Impact of Structural Imbalances on the Sustainability of Spatial Development Programs

Hussain Ahmed.S Al_Shadidi
University of Baghdad, Centre of Urban & Regional Planning Centre for Post graduate studies, Baghdad, Iraq
Email: dr.hussain.a@iurp.uobaghdad.edu.iq

Abstract: Iraq suffers from the problem of structural imbalances of the components of the economic spatial structure, and led to obstacles to the spatial development programs and their financial allocation spatially and sectorally. Therefore, the research problem (structural imbalances between resources and uses without building a multi-resource system despite the economic possibilities and opportunities available in the spatial dimension). The research aims to study and analyze structural imbalances and their indicators in the spatial structure in Iraq, and its impact on the sustainability of development spatially and sectorally and access to development paths to ensure the achievement of Spatial development goals. The research hypothesis (there is a relationship between the direction of the development path spatially and sectorally and the treatment of structural imbalances of spatial dimension leading to the sustainability of spatial development programs). The research includes study the concept of structural imbalances and spatial development, and the study of the indicators of spatial and sectoral imbalance in Iraq. The magnitude of this imbalance is measured by a mathematical equation and at two levels (sectoral level and spatial level). While included the last part proposing a development path to address these structural imbalances, which can lead to a kind of balancing resources and uses to achieve The goal of sustaining spatial development programs spatially and sectorally. The research important conclusions that there large complex imbalances that are far from rate normal, the important recommendations are to follow inclusive development approach.

1. Introduction:
All countries of the world, including Iraq, seek To achieve development and in all its dimensions through development programs covering all sectors and regions To achieve a reasonable balance and reduce disparities between them, but that goal faced a reality characterized by many imbalances and indicators of disproportion between economic sectors in terms of their contribution to income generation and employment opportunities, which led to interrelated imbalances at the level of the provinces with the inability to implement and sustain the development programs. And on several levels to find out its causes and develop solutions that suit its risk to the spatial and sectorial structure in Iraq. According to effective and effective development paths. Building a multidimensional system to achieve a balance between resources and uses will lead to achieving sustainable development at the spatial and sectorial level in all its dimensions.

2. Structural imbalances and spatial development (theoretical input)

2.1 Concept of the economic spatial structure:
The concept of the economic spatial structure and its understanding represents the main axis in the subject of balance, spatial imbalance and functional relationships that govern the place. Most economic and spatial studies have been concerned with the static state of the study and analysis of the economic spatial structure through the surrounding environment or the components and variables identified in analyzing the impact of limited and short-term changes on the one hand and on the other hand with the dynamic state of the components of the spatial structure associated with the clarification of the long-term development associated with the historical dimension of the structure (as a function of the economic structure) [1], where (Perroux.F) knew the spatial economic structure as a set of relationships and ratios between the components of the structure and which is characterized by a particular place and at a given time and these ratios indicate the relative importance of each of these elements [2].

On the other hand, (Schumpeter's) theory of the importance of large projects in the process of renovation in the economic spatial structure (Perroux.F) helped to crystallize the idea of dominance for these large economic projects over other projects [3]. (Kenneth. F.W), one of the pioneers of the structural school, defined the concept of economic spatial structure as a set of economic features and characteristics that remain unchanged (fixed) over a certain time span [4]. While (Peterson W.) The concept of economic structure refers to the relative importance of the economic sectors and the extent of their contribution to gross national product, in other words, the main source (sectoral) of national income and the distribution of employment and sector of labour [5].

2.2 Elements of the economic spatial structure:

The spatial structure of any country consists of a set of structures and infrastructures and sub-structures, which through their study and clarification of their development path through the previous time periods is clearly the course of their development in the multiple aspects of the national economy, where the extent of the imbalance in the balance between resources and uses such as the sectoral productive structure will be clear. The structure of the labor force. The analysis of the spatial economic structure is a key and useful entry point in the study of the changes resulting from the process of spatial development in various economic sectors and the analysis of spatial and sectoral policies and their ability to guide the paths of spatial economic development and the events and strengthening of the interlocking and interconnection between different sectors [6]. In other words, the economic structure is a function of a number of variables with multiple economic, natural and technical dimensions and the development of production levels in its spatial dimension and related planning policies, it constitutes an integrated system of relationships and ratios.

Addressing these imbalances and putting in place the appropriate interpretation of them must be in the spatial framework of their multidimensional. On the other hand, the issue of development (one of the main problems in developing countries) cannot be addressed individually, away from the relations between the elements of the spatial structure. (Chenery) emphasizes that the economic spatial structure is a set of relatively stable relationships in the socio-economic system and therefore any change in the quantitative composition of a particular variable is structural change, meaning that these changes in the structure are in response to forces that may be external or internal in the economic spatial structure [7].

2.3 Concept of structural imbalance and its impact:

The topic of spatial and sectoral structural imbalance and its impact on the sustainability of development and its balance according to the potential of the place is of great importance in many different development studies, and the treatment of these imbalances and the problems they cause are carried out through Study and analysis of spatial characteristics economically, socially and administratively, as it is not possible to address the development problems in the spatial and sectoral aspects of the countries of the world and especially the countries of the developing world without studying the relations in the economic structure of the country, these relations and changes that they have addressed with regard to the component sectors of the spatial structure have an impact on the overall of other changes and, on the other hand, the extent to which they relate to growth and development shifts over successive time stages. So structural change (spatial and sectoral) is the first step in achieving Development and its various programs through:
• Change in the internal economic structure by shifting dependence on certain sectors to the benefit of other sectors and developing the potential of the spatial dimension according to the structure of the country's economic structure.

• Change in the relative importance and the relationships that make up the internal structure of the spatial economic structure.

• Follow an appropriate strategy according to Specific development paths,

Many development studies have confirmed in their attempts to reform structural imbalances in developing countries and what sectors are suitable for investment, where he (Nurkse) stressed that balanced growth can be achieved only by making a new wave of investments in a number of industries. Thus, the demand for their products increases and the need for a high rate of investment at the start of the development process [8], but the lack of sufficient resources in developing countries to achieve Balanced growth of all sectors has made it difficult to develop and invest in industry, services, agriculture and investment in a balanced way. Unbalanced growth where (Hirschman) believes that a (big push) is necessary for one of the leading economic sectors which is characterized by front and back ties with the rest of the sectors and this strong push is in the form of a single batch or a series of payments, where growth is achieved As a result of the lack of balance in the economy, which is already based on the magnitude of structural imbalances, leading to dynamic changes in these economic sectors.

In this area, (Myrdal and Hershman) emphasize that development is not visible throughout the region, but appear at specific points and these points are places that have some economic advantages such as the presence of natural resources that focus development at these specific points and thus increase the disparity between these places and the rest of the spatial dimension [9]. (Myrdal) attributes the concentration of development in these limited points to the cumulative causation process, by which we mean market forces. Resulting from the presence of some economic advantages in those limited places which work to attract a batch of (capital, manpower and other dynamic factors) from the regions Neighboring until they empty their economic resources and leave them in a state of underdeveloped by the effect of a counter wave (Bakwash effect). According to Mirdal, the cumulative process continues in limited positions and further underdevelopment in different regions. (Mirdal) was fired on this phenomenon (spread effects) [10].

In the context of the use of mathematical models in explaining the structural changes economic spatial and sectoral, (Fesher) divid the economic sectors into three sectors called the first agricultural sector, the second/industrial sector and the third sector services. He explained that the process of growth in the first phase of development is the increase in the growth of the first sector and increase its contribution to (GNP), this will lead to a relative surplus in the financing of the second sector and its development will increase the demand for the third sector. (Colin Clark) explained the stages of development at (Fesher) by linking the multiplicity of economic sectors and manpower, where he calculated all the labor force employed in the economic sectors and found that the high percentages of the labor force in the agricultural sector will turn into the industrial sector and with the rise of development and increase to the service sector [11].

2.4 Spatial development and structural imbalance.

Spatial development is linked and directly affects the spatial economic structure and leads to the modification of structural imbalances through several aspects:

First: the discovery and development of new resources and the departure from the idea of high specialization in production.

Second: reducing production costs spatially.

Third: Diversification of sources of income through the development of other sectors.

Fourth: Balancing resources and uses and its impact on the sustainability of spatial development programs.

Fifth: Improving and developing the road system And transportation on a spatial level.

The organization and planning of the locations of activities and economic resources within the boundaries of the national economy will lead to diversification of inputs and provide an opportunity for regions, according to their comparative potential, and indicates many experiences of spatial development that have adopted the advantages and relative importance of economic resources that are
expected in the regions. Certain dynamic factors have been attracted by appropriate planning policies that have helped the growth and development of activity in these places, but this cannot happen in all regions. At the same time, especially in developing countries, this will lead to variations in the growth and development of resources and activities at all spatial levels, resulting in disparities in the level and degree of development on the one hand and in the sustainability of their programs in the general spatial dimension on the other. "Effective development is spatially effective development." [12] Addressing structural imbalances and their impact on spatial development calls for the rehabilitation and exploitation of economic places with untapped resources to form a basis for diversifying economic inputs on the one hand and attracting and diversifying investment opportunities and creating spatial competition that contributes to achieving different development patterns. Spatial development is the process that adopts the best and efficient investment of available resources and possibilities and achieving a certain level of spatial and sectoral structure balance and a change in the economic and social structure at all spatial levels. The concept of spatial development is closely linked to sustainability and is defined by the (UNDP) as a process that not only generates economic growth but also diversifies its revenues and renews and preserves the environment. (FAO) has defined it as managing and protecting the natural resources base and directing institutional and technical change in a way that ensures that continuing spatial programs and satisfying the needs of future generations (13). The concept of spatial development is also linked to the factor of spatial efficiency, which refers to the removal of obstacles, which represent an obstacle to spatial development and show its potential resources and use it to deliver a state of relative balance with the national economy structure. The structural changes targeted by spatial development to achieve regulation of the use of resources and achieve sectoral integration is in three dimensions:

First: economic dimensions:
- Changes in the relationship between the productive and service sectors and the extent to which they contribute to GDP.
- Developing human resources and employing the national workforce.
- Rationalizing the investment of economic natural resources and diversifying their base.

Second: social dimensions:
- Change in lifestyles, social behavior and social relations.
- Increasing both income and production and its implications for the level of social and cultural life.

Third: organizational and administrative dimensions:
- The necessary institutional and administrative changes in accordance with developments and requirements at all spatial levels (integration of powers).
- Technical and technological development and raising the efficiency of the level of performance.

3. Economic Spatial Structure in Iraq and indicators of imbalance.

3.1 Reality of the economic spatial structure
The economic spatial structure in Iraq is diversified and spread in the spatial dimension, especially in the industrial and agricultural sectors, but the reality indicates that there are structural imbalances due to the control of the oil sector on this structure in terms of its contribution to GDP, this imbalance has clearly affected the sustainability of various spatial development programs and in all provinces. Table 1 refers to the potential of the industrial sector scattered throughout the provinces of Iraq (excluding Kurdistan region) in terms of the number of industries and their indicators.

| Table 1. Percentage Ratio of the number of industries, workers, added value in the Iraqi province for the year 2017 [14] |
Despite the number of industrial facilities and their indicators in the table above, the industrial sector contributed only (2.14%) of GDP in 2017. As for the agricultural sector, it contributed (2.94%) of the GDP for 2017. While the percentage of already cultivated (51.92%) of the total agricultural land at the level of the Iraqi provinces, Table 2.

Table 2. Percentage Ratio of the total areas, agricultural areas, cultivated areas in the Iraqi province for the year 2017 [15]

| province | Total areas/donum | % | Agricultural areas/donum | % | Cultivated areas/donum | % |
|----------|------------------|---|--------------------------|---|------------------------|---|
| Baghdad  | 1742013          | 1.31 | 1161936               | 66.70 | 527471               | 45.40 |
| Basra    | 2659185          | 2.00 | 887676                | 33.38 | 244279               | 27.52 |
| Nineveh  | 12581558         | 9.46 | 6922728               | 55.02 | 4270328              | 61.69 |
| Babil    | 2197922          | 1.61 | 1612049               | 73.34 | 807647               | 50.10 |
| Wasit    | 7013237          | 5.27 | 2662526               | 37.96 | 2153843              | 80.89 |
| Dhi Qar  | 5160000          | 3.88 | 1635883               | 31.70 | 970615               | 59.33 |
| Diyala   | 6478577          | 4.87 | 2767370               | 42.72 | 1301432              | 47.03 |
| Kirkuk   | 3361860          | 2.53 | 2051435               | 61.02 | 1080695              | 52.68 |
| Diwaniyah| 3248231          | 2.42 | 1191150               | 31.37 | 1018976              | 85.54 |
| Muthanna | 20696000         | 15.60 | 964475               | 4.66 | 485639               | 50.53 |
| Saladin  | 9754600          | 7.33 | 6257143               | 64.15 | 2379322              | 38.03 |
| Najaf    | 11574600         | 8.70 | 291825                | 2.52 | 219818               | 75.33 |
| Karbala  | 2083132          | 1.75 | 1793774               | 86.11 | 202010               | 11.26 |
| Maysan   | 6428800          | 4.83 | 2547273               | 39.62 | 993682               | 38.01 |
| Al Anbar | 38069283         | 28.60 | 1641309               | 4.31 | 1209759              | 73.71 |
| Total    | 133048998        | 100 % | 34388552             | 25.72 | 17856516             | 51.92 |

and for the purpose of measuring indicators of partial and total structural imbalance and at two levels: the sectoral level: measuring the size of the structural imbalance through the ratio of the contribution
of the main sectors to GDP according to two indicators (contribution ratio, labor) spatial level: measuring the size of the imbalance through the number of spatial development projects and the amount allocated to them and their actual need and in all provinces. The economic principle of (S. Kuzents) in his famous book (Economic Growth of Nation) will be relied upon to measure the degree of sectoral and spatial structural imbalance, and the total degree of imbalance should not exceed (20%) According to the following equations [16]:

$$J_{it} = D_{it} - d_{it}$$  \hspace{1cm} (1)

$$J_t = J_{1t} + J_{2t} + J_{3t} + \ldots \ldots \ldots + J_{nt}$$  \hspace{1cm} (2)

($J_{it}$) is the degree of imbalance of the sector as a whole or the sector the level of the place (province) for a certain year (t).

($D_{it}$) is the percentage of the sector's contribution to GDP or the percentage allocated to the sector (development programs cost) at the level of the place (province).

($d_{it}$) is the percentage of the sector's contribution to employment or the percentage of what the sector needs (its development programs) of allocations in the place (province).

($J_t$) is the degree of total imbalances. That is, the degree of imbalance is the difference. Between the contribution of the sector to GDP and the percentage of its contribution to the employment of the labour force in the case of measuring the imbalance at the sectoral level. While the degree of spatial imbalance is measured by the difference between what is allocated to the development program for a particular sector and its actual need (cost) for the number of development programs specified in the province. The degree of imbalance should not exceed 20 percent on both levels.

3.2 Measuring imbalances at the first level (sectoral level):

For the purpose of measuring structural imbalances at the first level, it is necessary to identify the nature of the basic economic sectors that make up the sectoral structure and their relative contribution to GDP and labour force operation. In view of the table 3, the prominent role of the oil sector in the composition of GDP is evident despite the fluctuation of its contribution during the period of the study, where it reached its highest value in 2012 by (50.17%). It fell to (29.85%) in 2015, the overall average for the period studied was (42.84%). Its contribution to the employment of the labour force was weak within its overall average of (2.96%). This is an indication of the rigidity of this sector and its dependence on the extractive nature of oil and its lack of development towards other manufacturing processes.

Table 3. Relative share of economic sectors by (Gross Domestic Product, Employment) Indicators in Iraq for the years 2010-2017 [17]

| Years | Oil Sector % | Industry Sector % | Agriculture Sector % | Services Sector % |
|-------|--------------|-------------------|----------------------|------------------|
|       | GDP | Emp | GDP | Emp | GDP | Emp | GDP | Emp |
| 2010  | 45.13 | 2.55 | 2.35 | 9.25 | 5.75 | 6.88 | 46.77 | 81.32 |
| 2011  | 53.10 | 2.61 | 2.59 | 10.84 | 5.01 | 6.42 | 42.30 | 78.43 |
| 2012  | 50.17 | 2.95 | 2.42 | 10.02 | 4.31 | 8.03 | 43.10 | 79.00 |
| 2013  | 47.00 | 2.91 | 2.30 | 10.66 | 4.77 | 8.43 | 46.03 | 77.90 |
| 2014  | 43.95 | 3.49 | 1.94 | 10.00 | 4.97 | 7.60 | 49.14 | 78.91 |
| 2015  | 29.85 | 3.08 | 1.79 | 9.13 | 4.46 | 7.75 | 63.90 | 80.04 |
| 2016  | 33.91 | 2.79 | 2.23 | 9.15 | 3.84 | 8.01 | 60.02 | 80.05 |
| 2017  | 39.65 | 3.30 | 2.14 | 9.45 | 2.94 | 7.44 | 55.27 | 79.81 |
| Average Total | 42.84 | 2.96 | 2.22 | 8.56 | 4.50 | 7.48 | 50.81 | 79.43 |

The industrial sector has had a very modest contribution to GDP throughout the study period within a general average off (2.22%), while the level of employment in its overall rate (8.56%). This is a clear indication of the major problems that this sector.

The agricultural sector contributed to GDP during the period (2017-2010) very weak, falling from (5.75%). In 2010, it reached a low of (2.94%) in 2017. The employment of the labour force at a general
rate of (7.48%). In contrast, the services sector has experienced a clear stability in its contribution to GDP and employment despite the slight fluctuation for the period (2017-2010), as the services sector contribution to GDP increased from the oil sector for the years (2017, 2016, 2015, 2014, 2014, 2010), while the average total for Employment (79.83%). The main reason for this large employment rate is the nature of structural unemployment in other sectors, but the reason for the disproportionate ness of its contribution to GDP, this is an indication of the weakness of per capita productivity, disguised unemployment and low added value.

To identify the nature of the imbalances at the level of the productive sectors and to know the change in the contribution of these sectors in GDP and labor force and thus calculate the degree of imbalance in the productive economic structure, which reflects the degree of underdevelopment or development as the main pillar of the sustainability of spatial development programs at the micro and macro level, and in view of the table 4 below and based on the principle (S.Kuzents) in measuring the imbalance, it is clear that the sectoral structure suffers from clear imbalances, whether partial or total, compared to the natural degree (20%). From the note of table 4 it is clear that the degree of imbalance of the oil sector was positive throughout the study, and this indicates the control of this sector in its contribution to GDP on its contribution to the employment of labor, and was the highest positive score in 2011, reaching (50.49%), and the lowest positive score in 2015 by (26.77%), while the rest of the sectors were of negative value during the period (2017-2010) And despite the fluctuation, The simple thing about these values is that the service sector has recorded the highest of these values among the agricultural and industrial sectors, and this indicates the prevalence of unemployment in the service sector and the inability of the agricultural and industrial sectors to absorb the increase in the number of workers. As for The degree of total imbalance and returning to the table 4 we note that the degree of total imbalance (total degrees of partial imbalance) has come with absolute values that have also been fluctuating throughout the years (2017-2010) where the highest degree of total imbalance in 2012 was (94.44%) and the lowest level in 2015 by (53.54%), but all the recorded values of total imbalances exceeded Natural range (20%) by a very large amount.

### Table 4. Imbalances Degree in the Economic Sectors in Iraq and Imbalances Total for the years (2010-2017) [18]

| Years | Imbalance degree in the oil sector % | Imbalance degree in the industry sector % | Imbalance degree in the agriculture sector % | Imbalance degree in the services sector % | Total Imbalances % |
|-------|------------------------------------|-----------------------------------------|------------------------------------------|-----------------------------------------|-------------------|
| 2010  | 42.58                              | -6.90                                   | -1.13                                    | -34.55                                   | 85.16             |
| 2011  | 50.49                              | -8.25                                   | -1.41                                    | -36.13                                   | 96.28             |
| 2012  | 47.22                              | -7.60                                   | -3.72                                    | -35.90                                   | 94.44             |
| 2013  | 44.09                              | -8.36                                   | -2.63                                    | -31.87                                   | 86.95             |
| 2014  | 40.46                              | -8.06                                   | -2.78                                    | -29.77                                   | 81.07             |
| 2015  | 26.77                              | -7.34                                   | -3.29                                    | -16.14                                   | 53.54             |
| 2016  | 31.12                              | -6.92                                   | -4.17                                    | -20.03                                   | 62.28             |
| 2017  | 36.35                              | -7.31                                   | -4.28                                    | -24.54                                   | 72.48             |

This indicates that the economic sectors have not taken their role in developing the spatial structure of the Iraqi economy, the weakness of linkages front and back sectors entanglements and their impact on the sustainability of various spatial development programs.

### 3-3 Measuring imbalance at the second level (spatial level):

with the aim of measuring structural imbalances at the second level (spatial level), must be identified the sectors component of the spatial development programs broken down by provinces, and through table 5a and table 5b shows the number of spatial development programs for each of the economic sectors and their cost and investment allocation for 2017.

**Table 5a.** Number of spatial development programs, their costs and investment allocations for economic
| province | Agriculture Sector | Industry Sector | Transportation Sector |
|----------|-------------------|----------------|----------------------|
|          | nu                | Cost %         | Financial allocations | nu    | Cost %         | Financial allocations | nu    | Cost %         | Financial allocations |
| Baghdad  | 4                 | 15.42          | 2.36                 | 2     | 11.80          | 3.24                 | 12    | 14.31          | 3.39                 |
| Basra    | 15                | 17.24          | 4.29                 | 51    | 29.34          | 5.50                 | 81    | 24.63          | 5.48                 |
| Nineveh  | 4                 | 10.02          | 3.50                 | 2     | 2.17           | 0.34                 | 12    | 2.29           | 0.80                 |
| Babil    | 10                | 2.16           | 0.50                 | 29    | 9.98           | 2.17                 | 70    | 11.13          | 2.09                 |
| Wasit    | 2                 | 1.19           | 0.40                 | 3     | 3.04           | 0.45                 | 21    | 6.29           | 1.16                 |
| Dhi Qar  | 10                | 1.26           | 0.10                 | 42    | 2.93           | 0.20                 | 64    | 0.47           | 0.01                 |
| Diyala   | 2                 | 1.75           | 0.30                 | 11    | 2.03           | 0.15                 | 55    | 0.05           | 0.01                 |
| Kirkuk   | 4                 | 2.50           | 0.30                 | 9     | 4.24           | 0.90                 | 24    | 2.69           | 0.30                 |
| Diwaniya | 2                 | 1.20           | 0.22                 | 32    | 4.69           | 0.26                 | 72    | 2.54           | 0.65                 |
| Muthanna | 5                 | 1.19           | 0.10                 | 3     | 2.01           | 0.05                 | 11    | 0.03           | 0.01                 |
| Saladin  | 5                 | 7.99           | 2.40                 | 14    | 7.62           | 2.13                 | 25    | 5.29           | 1.01                 |
| Najaf    | 5                 | 2.19           | 0.90                 | 17    | 5.35           | 1.01                 | 38    | 6.97           | 1.34                 |
| Karbala  | 4                 | 3.11           | 0.40                 | 11    | 3.26           | 1.06                 | 35    | 0.39           | 0.02                 |
| Maysan   | 21                | 10.76          | 2.22                 | 28    | 7.81           | 2.42                 | 63    | 12.81          | 3.70                 |
| Al Anbar | 6                 | 19.02          | 5.40                 | 11    | 3.73           | 1.07                 | 36    | 10.11          | 2.20                 |
| Total    | 99                | 100%           | 23.39%               | 265   | 100%           | 20.95%               | 619   | 100%           | 22.17%               |

Table 5b. Number of spatial development programs, their costs and investment allocations by economic sectors and provinces in Iraq for the year 2017[20]
It is clear from tables .5a and .5b that there is a great difference between the cost and investment allocations of the spatial development programs for the economic sectors (agricultural, industrial, services, transport, education) and in all provinces for 2017, and by applying The previous two equations on table.5a and .5b to measure the degree of partial and total imbalance at the spatial level showed results as in table.6.

Table 6. Imbalances degree of the spatial development programs of the economic sectors in the Iraqi provinces for the year 2017[21]

| provinces | Imbalance degree in the agriculture sector % | Imbalance degree in the industry sector % | Imbalance degree in the transportation sector % | Imbalance degree in the services sector % | Imbalance degree in the education sector % |
|-----------|---------------------------------------------|-----------------------------------------|-----------------------------------------------|----------------------------------------|------------------------------------------|
| Baghdad   | -13.06                                      | -8.56                                   | -10.92                                        | -25.48                                 | -10.44                                   |
| Basra     | -12.95                                      | -23.84                                  | -18.88                                        | -14.37                                 | -24.92                                   |
| Nineveh   | -6.52                                       | -1.83                                   | -1.49                                         | -1.94                                  | -0.16                                    |
| Babil     | -1.66                                       | -7.81                                   | -9.04                                         | -7.08                                  | -2.47                                    |
| Wasit     | -0.79                                       | -2.59                                   | -5.13                                         | -4.19                                  | -2.31                                    |
| Dhi Qar   | -1.16                                       | -2.73                                   | -0.46                                         | -3.72                                  | -2.53                                    |
| Diyala    | -1.45                                       | -1.88                                   | -0.04                                         | -1.51                                  | -0.46                                    |
| Kirkuk    | -2.20                                       | -3.34                                   | -2.54                                         | -1.73                                  | -3.46                                    |
| Diwaniyah | -0.98                                       | -4.43                                   | -1.89                                         | -1.64                                  | -1.48                                    |
| Muthanna  | -1.09                                       | -1.96                                   | -0.02                                         | -0.93                                  | -0.34                                    |
| Saladin   | -5.59                                       | -5.49                                   | -4.28                                         | -5.40                                  | -2.45                                    |
| Najaf     | -1.29                                       | -4.34                                   | -5.63                                         | -3.01                                  | -1.45                                    |
| Karbala   | -2.71                                       | -2.20                                   | -0.37                                         | -4.50                                  | -0.41                                    |
| Maysan    | -8.54                                       | -5.39                                   | -9.11                                         | -3.35                                  | -1.62                                    |
| Al Anbar  | -13.62                                      | -2.66                                   | -7.91                                         | -4.24                                  | -7.38                                    |
| Total     | 73.97                                       | 90.84                                   | 77.71                                         | 83.09                                  | 61.88                                    |

From of table.6 above it is clear that all the values that have emerged and for all sectors and provinces were (negative values), with regard to With the degree of partial imbalance of spatial development programs, the highest recorded value for The Baghdad Province was (-25.28%) in the services sector and by a score of (-13.06%) in the agricultural sector, while in the transport and education sectors it was almost equal (-10.92%) and (-10.44%) respectively, while the lowest degree of spatial development programs of Baghdad Province in the industrial sector was (-8.56%). In Basra governorate, the degree of partial imbalance of the spatial development programs of the education sector (-24.92%) recorded the highest value among other sectors, while the degree of partial imbalance of the industrial sector reached the second place by a margin Little (-23.84%), while the degree of imbalance of the transport sector in the province (-18.88%) and then the agricultural sector (-12.92%). In general, depending on table 6, the provinces can be divided into three categories:

- Category 1: Provinces with large partial imbalances are the provinces (Baghdad, Basra, Babylon, Salah al-Din, Maysan, Anbar).
- Category 2: Provinces with medium partial imbalances, namely the provinces (Nineveh, Wasit, Kirkuk, Najaf, Karbala).
• Category 3: Provinces with low partial imbalances, which are the provinces (Dhi Qar, Diyala, Diwaniyah, Muthanna).

The division of the provinces into these categories depends entirely on the number and type of spatial development programs for all sectors and the different between its cost and its investment allocation. As for The total imbalance is (the sum of partial imbalances of the spatial development programs of a particular sector in all provinces) and its comparison with the natural degree (20%), and from the data table .6 we note that all degrees of total imbalances were large and far from the normal rate, was the highest degree of total imbalance in the industrial sector (90.84%), while the value of (83.09) for the service sector. while the transport, agriculture and education sectors with absolute values of (77.71%), (73.97%) and (61.88%) respectively.

4. General framework of the proposed development path:
The analysis of the data above showed that the imbalances in the sectoral and spatial economic structure are imbalances of a chronic nature in the structure of the Iraqi economy. It has been shown to have degrees of imbalance, far from normal, whether at the spatial or sectoral level, on the one hand, and that they are complex imbalances on the other hand and have negatively affected the implementation and sustainability of spatial development programs for all sectors and provinces. Hence it is clear that addressing these imbalances, which are already caused by the inefficiency of the economic system in directing resources in a way that leads to the sustainability of spatial development programs, which, if implemented in accordance with the needs of the provinces and their spatial components, will contribute significantly to increasing the productive value and reducing the gap represented by the size of the spatial and sectoral imbalances. So we need a path Development moves away from the traditional paths of development to exploit the potential of the spatial dimension through modern mechanisms to establish the foundations of sustainable development.

4.1 Development path based on inclusive growth and development of inclusive.

Which depends on the principle of participation for all in development efforts to address imbalances in the economic structure, both sector and spatial, where growth rates and increases are integrated into the sectors of GDP with the social dimension which is linked to the equitable distribution of economic opportunities for the population and all regions (Provinces) through various spatial development programs and their sustainability. In its definition of development based on sustainable growth in terms of mechanisms to achieve Long-term and sustainable goals by Increasing growth rates and participation of all groups [22].The Organization for Economic Co-operation and Development (OECD) emphasizes that containment growth ensures social and economic cohesion through multiple programs and projects and in all regions and regions and reduce the gap (imbalance) by Equitable distribution of growth returns and expansion Participation [23].

The development based on inclusive growth in some literature was clarified by (Kalsea), from Economic opportunities and the benefit of these opportunities to (population, economic sectors, regions). that inclusive growth is growth that is not only about creating new economic opportunities, but is certainly based on everyone's access to these opportunities and in all areas. The proliferation of these opportunities must be supported by governance and accountability, it is clear that the basic qualities of this concept are (participation, sustainability, equity in the distribution of the fruits of development, addressing spatial poverty through new economic opportunities). [24].

4.2 Basic elements of inclusive development (requirements and challenges).
The Path of Development in Iraq will be depend On a number of basic and interrelated elements in their home, whether they represent requirements or challenges, as shown in Figure1.The basic requirements of achieving Agricultural and Industrial Development to bring about a change in the production and sectoral structure of the spatial dimension (Provinces) of comparative advantage and economic opportunities at the level of the two sectors, while employment of great importance within the indicators of addressing structural imbalances ,while development of the social sector is the complementary element of achieving Requirements for sustainable development, with reliance on effective participation through Supporting local authorities with projects and programs aimed at optimizing the potential and resources and employing all sectors to reach effective social ties between
the population and the private and public sector to find change and socio-economic integration to achieve Growth and inclusive development.

In terms of challenges, inclusive development faces a number of challenges, which are essential elements in achieving The characteristics of sustainable development, namely justice and sustainability. Considered the element of spatial poverty in services, projects, regional disparities spatial is one of the most important challenges that stand in the way of development as well as justice in the distribution of spatial programs in proportion to the degree of imbalance for all provinces and in all productive and service sectors, while the element of environmental protection represents another important challenge in the embodiment of the standard of sustainability for the inclusive development.

**Figure 1. Elements of Inclusive Development (requirements, challenges)**

4.3 **Mechanisms for application Inclusive Development:**

First: Economic diversification (sectoral and spatial):

The adoption of economic diversification includes a series of successive structural changes in the Iraqi economy structural (sectore and spatial) to get out of the decline in GDP and form a diversified economic base interlinked activities and integrated units, this base will be able to respond to structural changes in the pattern of future production and adjustment.

With the requirements of the Inclusive development to achieve Generating self-generating and renewable energy to address imbalances in the spatial economic structure and efficient socio-economic performance through the development of the agricultural sector and the exploitation of the great potential at the level of the provinces (see Table 1), and to develop the manufacturing sector because of the ability of this sector to achieve Added value and creation More permanent job opportunities and the presence of many industrial establishments of different sizes in all provinces (see Table 2). While the other hand the productive services sector is one of the important sectors that the process of development needs by providing a range of services needed by the economic activity in facilitating and facilitating the production process in all its different areas.

Second: Strengthening the investment environment for the work of the private sector:

developing the private sector and building its competitiveness is one of the most important pillars of the Inclusive development, which will allow it to invest more economic opportunities to find solutions that target the immediate needs and long-term investments in the economic sectors.

The shift from the model in which the state leads the development process, which has contributed to the weakening of the private sector to a more dynamic model led by the private sector. Iraq It needs a strong private sector supported by strong private investments in the productive and service sectors to encourage the creation of many jobs and promote the Inclusive growth and diversification in the sectoral and spatial aspects. thus the flexible legal, legislative and institutional environment is one of the most requirements to provide the appropriate environment and its sustainability to the private sector.

Third: Activating the mechanisms of decentralization and governance:

The mechanisms of economic diversification and the investment environment of the private sector need to activate its spatial dimension to achieve Standards of Inclusive development (participation, justice, sustainability). the role of decentralization is central to achieving Structural transformations and the excitement of the potential of the diverse spatial dimension and in all activities and sectors, but this remains linked to multiple dimensions (institutional, legislative, administrative, organizational).
Decentralized mechanisms are linked to good governance as a set of laws, regulations and resolutions aimed at achieving Quality in performance by Appropriate and effective methods down to achieve Multidimensional goals for all provinces, governance is the application of The decentralized system, which works to control the relations between the main parties contributing to the development process. the importance has increased of governance within the direction to the private sector in achieving development in order to achieve High growth rates in all sectors and provinces.

Figure 2. Mechanisms for application Inclusive development

5. Conclusions
- The analysis of the sectoral and spatial economic structure is the main entry point in the study of the changes resulting from the process of spatial development in various economic sectors, and the analysis of spatial and sectoral development policies reflects the need to create and strengthen the interlocking and interconnection between different sectors within their spatial dimension.
- There are significant and obvious imbalances in The spatial and sectoral structure in Iraq, namely, the lack of proportionality at both the partial and the total levels, which has led to the disruption of spatial development programs in all sectors and provinces.
- There are complex and overlapping structural imbalances resulting from the inefficiency of the economic system in exploiting the various possibilities available in the spatial dimension during the previous stages of time, which has been reflected negatively in the implementation and sustainability of the damaged spatial development programs.
- Iraq needs To a new concept of development (Inclusive development) based on the mechanisms of economic diversification and the principles of decentralization and governance, investment of the potential of the private sector and the provision of the right environment for it and to be its role at the beginning of the development process in specialization in the sectors generating income, jobs and productive services sector specifically within the waves of renewed and sustainable development.

6. Recommendations
- Addressing the problem of structural imbalances, which is a chronic problem rooted in the structure of the Iraqi economy spatially and sectorally, is to move towards (Inclusive development) by supporting productive sectoral growth in all sectors producing and generating jobs, especially in agriculture, manufacturing and services, with all available resources and in all provinces to bridge the gap between the cost of spatial development programs and their financial allocation.
- Follow the approach (long-term strategic thought) and not to quick solutions through integration, entanglement and communication between populations, regions, sectors, where it is this thought that leads to the concept of Inclusive development.
- The role of the state (public sector) should be clear in the process of Inclusive development (because it is not possible to achieve Automatically) but by activating the values and principles of decentralization and governance, which depend on external elements represented by includes (the legislative and regulatory environment in which investment is exercised and the efficiency of the
regulatory and financial bodies) and internal elements, which indicate the foundations and rules that determine how decisions are made and the distribution of powers and responsibilities.

- Preparing a sectoral spatial matrix that includes detailed studies of the resources that can be exploited in all governorates according to socio-economic priorities to build a multi-resource system to achieve inclusive development.

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