



## State Control Over the Commodity Market in a Socialist Economy: A Field Study

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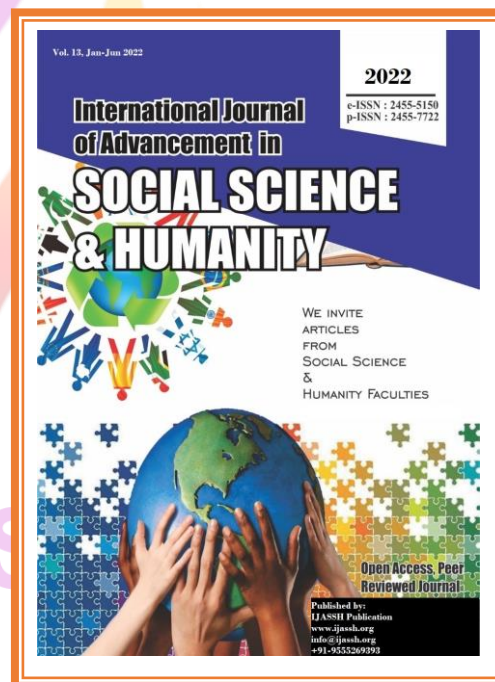
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**ABSTRACT**

The current study seeks to identify the state's control over the commodity market in the socialist economy as a field study. The necessary data and information about the objectives of the current study. The researcher designed a questionnaire consisting of (7) questions related to commodity market control under the socialist economic system. Logical validity and two types of reliability were extracted for this questionnaire, and after being reassured about the statistical characteristics of that questionnaire, it was applied to a sample. The current study the study reached the following results:

1. Monitoring the market for goods will reflect positively on the nature of competition between traders in the market, and thus will reflect positively on the consumer.
2. Monitoring the market for goods requires continuous legal legislation to be compatible with developments in the labor market
3. Consumer education has a key role in the development of the commodity market, as it is the important element in this currency, and educating the consumer is a market that reflects positively on the market.
4. The existence of a committee to follow up and monitor the commodity market is an important and vital matter to control the movement of the market.
5. The application of economic models to monitor the market for goods is useless, as every society and country has a consumer culture and a certain economic situation, and therefore it is not expected that these models will succeed in reaching the goals that we seek to reach.
6. The sample of the current study believes that monitoring the commodity market is positively reflected on the stability of markets in general and in crises in particular.
7. The development and control of the labor market will reflect positively on the rest of the other economic sectors

**INTRODUCTION TO RESEARCH****First: The Research Problem**

The market is an important element under the socialist economic system, as it serves as a (dynamo) engine for all other economic processes. For three consecutive years, the world has faced a series of economic crises, and it has been noted that controlling the economic system in these countries after these crises requires theoretical and practical reviews Among these revisions are with regard to the commodity market, especially in a socialist economic system, so the current study

came to show the impact of commodity market monitoring on economic activity in the socialist economic system.

**Second: The Importance of Research**

**The importance of the current study can be summarized in the following points:**

1. The importance of the commodity market as it is an important economic element for the state in general and the socialist countries in particular
2. Shedding light on some aspects of strength and weakness in such

systems and the extent of their ability to continue in light of a set of difficulties.

3. Statement of the viewpoint of specialists in the field of economics on the importance of the commodity market and its control in the development of economic activity
4. The researcher did not find any Iraqi or Arab field study on commodity market monitoring under the socialist economic system. Thus, this study is the first study of its kind, which is expected to open the horizon for other studies.

### **Third: The Purpose of the Research**

The current study seeks to identify the state's control over the commodity market in the socialist economy, as a field study.

### **Fourth: The Limits of Research**

The current study is determined by a set of limitations:

1. Spatial boundaries: University of Baghdad
2. Time limits: 2022
3. Human limits: specialists in the field of economics at the University of Baghdad.

## **THE LITERATURE OF THE STUDY**

### **The Content and Justification of Economic Reform**

The need for economic reform appears as a result of imbalances and distortions in the performance of economic variables that have accumulated over a period of time,

whether as a result of internal policies or external shocks. These imbalances are reflected in ratios and relationships at the macro level according to the characteristics and quality of the economy. On this basis, we will present the content and global developments or the justifications behind pursuing economic reform policies, as follows:

### **First: The Content of Economic Reform**

The economic reform policies are gradual processes in order to bring about fundamental changes in the methods of resource mobilization and redistribution in a manner that guarantees the requirements of society in the short and long term. Including the country, and ending with structural adjustment policies in order to address the deep imbalances in the economy of that country. Within the framework of economic reform efforts, names such as (stabilization programs, restructuring, structural change, structural adjustment, structural correction) spread. These programs constitute an integrated package for the required structural changes, as they affect all areas of internal and external economic policy. These policies include:

### **Economical Installation**

A set of short-term policies developed primarily under the inspiration of the International Monetary Fund, and these policies aim to reduce inflation, restore the currency's ability to finance and renew debt service. In order to correct the imbalance in the balance of payments related to the budget, and it is believed that such measures curb inflation and increase the ability to import, as they provide resources that allow the fulfilment and service of debt obligations, and on the

other hand, provide conditions for economic stability, and this policy designed for the short term quickly leads to stagnation. And the lack of domestic and foreign investments began with structural adjustment programs.

### **Structural Conditioning**

Entering the horizons of the second policy, which aims to restructure the economy in the medium and long term, by limiting the state's interference in economic activity and following privatization and export-oriented policies by allocating resources in a way that achieves more efficient and accelerates growth rates among the productive sectors?

### **Second: Justifications for Implementing Economic Reform Policies**

In light of the atmosphere or economic changes towards a deep shift towards the adoption of classical ideas in their new format, the followers of the new policies transformed the role of the intervening state into a guard state that regulates the money supply and the volume of credit, and the neo-liberals stood against the establishment of a large public sector because they believed, like their classical predecessors, that the private sector is more efficient than the public sector in allocating resources, and that government spending leads to the imposition of high taxes and to an unjustified economic role for the state, so government spending must be reduced and the public sector curtailed. As a result of the changes that occurred in the capitalist countries, these changes took a severe crisis in the socialist countries, which imposed on these countries the adoption of reform programs that tended mostly towards approaching the market economy. And when the developing

countries were suffering from a multidimensional structural crisis that has become more intertwined and complex since the eighties with the emergence of many crises (such as the monetary system crisis, energy, food crisis, debt crisis), which called these countries to adopt reform policies, and through the development of reform programs. It stemmed from ideas and concepts found within the concept of economic reform and then the development of time mechanisms to achieve stability, which created a strong impetus for the need to take measures for economic reform.

1. Track The economic imbalances in the economies of developing countries, generating a deficit in the general budget and balance of payments for these countries.
2. The necessity of adapting to the new reality of the global economic system in order to create the conditions for staying in it and interacting with it.
3. The rapid growth, with which the patterns of life began to change on the land of the environment, sudden changes to the requirements of the development movement, which calls for the elimination of all the problems that the developing economy suffers from.

## **THE THIRD CHAPTER: RESEARCH PROCEDURES**

### **First: The Study Methodology**

For the purpose of verifying the objectives of the current research, the researcher found it appropriate to use the descriptive survey method by constructing and

preparing a questionnaire to measure the opinions of specialists in the field of economics about the importance of monitoring the commodity market in the socialist economy, in addition to the fact that the descriptive survey method is an important and indispensable method in science.

## Second Procedures

### Study Community

The research community represents the total number of a variable within a particular topic, and the current research community is represented by specialists in the field of economics at the University of Baghdad for the academic year 2021-2022.

### The Study Sample

The research sample for the current study consisted of 110 specialists who are affiliated with the University of Baghdad and (100) questionnaires were retrieved out of (110), and the current sample was distributed on a set of the following demographic variables:

Table (1) demographic variables for the sample

%	N	Variables
		Type sex
%60	60	Mention
%40	40	feminine
%100	100	the total

%	N	Variables
		qualification
%30	30	BA
%26	26	diploma high
%37	37	Master's
%7	7	PhD
%100	100	the total

%	N	Variables
		Years' Experience
%16	16	5-1
%38	38	10-6
%30	30	15-11
%16	16	16and over
%100	100	the total

### Study Tool

The accuracy of the information obtained depends mainly on the nature of the tool used to obtain this information, and since the objective of the study is (state control over the commodity market in the socialist economy, a field study), we found it appropriate to build a questionnaire to achieve the goal of the study, and the researcher formulated (7) Paragraphs to measure the goal of the study based on a review of literature and previous studies that are related to the subject of the current study. The researcher followed the following scientific steps in preparing the questionnaire:

1. Reviewing previous Arab and local studies that are relevant to the subject of the current study.
2. Writing down the basic ideas about the questionnaire by reviewing these studies.
3. Converting ideas into questionnaire paragraphs, taking into account the methodology for preparing the questionnaire paragraphs.
4. Putting the questionnaire in its initial form with a presentation to a group of experts and arbitrators to indicate the extent of the logical validity and its relevance to the

subject of the study and the sample to which it will be applied.

- Obtaining a final copy of the questionnaire after making modifications by the experts in order to apply it to the application sample.

### STATISTICAL CHARACTERISTICS OF THE QUESTIONNAIRE

#### The Validity of the Questionnaire

In order for the researcher to verify the validity of the paragraphs in their first logical form, they were presented to a number of arbitrators and experts from specialists in the field of economics. The paragraphs, except for some minor modifications to the wording of some paragraphs, and thus all paragraphs are valid for final application.

#### Questionnaire Stability

The current study relied on more than one method in order to verify the stability of the equation, and the methods were as follows:

- Method of application and re-application: The researcher applied the questionnaire to the stability sample of (20) individuals, and after more than (20) days had

passed, the application was repeated again on the same sample, and in order to calculate the stability value, the researcher used the Pearson correlation coefficient between the two times of the application. (0.84) which is a high and high value.

- Alpha Cronbach method: The researcher extracted the stability in this way by applying the equation (Alpha Cronbach) on the stability sample of (20) individuals, and it was found that the stability value reached (0.85)

#### Survey Application

After the researcher verified the validity and reliability of the questionnaire, the researcher found it appropriate to apply the tool to the current research sample to reach the results of the current study.

### THE FOURTH CHAPTER: THE RESULTS OF THE RESEARCH, CONCLUSIONS AND RECOMMENDATIONS

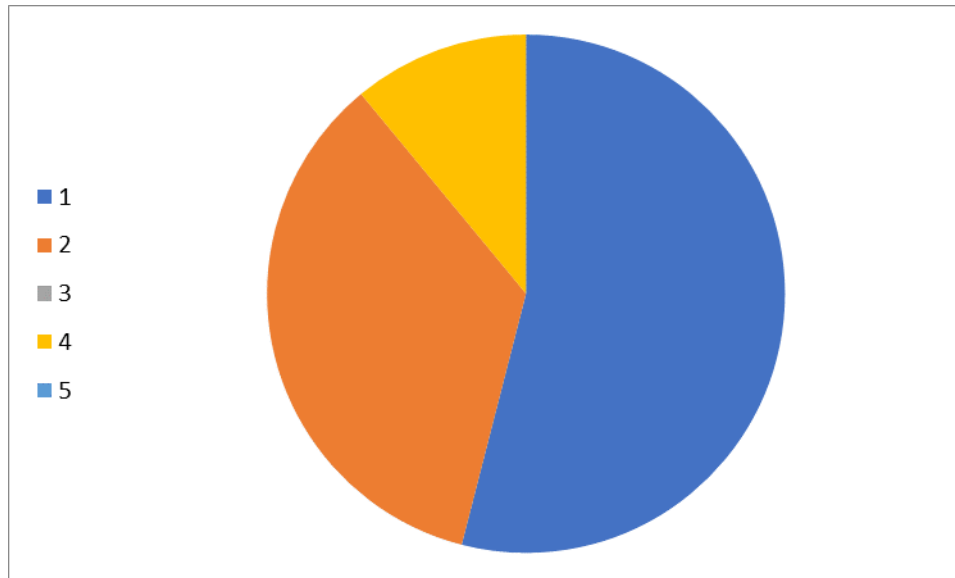
#### First: Research Results

- Monitoring the commodity market will reflect positively on the fair competition among traders

Table (2) shows the answers of the sample according to the alternatives

the total	I'm not agree Permanently	I'm not ok	Not I have Opinion	OK	OK completely	options
100	-	11	-	35	54	the number
%100	-	%11	-	%35	%54	The ratio Centennial

Through the previous table, it is clear to us that the majority of the current study sample has chosen the alternative (completely agree) with a frequency of (54) and a percentage (54), and this is an indication that the majority of the sample believes that monitoring the commodity market will reflect positively on the nature of competition between traders in the market. Thus, it will reflect positively on the consumer.

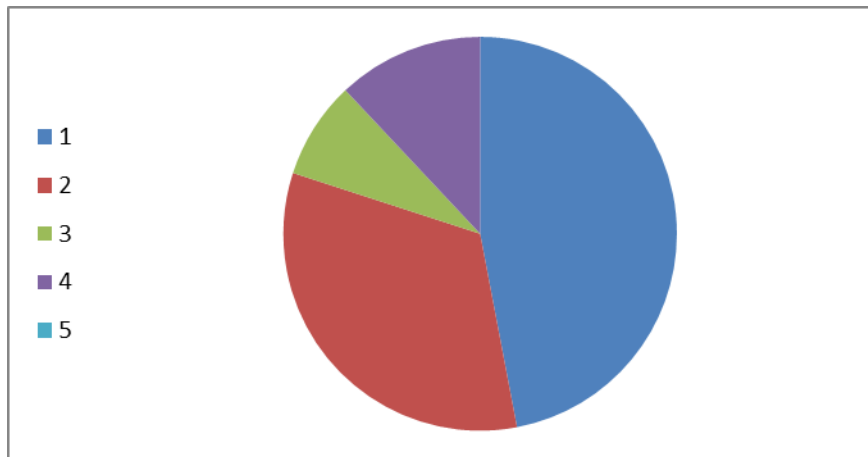


2- The market for goods requires legal follow-up in order to match the developments in the labor market

Table (3) shows the answers of the sample according to the alternatives

the total	I'm not agree Permanently	I'm not ok	Not I have Opinion	OK	OK completely	options
100	-	12	8	33	47	the number
%100	%0	%12	%8	%33	%47	The ratio Centennial

Through the foregoing, it becomes clear to us that the majority of the study sample has chosen the alternative (totally agree) with a frequency of (47) and a percentage of (47%), and this is an indication that the majority of the sample believes that monitoring the commodity market requires continuous legal legislation in order to fit with the developments in the Labor market.



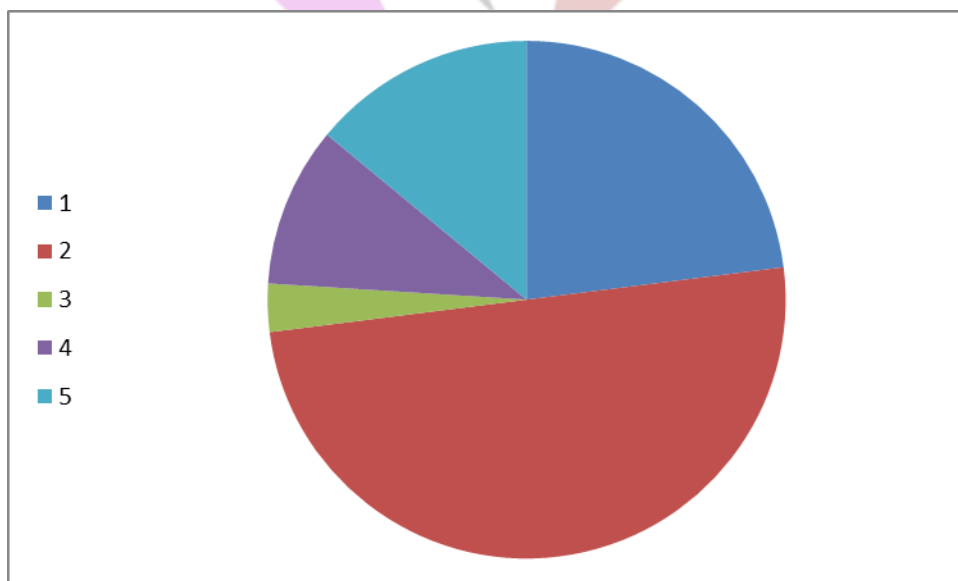
3. The necessity of educating the consumer about the importance of the commodity market and how to deal with it in the hope of achieving an appropriate consumer culture.

Table (4) shows the answers of the sample according to the alternatives

It is clear to us from the foregoing that the majority of the current sample has chosen the

the total	I'm not agree Permanently	I'm not ok	Not I have Opinion	OK	OK completely	options
100	14	10	3	50	23	the number
%100	%14	%10	%3	%50	%23	The ratio Centennial

alternative (agree) with a frequency of (50) and a percentage (50%), and this is an indication that the majority of the current sample believes that consumer education has a key role in developing the commodity market, being the important element in this currency and educating it Market reflected positively on the market.



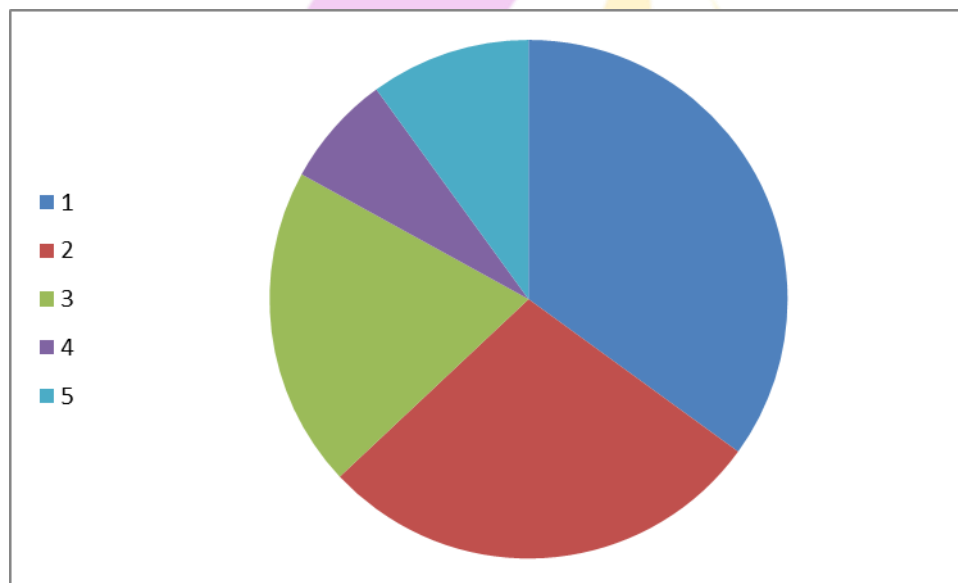


4. The possibility of setting up a special committee to follow up and monitor the markets and the extent of violations that occur in them, as well as imposing appropriate fines.

Table (5) shows the answers of the sample according to the alternatives

the total	I'm not agree Permanently	I'm not ok	Not I have Opinion	OK	OK completely	options
100	10	7	20	28	35	the number
%100	%10	%7	%20	%28	%35	The ratio Centennial

Through the previous table, it is clear to us that the majority of the research sample has chosen the alternative (completely agree) with a frequency of (35) and a percentage of (35%), and this is an indication that the majority of the current sample believes that the presence of a committee to follow up and monitor the commodity market is an important and vital matter to control the market movement.

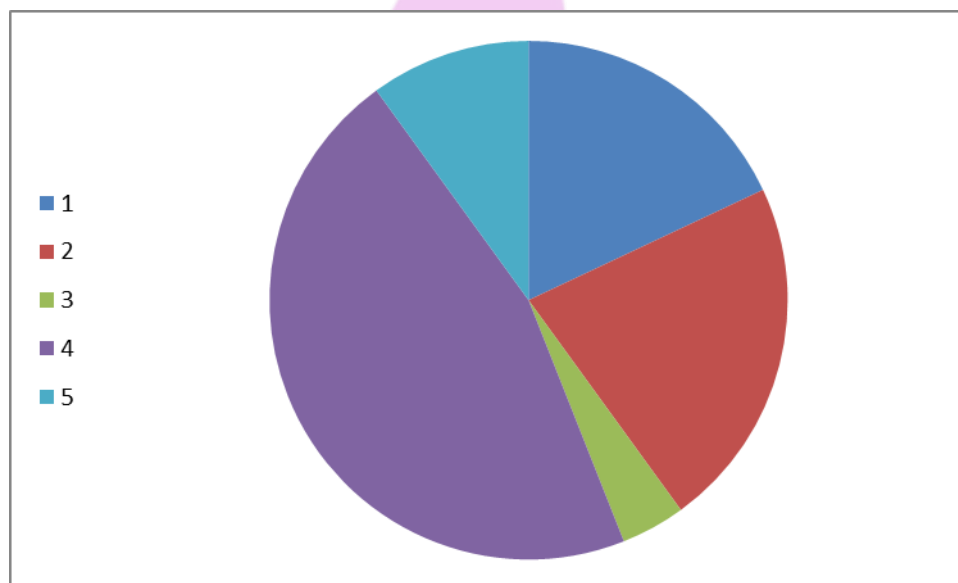


5. The possibility of developing commodity control by selecting global models and applying them to the local reality

Table (6) shows the answers of the sample according to the alternatives

the total	I'm not agree Permanently	I'm not ok	Not I have Opinion	OK	OK completely	options
100	10	46	4	22	18	the number
%100	%10	%46	%4	%22	%18	The ratio Centennial

Through the foregoing, it is clear to us that the majority of the sample has chosen the alternative (disagree) with a frequency of (46) and a percentage (46%), and this is an indication that the current research sample believes that applying economic models to monitor the market for goods is useless, as every society and country has a consumer culture and status. Therefore, it is not expected that these models will succeed in reaching the goals that we seek to reach.

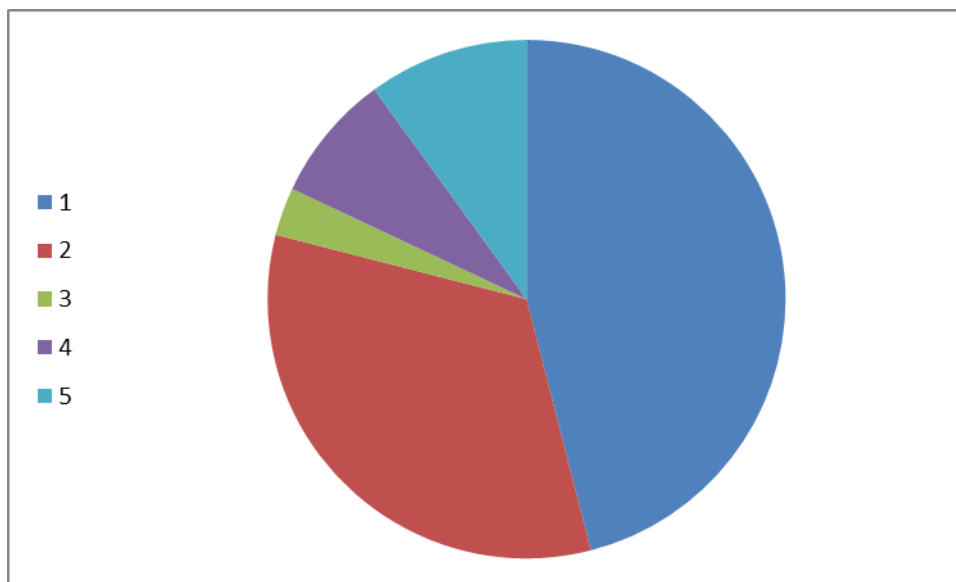


6. monitoring the commodity market contributes to reducing the economic crises that may pass through the country as a result of war or the outbreak of an epidemic.

Table (7) shows the answers of the sample according to the alternatives

the total	I'm not agree Permanently	I'm not ok	Not I have Opinion	OK	OK completely	options
100	10	8	3	33	46	the number
%100	%10	%8	%3	%33	%46	The ratio Centennial

Through the foregoing, it becomes clear to the researcher that the majority of the current sample has chosen the alternative (completely agree) with a frequency of (46) and a percentage of (46), and this is an indication that the sample of the current study sees that monitoring the commodity market reflects positively on the stability of markets in general and in crises in particular. .

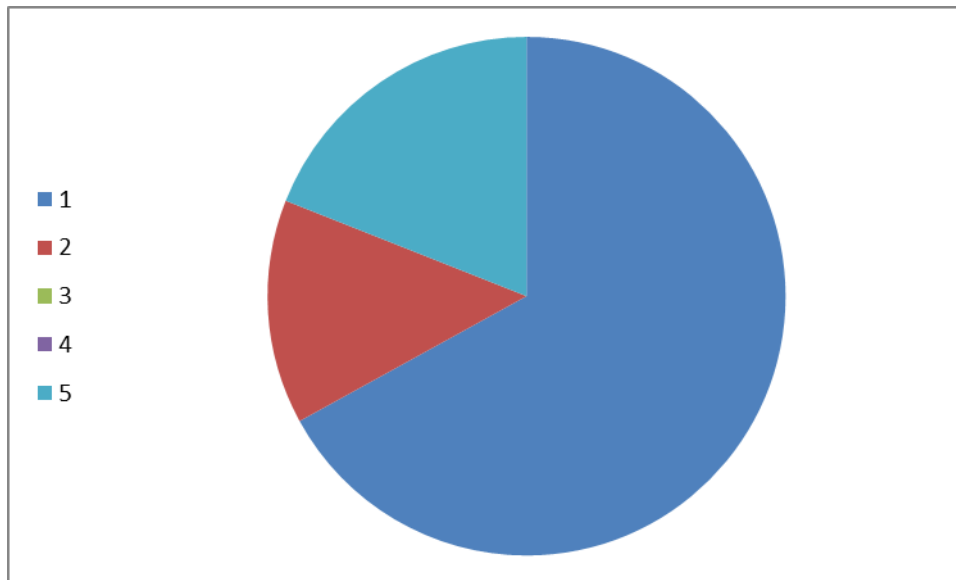


7. Monitoring the commodity market will reflect positively on the rest of the other economic sectors of the state.

Table (8) shows the answers of the sample according to the alternatives

the total	I'm not agree Permanently	I'm not ok	Not I have Opinion	OK	OK completely	options
100	19	-	-	14	67	the number
%100	%19	%0	%0	%14	%67	The ratio Centennial

Through the previous table, it is clear to us that the majority of the research sample has chosen the alternative (completely agree) with a frequency of (67) and a percentage (67%), and this is an indication that the majority of the current sample believes that the development and control of the labor market will be positively reflected on the rest of the other economic sectors.



## CONCLUSIONS

Based on the previous research results, the following conclusions can be drawn:

1. Monitoring the market for goods will reflect positively on the nature of competition between traders in the market, and thus will reflect positively on the consumer.
2. Monitoring the market for goods requires continuous legal legislation to be compatible with developments in the labor market
3. Consumer education has a key role in the development of the commodity market, being the important element in this currency, and educating it is a market that reflects positively on the market.
4. The existence of a committee to follow up and monitor the commodity market is an important and vital matter to control the movement of the market.
5. The application of economic models to monitor the market for goods is useless, as every society and country has a consumer culture and a certain economic situation, and therefore it is not expected that these models will succeed in reaching the goals that we seek to reach.
6. The sample of the current study believes that monitoring the commodity market is positively reflected on the stability of markets in general and in crises in particular.
7. The development and monitoring of the labor market will reflect positively on the rest of the other economic sectors

## RECOMMENDATIONS

Based on the results of the current study, the following conclusions can be drawn:

1. The necessity of paying attention to the commodity market as it is an important and vital economic element
2. Paying attention to the legal aspect of commodity market control, since monitoring and developing this

economic aspect requires clear legal legislation

3. Developing the infrastructure of the commodity market, as it is essential to develop such a type of market.
4. The current study suggests the necessity of preparing future studies on commodity markets and the possibility of developing and following them up.

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