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The impact of public revenues on economic growth in Iraq for the period 2004-2019*

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***Abstract* :** Iraq is one of the rentier developing countries whose economy depends on the oil sector in a large proportion, about 95% of total public revenues and two-thirds of exports. Therefore, any fluctuation in oil prices will expose the economy to crises and slowdown in performance; in addition to that, Iraq has not been able to build a well-developed financial system able to face crises and economic shocks. Public finance in the Iraqi economy suffers from many problems and great challenges, including the increase in the deficit in the public budget and the increase in the volume of public debt. The only one to achieve sustainable economic growth. In light of the above, this research focused on the financial aspect by studying public revenues in Iraq and their impact on economic growth. Spending and meeting its financial obligations and achieving sustainable economic growth.
Keywords: public revenues, economic growth.

INTRODUCTION: The issue of financial revenue is one of the very important issues in any country as it is the mainstay of any country when it plans for sustainable economic growth, given that these businesses cannot be carried out by the private sector considering that its profit goal is higher than its social goal in addition to the financial capabilities, as the state is characterized by the potential Great financial resources that the private sector may be unable to achieve, as well as the expertise and skills provided by the state, and thus the title of the research was chosen, which is the impact of public revenues on economic growth in Iraq to shed light on achieving economic growth in Iraq and for the purpose of reaching the goal of the research was divided into three sections The first topic included the theoretical framework of public revenues, their sources, types and ways to diversify them, while the second topic analyzed the reality of public revenues in Iraq for the period 2004 to 2019, then reached the most important conclusions and recommendations reached by researchers.

research importance:

The research gains its importance from the great role of public revenues in influencing economic growth rates, especially that Iraq suffers from fluctuations in the volume of public revenues and an increase in the budget deficit as a result of the continuation of global crises and the dependence of the Iraqi economy on the export of crude oil almost completely.

Research problem:

The research problem can be described as follows:

- Can annual public revenues achieve high rates of economic growth in Iraq?
- Is it possible to rely on oil in the future to finance the general budget and thus draw long-term development plans on these revenues?

Research hypothesis:

The research starts from the following main hypothesis:

- Iraq can achieve economic growth rates through the annual financial resources it obtains.
- Diversifying the financial base in Iraq by raising the percentage of non-oil revenues' contribution to the total public revenues and working on the sustainability of this base contributes significantly and effectively to achieving better sustainable economic growth.

search limits:

1- Spatial boundaries: the State of Iraq.
2- Time limits: for the period (2004-2019)

Research Methodology:

The research relied on the analytical method by analyzing the official data published by the competent official authorities, as well as presenting the theoretical aspects of the research topic and then employing them on the Iraqi economy.

The first topic

Theoretical framework for public revenue and economic growth

The first requirement - the theoretical framework of public revenue.

First: the concept of public revenue

Revenue has received several definitions through which the basic concepts of revenue can be deduced. It can be counted as the sum of money obtained by the government to spend on public utilities and projects and to put its financial policy into practice. Or it is a financial tool that is intended for the income group that the state obtains from various sources in order to cover its expenses. public and economic and social balance[1], In other words, public revenues are considered as the sums of money or huge cash that the state uses to meet its public expenditures and achieve multiple and different goals such as tackling inflation or reducing class differences in society and raising their living standards[2]. From its various sources, such as taxes, fees, public and private domains, loans, and others[3], with the aim of satisfying the general needs of society and achieving economic and social balance[4], or it is the total financial resources that can be obtained by the state aiming for development with the aim of doing various things on the one hand, and meeting its needs from the main public expenditures that fall on On the other hand, it does its job. The researcher defines public revenue as the income that the government obtains from multiple sources, usually in cash, in order to cover its public expenditures. As well as becoming a tool of financial policy, which led to the development of the volume of public revenues and the multiplicity of their types[5].

Second: Types of Public Revenues:

The development of the state's role in economic activity was accompanied by the development of its sources in obtaining its revenues, and the increase in the relative importance of some sources. The most common theoretical divisions of public revenue can be reviewed as follows:

1- In terms of its periodicity, regular and exceptional revenues: and by regular revenues, they mean revenues with regular periodic income obtained by countries during a successive period of time, such as taxes, fees and the public domain. Grants, fines, etc.

2- In terms of the state's authority, mandatory revenues and voluntary revenues: they can be distinguished according to the criterion of the element of compulsion and the element of choice. When states use their legal and legislative authority in collection, it is compulsory revenue, such as taxes and fines imposed on violators. As for voluntary revenues when the individuals willing and performing them are not Forced to pay as fees[6].

3- In terms of public economic revenues and sovereign revenues, such as revenues resulting from the ownership of the state and its public investments in its capacity as a person. As for sovereign revenues, the state obtains it because it enjoys the powers and privileges conferred on it by this right of sovereign revenues such as taxes, fees and fines. There are other sources of public revenues obtained by the state, but they are important. Low, such as subsidies and grants provided by countries to other countries as a result of the country's exposure to economic crises or natural disasters[7].

4- In terms of the source (original revenues and derived revenues) the original revenues are those revenues that the state obtains without resorting to individuals and without cutting off part of the funds of individuals by obtaining them from their property, while the derived revenues are those obtained by the state By deducting them for part of the money of individuals in one way or another, such as taxes or fines[8].

Third: The public revenue sources are divided into:

1. The state's revenues from its property (the domain): The term domain means state property, regardless of its nature, real or movable, and its type of public or private ownership. The provisions of the public law, and they are intended for the public benefit, and the state does not usually receive a price from individuals for their use of this money. As for

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2 - Ali Thajeel Yousef Al-Tamimi: Analysis of the impact of fluctuations in crude oil prices in the international market on public revenues in the Iraqi economy for the period (2003 - 2015), Lark Journal of Philosophy, Linguistics and Social Sciences, Issue 34, Volume 1-7, 2019, p. 24.

3 - Rania Mahmoud Emara, Public Finance - Public Revenue, 1st floor, Cairo, Center for Arab Studies for Publishing and Distribution, 2015, p. 18.

4 - Ali Youssef Abdullah Mahmoud: The importance of reforming the tax system and its role in public revenues in Iraq for the period (2004-2016), Anbar University Journal for Administrative and Economic Sciences, Volume 11, Issue 26, 2019, p. 175.

5 - Ahmed Omar Al-Rawi: Analytical Insights for the Iraqi Economic Situation after 2014, Dr. Dar Al Uloom, Baghdad 2019, p. 65.

6 - Muhammad Khair Al-Akkam: Public Finance (Revenues and Expenditures), Syrian Virtual University Publications, 2018, p. 110.

7 - Saud Jiyad Mashkour, A Contemporary Introduction to Public Finance, University of Al-Muthanna, an e-book available at Research Gate, 2020, p. 51.

8 - Serry Abu Al-Aal, Public Finance and Tax Legislation, Alexandria, Dar Al Uloom for Publishing and Distribution, 2003, p. 15.

the revenue in the private domain, it is the money owned by the state or its global bodies as private property and subject to the provisions of private law in general, and can be disposed of by sale , It can also be owned by a long-term limitation by individuals[9].

2. Taxes: They are one of the basic resources on which the government depends in financing its public expenditures, and that the nature and objectives of taxes have evolved through the development of political, economic and social systems[10]. The tax can be defined as a sum of money that the public authority deducts from individuals forcibly and permanently without direct consideration, in order to achieve The goals of society, and the use of taxes is the most used method by the state at the present time and modern financial thought. The taxes are divided into the following:

2-1 - Direct taxes: These are taxes that are paid directly by individuals and companies to the government. This type of tax is based on the principle of ability to pay, as the person who has a higher amount of resources (more salary or more profits) is charged with a higher percentage of taxes. In ascending proportions according to the income brackets, the value of the property, or the size of the profits in order to achieve social justice[11], in addition to the fact that its outcome is stable because it is imposed on relatively stable sources such as wealth or income funds.

2-2 - Indirect taxes: Indirect taxes are defined as taxes that individuals and companies do not pay directly to the government, but are imposed on the production and sale of goods and services, and their burden can be transferred from one person to another. The taxpayer feels it, reduces the chances of tax evasion if it is managed properly[12].

3. Fees: It is a sum of money that an individual pays to the government or one of its agencies in exchange for a specific service of public benefit that it performs for him and based on his request. And that the amount that is paid as a fee corresponds to the value of the service provided, meaning that the amount of the fee aims to cover the expense of the service provided[13], and this service should be of public benefit, not profit. .

4. Licensing: It is cash that the government takes from individuals in exchange for what allows them to benefit from carrying out a specific activity. The licensing does not depend on providing a service of limited kind to individuals, as is the case with fees[14]. It includes allowing advantages or benefiting from carrying out an activity. A specific service for that beneficiary. From the above it is clear that the sovereign revenues represented in taxes and fees and the net surplus generated by the state's economic activity are considered among the most important resources for financing public expenditures.

5. Fines: the state imposes fines as a form of punishment on those who commit violations without taking into account financial purposes such as traffic violations, even if they ended up becoming a financial resource for the state. But the state does not depend on it as one of the original resources because its proceeds depend on the number of fines that cannot be predicted during the year. Therefore, its importance is not compared to the importance of taxes, fees and state property revenues.

6. Public loans: A public loan is a debt contract under which the state borrows sums of money from individuals, banks, or local or international bodies, with a pledge to repay the loan and its interests to creditors on the date specified for repayment in accordance with the terms of the contract, and the pledge to fulfill the loan is the main characteristic that distinguishes it. The loan differs from the revenues of the other state, as it is found on a contractual basis between the government and the lenders, so it differs from the tax, because the tax revenues enter the public treasury and are not returned to the payer, while the loan revenues enter the public treasury as a debt and the states undertake to return them with the interest within a specified period, and the loan has a set Among the most important characteristics, the public loan is a sum of money, the public loan is paid to the state, the public loan is made under a contract, the public loan is paid by a person of public or private law. Public loans can be divided into several sections according to the angle from which these loans are viewed. In terms of the source of the loan, internal loans can be distinguished from

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13 - Oyewo, Michael, "Taxation and Tax Policy as government strategy tools for Economics development in Nigeria," Journal of Business and Management, Vol. 13, No.5 (September)،2013, PP. 34

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external loans, and in terms of the freedom to subscribe to the loan, we can differentiate between compulsory loans and optional loans, and in terms of the loan, we find permanent loans and loans consumable[15].

7. The new monetary issuance: Many developing countries resort to issuing new legal money for the purpose of financing their public expenditures, especially current ones, and it is one of the difficult options that governments resort to because of its danger to the national economy, including the decline or deterioration of the value of the national currency[16].

The Second Requirement: The Concept and Methods of Measuring Economic Growth.

First - the Concept of Economic Growth.

There are several concepts and definitions about economic growth and it can be defined as the ability of the national economy to produce goods and services in proportion to or meet the needs of society and achieve material well-being through the expansion of economic production capacity and an increase in the gross national product or gross domestic product[17], and also what is meant by economic growth is the high flow of economic growth. economic productivity in a particular country; Through the rise in the production of goods and services in a specific period of time, excluding the effects of economic inflation, and economic growth increases the profits of companies through the increase in the value of their financial shares, which in turn leads to an increase in their investments, and an increase in their demand for labor, which contributes to reducing unemployment rates. raising the average income of individuals and improving their standard of living; Which leads to an increase in the demand of individuals for goods and services, and therefore the increase in spending by individuals, leads economic growth to higher levels, and economic growth can be defined in another way, which is to focus on the change in the amount that an individual obtains from goods and services on average, without It is concerned with the structure of real income distribution among individuals, or the quality of goods and services provided, i.e. economic growth aims to increase investment in capital, develop production, and work to achieve the optimal use of available economic resources, and through enhancing production processes and putting forward purposeful ideas that will fuel growth and raise income level[18].

Second: Methods of Measuring Economic Growth.

For the purpose of measuring and knowing the rates of economic growth in any country, there are several approved metrics that accurately express economic growth, including the size of the gross domestic product, national product, and others. Gross domestic product as a main and approved indicator for determining the rate of economic growth, as shown below:

1- Gross Domestic Product (GDP)

Gross domestic product means the value of the final product of all goods and services produced within the borders of the country in one year[19]. The final product here represents the final goods consisting of consumer goods, and investment goods that can be used more than once in the production process, and GDP does not include physical goods only, but includes Services also, such as educational and professional health services, transportation and services are part of GDP, like other goods. Services may sometimes reach 45% of all consumers' spending. It is also worth noting an important point regarding the volume of final produced goods, as it depends on the volume of intermediate goods used in production. (not fully manufactured and used as raw materials in the production process, such as flour, crude oil...etc, from different commodities) and the difference between them (between intermediate and final commodities) is called the added value[20].

The Second Topic

Analyzing the Reality of Public Revenues and Economic Growth in Iraq

The First Requirement - Analysis of the Reality of Public Revenues in Iraq.

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16 - Mai Mahrazi, a previous source, p. 73.

17 - Wallace Peterson, Income, Employment and Economic Growth, translated by Salah Dabbagh, Part Two, Al-Asriyya Library, Beirut, 1968, p. 316.

18 - Michael Abdigman, Macroeconomics ((Theory and Politics)), translated by Muhammad Ibrahim Mansour, Al-Marikh Publishing House, Saudi Arabia, 1999, p. 455.

19 - Tayana-p-Soubbotina ,Katherine A.sheram, Beyond economic growth ((An Introduction to Sustainable Development)), Second Edition The World Bank, Washington D.C ,2004, P 12.

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First: Analysis of Direct and Indirect tax Revenues in Iraq.

The tax revenue structure in Iraq after 2004 consists of two types of taxes: direct taxes and indirect taxes. It turns out that the Iraqi economy did not give the tax system sufficient attention during the research period, as a result of the Iraqi economy's dependence on oil revenues to a high degree. Table (1) that during the years 2004 and 2005, the indirect taxes amounted to about (127116.7) million dinars in 2004, while in 2005 the indirect taxes recorded (290794) million dinars, and this exceeds the direct taxes, meaning that the percentage of indirect taxes for the year 2004) 63.34%), while the percentage of direct taxes out of the total taxes was (36.63%), and this is due to the tax exemptions granted by Law No. 37 of 2003 and Law No. 49 of 2004, and this indicates an imbalance in the tax structure. Revenues direct tax to a high degree compared with indirect taxes, as we note through the table referred to that in 2007, direct taxes were recorded (438951.6) million dinars, while indirect taxes were recorded (208949).) As the percentage of direct taxes out of the total taxes was (67.74%), and this exceeds the percentage of indirect taxes out of the total taxes amounting to (32.25%). Therefore, we find that the proceeds of tax revenues have increased, especially direct taxes, due to the application of the direct deduction system to the income tax starting From the year 2007, and this is a good indicator of the tax structure after indirect taxes were dominant over the proceeds of tax revenues, where we note after that that the proceeds of tax revenues increased in general as a result of improving the role of the private sector and increasing commercial transactions, and this led to an improvement in the level of income and capital Funds for individuals and companies, including them, in turn reflected on the revenues of direct taxes. In 2009, we find that direct taxes amounted to (620723.5) million dinars, and the percentage of direct taxes out of the total taxes was (52.63%), meaning a percentage decreased compared to previous years, and the percentage of indirect taxes reached out of the total taxes About (47.36%), i.e. an increase in the indirect tax compared to 2007, and this is a decrease in the proceeds of tax revenues as a result of the suspension and disruption of many industries due to the The country was presented to him, as well as as a result of the financial crisis that occurred in the global economy, which led to the disruption of many investments, as well as the decrease in interest in local production and dependence on oil revenues and imported goods to a high degree, in addition to the low percentage of customs duties, which also had a negative impact on local industries[21], In 2014, direct taxes increased compared to indirect taxes, and the percentage of direct taxes out of the total taxes was recorded (72.97%), while the indirect taxes amounted to 27.02% of the total taxes, as a result of the decline in oil revenues and the control of ISIS terrorist gangs over some areas in Iraq, which This led to a budget deficit, which led the government authority to follow a deflationary policy, i.e. reducing government spending and increasing taxes on income, which led to an increase in direct taxes. In 2019, the proportion of direct taxes out of total taxes was (60.65%), while indirect taxes amounted to total taxes (39.34%) and we conclude from this that a decrease in the proceeds of tax revenues as a result of the suspension and disruption of many industries due to the spread of administrative and financial corruption in The country led to the disruption of many investments, as well as the decrease in interest in local production and dependence on oil revenues and imported goods to a high degree, in addition to the low percentage of customs duties, which also had a negative impact on local industries.

Table (1)The development of direct and indirect taxes in Iraq for the period (2004-2019) million dinars

Details / Year	direct tax	Indirect taxes	total taxes	Ratio of indirect taxes to total taxes	ratio of taxes directly to the total taxes
2004	73567.3	127116.7	200684	63.34	36.65
2005	174623.4	290794	465417.4	62.48	37.51
2006	30661	502528.3	533189.3	94.241	5.75
2007	438951.6	208949	647900.6	32.25	67.74
2008	578791	360054	938845	38.35	61.64
2009	620723.5	558481.5	1179205	47.36	52.63
2010	654134	433071	1087205	39.83	60.162
2011	844482.3	453095.7	1297578	34.91	65.08
2012	1121752	536786	1658538	32.36	67.63

[21] - Haitham Abdul-Qader Al-Janabi, Maysam Sabri Abd, Analysis of the Relationship between Inflation and Tax Proceeds in Iraq for the period 1990-2010, Accounting and Financial Journal, Volume IX, Issue 28, 2014, 295-297.

2013	1330405	617215	1947620	31.69	68.3
2014	1463998	542300	2006298	27.02	72.97
2015	1592410	396358	1988768	19.92	80.07
2016	2358502	632384	2990886	21.14	78.85
2017	2857235	1764507	4621742	38.17	61.82
2018	2904452	2261109	5165561	43.77	56.23
2019	542300	2492352	6334160	39.34	60.65

Source: Republic of Iraq, Ministry of Finance, General Tax Authority, Planning and Follow-up Department, separate years.

Second: - Analysis of Oil and Non-Oil Revenues in Iraq.

Oil revenues in Iraq constitute a large part of public revenues, since Iraq is a unilateral rentier country[22], and oil is one of the most important pillars of the Iraqi economy as it is a source of productive resources that contribute to the development of other economic sectors, in addition to the fact that fluctuations in oil prices are one of the most important factors affecting the financial conditions in Iraq[23]. International markets represent a challenge facing most oil-producing countries due to the link between development plans and oil revenue flows, as fluctuations in crude oil prices are governed by external factors that raise accumulated financial deficits[24]. We note through Table (2) oil revenues amounted to 326,27203 million dinars in 2004 and this led to a rise The proportion of oil revenues out of public revenues, i.e., amounted to (98.92%) and this is a result of lifting the embargo and international sanctions on Iraq, in addition to the rise in oil exports and oil prices. The shareholding percentage remained high until 2014, amounting to (92.1%), while it decreased to (70.73% - 89.7%) from 2015 to 2018, and this is the result of the control of gangs terrorist attacks on some Iraqi regions, and the global financial crisis in 2016, but in 2019, the proportion of the contribution of oil revenues from public revenues reached 92.23%, and this is a result of the increase in oil prices, then oil prices began to recover as a result of the policies taken by OPEC, as well as the recovery of global demand for oil[25].

As for the non-oil revenues in 2004 (312759) million dinars, while the percentage of the contribution of non-oil revenues from public revenues was (0.95%), which is a very small percentage. In 2007, it amounted to (2363459.6), while the percentage of the contribution of non-oil revenues from public revenues reached (4.32%), due to reasons including, the great waste of economic resources as a result of bad political and economic conditions and the absence of internal security in most of the country, as well as the abandonment of the rural population to the profession of agriculture And work in state institutions, especially military ones, because they obtain income higher than agricultural income, whose revenues often do not cover the cost of production as a result of Iraq's openness to the outside world and allowing it to import and export, which made citizens reluctance to buy high-priced local goods when compared to alternative foreign goods and competition that The Iraqi market was flooded with low-quality, low-priced goods, which led to the decline and loss of local production and its destruction. After that, it rose and recorded (24696,578) million dinars in 2010, but in 2014, the percentage of its contribution from public revenues was (2.12%), and this is the result of the internal shock that a country was subjected to, which is the control of terrorist gangs over some areas and the emigration of families, but in 2016 as a result The increase in total taxes, the contribution of non-oil revenues to public revenues amounted to (25.32%), but in 2019 the percentage of non-oil revenues to public revenues reached (10.99%).

Table (2)The ratio of the contribution of oil and non-oil revenues to the general revenues in Iraq For the period 2004-2019 (million dinars)

Details / Year	general revenue	total tax	Other income	Non-oil revenue (N.O)	oil revenue	Ratio of oil revenues to public ‹revenues %	Revenue percentage of (N.O) public ‹revenues %

[22] - Nabil Jaafar Al-Marsoumi, The Oil Economy, Arab Heritage Revival House, 2011, p. 45.

23 - Abdul Ali Kazem Al-Mamouri and Malik Daham Al-Jumaili, Oil and the Occupation in Iraq, 1st Edition, Hammurabi Center for Research and Strategic Studies, Baghdad, 2011, p. 236.

24 - Ahmed Omar Al-Rawi, Policies Required to Achieve Financial Sustainability in Iraq and Reducing the Effects of Public Debt, previous source, pg 4.

25 - Ahmed Omar Al-Rawi, Policies Required to Achieve Financial Sustainability in Iraq and Reducing the Effects of Public Debt, previous source, pg 4.

2004	32982739	200684	112075	312759	32627203	98.92	0.95
2005	40502890	465417.4	6070078	6535495.4	39480069	97.47	16.13
2006	49055545	533189.3	2171481	2704670.3	46534310	94.86	5.51
2007	54599451	647900.6	1715559	2363459.6	51701300	94.69	4.32
2008	80252182	938845	4293146	5231991	75358291	93.9	6.51
2009	55209353	1179205	227926	1407131	48871708	88.52	2.55
2010	70178223	1087205	2220963	3308168	66819670	95.21	4.71
2011	108807390	1297578	6726607	8024185	98090214	90.15	7.37
2012	119817222	1658538	23038040	24696578	116597076	97.31	20.61
2013	113840076	1947620	19987777	21935397	110677542	97.22	19.26
2014	105364301	2006298	232502	2238800	97072410	92.13	2.12
2015	72546345	1988768	14875239	16864007	51312621	70.73	23.24
2016	53413446	2990886	10535786	13526672	44267060	82.88	25.32
2017	77335955	4621742	5614833	10236575	65155570	84.25	13.237
2018	106569834	5165561	917714	6083275	95619121	89.72	5.71
2019	107,566,995	6334160	5494417	11828577	99216318	92.23	10.99

Source: Central Bank of Iraq General Directorate of Statistics and Research Statistical bulletins for different years.

Third: Analyzing the Ratio of Oil and Non-Oil Revenues to Iraq's gross domestic product.

Oil revenues represent one of the most important financial revenues that Iraq obtains in return for its oil exports, as previously mentioned, and the volume of these revenues depends on international prices and specific production quantities, as revenues rise with higher production and prices and vice versa, and given that Iraq is almost completely dependent on revenues It is considered one of the drawbacks of the Iraqi economy, and therefore it was not able to get out of the various economic problems and it is difficult to correct its financial policy and implement development plans, and from table (3) we note that the volume of oil revenues was high in 2004 due to This caused the lifting of economic sanctions on Iraq and allowing it to export crude oil to the world, which led to raising the contribution rate of oil revenues to 62% in 2004, and remained high until 2008, when the world was exposed to an economic crisis that led to a drop in crude oil prices, which affected directly on the volume of financial revenues in Iraq, and therefore the proportion of the contribution of oil revenues decreased to 42% in 2009, and after the global financial crisis, Iraq took the initiative to improve the economy The Iraqi economy and the adoption of diversification in the economy as a basic and sustainable source for financing the general budget, so the size and percentage of the contribution of non-oil revenues increased from 38% in 2004 to 58% in 2009, which is a good percentage and an important development in the Iraqi economy, but it quickly decreased to 50% in 2011, due to the return of oil prices to the rise, and Iraq achieved financial revenues dependent on oil, but of course and the correlation of oil prices with fluctuations in demand and supply globally, the selling price decreased in 2014, which led to a decrease in the volume of oil revenues to 40%, with Re-attention to economic diversification in a serious manner and follow-up and attention by the government, so it achieved 60% for the same year, while it rose to 74% in 2016, then returned to decline to 60% in 2019, as a result of the improvement in oil prices again and the lax application and follow-up to diversify the economy, but In general, the change from 2004 to 2019 is a big and noteworthy change, and Iraq has made important steps in it, but the government still has many tasks to reach the goals and achieve development and economic well-being.

Table (3)The ratio of the contribution of oil and non-oil revenues to the gross domestic product in Iraq For the period 2004-2019 (million dinars)

Details / Year	gross domestic product GDP	Contribution of oil %revenues to GDP	Contribution of non-oil % revenues to GDP	total ratio
2004	53235358.7	0.62	0.38	100
2005	73533598.6	0.55	0.45	100
2006	95587954.8	0.51	0.49	100

2007	111455813.4	0.49	0.51	100
2008	157026061.6	0.51	0.49	100
2009	130643200.4	0.42	0.58	100
2010	162064565.5	0.43	0.57	100
2011	217327107.4	0.5	0.5	100
2012	254225490.7	0.47	0.53	100
2013	273587529.2	0.42	0.58	100
2014	266420384.5	0.4	0.6	100
2015	199715699.9	0.36	0.64	100
2016	203869832.2	0.26	0.74	100
2017	225995179.1	0.34	0.66	100
2018	251064479.9	0.42	0.58	100
2019	266190571.3	0.4	5494417	100

Source: Central Bank, General Directorate of Statistics and Research, various bulletins for several years.

Fourth: Analysis of Public Revenues and Public Expenditures in Iraq:

The public budget in Iraq suffers from a chronic structural defect represented in the aspects of the state's general budget, public expenditures and public revenues as a result of the accumulation of current spending and its increase year after year as a result of wrong decisions resulting from political and economic conditions, as well as its important role in the gross domestic product through the extent of the government's ability to Employing financial resources on the one hand[26], and the extent of their capabilities in financing public expenditures on the other hand, and for that, focus has been made in this field on some financial indicators to reach those facts in order to identify the role that this tool plays as one of the financial policy tools[27], we note through Table (4) The increase in the volume of public revenues as a result of the lifting of the economic sanctions that were imposed on Iraq before 2003[28], as their volume in Iraq in 2004 amounted to (32982739) million Iraqi dinars, and this is close to the volume of public expenditures, which amounted to (32117491) million dinars in 2004, which led to Achieving a surplus in the financial budget, which amounted to 865248 million dinars in 2004, and the surplus percentage of the gross domestic product was (1.63%), as the revenues were generated from the source and The limit is oil in light of the decline in other revenues because Iraq is a unilateral foreign rentier country, and the surplus continued to be achieved in the financial budget in 2006, as it amounted to about 10248866 million dinars. By (10.72%), but in 2008, both public revenues increased, which amounted to (80252182) and public expenditures amounted to (59403375), and a surplus in the financial budget reached 20848807 million dinars, and the surplus percentage of GDP reached (13.28%)[29]. After that, the public revenues, which recorded (70178223) million dinars, and public expenditures amounted to (70134201) million dinars, and this achieved a surplus of (44022) and the surplus percentage of the domestic product reached (0.03%) in 2010 and this is a result Increasing oil revenues, after that, public revenues began to rise gradually, ie, public revenues amounted to (113840076) million dinars in 2013. As for public expenditures, they increased more than public revenues, and public expenditures amounted to (119127555) million dinars. And this is an increase in expenditures as a result of the increase in the volume of military spending and the deterioration of the security situation, which led to a deficit of -5287,479, meaning that the deficit percentage of GDP reached -1.93. Public revenues in 2016 (53413446) million dinars. This decline in public revenues came as a result of the Iraqi economy's exposure to crises in 2014, the most serious of which was the sharp drop in oil prices, which is the main source of state revenues (external shock), and an increase in public expenditures, especially military and security expenditures directed to defend what Iraq has been subjected to from the assault on its lands by criminal terrorist gangs, as well as directing part of those expenses to

[26] - Mahdi Suhair Al-Jubouri, Salam Kazem Al-Fatlawi, The General Budget and the Structure of the Gross Domestic Product, I 1, Dar Al-Ayyam for Publishing and Distribution, Amman, 2018, pg. 137.

27 - The United Nations Economic and Social Commission for Western Asia, Iraq and the Region after the War, Issues of Economic and Social Reconstruction, 2nd Edition, Center for Arab Unity Studies, Beirut, 2005, p. 26.

28 - Atef William Androuas, The Public Financial Economy in the Light of Contemporary Economic Transformations, Dar Al-Fikr Al-Jamii, 2nd Edition, 2010, pp. 182-183.

29 - Central Bank of Iraq, Annual Economic Report, Department of Statistics and Research, 2008, pp. 77-79.

support the displaced and displaced[30]. Public expenditures amounted to (73571003) million dinars, and the amount of the deficit amounted to (20157557) and the percentage of the deficit of the GDP amounted to (-9.89), and in 2019 the public revenues amounted to (107,566,995), while the public expenditures amounted to (111,723,523) and the amount of the deficit amounted to -4,156,528 and the percentage of Deficit of GDP by (-1.56)[31].

Table (4)Gross domestic product, revenues and public expenditures in Iraq for the period (2004-2019) million dinars

Details / Year	gross domestic product GDP	general revenue	Public Expenditures	surplus or deficit	Deficit or surplus %to GDP
2004	53235358.7	32982739	32117491	865248	1.63
2005	73533598.6	40502890	26375175	14127715	19.21
2006	95587954.8	49055545	38806679	10248866	10.72
2007	111455813.4	54599451	39031232	15568219	13.97
2008	157026061.6	80252182	59403375	20848807	13.28
2009	130643200.4	55209353	52567025	2642328	2.02
2010	162064565.5	70178223	70134201	44022	0.03
2011	217327107.4	108807390	78757668	30049722	13.83
2012	254225490.7	119817222	105139572	14677650	5.77
2013	273587529.2	113840076	119127555	-5287479	-1.93
2014	266420384.5	105364301	115937762	-10573461	-3.97
2015	199715699.9	72546345	82813611	-10267266	-5.14
2016	203869832.2	53413446	73571003	-20157557	-9.89
2017	225995179.1	77335955	75490115	1845840	0.82
2018	251064479.9	106569834	80873189	25696645	10.24
2019	266190571.3	107,566,995	111723523	-4156528	-1.56

Source: Central Bank of Iraq Statistical Bulletin for different years 2004-2019.

The second requirement - analysis of the reality of economic growth and its most important measures in Iraq.

As previously mentioned, the gross domestic product is one of the most important indicators for measuring the economic performance of the country, and the most comprehensive criteria for showing the country's total production of all goods and services, and the Iraqi economy has been suffering for many years from deep imbalances in it, because of its heavy dependence on the oil sector, and this made it more exposed to the world The external and its inability to rely on itself, and we note through table (4) the rates of growth of output at constant and current prices are volatile as a result of the political and security economic conditions that Iraq is going through during the research period (2004-2019). The growth rate of GDP at constant prices has increased from 1.67% in 2005 to 8.22% in 2008. As for the growth rates of GDP at current prices, it varied between high and low, from 38.12% in 2005 to 40.88% in 2008, as a result of the conditions that the country is going through, although the economic sectors continued to suffer from deterioration as a result of the tense security situation In the years from 2004 to 2007, the reason for the increase in oil prices and the quantities of oil exported was due to that, after that, the growth rate of GDP at constant prices decreased by 3.4% in 2009, but the growth rate of Current prices, it was recorded in negative 16.80 - and this is the result of the impact of the repercussions of the global financial crisis, which caused the decline in oil prices and consequently the decline in its returns. The constant as a result of oil revenues and then began to decline until it reached 0.27% growth in 2014. As for the growth rate of GDP at current prices, it was negative and recorded -2.61%

30 - Central Bank of Iraq, Annual Economic Report, Department of Statistics and Research, 2008, pp. 77-79.

31 - Mahdi Sahar al-Jubouri and Salam Kazem al-Fatlawi, previous source, pg. 137.

as a result of the decline in oil prices as well as the deteriorating economic conditions that the country experienced due to the war on terrorism and the increase in military expenditures, and The exacerbation of the crisis of the displaced from the governorates controlled by terrorist gangs, which damaged the non-oil economy by destroying infrastructure and assets, disrupting the commercial movement and deteriorating investor confidence, either from 2013 to 2019 until after 2014 witnessed a development in the output at fixed prices, as the growth rate in prices reached The growth rate at current prices recorded 74.21%, and in 2019 due to the decline in the inflation rate and the increase in the quantities of oil exported, it reached 4 million barrels after If it was (3) million barrels in 2015 and the economic growth reached a good rise due to the rise in oil prices, the price of a barrel became (65.98) dollars in 2019 compared to (36) in 2016[32].

table(5)The evolution of economic growth rates in Iraq for the period (2004-2019) million dinars

Details / Year	gross domestic product GDP	GDP at constant prices	Economic growth at current prices	Economic growth at constant prices
2004	53235358.7	1018452624	----	----
2005	73533598.6	1035514034	38.12	1.67
2006	95587954.8	1093899413	29.99	5.63
2007	111455813.4	1114558134	16.60	1.89
2008	157026061.6	1206265171	40.88	8.2
2009	130643200.4	1247028479	-16.80	43.
2010	162064565.5	1326870286	24.05	6.4
2011	217327107.4	1427002170	34.09	7.5
2012	254225490.7	1625875331	16.977	13.9
2013	273587529.2	1749901750	7.616	7.6
2014	266420384.5	1753353996	-2.61	270.
2015	199715699.9	1823311541	-25.03	3.9
2016	203869832.2	1937444456	2.08	6.2
2017	225995179.1	201528215	10.85	-89.5
2018	251064479.9	25130066.9	11.09	-87.53
2019	266190571.3	211789774.7	6.02	74.21

Source: Central Bank of Iraq, Directorate General of Statistics and Research, Statistical Bulletin for multiple years.

Through the foregoing, we find that Iraq can achieve economic growth by relying on the achieved financial revenues, but the main problem in the Iraqi economy lies in the structural imbalance, which stands in the forefront of the natural renter nature of the Iraqi economy and the decline of local production capacity represented by the decline of industrial and agricultural activities, and this has led to a shortage of The aggregate supply was unable to catch up with the level of demand for the whole, which led to the opening of a wide import channel, which shows the weakness of the Iraqi economy towards external shocks, as well as the Iraqi economy's dependence largely on oil revenues, which represent the main source of state revenues and the formation of the domestic product. The oil sector represents 80% of the output and this means the weakness of other economic sectors[33].

The third topic

[32] - Central Bank of Iraq, General Directorate of Statistics and Research, Annual Economic Report, 2017, p. 10

[33] - Central Bank of Iraq, Department of Statistics and Research, Journal of Monetary and Financial Studies, 2017, p. 135.

Conclusions and Recommendations

The researchers reached a set of conclusions and recommendations, which can be summarized below:

First - the conclusions:

1. Economic growth depends on the state's public revenues, mainly because it requires large capital and long-term plans, which the private sector cannot achieve.
2. The researchers came to the conclusion that Iraq suffers from a concentration in the source of its financial revenues, and a lack of dependence on other types of revenues, as it consists almost completely of the proceeds from the sale of oil.
3. The difficulty of linking the achievement of economic growth in Iraq to the current financial revenues, as they are completely dependent on oil and therefore affected by external conditions, which may hinder or stop the achievement of economic growth in Iraq.
4. The Iraqi economy does not depend on different types of revenues to feed the general budget, and thus it is a structural distortion in the budget as it does not depend on the most important resource, which is taxes.
5. The collection of taxes in Iraq of all kinds needs to be reorganized, restructured and enacted new laws in line with the changes that have occurred in the Iraqi environment.

Second - Recommendations:

Through the conclusions that were presented, we can make the following recommendations:

1. The necessity of achieving sustainable economic growth in Iraq in view of what it suffers from the suspension of various economic and service projects, the deterioration of infrastructure and the rapid deterioration of what is available from them.
2. The necessity of diversifying the annual financial revenues and not relying on the oil resource mainly because it is a depleted resource first, and that the countries of the world are moving towards alternative energy and fossil fuels, which may reduce the demand for it globally in the coming years.
3. Attention should be paid to tax revenues and their diversity as they are important financial resources and that all countries of the world depend on taxes to finance their projects and achieve their economic growth.
4. It is very important to enact appropriate and appropriate laws for all to ensure the achievement of financial revenues for the government and at the same time ensure the achievement of societal justice among members of society.

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