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Examine the constraints to private investment in manufacturing industry in Kurdistan province

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A R T I C L E   I N F O

A B S T R A C T

In this research, we survey impressibility of private part´s investment in productive industries of Kurdistan from the economic insecurity.Our methodology was based on descriptive and geodesic and our studied statistical society is 130 persons of investors and clears sighted of investment in Kurdistan. In regarding to subject´s essence, we used the randomly classified sampling. The research theories contains the basic theory: that deals to checking the relation of private investment reduce in productive industries of Kurdistan and economic insecurity secondary theory contain: Prices instability, lack of justly competitive space for private and governmental parts, and existence of restrictive laws & regulation. In order to survey of relationship between independent and unindependent variables and survey of the research theories , at first we used klomograph/ simironaph test for being normal of data. Also we used Spirman correlation coefficient test, because SPSS software´s data was not normal. Our results show that all of the theories of research are approved, so variables of prices instability, lack of jastly competitive space for private and governmental parts, and existence of restrictive laws & regulations have a positive effect on reducing private investment in productive industries of Kurdistan.

1. Introduction

Increase investment and achieve higher economic growth rates, the primary purpose of all economic systems and the ideal point, all attempts to regulate economic affairs communities done.

Private investment in each country of economic variables such as inflation, exchange rates, the volume of public investment, foreign direct investment is affected, so it must consider the impact of these factors as well as the lack of attention the lack of infrastructure to attract investment are generally political, social, cultural and economic development and, ultimately, return on investment risk investments that led to the decision to invest or not to invest effectively.

The expected return on invested capital Gzarast the expected return on the investment component of real output, inflation and the expected risk premium occurs formed. Inflation is political instability, political and country risk, the risk premium effect.

In this research, how are unaffected by private sector investment in manufacturing industries in Kurdistan we review and try to have it up this capital Identify the barriers and with the analysis of these factors and provide practical solutions to trade irritants and sought a solution to strengthen and encourage domestic investment to enter this field, and as a result we have seen an increase in employment and economic prosperity in the province.

2. The importance and necessity

The main message of this study is to show that. The capital formation process in each country, the participation of the general public in the field of capital investment requires the furnishing and fitted so the landscape of social life in the stream of public investment in the economic participation of investors searched for.

The premise of this research is to try one of the economic aspect, namely the discussion to review the investment. Without a doubt, the development and Deprived areas in need of capital improvements resulting in the whole country and it is the existence of measures that should be provided.

The overall objective investment research, identifying bottlenecks in the manufacturing industry with special attention to is the co-production Kurdistan. The following is the overall objective of the sub-goals.

1-Understanding the relationship between Qymt¬Ha stability and reducing investment in manufacturing industries.

2-Understanding the relationship between laws and administrative regulations Pa¬Gyr and reduced investment in manufacturing industries

3-Understanding the relationship between fair competitive environment and reduce investment in manufacturing industries.

3. Words and expressions defined technical

(1) Investments:
The most volatile component of total investment expenditures that are discussed in macroeconomics. The process of investment in capital goods used to produce other goods or services.

(2) Investment barriers:
Causes and factors that led to lack of investment.

(3) yields:
The amount of income that an investor will make a profit, so it's called efficiency.

(4)Industry:
The set of all units in the production, distribution or consumption of a product or a group of similar products industry is said to operate.

(5)Risk:
In evaluating and budgeting for a project, the company should be possible to achieve anticipated returns or fail to examine the decision-making process to evaluate the possibility of risk levels, are very unhealthy.

4. Definition of investment

The capital of an investment is worth any sacrifice in the present (which is usually specified). In other words, capital of transition at the moment, a certain sacrifice worth it to a particular value for it in the future that is about to make his won, like paying money for buy stocks hoping to acquire specific profits from it in the future (kargozar.1392, p, 11)

Investment in capital accumulation, economic means to produce goods and services and know the value added in the future (J. Pazhohan, 1382, p 223). When speaking of the accumulation of capital, its total machinery, buildings, facilities and human resources, all in a moment of time and these assets are in fact represent a part of the production of the last economy is taking and for use in the production in the future will be set aside (Asnaashari A. Abdi Rudd, 1384, p 2).

5. History of research

• Slmord-(1990)

The tax consequences of the United States and the country of origin of the tax on foreign direct investment in the United States of America is examined. He showed a negative effect of tax-rate effective on the entire United States for foreign direct investment is evident.

• Burn-(2000)

This is more of a researcher in the field of foreign investment in the country of Brazil discuss cooperation and including the Bank of this particularly refers to economic structures and foreign investment on behalf of the Government, as well as a positive factor to be fitted.

• Banga (2009)

to achieve the information regarding that agreement ¬ ¬ ¬ investment and Government policy on how foreign direct investment, capital flows they affect, with use of information 10 developing countries, has estimated an equation. Forklift that represent the size of the findings of the market, the cost of the work force, the proportion of those registered, name of the volume of external debt, and the average power consumption.

6. Statistical sampling and statistical society

The statistical community, investors and experts invest in Kurdistan province is. Given the nature of the subject in the research of the simple random sampling method has been used in this case, in which the principle of equal chances for selection of members of society to join in observing.

Selected samples and reagents and statistical society it complies with the community and was divided between those questionnaires.

A questionnaire to the owners of the economic sector and manufacturing industries in manufacturing industries was presented to the province due to 265 manufacturing unit to exploit the province reached 138, there was active and accessible units

197 people owners and experts in manufacturing industries ofaalan Kurdistan province formed the research community as a whole which according to the formula of the Cochrane 197 people shuffle between the questionnaires, 130 people were distributed.

7. Methodlgy

Scientific research methods includes the measurement, evaluation and comparison of factors, based on the principles and standards have been accepted on behalf of the scientists in order to solve the problems and issues and requires the power of thought and the capacity to meditate and diagnosis and judgment. The researcher must start from the basis of the statistical research means using scientific research projects to pay the project plan. Then, in the implementation of the project is to study the anatomy of the degree

So using descriptive statistics to examine the statistical community features, and then to test the assumptions you made and in order to investigate the relationship between the independent and dependent variables and reviews research hypothesis, first for being normal, Kolmogorov test data using Spss software, as well as normal because we lack of test data using regression and Spearman.

Remaining liquidity hypothesis analysis

	B	β	t	level means of restraint
offset	0/404		0/589	0/557
administrative bureaucracy	0/311	0/344	4/527	0/000
price fluctuation	0/409	0/255	3/283	0/001
competition space was not	0/159	0/217	2/797	0/006
= 0/000F				16/377 =F
= 0/781R^2				R = 0/884

And also according to the coefficient of regression coefficients are presented in the table is determined by the view that the equation of the line obtained 78.1 % of the variance of the predicted changes to track correctly.

But judging the contribution of each variable administrative bureaucracy and the impact of fluctuating prices and the lack of fair competition in explaining the dependent variable should be assigned values of beta. Because these values have been standardized and are compared to determine the relative contribution of each variable provides.Only 0.255 unit and per unit change in SD was the standard deviation of the dependent variable changes Vahddr 0.217 fair competition caused.

8. Conclusions and suggestions

According to the statistical analysis conducted on each of the hypotheses, the following results were obtained:

High economic growth, leading to the reduction of poverty and promotion of life, level of unemployment can be. But the economic growth rate to achieve depends on factors that are one of the factors that causes this reduction in capital while seeking to lift the obstacles to investment, it can be fitted to fix.

The obstacles on the way of investing in the country's Kurdistan province, all manufacturing industries

The results of the study show that all three hypotheses were confirmed by testing

The following suggestions about how to increase capital investment, capital investment, the obstacles and omshkalat manufacturing industries are provided, Kurdistan province.

1-make sure to provide manufacturers of raw materials with a relatively fixed prices

2-the price of products to create a suitable investment be competition with foreign products

 3-create a culture of consumption of domestic goods to protect domestic manufacturers.

4-create a safe space in the market for the decision of making producers in the province.

5-logical support for productive activities of the Government, the private sector

6-eliminate the opportunity for much of the country, rent money and boost a healthy and fair competition by the Government

7- strengthening the private sector in support of labor law

8 – sufficient incentive for Government policy development for private sector products

9-creating equal terms vying for the private and public sector units

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