

# INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, IT & MANAGEMENT

I  
J  
R  
C  
M



A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

*Indexed & Listed at:*

Ulrich's Periodicals Directory ©, ProQuest, U.S.A., EBSCO Publishing, U.S.A., Cabell's Directories of Publishing Opportunities, U.S.A., Google Scholar,

Open J-Gate, India [link of the same is duly available at Infolibnet of University Grants Commission (U.G.C.)],

Index Copernicus Publishers Panel, Poland with IC Value of 5.09 & number of libraries all around the world.

Circulated all over the world & Google has verified that scholars of more than 5000 Cities in 187 countries/territories are visiting our journal on regular basis.

Ground Floor, Building No. 1041-C-1, Devi Bhawan Bazar, JAGADHRI – 135 003, Yamunanagar, Haryana, INDIA

<http://ijrcm.org.in/>

# CONTENTS

Sr. No.	TITLE & NAME OF THE AUTHOR (S)	Page No.
1.	PREPARATION AND ANALYSIS OF VALUE ADDED STATEMENT OF VISAKHAPATNAM PORT TRUST <i>ARUNA POLISETTY &amp; SHEELA.P</i>	1
2.	A STUDY ON CONSUMER PREFERENCE TOWARDS SAKTHI MILK WITH SPECIAL REFERENCE TO COIMBATORE CITY <i>M. DEVARAJAN &amp; S. KIRTHIKA</i>	8
3.	EMPOWERING HEALTH SECTOR THROUGH DIGITAL INDIA INITIATIVES <i>CHINNASAMY. V</i>	10
4.	COACHING: TRY FEEDFORWARD INSTEAD FEEDBACK FOR LEADERSHIP PERFORMANCE <i>C. NIKHILA REDDY, JYOTI ADHIKARI &amp; DR. RAVINDER KAUR</i>	14
5.	ROLE OF LOGISTICS IN BUILDING CUSTOMER SATISFACTION <i>DR. S. SUDHA</i>	17
6.	INFORMATION TECHNOLOGY ENABLED SERVICES IN PROMOTING SERVICES MARKETING <i>GUDDATI ARCHANA</i>	20
7.	INTEGRATED MARKETING COMMUNICATION IN HEALTHCARE & BRAND BUILDING <i>K. SRIKANTH &amp; DR. SAPNA SINGH</i>	22
8.	A REVIEW OF LITERATURE ON EMOTIONAL STABILITY AND WORK LIFE BALANCE OF EMPLOYEES OF TEXTILE INDUSTRY IN MADHYA PRADESH <i>NEHA SOMANI &amp; DR. SANDEEP MALU</i>	26
9.	A STUDY ON CUSTOMER SATISFACTION ON INTERNET BANKING SERVICES: AN EVALUATION <i>DR. J. RAMOLA PREMALATHA &amp; V. BHARATHKUMAR</i>	29
10.	THE ROLE OF FOREIGN DIRECT INVESTMENT IN THE IRAQI ECONOMY <i>HIKMAT SALMAN KHUDHAIR</i>	33
11.	FOOD SECURITY IN IGAD COUNTRIES: UNFINISHED AGENDA OR UNATTAINABLE GOAL? <i>MELAKE TEWOLDE</i>	39
12.	CASH CONVERSION CYCLE AND FIRM PROFITABILITY IN CEMENT MANUFACTURING SECTOR IN TELANGANA STATE-INDIA <i>P LAKSHMI NARASA REDDY</i>	47
13.	THEORIES AND PRACTICES OF CORPORATE GOVERNANCE <i>SREEJA NAIR</i>	50
14.	PROBLEMS ASSOCIATED WITH STUDENTS' PERSISTENCE IN BUSINESS APPRENTICESHIP TRAINING CENTRES (BATCs): IMPLICATIONS FOR VOCATIONAL TRADE DEVELOPMENT IN KADUNA STATE, NIGERIA <i>IBRAHIM SHITTU KAILANI</i>	53
15.	THE CAUSES OF PRIMARY AGRICULTURAL CREDIT SOCIETIES' OVERDUES IN ANDHRA PRADESH: A STUDY OF WEST GODAVARI DISTRICT <i>DR. K. SUDHAKARA RAO</i>	63
16.	U-COMMERCE OPPORTUNITIES & CHALLENGES <i>SREEJA.E.S</i>	68
17.	ORGANIZATION AND MANAGEMENT OF OLD AGE HOMES IN INDIA, WITH SPECIAL REFERENCE TO MYSURU CITY IN KARNATAKA <i>DIVYA M &amp; VIDYA D AVADHANI</i>	71
18.	A STUDY ON CONSUMER'S PERCEPTION ON MOBILE BANKING IN INDIA <i>AMALKUMAR.P</i>	76
19.	A CASE STUDY REGARDING NOT USING CREDIT CARD BY PEOPLE OF TINSUKIA DISTRICT <i>DR. NARENDRA KUMAR</i>	79
20.	IMPACT OF MGNREGA ON RURAL WOMEN: A STUDY OF MANDI DISTRICT OF HIMACHAL PRADESH <i>KHEM RAJ</i>	85
	REQUEST FOR FEEDBACK & DISCLAIMER	88

## CHIEF PATRON

**PROF. K. K. AGGARWAL**

Chairman, Malaviya National Institute of Technology, Jaipur  
(An institute of National Importance & fully funded by Ministry of Human Resource Development, Government of India)  
Chancellor, K. R. Mangalam University, Gurgaon  
Chancellor, Lingaya's University, Faridabad  
Founder Vice-Chancellor (1998-2008), Guru Gobind Singh Indraprastha University, Delhi  
Ex. Pro Vice-Chancellor, Guru Jambheshwar University, Hisar

## FOUNDER PATRON

**LATE SH. RAM BHAJAN AGGARWAL**

Former State Minister for Home & Tourism, Government of Haryana  
Former Vice-President, Dadri Education Society, Charkhi Dadri  
Former President, Chinar Syntex Ltd. (Textile Mills), Bhiwani

## FORMER CO-ORDINATOR

**DR. S. GARG**

Faculty, Shree Ram Institute of Business & Management, Urjani

## ADVISORS

**PROF. M. S. SENAM RAJU**

Director A. C. D., School of Management Studies, I.G.N.O.U., New Delhi

**PROF. M. N. SHARMA**

Chairman, M.B.A., Haryana College of Technology & Management, Kaithal

**PROF. S. L. MAHANDRU**

Principal (Retd.), Maharaja Agrasen College, Jagadhri

## EDITOR

**PROF. R. K. SHARMA**

Professor, Bharti Vidyapeeth University Institute of Management & Research, New Delhi

## CO-EDITOR

**DR. BHAVET**

Faculty, Shree Ram Institute of Engineering & Technology, Urjani

## EDITORIAL ADVISORY BOARD

**DR. RAJESH MODI**

Faculty, Yanbu Industrial College, Kingdom of Saudi Arabia

**PROF. SANJIV MITTAL**

University School of Management Studies, Guru Gobind Singh I. P. University, Delhi

**PROF. ANIL K. SAINI**

Chairperson (CRC), Guru Gobind Singh I. P. University, Delhi

**DR. SAMBHAVNA**

Faculty, I.I.T.M., Delhi

**DR. MOHENDER KUMAR GUPTA**

Associate Professor, P. J. L. N. Government College, Faridabad

**DR. SHIVAKUMAR DEENE**

Asst. Professor, Dept. of Commerce, School of Business Studies, Central University of Karnataka, Gulbarga

**ASSOCIATE EDITORS****PROF. NAWAB ALI KHAN**

Department of Commerce, Aligarh Muslim University, Aligarh, U.P.

**PROF. ABHAY BANSAL**

Head, Department of I.T., Amity School of Engineering &amp; Technology, Amity University, Noida

**PROF. A. SURYANARAYANA**

Department of Business Management, Osmania University, Hyderabad

**PROF. V. SELVAM**

SSL, VIT University, Vellore

**DR. PARDEEP AHLAWAT**

Associate Professor, Institute of Management Studies &amp; Research, Maharshi Dayanand University, Rohtak

**DR. S. TABASSUM SULTANA**

Associate Professor, Department of Business Management, Matrusri Institute of P.G. Studies, Hyderabad

**SURJEET SINGH**

Asst. Professor, Department of Computer Science, G. M. N. (P.G.) College, Ambala Cantt.

**FORMER TECHNICAL ADVISOR****AMITA**

Faculty, Government M. S., Mohali

**FINANCIAL ADVISORS****DICKIN GOYAL**

Advocate &amp; Tax Adviser, Panchkula

**NEENA**

Investment Consultant, Chambaghat, Solan, Himachal Pradesh

**LEGAL ADVISORS****JITENDER S. CHAHAL**

Advocate, Punjab &amp; Haryana High Court, Chandigarh U.T.

**CHANDER BHUSHAN SHARMA**

Advocate &amp; Consultant, District Courts, Yamunanagar at Jagadhri

**SUPERINTENDENT****SURENDER KUMAR POONIA**

## **CALL FOR MANUSCRIPTS**

We invite unpublished novel, original, empirical and high quality research work pertaining to the recent developments & practices in the areas of Computer Science & Applications; Commerce; Business; Finance; Marketing; Human Resource Management; General Management; Banking; Economics; Tourism Administration & Management; Education; Law; Library & Information Science; Defence & Strategic Studies; Electronic Science; Corporate Governance; Industrial Relations; and emerging paradigms in allied subjects like Accounting; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Rural Economics; Co-operation; Demography; Development Planning; Development Studies; Applied Economics; Development Economics; Business Economics; Monetary Policy; Public Policy Economics; Real Estate; Regional Economics; Political Science; Continuing Education; Labour Welfare; Philosophy; Psychology; Sociology; Tax Accounting; Advertising & Promotion Management; Management Information Systems (MIS); Business Law; Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labour Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; International Relations; Human Rights & Duties; Public Administration; Population Studies; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism & Hospitality; Transportation Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic; Web Design and emerging paradigms in allied subjects.

Anybody can submit the **soft copy** of unpublished novel; original; empirical and high quality **research work/manuscript** **anytime** in **M.S. Word format** after preparing the same as per our **GUIDELINES FOR SUBMISSION**; at our email address i.e. [infoijrcm@gmail.com](mailto:infoijrcm@gmail.com) or online by clicking the link **online submission** as given on our website (**[FOR ONLINE SUBMISSION, CLICK HERE](#)**).

## **GUIDELINES FOR SUBMISSION OF MANUSCRIPT**

### 1. **COVERING LETTER FOR SUBMISSION:**

**DATED:** \_\_\_\_\_

**THE EDITOR**

IJRCM

**Subject:** **SUBMISSION OF MANUSCRIPT IN THE AREA OF** \_\_\_\_\_.

**(e.g. Finance/Mkt./HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)**

**DEAR SIR/MADAM**

Please find my submission of manuscript titled ' \_\_\_\_\_ ' for likely publication in one of your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published anywhere in any language fully or partly, nor it is under review for publication elsewhere.

I affirm that all the co-authors of this manuscript have seen the submitted version of the manuscript and have agreed to inclusion of their names as co-authors.

Also, if my/our manuscript is accepted, I agree to comply with the formalities as given on the website of the journal. The Journal has discretion to publish our contribution in any of its journals.

**NAME OF CORRESPONDING AUTHOR**

Designation/Post\*

Institution/College/University with full address & Pin Code

Residential address with Pin Code

Mobile Number (s) with country ISD code

Is WhatsApp or Viber active on your above noted Mobile Number (Yes/No)

Landline Number (s) with country ISD code

E-mail Address

Alternate E-mail Address

Nationality

\* i.e. Alumnus (Male Alumni), Alumna (Female Alumni), Student, Research Scholar (M. Phil), Research Scholar (Ph. D.), JRF, Research Assistant, Assistant Lecturer, Lecturer, Senior Lecturer, Junior Assistant Professor, Assistant Professor, Senior Assistant Professor, Co-ordinator, Reader, Associate Professor, Professor, Head, Vice-Principal, Dy. Director, Principal, Director, Dean, President, Vice Chancellor, Industry Designation etc. **The qualification of author is not acceptable for the purpose.**

**INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, IT & MANAGEMENT**

A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

<http://ijrcm.org.in/>

**NOTES:**

- a) The whole manuscript has to be in **ONE MS WORD FILE** only, which will start from the covering letter, inside the manuscript. **pdf. version is liable to be rejected without any consideration.**
  - b) The sender is required to mention the following in the **SUBJECT COLUMN of the mail:**  
**New Manuscript for Review in the area of** (e.g. Finance/Marketing/HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)
  - c) There is no need to give any text in the body of the mail, except the cases where the author wishes to give any **specific message** w.r.t. to the manuscript.
  - d) The total size of the file containing the manuscript is expected to be below **1000 KB**.
  - e) Only the **Abstract will not be considered for review** and the author is required to submit the **complete manuscript** in the first instance.
  - f) **The journal gives acknowledgement w.r.t. the receipt of every email within twenty-four hours** and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of the manuscript, within two days of its submission, the corresponding author is required to demand for the same by sending a separate mail to the journal.
  - g) The author (s) name or details should not appear anywhere on the body of the manuscript, except on the covering letter and the cover page of the manuscript, in the manner as mentioned in the guidelines.
2. **MANUSCRIPT TITLE:** The title of the paper should be typed in **bold letters, centered and fully capitalised**.
  3. **AUTHOR NAME (S) & AFFILIATIONS:** Author (s) **name, designation, affiliation (s), address, mobile/landline number (s), and email/alternate email address** should be given underneath the title.
  4. **ACKNOWLEDGMENTS:** Acknowledgements can be given to reviewers, guides, funding institutions, etc., if any.
  5. **ABSTRACT:** Abstract should be in **fully italic printing**, ranging between **150 to 300 words**. The abstract must be informative and elucidating the background, aims, methods, results & conclusion in a **SINGLE PARA**. **Abbreviations must be mentioned in full**.
  6. **KEYWORDS:** Abstract must be followed by a list of keywords, subject to the maximum of **five**. These should be arranged in alphabetic order separated by commas and full stop at the end. All words of the keywords, including the first one should be in small letters, except special words e.g. name of the Countries, abbreviations etc.
  7. **JEL CODE:** Provide the appropriate Journal of Economic Literature Classification System code (s). JEL codes are available at [www.aea-web.org/econlit/jelCodes.php](http://www.aea-web.org/econlit/jelCodes.php). However, mentioning of JEL Code is not mandatory.
  8. **MANUSCRIPT:** Manuscript must be in **BRITISH ENGLISH** prepared on a standard A4 size **PORTRAIT SETTING PAPER**. **It should be free from any errors i.e. grammatical, spelling or punctuation. It must be thoroughly edited at your end.**
  9. **HEADINGS:** All the headings must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.
  10. **SUB-HEADINGS:** All the sub-headings must be bold-faced, aligned left and fully capitalised.
  11. **MAIN TEXT:**

**THE MAIN TEXT SHOULD FOLLOW THE FOLLOWING SEQUENCE:****INTRODUCTION****REVIEW OF LITERATURE****NEED/IMPORTANCE OF THE STUDY****STATEMENT OF THE PROBLEM****OBJECTIVES****HYPOTHESIS (ES)****RESEARCH METHODOLOGY****RESULTS & DISCUSSION****FINDINGS****RECOMMENDATIONS/SUGGESTIONS****CONCLUSIONS****LIMITATIONS****SCOPE FOR FURTHER RESEARCH****REFERENCES****APPENDIX/ANNEXURE****The manuscript should preferably be in 2000 to 5000 WORDS, But the limits can vary depending on the nature of the manuscript.**

12. **FIGURES & TABLES:** These should be simple, crystal **CLEAR, centered, separately numbered** & self-explained, and the **titles must be above the table/figure. Sources of data should be mentioned below the table/figure. It should be ensured that the tables/figures are referred to from the main text.**
13. **EQUATIONS/FORMULAE:** These should be consecutively numbered in parenthesis, left aligned with equation/formulae number placed at the right. The equation editor provided with standard versions of Microsoft Word may be utilised. If any other equation editor is utilised, author must confirm that these equations may be viewed and edited in versions of Microsoft Office that does not have the editor.
14. **ACRONYMS:** These should not be used in the abstract. The use of acronyms is elsewhere is acceptable. Acronyms should be defined on its first use in each section e.g. Reserve Bank of India (RBI). Acronyms should be redefined on first use in subsequent sections.
15. **REFERENCES:** The list of all references should be alphabetically arranged. **The author (s) should mention only the actually utilised references in the preparation of manuscript** and they may follow Harvard Style of Referencing. **Also check to ensure that everything that you are including in the reference section is duly cited in the paper.** The author (s) are supposed to follow the references as per the following:
  - All works cited in the text (including sources for tables and figures) should be listed alphabetically.
  - Use (ed.) for one editor, and (ed.s) for multiple editors.
  - When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc., in chronologically ascending order.
  - Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
  - The title of books and journals should be in italic printing. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
  - For titles in a language other than English, provide an English translation in parenthesis.
  - **Headers, footers, endnotes and footnotes should not be used in the document.** However, **you can mention short notes to elucidate some specific point**, which may be placed in number orders before the references.

**PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:**

**BOOKS**

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

**CONTRIBUTIONS TO BOOKS**

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

**JOURNAL AND OTHER ARTICLES**

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

**CONFERENCE PAPERS**

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–23

**UNPUBLISHED DISSERTATIONS**

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

**ONLINE RESOURCES**

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

**WEBSITES**

- Garg, Bhavet (2011): Towards a New Gas Policy, Political Weekly, Viewed on January 01, 2012 <http://epw.in/user/viewabstract.jsp>



# THE ROLE OF FOREIGN DIRECT INVESTMENT IN THE IRAQI ECONOMY

**HIKMAT SALMAN KHUDHAIR**  
**MANAGER**  
**FOREIGN ECONOMIC RELATIONS DEPARTMENT**  
**MINISTRY OF TRADE**  
**BAGHDAD**

## ABSTRACT

*The problematic financing for development and rebuilding what was destroyed by wars infrastructure and the duration of the siege and bridge the underdevelopment gap which is problematic real emerged as a result of declining real income and low savings throughout the past period, causing a lack of domestic investment and the reluctance of foreign investors from entering into the country as a result of the lack of security and safety is known Capital is characterized by cowardice and thus to the reluctance of international banks to lend addition, the magnitude of the debt of Foreign Affairs of Iraq and the subsequent debt service and compensation in addition to that most of Iraq's annual budget allocations go 60% operating expense compared to 30% of investment allocations of a proportion that does not meet the huge burdens and building a country like Iraq, and so the study of impediments to foreign investment and analytical study of deep ultraviolet rays diagnosed depth of the problem .That foreign investment-oriented important economic sectors lead to the development of those sectors and the foreign direct investment directed towards the oil sector leads to the result to increase the financial resources and the promotion of public revenues of the state, which is reflected positively on the economic development and reconstruction process in Iraq.*

## KEYWORDS

Iraqi economy, foreign direct investment.

## 1. THE CONCEPTUAL FRAMEWORK FOR INVESTMENT

**1.1 The definition of investment:** There are many concepts and implications of this economic term, depending on the economic schools and the communities dogma and planners approach it means:

1.1.1 linguistically: - Investment of the fruit, and the fruit is the kind of money, and (invest) meaning develops or increases, but is usually in the money in its various forms, which include real estate or personal property and the rest of the physical forms.

1.1.2 In addition to the stock of productive assets, such as capital goods- capital goods are equipment and facilities or goods. When the company built a new factory, these businesses represent investments. This meaning goes out to the added material goods, whether capital equipment or buildings or additions to existing stock.

1.1.3 Use the money to make more money, or to earn income or capital increase, or both) and the Advanced meaning of what is indicated by the investment depending on the development that took place in the economic studies, particularly macroeconomic theory and the location of investment down of what it meant Investment multiplier. This means in turn, that any increase in investment lead to an increase in income equivalent to the increase in the number of investment times.

1.1.4 Is the change in the balance of the capital during the specified period time and invest here, unlike the capital it represents a flow and not an existing balance and this means that while capital is measured at the specific point in time, the investment can be measured through a given time period.

1.1.5 The investment means the use of cash and material savings in the economy, the composition of the assets of capitalism of the (fixed assets) used in the production of goods and services.

Upon checking in at any notion of investment aforementioned concepts its focus on the physical aspect only, It is with this tendency tend to the old meaning of the Investment where the majority of communities are suffering a recession and the deficit and therefore need to be an annual increase in the gross national product, which means making investments specified any particular rate of a specific investment in accordance with the degree of disability and the recession, this concept no longer acceptable in the current era and the current phase which has evolved everything and the human became the focus of development and the process of evolution, he is the goal and the means and the cornerstone of all economic activity axes.

The modern concept which popularized starting from the seventies and eighties is based on that investment activity multi-dimensional process that includes changes in the structures and tendencies, institutions, and acceleration in economic growth to achieve equality and the eradication of poverty. These are the targets of all communities and individuals it includes materially and humanly sides, the low level of living leads to low levels of education and health services, and these are linked in one way or another with lower level of income and the per capita share of it which would necessarily leads to a low standard of living and it has become not an accumulation material investment, but the ability to produce this accumulation, which comes to investing in human capital and intellectual capital, which has become important factor in the axis of human activity. If the increase in overall capital reflects the physical investment, the human investment expressed through spending on education, training and skills-building also including spending on research, development, and health...We conclude, as we have learned from economics that the work means creating the benefit as well as of the investment is also a work its goal is to increase national output and thus national income and then a good per capita income is reflected on the welfare of people ending reducing poverty, deprivation and inequality areas. The mechanism of this action is to directed the savings towards increasing capital goods by increasing capital formation on the internal level of any investor within the country and there may be funding Outsourcing is the subject of our research.

**1.2 The types of investment: investment can be divided according to the following criteria:**

1.2.1 Belonging standard which is:

1) Private investment: - carried out by natural or moral persons are seeking to develop their public wealth and increase production.

2) public investments: - carried out by projects in which the ownership of the means of production is to the state and aiming at achieving the public interest firstly, then go back to turn a profit.

1.2.2 The objective of the investment standard, which is:

1) Economic investment and its target is to increase in goods and services, thereby increasing the gross national product.

2) Financial investment means the transfer of ownership of the investor money to another.

1.2.3 by the standard of economic activity and divides: -

1) Agricultural investment.

2) Industrial investment.

3) service-investment.

1.2.4 According to standard investment material, namely: -

1) Investment in goods and services.

2) Invest in other things like machinery and equipment and real estate assets.

1.2.5 Investment in financial assets such as stocks and bonds.

1.2.6 by funding standard:



1) Domestic investment: This type of investment will be financed from within the country any source locally, whether from the private sector or the public and managed by profit-taking and investors hold the nationality of the country foster parent for those investments.

2) Foreign investment: - Investment will be financed externally any source outside the country's borders, and these investments are designed to lock in profits and increased benefits realized it permission to invest outside of the border as a result of the transfer of capital and the various economic resources between different countries.

### 1.3 Investment targets: the most important goals can be summed up investment activity the following points:

1.3.1 Achieve economic growth increases the gross domestic product, and then the national income.

1.3.2 Achieve a qualitative leap in all high growth and development sectors.

1.3.3 Achieve real renaissance it includes the effects of all citizens, leading to reduce unemployment and improve the services and solving the housing problem and the development of technical skills as well as promote balanced production sectors.

1.3.4 Build and develop master structures of society, including a positive impact on economic performance.

1.3.5 Support the trade balance and balance of payments.

1.3.6 Continuous development and innovation, which is based on the products of the human intellect, which is more important than investment in physical capital, because the latter depends on the first. socially, the investment process to what it means to raise the level of per capita income working to reduce poverty and deprivation areas and thus turning people to the attention of cultural, artistic and sporting issues as well as to reduce the illiteracy rate in the community as a natural result of investment in scientific, educational and research field through the expansion process building schools, universities and research centers, not to mention the construction of hospitals and social care homes and the remaining investment process and investment activity right first and last goal, as is evident by the planned decree facility in this section is the man, needs and aspirations and his humanity

**1.4 Investment financing sources:** investment is known as an influx of spending and this spending is material in the first place goes to the aforementioned investment requirements and he must know the sources of this spending, namely: -

1.4.1 National and local sources: - The Savings article the first and take the savings here many pictures since there are savings by enterprises (General) sector or individuals (household sector) or may be owed to cram (coercive) by country (domestic borrowing tax deficit financing).

1.4.2 Foreign sources: - in the case of inadequate domestic sources for the purpose of supporting or intentionally hiring external sources in order to obtain goods and services complementarily to local factors of production and there are different types of external financing, including: -

A) Foreign loans and the possible obtained as a result of the country's foreign relations with any other countries or regional and international lending organizations.

B) a foreign official financing flows received by the State concerned of other countries, including development aid and concessional flows of official development non-concessional loans to the World Bank.

C) Foreign investment will be touched upon later.

**1.5 Strategic investment:** The investment process is not a random process or reactions to unexpected situations but organized and planned and drawn scientifically so the investment strategy the need to achieve a successful investment decision, which means a long-term. Plan orientations of the state, investors and their movements both so much of the control institutions, whether public or private has a strategic investment in writing and official based on the doctrine of society and the pattern of the required development and economic orientations of governments and this strategy to minimize the risk of any wrong investment decision can be taken and can be divided into investment strategy into three basic parts: -

1.5.1 Investment philosophy and outlines the nature of the relationship between the investor and the investment in which you must know the answer to the following questions: -

- The investor is who will choose the type of investment and the method of financing.

- Is it the will of its management and follow-up faced problems and difficulties and the investor is meant here either government or individuals or any other side.

- Or is the investor of another kind as it will with the help of the region of the other to do the role. The investment philosophy generally reflects the sensitivity of the investor and his position on the investment that would like to enter into it and the nature of the danger to him return type.

1.5.2 Investment objectives determine the investment policy specifications and characteristics and criteria for investments that must meet the investor's desire, which are commensurate with the investment philosophy and goals These policies include financial criterion of financial and non-used in investing assess it is to enter into investment projects not older than 10 years and the adoption of evaluating the principle of complementarily between the sectors of the national economy as the investment policies also include considerations relating to the size of the investment.

Overall, the investment strategy is a tool through which to see what needs to be done and what should not be done with respect to investment decisions faced by any administrative apparatus for the investor.

**1.6 Investment Determinants: determinants of investment intended to factors that affect one way or another on the investment process positively or negatively, namely:**

1.6.1 Interest rate (inverse relationship in accordance with the economic concept of investment) if the interest rate affects the opportunity cost of investment projects If the investor can borrow, the interest rate directly affects the cost of investing in a project but if the investor uses financial his assets, he waives interest that could have been derived if he loaned the money to someone else rather than invest it is known that the high interest rate increases the opportunity cost of any investment project and reduces the incentive to stay or low interest rate Votary opposite and this is evident in Figure one.

1.6.2 Sufficiently marginal capital, which means that the marginal productivity of invested capital or return on invested capital of any achieved by monetary unit invested, which can be built upon to direct investments, it is by comparing the interest rate prevailing in the market and among sufficiently marginal capital can set the amount of capital required to invest in any activity as long as the marginal efficiency of capital is greater than the interest rate all encouraged to increase investment, and that the investment process will continue as long as the marginal efficiency of capital is greater than the interest rate.

1.6.3 The degree of risk.

1.6.4 Availability of economic and political stability and investment climate.

1.6.5 Other factors such as the availability of savings awareness and investment as well as provide effective financial market. Conclude by saying that the investment process is the main engine to do economic development and overall development, a special corner in the economic theory that the investment represents a vital and effective element to achieve the physical and social well-being if we take with interest that an increase primarily in investment will lead to increases in income to double investment and that any increase in income must go in part to increased investment by the so-called accelerated (the accelerator) on the other hand we can say that all investment process must be accompanied by a certain level of risk.

And achieve a certain level of revenue and to create a real motivation to fund financial surpluses into investments must be that many of the key factors for the success of these investments, including a high degree of investment awareness of the economic climate, the legal availability, social and political with the availability of safety and the protection of investors' rights are available in addition to the existence of an efficient and effective financial market in space and time wanted to invest Hence, developed countries paid great attention to the investment through its issuing laws encouraging investment, legislation and necessary for the transfer of capital either in developing countries did this topic is given adequate attention despite the scarcity of capital in these countries, which we'll address later

## 2. FOREIGN INVESTMENT

2.1 Concept: did not stand a concept such as enjoyed by the (foreign investment) from the debate and differences and diligence despite the apparent clarity of verbal him and despite the spread as a prominent financial phenomena since decades of the last century Until a few years was seen for foreign investment, look at where a lot of caution and apprehension and frequency as the window that sneaks through which foreign countries to exercise its activities and policies or effects of the dye is national or anti sometimes. That was the last image is that recent decades brought visions of different ideas in large as ideologies have changed and changed facts and theories in various walks of life and economic especially at a time when the foreign investment during the years of the fifties and the sixties

and seventies are looking for the appropriate fields in which they operate without underserved welcomed by the developing countries and even confronting deduced these countries have become at the moment are looking for foreign investment and initiate its laws and granted the facilities and the issuance of laws and regulations that help them and give more temptations and traveling to areas where it fits within the country but became most developing countries compete in order to get and bring foreign investment.

There are many implications of this concept, including a nutshell:

**2.1** (each use going on outside of the financial resources owned by a country of countries).

**2.2** WTO definition (WTO) foreign investment when the investor gets stable in a country (Home Country) to own assets or assets in another country (country's future Host Country) with the intention to have in the management of that asset.

**2.3** Definition of United Nations Conference on Trade and Development (UNCTAD) investment includes long-term relationships and reflects a lasting interest and control of an entity resident in one of economics is the economics of direct foreign investor or foreign investor of the project.

And extracted from these three concepts for foreign investment are three basic elements make up this concept are: -

2.3.1 This investment outside the borders of the country of financial resources.

2.3.2 The investor's intention to participate in the management of these resources.

2.3.3 Accept the future of the country for these resources the principle of participation or work and share in the fruits of the investment process.

**2.4** View historical and Roy thought: back foreign direct investment effectively in developing countries to the nineteenth century history, where these investments were concentrated during periods of colonialism in minerals, agriculture and public services sectors have seen the early twentieth century, the development of a large part of the infrastructure around the world through foreign direct investment, including electric power, telecommunications (but in real numerous studies have pointed to the history of the emergence of foreign investment at the founding of the East India company, which was passed to be held in London in 1600, a transnational company) showed.

The back of foreign direct investment term in the writings of (Herbert Feis 1930 m) for the first time and is the scientific term ((FDI)) summary is common in the English language (Direct Investment foreign) and was first used by the (Cleona Lewis 1938 m).

Foreign direct investment has played an important and key role in economic development and industrial development for the different diameters of the developed world is now like the diameters of Western Europe and the United States of America and by the year 1914 had accumulated global balance of foreign direct investment is estimated at \$ 15 billion and the United Kingdom at the time the largest source of foreign investment, followed by US United And Germany, and America was the largest recipient of foreign direct investment. In 1928, foreign direct investment amounted to about \$ 66 billion, and British companies were still the largest investors have turned more than half of those investments to developing countries, particularly in Latin America and Asia, especially in the sectors of agriculture, mining, infrastructure and overall Britain took control in pre-World war I on about 42% of total global international financing total.

In the wake of World War II, foreign direct investment pattern has changed since becoming the United States the main source of those investments and became investment in manufacturing most common type of investment has prevailed fear among developing countries was motivated by the potential negative effects of foreign direct investment such as creating dependency economic and political interference was Chan so that these investments have experienced significant declines in that era... in the seventies foreign direct investment, improvement in commodity prices, particularly oil and gas, as well as surplus budgets of countries exporting goods to those but they were not in favor of foreign investment affected Where that money is recycled to developing nations re in loans provided by international banks, developing countries have become more dependent on those loans and less interest in direct foreign investment and thereby helped by the benefit of developing countries of the increase in the prices of primary commodities enough to meet the investment needs of domestic savings without the need for foreign direct investment.

This continued decline in the volume of FDI until the first half of the eighties, as developing countries have tried to restore economic stability and the impact of falling oil prices and other commodities, and thus proceeded to implement a program aimed at reducing restrictions on foreign investment to restore economic stability and thus the flow of international capital appeared to developing countries concentrated on the export-oriented industries due to lower operating costs and increase the adequacy of the market.

The nineties saw the move production elements significantly and markedly across countries of the world and the continued flow of FDI to developing countries, with the increasing adoption of privatization programs and encourage investment and the liberalization of foreign trade policies.

For Iraq, the foreign investments are almost formerly confined to the oil sector in the monarchy production was, however, the British foreign companies, and the rest of other companies is the concessionaires in oil production even after the end of the monarchy has been hiring in 1950 foreign companies against the backdrop of The Governing Council of reconstruction in order to accomplish many of the projects in the fields of agriculture, irrigation, roads, bridges either the period following the 1963 change in economic thought that was leaning towards a totalitarian central system and so-called socialist approach has won and that's what drove her to make decisions of foreign investment opposed and thus control all the country's economic facilities such as the nationalization decisions and confiscation But after 2003, and for the transition to a market economy has opened a wide area in front of any investment that would serve the national economy, particularly foreign direct investment, through the issuance of Foreign Investment Law No. (39) for the year 2003 and move forward on banking regulation and allowing foreign banks to open branches in Iraq, as well as pass a law No. (13) for the year 2006 to encourage foreign investment and all these steps and others were not sufficient to attract the expected investment.

**2.5** The types of foreign investment: foreign investment is divided into several types according adopted in the division of standard and these species are in terms of standard time, a division that concerns us in this study: -

2.5.1 Foreign direct investment (FDI): - This is a long-term kind of where the time period and therefore do not offer it, but companies and institutions with huge potential as the companies intercontinental multinational and this type of company does not provide investment, but for its interest in the first place for this is controlled in production and prices by it exclusively.

2.5.2 Foreign indirect investment (IFI): - This is the kind of investment in stocks and public bonds or private for profit by speculating in their host country market is a short-term investment is usually done by financial institutions such as banks and investment funds such as insurance companies and pension fund as well as people.

### 3. FOREIGN DIRECT INVESTMENT (FDI) AND ITS ROLE IN THE DEVELOPMENT OF THE IRAQI ECONOMY

**3.1 Popularity:** Foreign direct investment is a source of financing in developing countries, including Iraq, it is hoped that investments contribute to promoting economic and social development. It is wrong perception that the benefits that could accrue to developing countries due to attracting foreign direct investment can be obtained at no cost investment them the motives of the internationalization of their activities, and that countries that encourage national companies to invest in other countries seeking from behind to achieve economic and political goals, which means that foreign direct investment is governed by common interests between the parties to the investment The degree of benefit of each party to a large extent on the policies and procedures of the other party on the quality and nature of the investment, which represents the essence of the relationship between the two parties in the following points.... It is possible benefits of foreign direct investment on the economy, Iraq, in particular: -

3.1.1 Saving renewable source and the conditions of good to get the financial resources or foreign capital to finance development programs and plans, as Iraq is suffering from a financial dilemmas and economic return to the legacy of wars, international embargo and financial and administrative corruption These factors have grown during the past few years as the physical and human attrition cost the country a high price due to internal conflicts on the other hand cannot be the future rely only on oil export earnings, although it essential at the present time as may be consequent risk of grandparents, both in the absence of guarantees for the continuation of this vital resource consistently a sustainable result of many reasons, including financial oil markets turmoil and volatility of the prices

3.1.2 Contribute to national ownership of development and raise the contribution of the private sector in the GDP and creating a new class of businessmen by the members of the community to contribute to the investment projects or the development of new projects backing of foreign investment projects, enabling the private sector to contribute to the development process, particularly national ownership of development for Using capital or foreign capital or find virtue of that

enjoyed by the private sector of flexibility in dealing with investment institutions and finance houses and the contribution of the private sector in the construction process represents the second side to support the process of democratic development through the creation of an economic sector financiers partners A specific area of the independent national economy and the dominance of state control, which limits their ability to lead to authoritarianism, including building a partnership between the public and private sectors in order to achieve integration between them both and the community.

3.1.3 Facilitation Iraq access to modern technology, particularly in industry and the IT sector and this is extremely sensitive because of the modern technology of a role in the development and construction of the countries in the shortcut national entity a time at various levels and is known that the economic blockade suffered by Iraq for 13 years and led to the interruption of Iraq scientific and technological development for the rest of the world, which led to the widening technology gap between him and the rest of the world on the one hand and the other side obsolescence of technology used in the most productive and service institutions, and this is sufficient justification for bringing in foreign direct investment, and has become a technology acquisition process overburden developing economies as estimated in some a passing years the developing world payments for the import of some elements of the technology more From 3/1 one-third of payments to service the debt and about 3/2 two-thirds of the total annual flow of foreign direct investments. That the price of high-priced for developing economies should therefore take advantage of the presence of foreign companies as it contributes to narrowing the accelerating gap globally note that multiple companies Table. Owns about 95% of the technology and that means control over the technology market

3.1.4 Saving new jobs as well as help in the development and training of human resources, with an estimated available labor and the size of Iraq's estimated 8.5 million people (according to the World Bank) and the estimated volume of unemployment after the events of 2003 by about 30% and added to this number is known as underemployment in other words, a large number of workers in the unorganized sectors for low wages and hours of work oscillatory and thereby exacerbating the problem of unemployment in Iraq to disband the army and internal security forces and solving the Ministry of Information and lay off workers in a large number of plants and the activities of the private sector due to suspension of direct production after the events and presented the Iraqi market for the process of dumping by the neighboring countries, all of this make Iraq a yard suitable for bringing in foreign direct investment appropriate demand, at least at the current stage, if we take into account in addition to the previous indications that Iraq is characterized by a percentage of a high population growth in the youth sector and the proportion of large labor force estimated at 2.4% in the year where it enters each year (170) thousand new workers. (4) to the labor market and on the other hand is a labor demand to absorb all the new entrants to him and unemployed low work at the moment because of conflict and economic decline led to damage to many of the employment opportunities in the formal and informal sectors alike As a result, Iraq is suffering one of the highest unemployment rates in the region as it is more than the unemployed among young people half as well as a very high percentage of poverty (over 23%) at a time when the participation rate of women in the work is estimated at 13%, which is low by the standards of countries in the region.

3.1.5 FDI works to stoke competition between companies and the Iraqi institutions and their counterparts overseas, and this results in the competition of the benefits of reducing monopoly and stimulate companies to improve product quality and services As these intensified competition even among foreign companies operating in the country and among the other companies out of the country forcing companies Find new ways to increase efficiency, including expanding its reach to new markets in the early stage and this is in the benefit of the country box.... it has become obvious to talk about foreign direct investment it means talking about giants and their as it proceeded to the internationalization of production through the export of capital after it was foreign investment focus on investment in the primary sector.

3.1.6 Help open new markets for export, particularly to foreign giants have the best possibilities to gain access to export markets, including its expertise and skills of marketing high as the World Investment Report issued by the United Nations Development Programmer in 2002 indicates that foreign investment role by international companies taking the buildup in the globalizing world economy, the report said the number of these companies in 2001 amounted to approximately 65,000 foreign company counts among 850,000 foreign company subsidiaries around the world, and the estimated number of employees by about 54 million people Compared to about 24 million people in 1990 it has reached a turnover of about \$ 19 trillion, double the value of world exports, while the figures were equal in 1990 and accounted for multinational companies and affiliates ten global GDP According to the World Investment Report cit.

3.1.7 Contribute to the improvement of the status of the balance of the Iraqi payments by increasing export opportunities and reduce imports and the influx of foreign capital and the Iraqi economy, known as unilateral economy side, directly depends almost or budget depends on oil revenues, as we have said, and as we have said that this economy has witnessed after the events of 2003 and earlier years in the international embargo period of great destructive hit infrastructure in agriculture, industry and services, as there are in Iraq now (192) project employs up to half a million workers as mentioned above, and these projects are now considered by virtue of obsolete technology and a burden on the Iraqi economy, in addition to what has happened of looting stopped, mostly for work processes and the status of the remaining non-economic works.

**3.2 Opportunities: the focus of the opportunities is to answer the following question:** Where can we draw foreign investment in the case? No sense in any sector any sector his prized in the interest of speeding up the development process and the reconstruction process as long as it has been proven that foreign investments have doomed the positives on the Iraqi Economy as detailed previously.

In order to answer this question, we should know that the Iraqi economy includes the following sectors: -

- 3.2.1 Industrial and inclusive of extraction, marketing and manufacturing of oil.
- 3.2.2 Agricultural including features from animal notch.
- 3.2.3 Commercial including the movement of goods export and import selling.
- 3.2.4 Service having financial and banking services and insurance.

It is known that each sector has the ingredients are available in quantity and quality at the level of the area of Iraq as this country is characterized by possessing a wealth enormous oil, with estimated proven reserves of oil estimated at 112 billion barrels and nearly double that figure as a reserve potential either Iraq's gas reserves amount to (30000) billion cubic meters and features the oil wealth in the country, down development costs and production with high productivity of the well and the lack of depth compared to other countries in addition to Iraq's possession of good infrastructure in pipelines and reservoirs and pumping stations to facilitate connecting new fields of export facilities process then there is the availability of agricultural potential with the possibility of investment in the reclamation of vast land with a relatively low level of wage labor In general what is available from the neighboring countries and can prepare Iraq from countries that have this feature if large amounts invested in each of the infrastructure and productive sectors and juicy market size of the crucial factors in investment decisions more the expanded size of the market increased investment opportunities and increased feasibility of establishing cards projects The large Iraqi market is relatively broad market factors, the market is influenced by a horizontal size of the population, as well as vertical market influenced by factors which income level and living For individuals as well as to provide the relative experience in the field of value-added of basic industries in order to provide their own raw materials a percentage of large, making investment a priority for the country and The feasibility great for the investor permission Iraq the benefit of the environment and encouraging the introduction of foreign investment, but the question here is which sectors have priority in investment? In order to answer the question we must realize that Iraq and the Iraqi economy to be accurate in transition from a centrally planned economy to a market economy, this first, and secondly that the facts say that the Iraqi economy in a deadlock after the collapse that suffered as a result of the former regime and the destruction it has suffered after the US occupation policies For individuals as well as to provide the relative experience in the field of value-added of basic industries in order to provide their own raw materials a percentage of large, making investment a priority for the country and The feasibility great for the investor permission Iraq the benefit of the environment and encouraging the introduction of foreign investment, but the question here is which sectors have priority in investment? In order to answer the question we must realize that Iraq and the Iraqi economy to be accurate in transition from a centrally planned economy to a market economy, this first, and secondly that the facts say that the Iraqi economy in a deadlock after the collapse that suffered as a result of the former regime and the destruction it has suffered after the US occupation policies for individuals as well as to provide the relative experience in the field of value-added of basic industries in order to provide their own raw materials a percentage of large, making investment a priority for the country and The feasibility great for the investor permission Iraq the benefit of the environment and encouraging the introduction of foreign investment, but the question here is which sectors have priority in investment? In order to answer the question we must realize that Iraq and the Iraqi economy to be accurate in transition from a centrally planned economy to a market economy, this first, and secondly that the facts say that the Iraqi economy in a deadlock after the collapse that suffered as a result of the former regime and the destruction it has suffered after the US occupation policies all this

led to the suffering of Iraq's financial difficulties in addition to the current reality which indicates that of 810% of the population languishing in poverty, destitute and that up to 1215% under the destitute poverty line.

Asking permission rapid orientation and timely for the development and reconstruction of highways to get to a balanced state and to begin phase starting right up to the stage of self-propulsion of the Iraqi economy and thus we get to the fact that the need to go to a payoff rewarding and a great and fast genie to overflowing with the same arrogance and speed on the rest of the sectors development and ages do not think the presence of the Gaza strip these specifications, such as the oil sector for the following reasons: -

- Resources represent an important financial source to supplement the development plans and where wetlands occupy a large area in the body of the Iraqi economy that revenues accounted for the gain of 98% of the state budget revenues in 2008 compared with other sources of revenue for the budget as mentioned above.
- Huge source of foreign currency to pay for imports, but hardly the only source where make up almost 100 percent of Iraq's revenues and cash from abroad.
- The oil sector and oil industry provide energy and fuel sources needed industrial and consumer purposes.
- Basic raw material for many of the private fertilizer, rubber, detergents and textile industries and each industry chemicals.
- The importance of the oil industry in the strategic future of the global economy by the size of proven oil reserves and resources is proven 112 billion barrels, mounted and thus potential weak figure) and the expected production volumes.

**3.3 The development and investment of the oil sector model of the opportunities available:** There is controversy does not end on the feasibility of foreign investment, traditional and opinion indicates that these investments take more than they give either talk inferred from the fact experiments opinion indicates that these investments are of the most successful mechanisms for the overall development of the host country and between the two views is no third team he thought should be the recognition of the existence of common goals between the parties of investment (international companies host country native country) represents a basic foundation to activate foreign investment and achieved the target of foreign investment through good governance between the three parties and comply with the agreed not inconsistent with the interests of each some researcher course with the third team In order to ensure the national interests and in general we get to the fact that the inevitable entry of foreign investment in such circumstances those experienced by Iraq for the reform and development of the oil sector in light of the debtor's economy by about \$ 127 billion as stated in the Strategic Report of the Iraqi second for the year 2009 and suffering from difficulties financial bottlenecks economical insurmountable by foreign direct investment, according to the guidelines safeguard national interests, as we know that the required value of investments in oil and gas production sector and exported up to about 30 billion, including the cost of investment real-time required and costs to get to power six million b / d and expenses exploratory activity to maintain the level up and improve the export capacity and filtering..

This is a relatively large number for the data the economic reality of Iraq where you go around 60% of annual budgets expensed operational and 30% coverage of the program the import of foreign currency (2). From here came the need for external financing and as soon as the situation is not likely to delay as According to the latest available statistics that there are 2300 oil wells exist and actually engraved in Iraq and the daily production rate is not commensurate with the number of existing wells due to lack of investment capacity (technological and financial) to put these wells on the economic production lines (3).

This is not only through the use of modern technologies in the global oil industry, especially in the field of extraction of oil legal techniques (drilling polymer injection second dioxide and smart wells and horizontal drilling) and these methods Iraqis technicians could not seem to know as modern and advanced methods and certainly reduce production costs especially in old fields. This is with regard to the Iraqi side The other side of any foreign companies Factors attraction to invest in Iraq large do not want to expand, but the most important of the cost of producing a barrel of Iraqi crude oil which is lower global average production per barrel of crude oil is one dollar of this feature is no cost very low in comparison with other producing countries of the important factors that encourage oil investment and production because it is reflected on the profit realized figures and companies aim to achieve a profit (4).

**3.4 Reform the oil sector:** There are Muslim women must be approved and work in light of the effect that investment in the oil sector assumes a savings of a local with the oil sector as well as the ability to bring in foreign investment to work in this sector, or perhaps succeed in holding financial loans repaid from the product of crude oil and all these hypotheses depend largely on the following factors: -

3.4.1 The desire of international companies to invest in Iraq.

3.4.2 Survival appropriate perceptions on the global market, such as oil supply in the world and OPEC quotas within the global supply and global demand growth and price levels rewarding.

3.4.3 possibility to exempt Iraq from within OPEC quota system due to the circumstances experienced by now, or at least take this into consideration when determining the quotas.

## 4. CONCLUSIONS

4.1 As long as there is a shortage in the sources of financing for development and reconstruction in Iraq must be resorting to foreign direct investment as it represents one of the alternative sources of external funding to local sources.

4.2 The isolation of the Iraqi economy for the movement of the global economy does not serve the development and the process of evolution, but it runs counter to the direction of the failure of the economy as reflected in the life of the citizen.

4.3 There is a common interest between the foreign investor and the host country because both profit from the investment and that the process of the host country is the biggest gainers as the product of the investment process will remain on the land of this country and recorded in his favor through to be made of the economic infrastructure development and skills development and raise the level of well-being.

4.4 That stimulates domestic investment and draw on as long as there is foreign investment in the country latter represents additions directly to capital accumulation within the host country by increasing the number and the value and volume of production projects and capital equipment.

4.5 Must recognize the existence of the determinants and obstacles facing the entry and operation of foreign companies a comprehensive and multi-start the weakness of the attractions do not end infrastructure, legislative and these constraints.

4.6 There is an imbalance in allocations in the budgets for the benefit of the Iraqi operational expenses at the expense of investment expenditure and this is contrary to the logic of economic laws Investing, whether government or private, which is to give continuity and growth and creates added value and provides employment opportunities.

4.7 The solution to the Iraqi oil sector, development and construction problems based fashionably is the key natural entrance to the economic advancement of the oil sector is still the leader in the sector of the Iraqi economy and will remain so until further notice.

4.8 The oil contracts are not sacred texts cannot be edited and switch them and this is subject to the competence of the Iraqi negotiator who represents the interests of the country and the same opportunities for advancement and sustainability of development.

4.9 The foreign investment can be a double-edged weapon at a time, which enables the advancement of the Iraqi economy, may be a factor if it hinders bad use and build vocabulary contracts are not subject to the supreme national interest by the Iraqi negotiator.

## 5. RECOMMENDATIONS

5.1 Must pass a barrier (taboo) your fear of foreign investment, the Iraqi economy is suffering isolation and drop out of global developments, particularly technological, so it should benefit from the advantages of FDI.

5.2 The foreign investment according to the insert includes cash and in-kind capital the scientific definition of the State of the investor to the host country in order to get a concession granted to him, otherwise not considered foreign investment.

5.3 Find a legislative, economic and security ground to encourage foreign companies to invest in Iraq, setting the operational mechanism relies experiences of countries that have preceded us in this field and failing to adhere currently available from the laws and policies and mechanisms, because the foundation in economic construction is widespread and proper investment, which guarantees the rights of investors and attract capital Iraqi immigrant money and secure the conditions necessary for that supplies which include: -



- Provide the guarantees necessary and appropriate incentives.
  - Freedom of converting profits and capital.
  - Facilitating administrative procedures (the introduction of one-stop shop).
  - The existence of an efficient and effective financial market in the space and time required for investment.
  - The establishment of free zones to attract foreign direct investment in high-technology sectors needed by the country in which it is a backward chronologically and artistically.
  - The presence of infrastructure subsidized services.
  - Speed up customs procedures and exemption from customs duties and taxes on exports and free zones exempt from property laws.
- 5.4 Don't promote investments that have a local funding source and not become a burden and a competitor for local production.
- 5.5 Draw a clear strategy for foreign investment to achieve a balance between investor interest and the national interest which is determined areas in which foreign investment enters and how it enters without having the door open to all areas of any that do not call for any investment, but that kind corresponds to the plans and programs required for the development of Iraq and the environment.
- 5.6 Optimum utilization of oil wealth to diversify the sources of the Iraqi economy and the development of chemical industries, prevailing and complementary structure and the development of non-oil sectors.
- 5.7 Maximizing oil revenues through the programmed investment to develop the fields and increase production capacity and efficiency of the activation of the human element of art.
- 5.8 In the oil field should also focus on the participation contracts due to its quick reaction and the potential of a huge big paybacks catalyst side investor but only if the existence of controls to ensure Iraq's national interests with global firms and be careful of such contracts as it should provision that change the nature of the contract upon the imposition of new taxes or when you change the structure of the oil sector

## 6. SUGGESTIONS

In our research we tried to give this concept a year and consolidate the subject of investment, and the way to reach this understanding, it is through the study of the concept of investment, which is considered as one of the economic variables which has a very important economic development. It is a dangerous variable If you do not use it improves the best, because it is linked very closely to national income and accumulation of economic capital.

Through we dealt with the evolution of direct global flow of foreign investment and the share of developing countries, including Iraq, it became clear to us that there is a rapid movement flows global foreign direct investment in recent years, for several reasons, including the economic transformations of the States towards privatization and the market economy, and the trend towards opening up to global markets and foreign investment and the emergence of economic blocs, and the proliferation of mergers and acquisitions for companies across borders, and the expansion of activity of transnational'. But this investment expansion in developing countries faced several obstacles

Through our assessment of the impact of recent global developments on the foreign direct investment in Algeria, it became clear to us that there are many negative effects, despite the privileges granted and our assessment as well as policy stimulus on investment, it shows that the investment climate has not worked to attract and encourage foreign direct investment and domestic private investment, because of the problems and obstacles many suffered by the investor, although tax incentives and guarantees granted to investors.

## REFERENCES

1. Adel Abdel Azim, (2008) "investment", the Arab Institute for Planning, Kuwait, p. 1.
2. D. Batee Khalifa, (2008) the determinants of growth and investment in the Iraqi economy), the Iraqi newspaper Al-Sabah, Issue / 1361, page economic.
3. D. Fali Hassan Khalaf, (1986) economic development, the National Library for printing and publishing the University of Mosul, Baghdad, p. 156.
4. D. Fali Hassan Khalaf, (2007) macroeconomic, wall World Book, Amman, Jordan, p. 163.
5. D. Jamil Mohammed Jamil, (2009) foreign investment between the need for caution, the Iraqi newspaper term.
6. Essa Kazim, (2005) "direct foreign investment in selected Asian countries with reference to the opportunities available in Iraq," Unpublished MA Thesis submitted to the Faculty of Administration and Economy Karbala University, p. 21.
7. Gilles Bertin, (1970) international investment, translated by Ali and Ali imitator Zaaour, Dar Owaidat publication, Beirut, Lebanon, p. 7.
8. Hassan al-Najafi, Omar Al-Ayoubi, (2005) a glossary of terms and commercial banking, audit and supervision d. Mohammed molasses, i no, no age, academic, Beirut, Lebanon, p. 204.
9. Hassan Fayad (2008), "foreign investment between theory and practice in the light of economic openness," c 1, research published on the Internet is available on site [www.alsabauh.com/paper.php?source](http://www.alsabauh.com/paper.php?source).
10. Hassan Fayad behind, (2008) "foreign investment between theory and practice in the light of economic openness," c 2, m. S. Y.
11. Hilal Taan, (the current reality of the Iraqi economy), the morning newspaper of Iraq, No. 1760 in the 7/8/2009 Thursday.
12. Imad emirate, (2006) (the Iraqi economy and investment incentives), the Iraqi newspaper Al-Sabah number / issued on 19/8/2006.
13. Iraq Center for Research, the reconstruction of Iraq reform and economic transformation, translation of the same center of the book (Rebuilding Iraq: economic reform and transition), p. 60.
14. Msg Hammurabi for Strategic Studies and Research, (Iraqi Strategic Report II), 2009, p. 217.
15. Muhammad ibn Abu Bakr al-Razi, Mukhtar Asahah, (1983), Dar message, Kuwait, p. 86.
16. Paul Asamoulsen, William (2001) House - the economy, civil Publishing and Distribution - Amman, Jordan - p. 466.
17. Policies, R., Robert Baldwin, (1965) economic development theory. tarejha. saasadtha, C 1, translated by Joseph Sayegh, Beirut, Lebanon Library, p. 37.
18. Zakaria Ahmad Siam, (1997) the principles of investment Dar curriculum for Publishing and Distribution, Amman, Jordan, p. 19.

## **REQUEST FOR FEEDBACK**

**Dear Readers**

At the very outset, International Journal of Research in Commerce, IT & Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue, as well as on the journal as a whole, on our e-mail [infoijrcm@gmail.com](mailto:infoijrcm@gmail.com) for further improvements in the interest of research.

If you have any queries, please feel free to contact us on our e-mail [infoijrcm@gmail.com](mailto:infoijrcm@gmail.com).

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward to an appropriate consideration.

With sincere regards

Thanking you profoundly

**Academically yours**

Sd/-

**Co-ordinator**

## **DISCLAIMER**

The information and opinions presented in the Journal reflect the views of the authors and not of the Journal or its Editorial Board or the Publishers/Editors. Publication does not constitute endorsement by the journal. Neither the Journal nor its publishers/Editors/Editorial Board nor anyone else involved in creating, producing or delivering the journal or the materials contained therein, assumes any liability or responsibility for the accuracy, completeness, or usefulness of any information provided in the journal, nor shall they be liable for any direct, indirect, incidental, special, consequential or punitive damages arising out of the use of information/material contained in the journal. The journal, neither its publishers/Editors/ Editorial Board, nor any other party involved in the preparation of material contained in the journal represents or warrants that the information contained herein is in every respect accurate or complete, and they are not responsible for any errors or omissions or for the results obtained from the use of such material. Readers are encouraged to confirm the information contained herein with other sources. The responsibility of the contents and the opinions expressed in this journal are exclusively of the author (s) concerned.

## ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

### *Our Other Journals*

