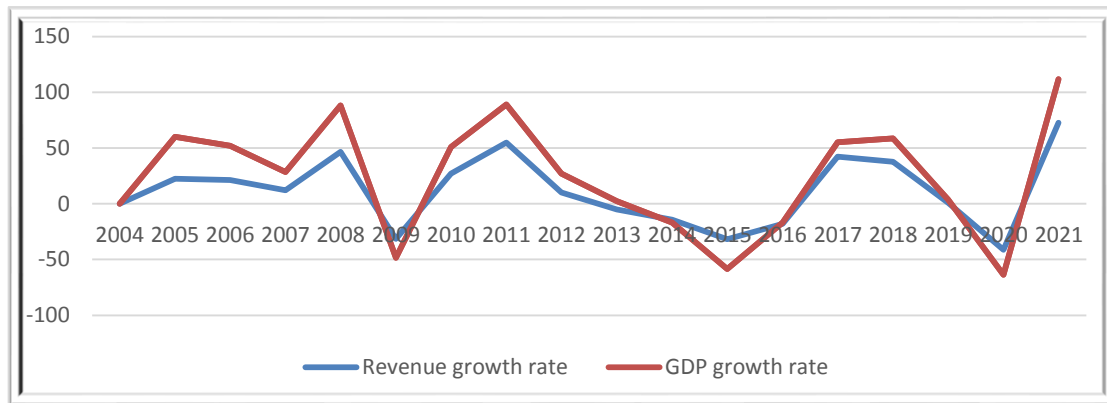
Then, the Iraqi economy headed towards a gradual recovery as a result of the improvement in oil prices in the global markets, which was reflected in the improvement of public revenues in Iraq, which in turn was reflected in the improvement of the gross domestic product, as the growth rate in public revenues began to rise, reaching (42.29) in 2017, and in return the rate of growth in public revenues increased. GDP growth to (13.01). The ratio of public revenues to output reached (34.46%), and the increase continued until the growth rate of public revenues recorded a decline of (41.24) in 2020. In contrast, the growth rate of gross domestic product decreased to (-22.28), and the ratio of public revenues to output also declined. Reach (29.06%); this decrease is due to the repercussions of COVID-19), which hurt global economic growth and the global demand for oil, which was negatively reflected in the Iraqi economy. Then, the growth rate of public revenues rose again, reaching (72.59) in 2021 due to the increase in oil prices, the lifting of the ban due to the Corona pandemic, and the return of economic activity. The GDP growth rate rose to (39.22), and the ratio of public revenues to output reached (36.03%). Compound growth rates for the same period were favourable, as the compound growth rate for public revenues reached (7.09), while the compound growth rate for gross domestic product reached (6.14).

**Table 2 :** GDP and public revenues in Iraq through (2004 - 2021) million dinars

Years	Public revenues	Growth rate	gross domestic product	Growth rate	Ratio of public revenues to gross domestic product
2004	32,988,850		53,499,238.6	-	61.66
2005	40,435,740	22.57	73,533,598.2	37.44	54.98
2006	49,055,545	21.31	96,067,161	30.64	51.06
2007	54,964,850	12.04	111,961,231	16.54	49.09
2008	80,641,041	46.71	158,443,584.2	41.51	50.89
Compound growth rate for the period (2004 - 2008) %	19.57	-	24.25	-	
2009	55,243,527	-31.49	131,632,210.1	-16.92	41.96
2010	70,178,223	27.03	163,104,740.1	23.90	43.02
2011	108,807,390	55.04	218,617,834.7	34.03	49.77
2012	119,817,222	10.11	255,727,068.5	16.97	46.85
2013	113,840,076	-4.98	274,745,875.5	7.43	41.43
Compound growth rate for the period (2009 - 2013) %	15.55	-	15.85	-	
2014	97,618,556	-14.24	267,262,787.9	-2.72	36.52
2015	66,470,251	-31.90	196,203,013.7	-26.58	33.87
2016	54,409,269	-18.14	198,774,370.2	1.31	27.37
Compound growth rate for the period (2014 - 2016) %	-17.70	-	-9.39	-	
2017	77,422,172	42.29	224,636,322	13.01	34.46
2018	106,569,833	37.64	272,083,889.1	21.12	39.16
2019	107,566,993	0.93	279,757,642.6	2.82	38.45
2020	63,199,689	-41.24	217,413,593.8	-22.28	29.06
2021	109,081,463	72.59	302,691,912.5	39.22	36.03
Compound growth rate for the period (2017 - 2021) %	7.09	-	6.14		
Compound growth rate for the period (2004 - 2021) %	6.86	-	10.10		

**Source:** Table prepared by the researcher based on: data from the Central Bank of Iraq, Department of Statistics and Research, Annual Statistical Bulletin, multiple years.

It is noted from Figure (2) the great correlation between the growth rates of the GDP and the growth rates of public revenues, of which oil revenues constitute approximately 90%, as it follows the same direction throughout the duration of the research, which proves the fact that the GDP depends on public revenues.



**Figure 2 :** Development of growth rates of GDP and public revenues for the period (2004 - 2021)

### 2.7.3 Public expenditures and gross domestic product:

The main goal of any country's economic policy is to achieve an increase in growth rates expressed in gross domestic product to achieve society's well-being. Some government policies rely on financial policy tools, especially spending policy, to satisfy public needs and achieve economic growth, as spending policy is considered a state tool. In order to influence economic activity and increase gross domestic product. By analyzing the data in Table (3). It turns out that the period 2004-2008 witnessed an increase in the rate of change in public expenditures from (-2.18) in 2005 to (71.15) in 2008, with a compound growth rate of (16.37) due to the increase in current expenditures, especially employee salaries, in addition to the increase in investment expenditures. In contrast, the GDP growth rate increased from (37.44) in 2005 to (41.51) in 2008, with a compound growth rate of (24.25), and the ratio of public expenditures to GDP reached (42.46%) in 2008.

In 2009, since the repercussions of the global financial crisis, the rate of change in public expenditures decreased to (-17.37), while the rate of change in gross domestic product decreased to (-16.92). The ratio of public expenditures to output also declined (42.23%). Then, the rate of change in public expenditures rose again because of the recovery of the global economy and its gradual exit from the crisis, coupled with the rise in oil prices, reaching (13.30) in 2013. In return, the rate of change in gross domestic product rose to (7.43), and the ratio of public expenditures to output reached (43.35%). Compound growth rates recorded favourable rates, as the compound growth rate for public expenditures reached (16.46), while the compound growth rate for gross domestic product reached (15.85).

In 2014, the growth rate in public expenditures decreased due to the financial crisis that decreased oil revenues due to the decline in oil prices and the security crisis (mentioned previously). The growth rate of public expenditures decreased to (-4.74), in contrast to the rate it reached (-4.74). The GDP growth rate was (2.72), and the ratio of public expenditures to output declined to (42.45%). The growth rate of public expenditures continued to decline, reaching (-4.73) in 2016, while the growth rate of gross domestic product reached (1.31), and the ratio of public expenditures to output reached (33.74%). The compound growth rate of public expenditures reached (-16.07), while the compound growth rate of gross domestic product reached (-9.39). This is due to the contraction of public liquidity as a result of the decrease in oil revenues resulting from the decline in oil prices, the decline of which had a significant impact on the Iraqi economy and the general budget in particular, as the large deficit in the public budget led to the restructuring of public spending in a way that secures the current budget and indeed sacrifices the investment budget. Here, recession indicators appeared clearly in the economic sectors through a decline in the gross domestic product growth rate (Central Bank of Iraq, 2010, 2014: 12-35).

On the other hand, the failure to approve the budget in 2014 led to a negative impact on all economic sectors, whether through disrupting the five-year plan and halting the development process or delaying the implementation of a large number of service and investment projects as a result of the reluctance of many investors and contractors due to the unstable security conditions prevailing on the one hand, and their failure to receive their financial dues on the other hand, which negatively affected the implementation of projects.

In 2017, the growth rate of public expenditures began to rise, reaching (12.55), and this is due to the improvement in security conditions after the liberation of cities from the control of terrorism and the rise in oil prices. Likewise, the growth rate of the gross domestic product began to rise, reaching (13.01), while it reached (13.01)—the ratio of public expenditures to output (33.60%). The increase continued until the growth rate of public expenditures recorded a decline in 2020, reaching (-31.90), while the GDP growth rate decreased to (-22.28), as a result of the health crisis, which led to a decline in global demand for oil and thus harmed the economy. In Iraq, the ratio of public expenditures to output reached (34.99%). Then the growth rate of public expenditures rose again to reach (35.18), and the growth rate of gross local product rose to (39.22), as a result of the gradual improvement in oil prices, and the ratio of public expenditures to output reached (33.97%). The compound growth rate for public expenditures was (6.38), while the compound growth rate for gross domestic product was (6.14).

Public spending is a significant driver of GDP growth and raises the economy's productive capabilities if appropriately directed towards the main economic sectors. Otherwise, directing public spending towards non-vital sectors that do not lead to more financial revenues to support the state's general budget will lead to a deficit. In the general budget, the public spending movement in Iraq contributed a large percentage to the gross domestic product. However, it did not achieve its desired economic and social objectives.

**Table 3 :** GDP and public spending in Iraq for the period (2004 - 2021) million dinars

Years	Overhead expenses	Growth rate	gross domestic product	Growth rate	General expenditure to GDP ratio
2004	31,521,427		53,499,238	-	58.91
2005	30,831,142	-2.18	73,533,598	37.44	41.92
2006	37,494,459	21.61	96,067,161	30.64	39.02
2007	39,308,348	4.83	111,961,231	16.54	35.10
2008	67,277,197	71.15	158,443,584	41.51	42.46
<b>Compound growth rate for the period (2004 - 2008) %</b>	16.37		24.25	-	
2009	55,589,721	-17.37	131,632,210	-16.92	42.23
2010	70,134,201	26.16	163,104,740	23.90	42.99
2011	78,757,668	12.29	218,617,834	34.03	36.02
2012	105,139,576	33.49	255,727,068	16.97	41.11
2013	119,127,555	13.30	274,745,875	7.43	43.35
<b>Compound growth rate for the period (2009 - 2013) %</b>	-16.07		15.85	-	
2014	113,473,514	-4.74	267,262,787	-2.72	42.45
2015	70,397,514	-37.96	196,203,013	-26.58	35.87
2016	67,067,433	-4.73	198,774,370	1.31	33.74
<b>Compound growth rate for the period (2014 - 2016) %</b>	16.46		-9.39	-	

2017	75,490,115	12.55	224,636,322	13.01	33.60
2018	80,873,188	7.13	272,083,889	21.12	29.72
2019	111,723,522	38.14	279,757,642	2.82	39.93
2020	76,082,442	-31.90	217,413,593	-22.28	34.99
2021	102,849,659	35.18	302,691,912	39.22	33.97
Compound growth rate for the period (2017 - 2021) %	6.38		6.14	-	-
Compound growth rate for the period (2004 - 2021) %	6.79		10.10	-	-

Source: Table prepared by the researcher based on: data from the Central Bank of Iraq, Department of Statistics and Research, Annual Statistical Bulletin, multiple years.

It is noted from Figure (3) that there is a significant correlation between the growth rates of the GDP and the growth rates of public expenditures, both rising and falling, as they go in one direction and have a direct relationship in most years of research, taking into account that public expenditures are the independent variable, so when they rise, the GDP rises. And vice versa when declining, as it is also obvious from the same table that decreases in public expenditures in the years (2009, 2014, 2015, 2020) led to a decline in the volume of output.

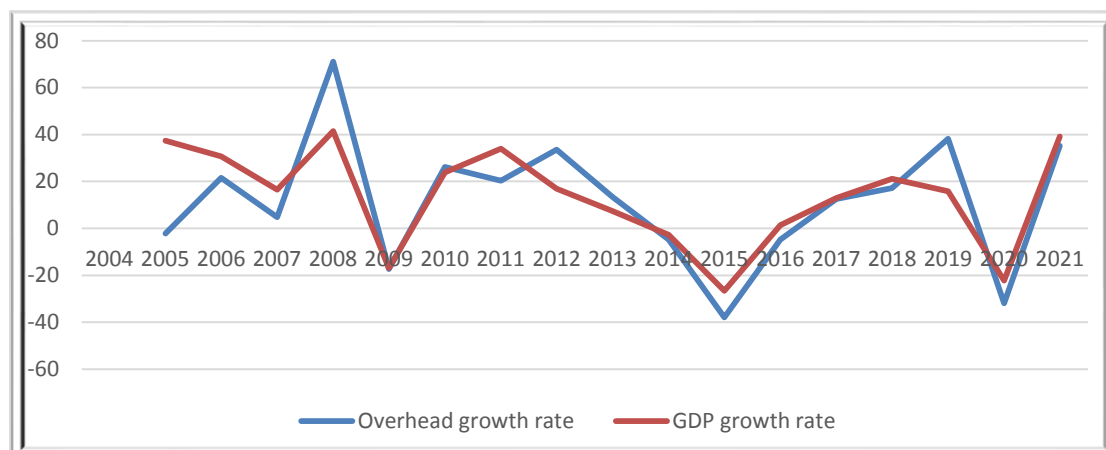


Figure 3: Development of growth rates of GDP and public revenues for the period (2004 - 2021).

#### 2.7.4 Public debt and gross domestic product:

Through the use of public debt funds, it is possible to make efficient government investments aimed at maximizing economic growth. Efficient debt is a fundamental driver of macroeconomic variables, and its importance comes through its ability to influence non-oil gross domestic product. Therefore, improving sustainable development indicators is considered necessary.

It is evident from Table (4) that the growth rate of public debt began to decline from 2004 until 2008, as it decreased from (-17.62) in 2005 to (-26.43) in 2008, with a negative compound growth rate of (-16.04), due to the liberalization of debt. Iraq was freed from the economic blockade and restrictions imposed before 2003 and the execution of the Paris Club Agreement, under which 80% of Iraq's debts were extinguished during that period, in addition to the increase in oil exports and the rise in oil prices. In contrast, the GDP growth rate increased from (37.44) in 2005 to (41.51) in 2008, with a positive compound growth rate of (24.25).

The growth rate in public debt then tended to rise, reaching (7.35) in 2009, while the growth rate in gross domestic product tended to decline, reaching (16.92). The reason for the rise in the growth rate of public debt in conjunction with the decline in the growth rate of output is that The global financial crisis led to a decline in oil prices, then the rate of change in public debt began to decline gradually, reaching (-6.02) in 2013. As for the growth rate in gross domestic product, it rose to (7.43) in the same year, so the compound growth rate was The public debt is damaging as it reaches (-2.25), while the compound growth rate of output is positive as it reaches (15.85). Then, the growth rate in public debt tended to rise in 2014 as a result of the decline in oil revenues due to the financial crisis that led to a decline in oil prices, in addition to the increase in military spending as a result of the war on (terrorist groups), which resulted in a deficit in the state's public budget, which forced the government To resort to internal and external public debt in order to cover these expenses, as the growth rate of public debt reached (8.95), while the growth rate of gross domestic product declined to (-2.72). The growth rate of public debt rose as it reached (16.91) in 2016. The GDP growth rate reached (1.31). The compound growth rate of public debt was positive, reaching (16.74), while the compound growth rate of output was negative, reaching (9.39).

As for the period 2017-2021, the growth rate in public debt began to fluctuate, as the growth rate of public debt decreased to (-0.02) in the year 2017, and the decline continued until it recorded an increase in 2020 when it reached (30.44), due to the repercussions of the Corona pandemic and the decline in the prices of oil. Then, it decreased to (5.15) in 2021 due to improved oil prices, with a compound growth rate of (3.61). As for the growth rate in GDP, it rose to (13.01) in 2017 and continued until it recorded a decline with a negative sign, reaching (-22.28) in 2020, then it rose to (39.22) in 2021, and the compound growth rate reached (6.14).

It is noted from Figure (4) that the relationship between them is inverse; that is, they are moving in the opposite direction because the public debt was not used efficiently, as it did not lead to enhancing the state's non-oil revenues and, therefore did not contribute to increasing the gross domestic product, but instead hurt Gross Domestic Product The main reason for this is that public debt funds were going towards military spending and current spending represented by salaries and wages as a result of the rise in the number of employees working in the Iraqi state and the increase in their allocations and unimportant investment spending. That is, public debt funds were not directed towards investments that lead to an increase in the gross domestic product but were used to confront the crises that Iraq witnessed, represented by the decline in oil prices, in addition to the security events that Iraq experienced, followed by (Covid 19) and the decline in oil prices. The increase in GDP is primarily due to improved oil prices and export quantities and not to a rise in public debt.

**Table 4 : GDP and public debt of Iraq for the period (2004 - 2021) million dinars**

Years	Public debt	Growth rate	gross domestic product	Growth rate
2004	135,555,541	-	53,499,238	-
2005	111,660,680	-17.62	73,533,598	37.44
2006	87,063,402	-22.02	96,067,161	30.64
2007	76,877,439	-11.69	111,961,231	16.54
2008	56,553,313	-26.43	158,443,584	41.51
Compound growth rate for the period (2004 - 2008) %	-16.04	-	24.25	-
2009	60,715,499	7.35	131,632,210	-16.92
2010	61,424,816	1.16	163,104,740	23.90
2011	60,282,889	-1.85	218,617,834	34.03
2012	57,634,643	-4.39	255,727,068	16.97



2013	54,163,847	-6.02	274,745,875	7.43
Compound growth rate for the period (2009 - 2013) %	-2.25	-	15.85	-
2014	59,014,387	8.95	267,262,787	-2.72
2015	80,317,579	36.09	196,203,013	-26.58
2016	93,901,137	16.91	198,774,370	1.31
Compound growth rate for the period (2014 - 2016) %	16.74	-	-9.39	-
2017	93,876,108	-0.02	224,636,322	13.01
2018	87,010,778	-7.31	272,083,889	21.12
2019	81,746,408	-6.05	279,757,642	2.82
2020	106,634,261	30.44	217,413,593	-22.28
2021	112,132,394	5.15	302,691,912	39.22
Compound growth rate for the period (2017 - 2021) %	3.61	-	6.14	-
Compound growth rate for the period (2004 - 2021) %	-3.72	-	10.10	-

Source: Table prepared by the researcher based on data from the Ministry of Finance and Public Debt Department.

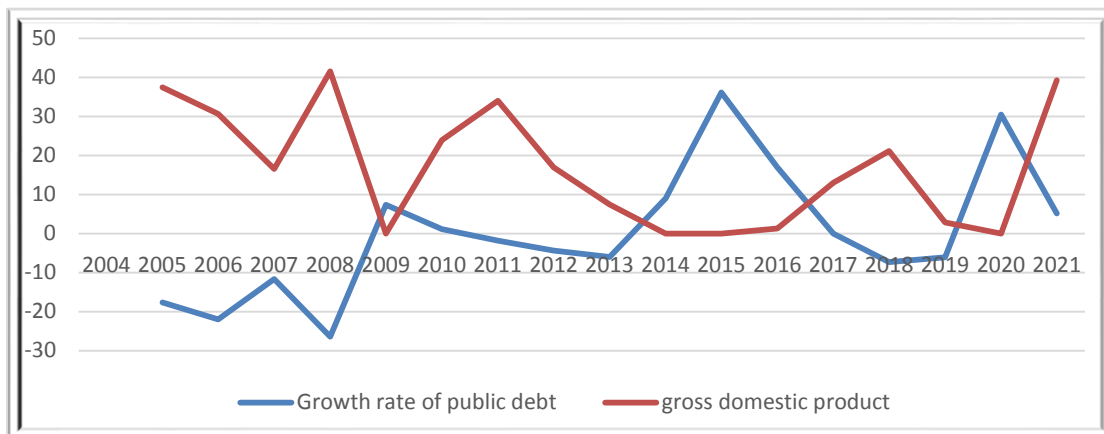


Figure 4 : Evolution of the growth rates of Iraq's GDP and public debt for the period (2004 - 2021)

### 3. Discuss of Results:

By analyzing the relationship between the indicators of the Iraqi economy and the gross domestic product during the period from 2004-2021, which witnessed the Iraqi economy being affected by the financial crisis in 2008 (the mortgage crisis) and the financial crisis in 2014, as well as the health crisis (Covid-19), since its effects were financial, it was found that the crises Global finance affects the prices of crude oil, as it leads to a decrease in its prices because of the decrease in demand for it due to the economic recession and the slowdown in global growth that accompanies financial crises, and because of the Iraqi economy's dependence on crude oil to finance its general budget and its growth rates, these crises negatively affect economic growth. Also, if the debts acquired by the state in times of crises are not used efficiently, that is, in accordance with the golden rule, these funds will negatively affect economic growth. Therefore,

it is necessary to work to reduce the severity of the link between GDP and oil revenues, which reflects the weak structure of GDP in the Iraqi economy. This is done by establishing a long-term mechanism that gradually works to develop non-oil productive industries, especially agriculture, industry, and services.

#### **4. Conclusion:**

1. The recurrence of financial crises, their expansion, and the speed of their transmission are among the matters of controversy and attention due to the resulting significant, comprehensive, and unexpected economic damages that are not limited only to the financial sector but extend to the rest of the sectors and result in high economic and social costs that are not limited to Not only the country of the crisis but also other countries whose financial markets may not be directly linked to the financial market of the country in which the crisis occurred, as is the case in Iraq.
2. The dominance of commodity sectors in the composition of the gross domestic product is, to a considerable extent, compared to the service and distribution sectors. This dominance is mainly due to what the oil sector contributes to those commodity sectors.
3. Economic growth rates witnessed a noticeable increase, especially after 2003, due to the political and economic changes in Iraq and the increase in oil prices, which positively reflected the GDP. Despite the decline in the GDP growth rate in some years, it achieved high growth rates.
4. Financial crises affect all countries without exception. However, their effects differ from country to country, and the degree of economic openness largely determines the damage that befalls countries.

#### **Authors Declaration:**

Conflicts of Interest: None

-We Hereby Confirm That All The Figures and Tables In The Manuscript Are Mine and Ours. Besides, The Figures and Images, Which are Not Mine, Have Been Permitted Republication and Attached to The Manuscript.

- Ethical Clearance: The Research Was Approved By The Local Ethical Committee in The University.

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## الازمات المالية الخارجية ودورها في تقلب النمو الاقتصادي في العراق للمدة (2004-2021)

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### مستخلص البحث:

تعد الأزمات المالية ظاهرة مثيرة للقلق والاهتمام، كون إن أثارها السلبية كانت حادة وخطيرة هددت الاستقرار العالمي، فضلاً عن اتساع نطاق هذه الأزمات إلى البلدان النامية والمتقدمة نتيجة للانفتاح المالي والاقتصادي الذي شهدته هذه البلدان، إذ إن الآثار السلبية للأزمات المالية انعكست على أسعار النفط الخام في الأسواق العالمية، ومن ثم انعكاس هذا الاختلال على النمو الاقتصادي في العراق نتيجة اعتماده على القطاع النفطي. وتمثلت أهم أهداف البحث في التعرف على مدى تأثير الأزمات المالية العالمية على النمو الاقتصادي في العراق، واعتمد البحث على المنهج الاستنباطي وأسلوب التحليل الوصفي وهو المنهج المناسب للوصول إلى هدف البحث ومعرفة أثر الأزمات المالية العالمية على النمو الاقتصادي. إذ انطلق البحث من فرضية مفادها يتأثر النمو الاقتصادي في العراق بالأزمات المالية العالمية من خلال قناة أسعار النفط في الأسواق العالمية. استخدم الباحث بعض مؤشرات الاقتصاد العراقي وهي أسعار النفط والإيرادات العامة والنفقات العامة والدين العام لبيان أثر الأزمات المالية العالمية على هذه المؤشرات وانعكاس هذا التأثير على النمو الاقتصادي في العراق متمثلاً بالنتائج المحلي الاجمالي. كما توصل البحث إلى جملة من النتائج أبرزها تأثر الاقتصاد العراقي بعدد من الأزمات المالية منها أزمة (الرهن العقاري) عام 2009 من خلال انخفاض أسعار النفط الخام في الأسواق العالمية نتيجة الركود الاقتصادي العالمي، والأزمة المالية منذ النصف الثاني لعام 2014، نتيجة انخفاض أسعار النفط الخام بسبب تباطؤ النمو الاقتصادي العالمي، فضلاً عن أزمة (كوفيد 19) نهاية عام 2019 إذ إن أثارها كانت مالية كما رافقها انخفاض في أسعار النفط، أي إن الاقتصاد العراقي يتأثر بشكل مباشر ومفاجئ بالأزمة المالية من خلال الأسواق النفطية نتيجة ريعية الاقتصاد العراقي والذي يعتمد على العوائد النفطية، إذ تشكل نسبة كبيرة في الناتج المحلي الإجمالي.

### نوع البحث: ورقة بحثية<sup>1</sup>

المصطلحات الرئيسية للبحث: الأزمات المالية الخارجية، النمو الاقتصادي، الاقتصاد العراقي.