

# DEDICATION

To My:

Beloved Parents, Brothers, Sisters

and Friends

I dedicate this work.

## ACKNOWLEDGEMENT

I would like to express my gratitude to all those who gave me the possibility to complete this thesis.

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## المستخلص

تناول هذا البحث من وجهة النظر التطبيقية، أثر السياسات المالية والنقدية على الاداء الاقتصادي في السودان.

تتبع أهمية هذا البحث من الدور الحيوي الذي تلعبه السياسات المالية والنقدية في الاداء الاقتصادي في السودان.

السياسات المالية والنقدية لها تأثير على الانتاج والاستهلاك وبالتالي على الاداء الاقتصادي في البلاد ولكن هذه السياسات لم تقم بدورها المطلوب في تحقيق الاهداف المذكورة. عليه فان البحث يحاول معرفة مدى فعالية السياسات المالية والنقدية وأثرها على الاداء الاقتصادي في السودان خلال الفترة من 1990-2010.

أختير الناتج المحلي الاجمالي (Y) كمتغير تابع، وتم اختيار عرض النقود (M) وهامش الربح (R) والانفاق الحكومي (G) والضرائب (T) بالاضافة الى صافي الصادرات (NX) والادخار (S) والاستثمار (I) كمتغيرات مستقلة. ويمكن توضيح ذلك في المعادلة التالية:

$$Y = f_i (G, T, M, R, NX, S, I)$$

وقد شملت الدراسة الفترة من 1990 - 2010، حيث جمعت البيانات من مصادر متعددة تمثلت في بنك السودان المركزي، ديوان الضرائب والجهاز المركزي للإحصاء. استخدمت تلك البيانات لتقدير معالم النموذج وذلك باستخدام طريقة المربعات الصغرى العادية.

أشارت نتائج الدراسة الى اهمية السياسات المالية والنقدية للاداء الاقتصادي، ولكن هنالك دليل قوي على فعالية وكفاءة السياسة المالية على الاداء الاقتصادي مقارنة بالسياسة النقدية خلال فترة البحث.

بناءً على تلك النتائج فإن الدراسة توصي بضرورة تنمية الإيرادات وتطويرها، العقلانية في الإنفاق الحكومي، تقليل الزيادة في الكتلة النقدية بالإضافة إلى تعزيز دور البنك المركزي في الرقابة والإشراف على النشاط المصرفي في البلاد.

## ABSTRACT

This research investigated from an empirical view, the impact of Fiscal and Monetary Policies on Economic Performance in Sudan. The importance of the research emerged from the vital role that is played by Fiscal and Monetary Policies on economic performance in Sudan.

The Fiscal and Monetary Policies have a positive effect on production and consumption sectors and then on economic performance in Sudan. These policies do not play the stipulated role in Sudan and that is seen from the rate of GDP during the period of the study. Hence, the research attempts to investigate the effectiveness of fiscal and monetary policies on economic performance in Sudan during the period, 1990-2010.

GDP was chose as a measurement of development (dependent variable). And money supply (M) and profits margins (R) and government expenditure (G) and taxation (T) in addition to net export (NX), saving (S) and investment (I) were chose as explanatory variables.

$$Y = f_i (G, T, M, R, NX, S, I)$$

The data of the study were obtained from various sources including the Central Bank of Sudan (CBS), Taxation Chamber (TC) and Central Bureau of Statistics (CBS). Using these data

Ordinary Least Squares Technique is applied to the linear form of the model. The empirical results show the importance of Fiscal and Monetary Policies on economic performance. But the strong evidence is that Fiscal Policy exerts more influence and effectiveness on the economic performance than Monetary Policy during the period of study.

The research recommends that: the necessity of developing revenues, rationalize expenditure, decrease the annual increasing in amount of money. In addition to that, enhance the role of Central Bank in order to control and supervise banking activities in Sudan.

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