

**Ministry of Higher education &  
Scientific Research  
Al- Mustansiriyah Univresity  
College of administration &Economics**

**Analysis of correlation between polarization and  
investment, in relation to its effects on regional  
development – Iraq as a case study -**

**A Thesis Submitted to The council of the college of a  
administration and Economics at Al- Mustansiriyah  
University in Partial fulfillment for the degree of  
Philosophy doctorate in Economic Sciences**

**By  
Ghfran Hatem Alwan Al- Jubouri**

**Supervised by  
Assistant Prof.Dr. Assistant Prof.Dr.  
Wafaa Jafar Al- Mahdawi Iftikhar abd Al-naqash**

**Baghdad**

**2006**

## **Abstract**

The levels of development often vary from region to another, and with in a country as well, according to the level of concentration of economic activities and centralization of development that may differ among these regions in quantity and quality . This divergence has induced efforts to study the impact of such regional economic imbalances on the process of economic development as a whole within a country or a regional area.

This topic was the main concern of economic planners who tried to form economic plans, considering necessities of harmonization among economic development projects within a framework of regionally balanced development process, taking economic factors into acnsideration.

As a result of these efforts , there appeared a vast literature during the last century that dealt with regional development planning within the broad field of economic development strategies .These efforts managed to find their way into implementation , as necessary scientific foundations for economic planning, especially in developed countries , such as France and Britain .

The developing countries realized the importance of balanced regional development and directed their planning efforts to lessen the variance in economic progress among regions , in order to enhance the effects of regional economic centralization that followed polarization trends especially in the more developed regions.

In Iraq , development strategies tried to confront this problem , especially during the 1970's when ambitious economic plans where implemented , trying to distribute the fruits of development among regions and governorates , and to redistribte economic activities along the whole country , but this trend did not gain much success, mainly because it did not base on quantitative measures needed to indicate the actual requirements of each region or governorate for the feasible sort of investment.

This study tries to analyze the impact of the unbalanced regional economic development in Iraq on the process of development which represent the main reasons that stood behind the failures of balanced spatial development , This study tried to focus on the

impact of lacking the needed quantitative measures and parameters that should be taken into consideration when forming development plans .

The study stemmed from a hypothesis stating that: *the regional distribution of investment allocations in Iraq depended on the prevailing external and internal economies (determinants of polarization) rather than the actual needs to perform balanced regional economic development.*

In order to examine this hypothesis and reach the relevant conclusions, the study was divided into three main chapters: the first dealt with the theoretical aspects of economic space and growth of polarization. The second chapter was dedicated to examine the historical trends of regional development in Iraq, while the third was confined to building mathematical models used to analyze the relation between polarization and investment by using regression and correlation techniques, in order to determine a scale of priorities for the Iraqi governorates.

Finally, the study reached to relevant conclusions and tried to formulate some recommendations that may benefit the future regional economic planning in Iraq.