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THE REALITY OF FISCAL POLICY AND MEASURING ITS MONETARY EFFECTS IN THE IRAQI ECONOMY DURING THE PERIOD 2003 - 2020

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Abstract:

Involve Politics Finance on me Type From mixing and entanglement with Politics cash which affected in Economy Iraqi , The economy Iraqi suffered Much From goofs and stumbles that I worked on me obstructed offer it Economic Especially During Duration temporal confined between (2003 .) - 2020) , and upon it the politics Finance and planning and guidance , and organization Prepare From things the basic that stress in the affirmative and robbery in success recovery Economic in Iraq , and upon it so search sheds the light on me reality Politics Finance and its effects cash in Economy Iraqi.

Keywords: Monetary policy, fiscal policy, monetary effects, general budget, gross domestic product.

INTRODUCTION:

Enjoy Theme Economy Iraqi in the time current , and on the level the local Carefully Many From Economists and researchers And that when happened in it From changes in the system the politician and order Economic Building on me central and move it Toward Economie market free, and characterized Politics Finance role big in the influence in Activity Economic to achieve stability Economic , command that occupied in it this is Politics status important as style to manage Economics national , has Taking Concept Politics Finance by evolution according to for stages Development Economic and intellectual and right with it has evolved for her role in Activity Economic , that Tools political Finance play Dora growing Importance within Policies economic, please About Archaeology that leave it on me Variables Economic the college whether direct Of which Mother not direct she is leave effects cash different arise mostly From puppy disability or surplus in budget the public, Except that Effect Measures Finance on me Politics cash stop on me method that finance out the government disability in budget.

The Study Problem:

Represented problem Thestudy in Search reality Politics Finance and its effects cash and extent its effect on me Activity Economy Iraqi for the duration (2003.) -2020).

Study hypothesis:

Go off Thestudy From hypothesis say that for politics Finance Effects cash starred by doing the use not efficient for surplus budget born from sector oil And from then reflection this is Archaeology on me Economy Iraqi During Duration (2003.) -2020).

The importance of studying:

gain Thestudy its importance From During knowledge most important developments Politics Finance in Economy Iraqi and statement raised cash.

Goal the study:

Aims this is the study statement reality Politics Finance in Economy Iraqi , and calendar raised cash standard to achieve stability Economic and social.

Study structure:

It was completed to divide Thestudy to me three Axes

The hub the first: the frame theoretical for politics Finance And who split turn to me :

Or not: Concept Politics Finance.
secondly: Relationship between Politics cash and politics Finance.

The hub Second: reality Politics Finance in Economy Iraqi for the duration (2003 .)-2020) And who split turn to me :

Or not: features Economy Iraqi.
secondly: has evolved The resulting the local Total.

The hub Third: Measure Archaeology cash for politics Finance in Economy Iraqi for the duration (2003 .)-2020) And who split turn to me :

Or not : characterization Sample Standard.
secondly : Show consequences Application Standard.

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The first axis / the frame theoretical for politics Finance.

The fiscal policy is one of the most important economic policies of the state, and the fiscal policy determines the sources of public revenue for the state in all its forms, and determines how to directeThose revenues are used to finance government spending to achieve economic policy objectives. (Mizher, 2021: 22).

Anorthic concept of financial policy.

The term fiscal policy is mainly derived from the French word "financial policy"."fisc" which means the portfolio or the treasury, and the definitions of fiscal policy have varied according to different time periods and economic, intellectual and social conditions, as researchers differed in its definition, but they did not stray far from its content, and we mention some of them as follows: (Shahib, Saleh and Farhan, 2018: 396)

Fiscal policy is also defined as (a government program to make discretionary changes in the pattern and level of spending as well as taxation and borrowing in order to achieve certain economic goals such as economic growth, employment, income equality and stability of the economy on the growth path). (Dwivedi, 2010: 601).

It is also defined as a set of objectives, activities, procedures and guidelines adopted by the government to influence the national economy and society, which are adopted with the aim of maintaining the general stability and development of the national economy and addressing the problems it faces, so that it can face all the variables surrounding it (Hussein, 2021: 17).

There is another definition that does not depart from the content of the previous definitions, which shows that the fiscal policy is a set of rules, procedures and measures taken by the government in any country to achieve a set of agreed goals during a certain period of time (Abdul Hamid, 2005: 41)..

We note, from the previous definitions, that fiscal policy is one of the most important tools that governments use in order to influence many variables, such as: (Total spending, growth, development, use, imports of goods and services, prices, ...) and all this in order to achieve progress in economic development, reduce fluctuations and positively affect the national economy of the country, and these definitions also reflect the role of the state, its development and tasks and its functions in both economic andcsocial interaction in proportion to the level of economic development of each country, as well as the political economic philosophy and the principles of financial regulation and its affiliated bodies thateIn carrying out tasks and achieving goals.

Secondly: Relationship between Politics cash and politics Finance.

The government directive of the economic system takes one or one More than the following shapes:

The government can influence individual incomes directly through actions that operate through changes in tax and spending policy, ie through purely fiscal policy.

It affects the level of income through monetary measures taken, and works through changes in the availability of credit and its cost, which affects the ability and desire of the private sector to spend, and this type of government policy has an important, if indirect, impact on the level of economic activity.

To impose direct and multiple controls to regulate specific and not general aspects of economic activity.

And because the financial and monetary operationseThey are effective means of general economic control. Coordination between them has become necessary, as they may conflict with each other in a way that weakens them together, and prevents government agencies from achieving their specific goals. This necessity emphasizes the overlap between these two types of operations. Including financing the budget deficit by borrowing from the central bank, a process that affects the liquidity of the economy, as well as government operations in treasury bills and other government bonds, which are operations that have an impact on the interest rate and the bond market. essential in the ongoing government operations, the government may ask the above-mentioned bank to work on stabilizing the bond market throughеIn the open market, when the government replaces its short-term debt with long-term debt.

On the other hand, coordination between financial and monetary procedures is necessary because of the difference between the nature of each of them:

1- Financial operations tend to become large-scale in terms of their size and scope, while monetary operations tend to become limited in scope because they are mainly limited to the financial and banking sector.

2-Financial procedures on the other hand tend to be slow and tight for constitutional and legal reasons in general, while monetary procedures are fast and bitter.nRelatively speaking, it can be changed in a very short time., for example through changes in statutory reserve ratios, interest rates or discounts.

3-Financial measures tend to become of particular value in encouraging economic expansion, but they may be less able to stop inflation. As for monetary operations, they may have a weak effect in encouraging economic expansion, but they may effectively limit inflationary trends, by reducing the vulnerability to inflation. The public in obtaining bank credit, and for all these reasons, and due to the different nature of each of the financial and monetary

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procedures, coordination between them in terms of direction and timing becomes a very necessary matter that the authorities cannot overlook, because condoning that means missing the opportunity for that authority to achieve the goals that it seeks to her. (Al-Sayyid Ali and Al-Issa, 2004: 382).

The hub Second / reality Politics Finance in Economy Iraqi for the duration (2003.) -2020) . Nonfeatures of the Iraqi economy.

The Iraqi economy is a rentier economy or a unilateral economy that depends on oil revenues to meet its needs in return for the weak contribution of other sectors as a result of the failure of most productive industrial projects due to poor planning and management, in addition to the decline in local agricultural production, which makes it an economy that depends on imports from abroad to meet the surplus of local demand of production and consumer goods as a result of the weak flexibility of theoutputdue to its reliance on natural resourcesfold,In light of the fluctuations in oil prices, as well as the dependence on imports, these conditions made the Iraqi economy subject to internal and external shocks, which led to economic instability (Al-Ghaliby, Al-Khidir and Rashid, 2008: 91).

The Iraqi economy does not have a specific economic approach. Rather, it was a completely unplanned economy or a free economy. Rather, it relied on different theories and approaches that bear the contradiction between them, with the absence of clear economic programs, especially after 2003, which led to a delay in the lifespan of infrastructure, productivity and public services (Al-Haiti And Khalaf Al-Tai, 2010: 8).

The Iraqi economy has gone through difficult conditions during the study period that led to economic instability. In the nineties, Iraq fought the second Gulf War, which led to the imposition of economic sanctions and financial compensation. These sanctions continued until 2003 and the losses were estimated at about 200 billion dollars, and in the year 2003 after the occupation of Iraq it was exposed The Iraqi economy, through looting, looting and war, led to the destruction of the remaining infrastructure.

As a result of the circumstances that Iraq has gone through, the problems that the Iraqi economy has suffered can be explained as follows:

The Iraqi economy suffered from the high volume of external debt, as it exceeded approximately 125 billion dollars in 2003.

Relatively halting economic activity and slowing economic growth rates (Al-Fatlawi, 2017: 59).

The deterioration of private economic activity, especially in the industrial and agricultural sectors, with the improvement of the commercial sector.

The rise in the inflation rates of the Iraqi economy to record levels, especially during the nineties, when the inflation became of an unbridled and continuous type.

High unemployment rates in contrast to a low GDP growth rate. The unemployment rate reached 50% of the total labor force in Iraq during the nineties, and the real GDP growth rate reached (2.12%) in the mid-nineties.

The high rate of economic exposure, as it reached approximately 93%, which is an imbalance resulting from the absence of economic diversification.

Administrative corruption has exacerbated, whether at the level of local administrations or at the level of ministries, as Iraq ranked third in the world in the spread of administrative corruption, according to a report by Transparency International for the year 2007.

The scarcity of local and foreign investment sources, the ambiguity in the volume of oil revenues and their spending channels, and the inefficient performance in managing oil wealth.

The dependence on imports is highly, as more than 90% of the production inputs in the industry are imported from abroad (Al-Waeli, 2012: 83)

There is a set of structural imbalances in the Iraqi economy, including:

a.The imbalance in the structure of the general budget, as this imbalance is one of the important structural imbalances that disrupt the balance of the internal economy. Expenditure declined from the rest of the economic sectors, and after the imposition of economic sanctions, spending increased in order to secure the items of the ration card, with a clear decrease in spending on other sectors such as the health sector, the education sector and the social services sector.

B.The imbalance in the production structure can be seen by tracking the contribution of the economic sectors to the gross domestic product, as we see that the oil sector occupies the first place as a result of the contribution ofein the gross domestic product.

T.An imbalance in the balance of payments as the balance of payments suffers from a severe deficit or what economists call an external imbalance.

The economy that is characterized by these characteristics is a soft economy, as it can be defined as an economy that lacks the basic national pillars that make it a capable economy.on meAvoiding shocks and promoting reconstruction (Al-Fatlawi, 2017: 60).

In general, the Iraqi economy goes through two stages during the study period:

The first phase (2003-2013) in which Iraq was subjected to the US occupation and regime change, as well as political and security instability.

The second stage (2014-2020) During this stage, Iraq was exposed to the attack of the terrorist ISIS regime,

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in addition to the recent spread of the Corona pandemic.

Secondly the Evolution of The Gross Domestic Product.

The gross domestic product can be defined as the value of the goods produced and services sold in the market (market value) that the community or the national economy produces during the study period, i.e. the value of what the community produces at home without including what is produced by citizens working abroad. (Daoud, 2005: 31).

It can also be defined as the total amount of goods and services produced by residents of the country during a period of time (usually a year) and who live within the geographical area of that country regardless of their nationality. This means that GDP is a geographical concept that is calculated by the geographical area of that country. (Al-Wadi and Al-Assaf, 2009: 38)

From the aforementioned definition, GDP expresses the level of the national economy and the extent of its development and growth. It is the most obvious indicator to express the level of economic activity, as any development in the output is reflected in the development of national income, and this in turn leads to an improvement in the level of social welfare for the individual. The Iraqi economy is declining in the contribution of other non-oil sectors to it, and that the oil sector contributes greatly to the formation of this output, so the gross domestic product is divided by most researchers in the oil countries in order to distinguish between the GDP that contains the oil sector and those who exclude the oil sector from The output to show the changes that occur in the output, assuming the small role of the oil sector in the future, because oil is a depleted resource, as well as the income obtained from the oil sector is determined by external forces.

Table (1)
Has evolved The contribution of economic sectors to the gross domestic product at current prices in the Iraqi economy for the duration (2003-2020) %
(percentages)

sectors other %	construction and constructionyDr %	manufacturing industry%	Mining and Quarrying %	the farmerefores ts and hunting%	oil sector %	GDP growth rate	Gross domestic product (Million dinars)	the years
29	0	4	51	14	68	—	29585788,6	2003
40	1	2	47	10	57	79,94	53235358.7	2004
45	3	2	42	13	57	38,13	73533598,6	2005
41	3	2	40	12	55	29,99	95587954,8	2006
42	3	2	42	9	54	16,60	111455813,4	2007
42	3	2	44	7	56	40,88	157026061,6	2008
42	3	2	43	7	40	-16.24	130643200,4	2009
43	4	2	41	6	41	24.05	162065565,5	2010
42	4	3	42	7	42	34,10	217327107,4	2011
40	6	3	43	6	49	16,98	25425490,7	2012
41	6	3	41	6	46	7.62	273587529,2	2013
17	7	1	43	4	43	-2.65	266332655,1	2014
21	6	2	33	4	33	-26,90	194680971	2015

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							,8	
2	6	2	34	3	33	1,15	196924141 ,7	2016
1	5	2	39	2	39	12,56	221665709 ,5	2017
1	4	2	44	2	44	21,32	268918874	2018
19	2	1	45	1	45	2,69	276157867 ,6	2019
23	2	2	38	3	38.	-20,41	219768798 ,4	2020

Sourc: prepared by the researcher, based on:
- Central Bank of Iraq, statistical website, different years,https://www.cbi.iq .
- Ministry of Planning - Central Bureau of Statistics - Directorate of National Accounts.
Column (3) is from the researcher's work, based on the data of column (2).

a)Evolution of GDP at current prices for the period (2003-2013).

During this period, Iraq entered a new turning point in the economic, political and social levels, and the political system in Iraq has been changed. When using table (1), we see that the gross domestic product at current prices in 2003 amounted to (29585,788.6 million dinars), and the proportional contribution ratio was of economic sectors in the GDP during the period (2003-2013) (68%, 14%, 51%, 4%, 0%, 29%) for each of (the oil sector, the agricultural sector, the forest sector, the mining and quarrying sector, the manufacturing sector, the building and construction sector, and other sectors), and the year 2004 witnessed an increase in the gross domestic product to (53,235358.7 million dinars), with a growth rate of (79.94 percent), and this increase continued for the year 2013, as it reached (2735,87529.2 million dinars) and with a growth rate of (7.62%). During this period, we note the dominance of the oil sector despite its decline during During this period (2003-2013), the percentage of its contribution amounted to (68%) in 2003 to decrease to about (46%) in 2013, while the percentage of the contribution of the non-oil sectors (which includes the services and distribution sectors) in the GDP increased from (29 %) in 2003 to about (41%) in 2013 to equal the share of the mining and quarrying sector.

The agriculture and forestry sector witnessed a decline in the rate of its contribution to the GDP from (14%) in 2003 to about (6%) in 2013, due to a number of reasons related to salinity and desertification that were not treated properly, in addition to the high production costs. The manufacturing industry is in better shape, as its contribution to the GDP declined from (4%) in 2003 to about (3%) in 2013, for reasons mainly due to the significant shortage of electric power. As for the construction sector, despite the improvement it witnessed It was not at the level of the local economy's need, as its contribution to the GDP increased from (zero)% in 2003 to about (6%) in 2013, and this improvement is due to the expansion of the work of the government and private sectors in building residential and commercial complexes and other projects.

B)Evolution of GDP at current prices for the period (2014-2020).

The year 2014 witnessed a decline in the gross domestic product, as the output decreased to (266332655.1 million debts).R) with a negative growth rate of (-2.65%) after it was in 2013 about (273587529.2 million dinars) and a positive growth rate (7.62%), while the proportion of the relative contribution of the economic sectors to the GDP during the same period (2014-2020) (43%, 4%, 43%, 1%, 7%, 17%) for each of the (oil sector, agriculture and forestry sector, mining and quarrying sector, manufacturing sector, building and construction sector, and other sectors) The subsequent years witnessed a remarkable increase in the gross domestic product, especially during the years 2018 and 2019, which amounted to about (268918874 million dinars) and (276157867.6 million dinars), with a growth rate of (21.32%) and (2.69%), while It decreased again in 2020, reaching about (219,768,798.4 million dinars), with a negative growth rate of (-20,41%), we note during this period the dominance of the oil sector and the mining and quarrying sector despite their decline, as the share of the oil sector reached (43%) in 2014 to drop to about (38%) in 2020, as well as for the mining and quarrying sector, which Contribution rate also reachede(43%) in 2014 to decrease to (38%) in 2020, while the share of the non-oil sectors (which includes the services and distribution sectors) in the GDP increased from (17%) in 2014 to about (23%) in 2020.

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The agriculture and forestry sector witnessed a decline in the rate of its contribution to the GDP from (4%) in 2014 to about (3%) in 2020, and the manufacturing sector was not in the best condition as its contribution to the GDP increased by a very small percentage, as it rose from (1) %) in 2014 to about (2%) in 2020, while the construction sector's contribution to the GDP decreased from (7%) in 2014 to about (2%) in 2020.
It is evident from the analysis of the two periods mentioned above that the growth achieved in the gross domestic product was reinforced by the high proportion of the contribution of the oil sector, which was dominant over the rest of the sectors of non-oil economic activities.

The hub Third / Measure Archaeology cash for politics Finance in Economy Iraqi for the duration (2003 .)-2020).
After studying and analyzing the development of means of payment and the factors affecting them, in this section, the monetary effects of fiscal policy will be estimated by measuring the impact of independent variables {public expenditures}.x1), public revenues (x2), budget deficit (x3) { on the approved variables} money supply, Y2 window exchange rate, Y2 interest rate Y3 { through standard models that illustrate this, as the regression method will be used.

aNorDescription of the standard model.
In this aspect, the standard model will be described based on the economic phenomenon to be studied and in line with economic and financial theory. The standard model consists of an equation or a set of equations. In this research, the model will be described as follows:

First model:
The first model is represented by the public expenditure variable as an explanatory or independent variable, and the money supply variable in the broad sense as a dependent or dependent variable

Deltoid relationship
Depending on the aforementioned description, the functional relationship between the independent variables and the dependent variable will be as follows

$$y_1 = \beta_0 + \beta_1 x_1 + u$$

Since:y1 is the money supply, M2 and x1 represents overheads
β_0: fixed limit
β_1 *The effect of the independent variable on the dependent variable:*

Second Model:
The first model is represented by the overhead variable as an interpreted or independent variable, and the window exchange rate variable as a dependent or approved variable

Deltoid Relationship
Depending on the aforementioned description, the functional relationship between the independent variables and the dependent variable will be as follows

$$y_2 = \beta_0 + \beta_1 x_1 + u$$

Since:y2 is the window exchange rate and x1 represents overheads
β0 : fixed limit
β1: The coefficient of influence of the independent variable on the dependent variable

Third form:
The first model is represented by the public expenditure variable as an explanatory or independent variable, and the interest rate variable as a dependent or dependent variable

Deltoid Relationship
Depending on the aforementioned description, the functional relationship between the independent variables and the dependent variable will be as follows:

$$y_3 = \beta_0 + \beta_1 x_1 + u$$

Since:y3 is the interest rate and x1 represents overheads
β0 : fixed limit
β1: The coefficient of influence of the independent variable on the dependent variable

Fourth form:
The first model is represented by the public revenue variable as an explanatory or independent variable, and the money supply variable in the broad sense as a dependent or dependent variable

Deltoid Relationship
Depending on the aforementioned description, the functional relationship between the independent variables and the dependent variable will be as follows

$$y_1 = \beta_0 + \beta_1 x_2 + u$$

Since:y1 is the money supply, M2 and x2 represents the general revenue
β_0: fixed limit
β_1 *The effect of the independent variable on the dependent variable:*

Fifth Form:
The first model is represented by the general revenue variable as an interpreted or independent variable, and the window exchange rate variable as a dependent or approved variable

Deltoid Relationship
Depending on the aforementioned description, the functional relationship between the independent variables and the dependent variable will be as follows:

$$y_2 = \beta_0 + \beta_1 x_2 + u$$

Since:y2 is the window exchange rate, and x2 represents general revenues
β0 : fixed limit

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β1: The coefficient of influence of the independent variable on the dependent variable

Sixth form:

The first model is represented by the public revenue variable as an explanatory or independent variable, and the interest rate variable as a dependent or dependent variable

Deltoid Relationship

Depending on the aforementioned description, the functional relationship between the independent variables and the dependent variable will be as follows:

$$y_3 = \beta_0 + \beta_1 x_2 + u$$

Since:y3 is the interest rate and x2 represents the general revenue

β0 : fixed limit

β1: The coefficient of influence of the independent variable on the dependent variable

V Seventh form:

The first model is represented by the budget deficit variable as an explanatory or independent variable, and the money supply variable in the broad sense as a dependent or dependent variable.

Deltoid Relationship

Depending on the aforementioned description, the functional relationship between the independent variables and the dependent variable will be as follows

$$y_1 = \beta_0 + \beta_1 x_3 + u$$

Since:y1 The money supply is M2 and X3 represents the budget deficit

: fixed limitβ_0

β_1 The effect of the independent variable on the dependent variable:

Eighth form:

The first model is represented by the budget deficit variable as an interpreted or independent variable, and the window exchange rate variable as a dependent or approved variable

Deltoid Relationship

Depending on the aforementioned description, the functional relationship between the independent variables and the dependent variable will be as follows:

$$y_2 = \beta_0 + \beta_1 x_3 + u$$

Since:y2 is the window exchange rate, and x2 represents the budget deficit

β0 : fixed limit

β1: The coefficient of influence of the independent variable on the dependent variable

Ninth form:

The first model is represented by the budget deficit variable as an explanatory or independent variable, and the interest rate variable as a dependent or dependent variable

Deltoid Relationship

Depending on the aforementioned description, the functional relationship between the independent variables and the dependent variable will be as follows:

$$y_3 = \beta_0 + \beta_1 x_3 + u$$

Since:y3 is the interest rate, and x3 represents the budget deficit

β0 : fixed limit

β1: The coefficient of influence of the independent variable on the dependent variable

Secondly: Results of estimating the impact of independent variables (public expenditures, public revenues, budget deficit) on the approved variables (money supply, window exchange rate, interest rate)

a) Estimating the effect of the independent variable overhead on each of the approved variables (money supply, window exchange rate, interest rate) using the regression model, as it was concluded that the best estimation model for the three models mentioned above is the double logarithmic model, and the results shown in the following table were reached:

Table (2)
The effect of the independent variable overhead in (Showcriticism, exchange ratethe window,priceBenefit)

dependent variable	Teacher	parameter value	Ttest value	Sig.	F	Sig.	R2
Logy1	B0	1,698	0.99	0,338	86,54	0.000	0.84
	B1	0.897	9.30	0.000			
Logy2	B0	9,237	31,67	0.000	51,98	0.000	0.77
	B1	-0.1118	-7,21	0.000			
Logy3	B0	13,279	3.77	0.002	10,51	0.006	0.41
	B1	-0.634	-3,24	0.006			

Source: Prepared by the researcher based on program outputsView (12) note fromDuring schedule(2) the following :

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1.That the value of the constant limitB0 in the first estimated model is not significant below the level of significance (0 .).,05) because the probability value of the . test ist for the constant (0,338) More Than Significance (0 .),05) i.e. we accept the null hypothesis that states the non-significance of the fixed term, we also deduce the significance of the coefficient of the variable)Logx1) below morale level(0,05)This is because the probability value of the testt his and adult (0,006) less than(0,05)Therefore, we reject the null hypothesis which states that there is no significant effect of the public expenditures variable on the money supplyLogY1 and we accept the alternative hypothesis that states the existence of a moral effect, and this is consistent with the first hypothesis which states that there is a significant effect relationship between public expenditures and money supply, and through the above, we conclude that there is an influence relationship for public expenditures on the money supply, and that this relationship positive relationship such thatWhichA change in public expenditures by one unit leads to a change in the money supply by (0,897), we also note a significant valueCalculated F is below the level of significance (0 .).,05) because its probabilistic value has reached (0 .).,000) which is less than (0,05) This means that the estimated model as a whole is significant, and the value of the coefficient of determination (R2 (It reached (0.84), which means that the independent variable explains (84%) of the changes in the money supply, which is a large value. The remaining percentage (16%) is due to factors found within the random error.

2.That the value of the constant limitIn the second estimated model, B0 is significant below the level of significance (0 .).,05) because the probability value of the . test ist for the fixed term (0.000) less than the level of significance (0,05) that is, we reject the null hypothesis that states the non-significance of the fixed term and accept the alternative that states its significance, as well as deduce the significance of the coefficient of the variable)Logx1) below morale level(0,05)This is because the probability value of the testt his and adult (0,000) less than(0,05)Therefore, we reject the null hypothesis, which states that there is no significant effect of the public expenditures variable on the window exchange rateLogY2 and we accept the alternative hypothesis that states the existence of the moral effect, and this is consistent with the first hypothesis which states that there is a morally significant effect relationship between public expenditures and the window exchange rate, and through the above, we conclude that there is an influence relationship for public expenditures in the window exchange rate, and that This relationship is a negative relationship such thatWhichA change in overheads by one unit leads to a change in the window price by(-0.1118),We also note a valuable moralCalculated F is below the level of significance (0 .).,05) because its probabilistic value has reached (0 .).,000) which is less than (0,05) This means that the estimated model as a whole is significant, and the value of the coefficient of determination ((R2 amounted to (0.77), and this means that the independent variable explains (77%) of the changes in the window exchange rate, which is a large value. The remaining percentage (23%) is due to factors found within the random error.

3.That the value of the constant limitIn the third estimated model, B0 is significant below the level of significance (0 .).,05) because the probability value of the . test ist of the fixed term (0.002) is less than the level of significance (0,05) that is, we reject the null hypothesis that states the non-significance of the fixed term and accept the alternative that states its significance, as well as deduce the significance of the coefficient of the variable)Logx1) below morale level(0,05)This is because the probability value of the testt his and adult (0,006) less than(0,05)Therefore, we reject the null hypothesis, which states that there is no significant effect of the public expenditures variable on the interest rateLogY3 and we accept the alternative hypothesis that states the existence of the moral effect, and this is consistent with the first hypothesis which states that there is a significant significant effect relationship between public expenditures and the interest rate, and through the foregoing, we conclude that there is an impact relationship for public expenditures on the interest rate, and that this relationship Negative relationship so thatWhichA change in public expenditures by one unit leads to a change in the interest rate by(-0.634),We also note a valuable moralCalculated F is below the level of significance (0 .).,05) because its probabilistic value has reached (0 .).,006) which is less than (0,05) This means that the estimated model as a whole is significant, and the value of the coefficient of determination ((R2 amounted to (0.41) and this means that the independent variable explains (41%) of the changes in the interest rate, which is a large value. As for the remaining percentage (59%), it is due to factors found within the random error.

B)Estimating the effect of the independent variable on public revenues on each of the approved variables (money supply, window exchange rate, interest rate)

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using the regression model, as it was concluded that the best estimation model for the three models mentioned above is the double logarithmic model, and the results shown in the following table were reached:

Table (3)
The effect of the independent variable on public revenue in (Showcriticism, exchange ratethe window,priceBenefit)

dependent variable	Teacher	parameter value	Ttest value	Sig.	F	Sig.	R2
Logy1	B0	2,247	0,88	0.393	36,45	0.000	0,69
	B1	0.862	6.04	0.000			
Logy2	B0	9,475	36,64	0.000	81,93	0.000	0.84
	B1	-0.131	-9.05	0.000			
Y3	B0	1595.373	21,78	0.000	23,61	0.000	0,60
	B1	-0.0001	-4,86	0.000			

Source: Prepared by the researcher based on program outputsView (12)

We note from Table (3) the following:
1.That the value of the constant limitB0 in the first estimated model is not significant below the level of significance (0 .).,05) because the probability value of the . test ist for the constant (0,393) is greater than the level of morale (0,05) i.e. we accept the null hypothesis that states the non-significance of the fixed term, we also deduce the significance of the coefficient of the variable)Logx2) below morale level(0,05)This is because the probability value of the testt his and adult (0,000) less than(0,05)Therefore, we reject the null hypothesis, which states that there is no significant effect of the public revenue variable on the money supplyLogY1 and we accept the alternative hypothesis that states the existence of a moral effect, and this is consistent with the first hypothesis which states that there is a significant effect relationship between public revenues and money supply, and through the above, we conclude that there is an influence relationship of public revenues on the money supply, And that this relationship is a positive relationship so thatWhichA change in public revenue by one unit leads to a change in the interest rate by(0,862), we also note a significant valueCalculated F is below the level of significance (0 .).,05) because its probabilistic value has reached (0 .).,000) which is less than (0,05) This means that the estimated model as a whole is significant, and the value of the coefficient of determination (R2 (reached (0,69) This means that the independent variable explains (69%) of the changes in the money supply, which is a large value. As for the remaining percentage, which is (31%), it is due to factors found within the random error.
2.That the value of the constant limitIn the second estimated model, B0 is significant below the level of significance (0 .).,05) because the probability value of the . test ist for the fixed term (0.000) less than the level of significance (0,05) that is, we reject the null hypothesis that states the non-significance of the fixed term and accept the alternative that states its significance, as well as deduce the significance of the coefficient of the variable)Logx2) below morale level(0,05)This is because the probability value of the testt his and adult (0,000) less than(0,05)Therefore, we reject the null hypothesis, which states that there is no significant effect for a variablePublic revenues in the window exchange rate LogY2 and we accept the alternative hypothesis that states the existence of a moral effect, and this is consistent with the first hypothesis which states that there is a significant effect relationship between public revenues and the window exchange rate, through the above, we conclude that there is an impact relationship for public revenues in the window exchange rate, and that this relationship is a negative relationship so thatWhichA change in public revenues by one unit leads to a change in the window price by(-0.131), we also note the moral valueCalculated F is below the level of significance (0 .).,05) because its probabilistic value has reached (0 .).,000) which is less than (0,05) This means that the estimated model as a whole is significant, and the value of the coefficient of determination ((R2 reached(0.88)This means that the independent variable explains (88%(of the changes in the exchange rate of the window, which is a large value, either the remaining percentage and the amount)12%) It is due to factors found within the random error.
3.That the value of the constant limitIn the first estimated model, B0 is significant, below the level of significance (0 .).,05) because the probability value of the . test ist for the constant (0,000) is below the level of significance (0 .).,05) That is, we reject the null hypothesis which states that the fixed term is not

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significant, and we also deduce the significance of the variable coefficient (x2) below morale level(0,05)This is because the probability value of the testt his and adult (0,000) less than(0,05)Therefore, we reject the null hypothesis, which states that there is no significant effect of the public revenue variable on the interest rateY3 We accept the alternative hypothesis that states the existence of a moral effect, and this is consistent with the first hypothesis which states that there is a significant effect relationship between public revenues and the interest rate. negative relationship so thatWhichA change in public revenue by one unit leads to a change in the interest rate by(-0.0001), we also note the insignificance of valueCalculated F is below the level of significance (0 .).,05) because its probabilistic value has reached (0 .).,000) which is less than (0,05) This means that the estimated model as a whole is significant, and the value of the coefficient of determination (R2 (reached (0,60) This means that the independent variable explains (60%) of the changes in the interest rate, which is a good value. As for the remaining (40%) it is due to factors found within the random error.

c) Estimating the effect of the independent variable budget deficit in each of the approved variables (money supply, window exchange rate, interest rate) using the regression model, as it was concluded that the best estimate model for the three models mentioned above is the inverse model, as it was imposed:

$((w = \frac{1}{x3}\ , z1 = \frac{1}{y1}\ , z2 = \frac{1}{y2}\ , z3 = \frac{1}{y3}$

The results shown in the following table were obtained:

Table (4)
The effect of the independent variable on the budget deficit on me (Showcriticism, exchange ratethe window,priceBenefit)

dependent variable	Teacher	parameter value	Ttest value	Sig.	F	Sig.	R2
Z1	B0	0.00000002	3,24	0.000	195,10	0.000	0.92
	B1	0.659	13,97	0.000			
Z2	B0	0.00001	3.35	0.000	295,43	0.000	0.90
	B1	0.471	4.69	0.000			
Z3	B0	0.008	55,91	0.000	24,92	0.000	0.61
	B1	-49,848	-4,99	0.000			

Source: Prepared by the researcher based on program outputsView (12)

We note through the table (4) the following :

1.That the value of the constant limitIn the first estimated model, B0 is significant, below the level of significance (0 .).,05) because the probability value of the . test ist for the constant (0,000) is below the level of significance (0 .).,05) i.e. we accept the null hypothesis that states the non-significance of the fixed term, we also deduce the significance of the coefficient of the variable)w) below morale level(0,05)This is because the probability value of the testt his and adult (0,000) less than(0,05)Therefore, we reject the null hypothesis, which states that there is no significant effect of the budget deficit variable on the money supplyZ1 and we accept the alternative hypothesis that states the existence of the moral effect, and this is consistent with the first hypothesis which states that there is a significant significant effect relationship between the budget deficit and the money supply, and through the foregoing, we conclude that there is an influence relationship of the general budget on the money supply, and that this relationship A positive relationship so that any change in the general budget by one unit leads to a change in the money supply by(0.659), we also note a significant valueCalculated F is below the level of significance (0 .).,05) because its probabilistic value has reached (0 .).,000) which is less than (0,05) This means that the estimated model as a whole is significant, and the value of the coefficient of determination (R2 (attained)0.92)This means that the independent variable explains (92%) of the changes in the money supply, which is a large value, either the remaining percentage amounting to (92%) It is due to factors found within the random error.

2.That the value of the constant limitIn the second estimated model, B0 is significant below the level of significance (0 .).,05) because the probability value of the . test ist for the constant term (0,000) is below the level of significance (0 .).,05) that is, we reject the null hypothesis that states the non-significance of the fixed term and accept the alternative that states its significance, as well as deduce the significance of the coefficient of the variable)W) below morale level(0,05)This is because the probability value of the testt his adult (0,000) less than(0,05)Therefore, we reject the null hypothesis, which states that there is no significant effect for a variableThe budget deficit in the

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exchange rate of the window Z2 and we accept the alternative hypothesis that states the existence of the moral effect, and this is consistent with the first hypothesis which states that there is a morally significant impact relationship between the budget deficit and the exchange rate of the window, and through the foregoing, we conclude that there is an influence relationship for the general budget inwindow exchange rate, And this relationship is positive, so that any change in the general budget by one unit leads to a change in the budgetwindow priceby(0.471), we also note a significant valueCalculated F is below the level of significance (0 .).,05) because its probabilistic value has reached (0 .).,000) which is less than (0,05) This means that the estimated model as a whole is significant, and the value of the coefficient of determination ((R2 amounted to (0.90), and this means that the independent variable explains (90%) of the changes in the window exchange rate, which is a large value. The remaining percentage (10%) is due to factors found within the random error.

3.That the value of the constant limitIn the first estimated model, B0 is significant, below the level of significance (0 .).,05) because the probability value of the . test ist for the constant (0,000) is below the level of significance (0 .).,05) That is, we reject the null hypothesis which states that the fixed term is not significant, and we also deduce the significance of the variable coefficient (W) below morale level(0,05)This is because the probability value of the testt has (0.000) less than(0,05)Therefore, we reject the null hypothesis, which states that there is no significant effect of the budget deficit variable on the interest rateZ3 and we accept the alternative hypothesis that states the existence of the moral effect, and this is not consistent with the first hypothesis which states that there is a significant significant effect relationship between the budget deficit and the interest rate, and through the foregoing, we conclude that there is no relationship to the effect of the budget deficit on the interest rate, as well. We note that the calculated F value is not significant below the level of significance (0 .).,05) because its probabilistic value has reached (0 .).,000) which is less than (0,05) This means that the estimated model as a whole is significant, and the value of the coefficient of determination (R2 (at 0,69) This means that the independent variable explains (69%) of the changes in the interest rate, which is a good value. The remaining percentage (31%) is due to factors found within the random error, while we note that there is no autocorrelation of errors as the value of (DW=0.59 (because it lies between 2 and 4-du.

CONCLUSIONS AND RECOMMENDATIONS:
CONCLUSIONS

1-Depends Politics Finance on me oil raw in finance Revenues and expenses.

2-considered as restrictions budget governmental one most important the reasons preacher to coordinate between the two policies Finance and cash One most important this is limitations she restrictions disability Annual in budget the public.

3-surplus Finance I have banks own towards sectors the real what Motivate the growth Economic and reduce From trace cash for politics Finance.

4-between Sample Standard discretionary role the important that did it Tools Politics Finance in the influence on me a variable Show cash M2 .

5- We conclude by applying the standard modelThere is an effect relationship for general expenseson me cash offer,And that this relationship is positive, so that the change in public expenditures is by an amount of1 unitlead to a change in the money supply by0.897As for the general revenuededuceThere is an effect relationshipfor general revenue on cash offer, And that this relationship is a relationshippositiveSo that change inrevenueThe general public by one unit leads to a change in the interest rate by 0.862, while deducingThere is an effect relationshipfor the general budget on the money supply,And that this relationship is a relationshippositiveSo thatany changeinto balancegeneral by one unit leads to a change incash offer by 0.659.

RECOMMENDATIONS

1. Should reach to me Coordination between Policies Economic and avoid inconsistency between them especially Politics Finance and politics cash when for them From Link document in What between them.
2. Coordination between Politics Finance and politics cash constribte in reduce From Archaeology inflationary for politics Expenditure From Side, As for Side Other leads to this coordination to me Strengthen efficiency Investigation Goals economy total.
3. Necessity Engagement interaction between Politics Finance and politics cash with frame founders effective boost independence the bank central and achieve discipline financial.
4. Preparation plan short duration and long duration to take advantage From Revenues oil (depleted) to stimulate and development sector industrial and agricultural that Prepare Revenues Always And the to support sector The private And the develop it.
5. Search About Sources other to fund budget the public and development sectors not oil and boost its contribution output the local And that

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From During limit From Approval exports oil source Main for expenses.

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