Planning Oil Revenues and Their Role in Economic Growth in Iraq

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ABSTRACT

Planning is an important means that contributes to achieving economic growth by raising the contribution of the non-oil productive sectors to the gross domestic product, as planning has become an urgent necessity, especially for oil economies that suffer from a weak production base due to the heavy dependence on oil, which is a depleted resource and is characterized by many fluctuations in Its prices in the world oil markets. Given that Iraq is one of the economies that the oil sector dominated its gross domestic product and affected its economic performance, despite its possession of many natural capabilities, human resources and various economic components. Therefore, an effective planning policy must be adopted to use this product and diversify the production base in order to achieve economic growth and stand up to external shocks.

Keywords: *planning, oil revenues, economic growth*

INTRODUCTION

Oil wealth is the lifeblood and mainstay of the Iraqi economy, and any prospects for achieving growth and diversifying the economic structure must be through the gateway to the oil sector, through the huge financial surpluses provided by the oil sector, which is the main source of financing for economic and social development projects in Iraq. The oil sector has played a major role in determining the course and nature of development since its discovery until the present time.

Despite the magnitude of these revenues, they did not achieve any sustainable economic and social development, as a result of the misallocation and exploitation of those revenues, which negatively affected the Iraqi economy and made it hostage to external changes in crude oil prices. Therefore, the use of oil revenues to finance development programs and plans becomes It is a natural matter, and the matter does not stop at the development need for oil revenues, but rather goes beyond that to the nature of oil wealth as it is a depleting source. This issue of depletion necessitates investing oil revenues to establish a broad and developed economic base with diverse sources of income capable of financing the need for self-sustainable growth after the depletion of oil, to make this exploitation fruitful and rational to the extent that oil is exchanged for sustainable development.

Therefore, these huge revenues need a deliberate and directed economic planning in a way that achieves the optimal exploitation of these resources in order to achieve sustainable development and guarantee the rights of future generations, and to strive to achieve diversification of the economic structure, and to get rid of the economic dependence resulting from the effects of price shocks on crude oil.

Research Issue

Despite the huge Iraqi oil revenues, the misuse of these revenues reinforced the unilateralism of the Iraqi economy and its impact on external shocks instead of achieving sustainable economic development.

Research Hypothesis

Oil revenues have a major role in achieving economic growth, if these revenues are planned and developed in an optimal economic manner and with an efficient human component.

Research Aim

The researcher seeks to verify the validity of the hypothesis through the following:

1- Statement of the contribution of the oil sector in building the foundations of the Iraqi economy.

2- Studying the relationship between the planning of oil revenues and the national income through the multiplier and accelerator.

3- Presenting some proposals to achieve diversity in the structure of the Iraqi economy .

FIRST TOPIC: THE CONTRIBUTION OF THE OIL SECTOR TO SOME ECONOMIC INDICATORS:

The contribution of the oil sector to the Iraqi GDP and the general budget:

The gross domestic product is one of the most important economic indicators through which it is possible to measure the size of the contribution of each sector to the gross domestic product and to determine the extent of the diversity and strength of the economy. It is directly reflected on the volume of national income and then on the level of growth and economic well-being, and for the Iraqi economy, as shown in Table (1), the oil sector contributes significantly to the GDP, reaching (30.99%) of the GDP for the year 2017 after It was (55%) in 2007 as a result of the decline in international oil prices and not a development in the rest of the sectors, while the agricultural and industrial sectors collectively contribute (5.8%) of the GDP for the same year.

The contribution of the oil sector to the formation of the total fixed domestic capital:

The percentage of the oil sector's contribution to the formation of the fixed gross domestic capital means the amount directed from the oil sector's contribution to the gross domestic product to the establishment and building of the Iraqi production sector, i.e., the percentage of those revenues directed towards the formation of new capital through investments, and the remainder of it represents what It is directed at consumption.

As shown in Table (1), the average contribution rate of the oil sector in the total capital formation for the period (2004-2017) is (15.6%), while the average contribution of the industrial and agricultural sectors combined is (6.6%) for the same period, meaning that the oil sector's contribution is more than double the contribution of the agricultural and industrial sectors combined.

The contribution of the oil sector to the general budget:

The general budget is defined as "the annual financial law that estimates and

authorizes for each calendar year the sum of the state's revenues and burdens".

Through this, the general budget is a financial plan that reflects the targeted economic plan, through which a comparison is made between aspects of public revenue expenditures, as public revenues vary between tax revenues, capital revenues, transfer revenues and oil revenues, which are the main and largest component of Iraqi public revenues and are shown in the table (1), as the percentage of oil revenues constitutes a large percentage of the total public revenues, which constitute about (91.81), and this percentage shows the size of the imbalance in the structure of the Iraqi economy and its dependence on the oil sector.

The contribution of the oil sector to the operation:

The oil sector contributes to employment at a very low rate, due to the dependence of the oil industry on capital intensity, in addition to the fact that Iraqi oil production is issued directly without refining, which deprives Iraq of the added value that can be obtained through refining crude oil, as well as employing a larger workforce in the case of refining it.

Through Table (1), we find that the oil sector contributes the lowest percentage in employment, with an average percentage of up to (2%) for the period (2004-2017) of the total employment in the main sectors, which makes the majority of Iraqi workers not contribute to the largest productive sector (Extractive) in addition to the absence of any sectoral interdependence due to the export of oil in its crude form, while the agricultural and industrial sectors are also contributing very low rates with an average percentage of (7%) (11%) respectively, and these percentages show the size of the large imbalance in the sectoral distribution of work and the weakness of these two The two sectors, while we find that the service sector's contribution rate is very high, with an average rate of (78%) of the total employment, while it is assumed that oil revenues, which exceed (99%) of Iraq's total revenues, will be invested in developing the industrial and agricultural sectors and raising the contribution rates for these sectors. In order to achieve a fair distribution of wealth, diversify the production structure and achieve sustainable economic growth.

Table (1) Percentage of the oil sector's contribution to some economic indicators (%)[1]

Year	Percentage of the oil sector's contribution to the GDP	Percentage of the oil sector's contribution to fixed capital formation	Percentage of the oil sector's contribution to public revenues	Percentage of the oil sector's contribution to the operation
2004	57.63	15.7	96.33	2.13
2005	55.29	23.39	94.34	2.19
2006	52.95	15.6	92.27	2.39
2007	55.51	2.52	93.39	2.58
2008	42.86	0.61	84.81	2.59
2009	44.98	1.74	88.43	2.56
2010	53.03	11.34	93.08	2.68
2011	49.73	14.55	90.98	2.99
2012	45.89	7.58	95.3	2.83
2013	43.89	4.95	90.16	2.91
2014	31.08	8.2	95.22	2.87
2015	29.9	56.96	81.35	2.56
2016	30.91	39.61	91.81	2.58
2017	30.99	39.88	91.95	2.87

SECOND TOPIC: THE RELATIONSHIP BETWEEN PLANNING THE REVENUES OF THE OIL SECTOR AND THE NATIONAL INCOME THROUGH THE INTERRELATIONSHIP BETWEEN THE MULTIPLIER AND THE ACCELERATOR:

The relationship between the planning of the oil sector and the national income through the multiplier

That the oil sector can support the economy through two aspects, the first is that this sector is considered an important source in the collection and provision of foreign exchange and then the formation and generation of income, and the second through investing those amounts generated in the same sector or other sectors, and it is noted that most economic development literature confirms The necessity of the availability of a minimum level of resources, and when this limit is available, it will allow the investment policy maker to search for ways that can be used to direct those resources to serve economic development.

If we take Table (2), it is noted that the oil sector achieved significant annual revenues, totaling about (930.75) billion dinars.

Table (2): Total annual revenues of the oil sector in Iraq for the period (2004-2017)[2]

(Billion Dinars)

Year	Oil revenue
2004	32,29
2005	38,95
2006	46,28
2007	50,72
2008	75,31
2009	46,85
2010	62,06
2011	101,27
2012	108,69
2013	108,32
2014	95,17

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[2] Central Bank of Iraq, Directorate General of Statistics and Research, balance of payments statistics for the years (2004-2017)

2015	69,08
2016	44,26
2017	51,50
Total	**930,75**

The pattern of preparing programs to invest the oil revenues and the cash abundance actually achieved from this sector involves the internal effects that are achieved by the multiplier effect on the national income, as follows:

Assuming the investment of these amounts realized through the oil sector, the increase in national income through the multiplier can be calculated according to the following formula:3

$$y = c + I$$

$$c = co + by$$

$$I = Io$$

$$Y = co + by + Io$$

$$Y - by = co + Io$$

$$y(1 - b) = co + Io$$

$$y = \frac{co + IO}{1 - b}$$

$$y = \frac{1}{1 - b} \, co + Io$$

$$K = \frac{\Delta y}{\Delta I} = \frac{1}{1 - MPC} \dots \dots \dots (1)$$

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3 Al-Hassan and Al-Wandawi, 2015:35

As:

Y   : national income

b   : marginal propensity to consume

co   : constant limit

I   : investment

K   : multiplier

And since the amount of cash abundance represented in the proceeds of oil revenues during the study period is up to (930.75) billion dinars, and the marginal propensity for consumption was calculated by (0.65)4, and therefore the multiplier can be extracted according to the following formula, and as follows:

$$k = \frac{1}{1-b} = \frac{1}{1-0.65} = \frac{1}{0.35} = 2.857$$

Thus, the increase that can be achieved through the multiplier in national income is:

930,75 * 2.857 = 2659,15 Billion Dinars

Oil investment and its relationship to national income through the correlation between the multiplier and the accelerator:

In the previous analysis, it was found that the increase in national income (Δy) came as a result of the increase in consumption (Δc) only. In fact, the increase in national income should be more than that, since the increase in consumption would lead to an increase in investments, the demand for capital goods and services is considered an acquired demand and is inevitable, and it is related to the demand for final consumer goods and is derived from it through technological production transactions is known as the accelerator5.

On this basis, the increase in the national income will exceed the figure reached, which is (930.75) billion dinars, by increasing the volume of generated investments, and this can be clarified as follows:

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[4] The marginal propensity to consume in Iraq during the period (2004-2017) was extracted by the researcher.

[5] The accelerator is defined as the relative changes in new investments that are stimulated by the increase in income and consumer spending in order for the economy to maintain its continued growth.

$$R = \frac{I}{O}$$

$$R = \frac{\Delta I}{\Delta O}$$

$$\Delta I = R \times \Delta O$$

As:

R   : The capital-to-production ratio

I   : Investment volume

O   : Production of capital goods

The Harrod-Domar model is one of the most famous and main models of growth, and the increase in national income can be explained as a result of the collection of oil revenues, amounting to (2659.15) billion dinars, through the effects of the multiplier and accelerator and the capital coefficient of the Iraqi economy, which is (1:3.9)6, and as Shown in the table below:

Table (3) The effects of the cash abundance achieved in oil revenues through the overlap of the multiplier and accelerator for the period (2004-2017)

Year	Original investment (1)	Generated investments 1:3.9 (2)	Consumption MPC = 0.65 (3)	National income (4)
2006	930,75	286,12	1100,46	2317,33
2007	930,75	391,62	1506,26	2828,63
2008	930,75	478,03	1838,61	3247,39
2009	930,75	548,81	2110,80	3590,36
2010	930,75	606,77	2333,73	3871,25
2011	930,75	654,24	2516,31	4101,30
2012	930,75	693,11	2665,84	4289,70
2013	930,75	724,96	2788,31	4444,02
2014	930,75	751,03	2888,61	4570,39
2015	930,75	772,39	2970,75	4673,89
2016	930,75	789,88	3038,03	4758,66
2017	930,75	804,21	3093,13	4828,09
2006	930,75	286,12	1100,46	2317,33
2007	930,75	391,62	1506,26	2828,63

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[6] The capital factors in Iraq and the GDP (with oil) were extracted during the period (2004-2017) by the researcher.

Source: Table prepared by the researcher based on:

- The value of each element in column (1) represents the oil revenues obtained in Table (1).
- The value of each item in column (2) was obtained by (the value of depreciation at time t × the capital coefficient of (1:3.9).
- The value of each element in column (3) was obtained through (the value of national income x the estimated marginal propensity to consume (0.65)).
- The value of each element in column 4 is obtained by summing the values in column (1, 2, 3).

From this, we see that the increase in national income is (2828.63) billion dinars and not (2659.15) billion dinars, and the difference in the increase of (169.48) billion dinars is due to the effect of the increase in consumption (Δc) on creating new investments (Generated investments) i.e.

$$2828.63–2659.15 = 169.48 \text{ billion dinars}$$

So, we can say: There are two ways to increase national income, the first is to transform the cash abundance into consumption spending governed by the marginal propensity to consume, and the second is to transform the cash abundance into investment spending governed by the capital coefficient, and between this and that it is possible to determine the rate of accelerating economic development based on the adoption of the largest percentage of one of the two methods, provided that the smaller percentage of the second method is a sufficient complementary element in the process.

And this which is considered sufficient is originally decided by the minimum requirements to ensure that the multiplier and the accelerator play their full role in the development program. Perhaps the adoption of a third method, which is the optimal combination of the two methods, will lead to a balanced growth in investment, and according to this method, the added productivity will be continuously added to consumption and the level of consumption is used. The savings are then to raise the level of capital formation.

Using the cash abundance achieved in the oil sector in the economic plan:

The economic effects of the cash abundance achieved can be clarified by using the following mathematical formula, and then we convert that formula into a structure of economic plans supported by numbers as follows:

$$y_t = y_t + \frac{wy_t}{r} = y_t \left(1 + \frac{w}{r}\right)$$

$$y_{t+2} = y_{t+1} + \frac{wy_t}{r} = y_{t+1} \left(1 + \frac{w}{r}\right)$$

$$y_{t+2} = y_{t+1} \left(1 + \frac{w}{r}\right)^2$$

$$y_t = y_t \left(1 + \frac{w}{r}\right)^t$$

As:

y   : represents national income.

t   : Time.

w   : marginal propensity to save.

r   : capital coefficient.

The economic effects of the cash abundance achieved annually and for the duration of the study can be clarified through the dynamic planning method, as shown in the following table:

Table (4) The effects of investing annual oil revenues in the gross domestic product with oil in the Iraqi economy (First Plan 3.9:1) (a hypothetical model)

Year	Annual oil revenue (1)	The total amount of cash invested (2)	Consumption MPC = (0.65) (3)	Saving = Investing MPS = (0.35) (4)	Change in output 1:3.9=(0.25) (5)
2004	32,29	32,29	20,98	11,30	2,82
2005	38,95	74,06	48,14	25,92	6,48
2006	46,28	126,82	82,43	44,38	11,09

	(1)	(2)	(3)	(4)	(5)
2007	**50,72**	**188,63**	**122,61**	**66,02**	**16,50**
2008	**75,31**	**280,44**	**182,28**	**98,15**	**24,53**
2009	**46,85**	**351,82**	**228,68**	**123,13**	**30,78**
2010	**62,06**	**444,66**	**289,03**	**155,63**	**38,91**
2011	**101,27**	**584,83**	**380,14**	**204,69**	**51,12**
2012	**108,69**	**744,69**	**484,05**	**260,64**	**65,16**
2013	**108,32**	**918,17**	**596,81**	**321,35**	**80,33**
2014	**95,17**	**1093,67**	**710,08**	**382,78**	**95,69**
2015	**69,08**	**1258,44**	**817,98**	**440,45**	**110,11**
2016	**44,26**	**1412,81**	**918,32**	**494,48**	**123,62**
2017	**51,50**	**1587,93**	**1032**	**555,77**	**138,94**
Total	**930,75**	**9099,26**			

Source: Table prepared by the researcher based on:

- The value of each element in column (1) was obtained from table (2).
- The value of each item in column (2) was obtained by summing up (the change in output, annual net income, and sum of money invested at time t-1).
- The value of an item in column (3) was obtained (the sum of the money invested x the marginal propensity to consume 0.65).
- The value of each item in column (4) was obtained by (total invested cash abundance x marginal propensity to save 0.35).
- The value of each item in column (5) was obtained by (saving = investment x capital coefficient of 1:3.9).

It is noted from the table in the above that the annual oil revenues achieved during the study period, amounting to (930.75) billion dinars, achieved an increase in the gross domestic product with oil and during (14) years, and the amount was about (8786.34) billion dinars, i.e.

9099.26 – 930.75 = 8168.51 billion dinars

And if we try to invest this cash abundance during the study period in the domestic product without oil, and through the formulation of an economic plan that lasted (14) years and the adoption of the capital coefficient (4.4), which is more than the capital coefficient of the product with oil, which was estimated at (3.9), and this indicates the weakness of the use

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of fixed assets in all economic activities, which reflects the Iraqi economy's dependence on crude oil activity in the formation of the GDP, as the lower the percentage of total fixed capital formation to the increase in GDP, the better the increase in the GDP and the less possible investment (10). The investment of the cash abundance in the gross domestic product without oil can be explained in the following table:

Table (5) The effects of investing annual oil revenues on the gross domestic product without oil in the Iraqi economy (Second Plan 4.4) (a hypothetical model)

Year	Annual oil revenue (1)	The total amount of cash invested (2)	Consumption MPC = (0.65) (3)	Saving = Investing MPS = (0.35) (4)	Change in output 0.23 (5)
2004	32,29	32,29	20,98	11,30	2,59
2005	38,95	73,83	47,99	25,84	5,94
2006	46,28	126,05	81,93	44,11	10,14
2007	50,72	186,91	121,49	65,41	15,04
2008	75,31	277,26	180,22	97,04	22,31
2009	46,85	346,42	225,17	121,24	27,88
2010	62,06	436,36	283,63	152,72	35,12
2011	101,27	572,75	372,29	200,46	46,10
2012	108,69	727,54	472,90	254,63	58,56
2013	108,32	894,42	581,37	313,04	72,00
2014	95,17	1061,59	690,03	371,55	85,45
2015	69,08	1216,12	790,48	425,64	97,89
2016	44,26	1358,27	882,88	475,39	109,34
2017	51,50	1519,11	987,42	531,68	122,28
Total	930,75	8828,92			

Source: The table was prepared by the researcher

We note from the table above that the described plan achieved an increase in the national income amounting to (7898.17) billion dinars, ie:

8828.92 – 930.75 = 7898.17 billion dinars

This cash abundance is less than the cash abundance achieved in the first plan (in the plan based on the domestic product with oil) and by (270.34) billion, that is:

8168.51 – 7898.17 = 270.34 billion dinars

This means that the opportunity cost in the second plan (dependence on GDP without oil) is much higher than it is in the first plan (dependence on GDP with oil), and that reliance on the first plan means economic benefits to society by (270,34) billion, and the adoption of the second plan means an economic cost to society with the same amount.

And if we try to invest this cash abundance achieved during the study period in the extractive[7] industry sector and adopt the capital coefficient of (1:2.03), as shown in the third plan in Table (6) to show that the plan was able to achieve an increase in national income, which amounted to within (12759.99) billion dinars, i.e.:

13690.79 - 930.75 = 12759.9 billion dinars

Table (6): Effects of reinvesting annual oil revenues in the extractive industry sector in the Iraqi economy (Third Plan 2.03:1) (a hypothetical model)

Year	Annual oil revenue (1)	The total amount of cash invested (2)	Consumption MPC = (0.65) (3)	Saving = Investing MPS = (0.35) (4)	Change in output 0.49 (5)
2004	32,29	32,29	20,98	11,30	5,53
2005	38,95	76,77	49,90	26,86	13,16
2006	46,28	136,21	88,54	47,67	23,36
2007	50,72	222,99	144,94	78,04	38,24
2008	75,31	336,54	218,75	117,78	57,71
2009	46,85	441,10	286,71	154,38	75,64
2010	62,06	578,80	376,22	202,58	99,26
2011	101,27	779,33	506,56	272,76	133,65
2012	108,69	1021,67	664,08	357,58	175,21
2013	108,32	1305,20	848,38	456,82	223,84
2014	95,17	1624,21	1055,73	568,47	278,55
2015	69,08	1971,84	1281,69	690,14	338,17
2016	44,26	2354,27	1530,27	823,99	403,75
2017	51,50	2809,52	1826,18	983,33	481,83
Total	930,75	13690,79			

Source: The table was prepared by the researcher

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[7] The capital factors for the extractive industry sector in Iraq were extracted during the period (2004-2017) by the researcher.

For the purpose of completing the idea of investing oil revenues, we are trying to invest these revenues in an economic sector in Iraq, let it be the manufacturing sector, in which the capital coefficient has reached the limits of (1: 7.96)[8] as shown in the following table:

Table (7) Effects of reinvesting annual oil revenues in the manufacturing sector in the Iraqi economy (Fourth Plan 7.96:1) (a hypothetical model)

Year	Annual oil revenue (1)	The total amount of cash invested (2)	Consumption MPC = (0.65) (3)	Saving = Investing MPS = (0.35) (4)	Change in output 0.13 (5)
2004	32,29	32,29	20,98	11,30	1,46
2005	38,95	72,70	47,25	25,44	3,3
2006	46,28	116,28	75,58	40,70	5,29
2007	50,72	172,29	111,98	60,30	7,83
2008	75,31	255,43	166,02	89,40	11,62
2009	46,85	313,90	204,03	109,86	14,28
2010	62,06	390,24	253,65	136,58	17,75
2011	101,27	509,26	331,00	178,24	23,17
2012	108,69	641,12	416,72	224,39	29,17
2013	108,32	778,61	506,09	272,51	35,42
2014	95,17	909,20	590,98	318,22	41,36
2015	69,08	1019,64	662,76	356,87	46,39
2016	44,26	1110,29	721,68	388,60	50,51
2017	51,50	1212,30	787,99	424,30	55,16
المجموع	930,75	7533,55			

Source: The table was prepared by the researcher

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[8] The capital coefficient of the industrial sector in Iraq was extracted during the period (2004-2017) by the researcher.

The data in the table above indicate that the fourth economic plan (investment of oil revenues in the manufacturing sector) was able to achieve cash savings amounting to (7533,55) million dinars, and that this cash abundance is less than the cash savings achieved in the third plan, which depends on investment in the sector The extractive industry, with an amount of (6157,24), meaning that:

$$6157.24 = 7533.55 - 13690.79 \text{ billion dinars}$$

This means that the opportunity cost is higher in the manufacturing sector than in the extractive sector, and therefore it indicates that investment in the extractive industry sector will lead to achieving economic benefits to society by (6157,24) billion dinars, and that investment in the manufacturing sector will lead to achieve an economic cost to society and the same amount referred to, i.e. (6157,24) billion dinars.

From what was mentioned above, it is clear that there is an economic cost borne by the society when adopting the reinvestment of oil revenues in the manufacturing sector, compared to the gains achieved by the society when investing in the extractive industry sector.

In summary: The oil revenues in Iraq, if invested, will lead to consumer spending, which in turn leads to the creation of accumulated incomes by the effect of the multiplier, and leads to the creation of more incomes and an increase in output if we take into account the stimulation of consumer spending for investment demand to meet consumer demand, and then Investment is increasing, which creates more income and output and raises economic growth rates. However, the sums of oil revenues have remained untapped and outside the planning process, and then it was not possible to obtain those accumulations that we explained earlier. Rather, it can be said that these internal accumulations are a loss to the national income.

CONCLUSIONS

1. The reason for the continued dominance of oil revenues as a semi-sole source is due to the inability of sectoral development policies to generate an economic surplus that effectively contributes to the financing process.

2. The oil revenues generated during the study period amounting to (930.75) billion dinars achieved an increase in national income and during the first plan (dependence on the gross domestic product with oil) by (8168.51) billion dinars, which is higher than the increase achieved in the

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plan The second (depending on the gross domestic product without oil) amounting to (7898.17) billion dinars, and this means that relying on the first plan means economic benefits for society amounting to (270.34) billion dinars, and the adoption of the second plan will cost society the same amount.

3. The oil revenues achieved an increase during the third plan (dependence on the extractive industry sector) by (12759.99) billion dinars, which is higher than the increase achieved in the fourth plan (dependence on the manufacturing industry), which amounted to (6157.24) billion dinars, and this means Relying on the third plan means economic benefits for the community, and adopting the fourth plan will cost the community the same amount.

RECOMMENDATIONS

❖ Despite Iraq's oil potential, which is high in relation to global capabilities, oil remains, despite all that, a depleted wealth, which must be exploited within the accounts of the resource's depleted economies in a manner that ensures that there is no waste and obtaining the greatest economic benefit from it and prolonging the lifespan to ensure benefit Subsequent generations,

benefiting from the general trend of rising prices of primary resources, especially the products of the extractive and mineral industries.

❖ The necessity that the human element who runs the helm of governance in the country be characterized by efficiency, integrity, credibility and reliance on scientific standards in the optimal exploitation of oil revenues to ensure, in the long term, the achievement of sustainable economic development in Iraq

❖ The diversification of the Iraqi economic structure has become an urgent necessity and an essential step, to reach the desired goal, which is to achieve sustainable development by taking a set of measures, including combating financial and administrative corruption and waste of oil wealth, reforming the tax system and the possibility of attracting foreign investments to the various economic sectors. It is confined to the oil sector and plays the role of the private sector with the need to increase production capacities in proportion to the absorptive capacity of the national economy, and emphasizing the establishment of a sovereign investment fund to preserve the rights of future generations.

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