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FINANCIAL LIBERALIZATION POLICIES AND SUSTAINABLE ECONOMIC DEVELOPMENT IN ARAB COUNTRIES

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ABSTRACT. Financial liberalization has attracted increasing attention from the Arab region in recent decades. It plays a critical role in the financial sector in promoting balanced and sustainable economic growth, the experiences of macro and structural reforms have shown. The ability of the economy to overcome adverse economic conditions is primarily related to the size of reforms and policies of financial liberalization due to the financial sector's contribution in raising the efficiency of the economy and achieving Stability. Macro-reforms that include reform and stability of prices, reform of public finances and exchange and trade systems, and the restructuring of economic activities involve the basis for capital resources and the re-direction of new savings and investment flows. In addition, various markets, institutions, and channel tools are optimized to mobilize local savings and mobilize them in the form of credits and investment instruments. Then, direct them towards the sectors and for the most efficient and profitable economic activities. Furthermore, the governments work to attract foreign investment and attract it to provide additional financing resources that contribute to the coverage of local development. The liberalization might take varied forms for groupings of small and big businesses. The intended result is that the government should pursue a long-term policy plan that promotes companies' sustainability, including high- and low-income firms. Additionally, it is envisaged that businesses would place a greater emphasis on innovation, significantly boosting the quality of human resources to gain a competitive edge in the face of global competition.

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