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Economic analysis of the production feasibility of wheat crop under the current agricultural policies

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Abstract

This research aims to analyze the economic and production feasibility of wheat crops in Iraq under the agricultural policies implemented in recent years, with a focus on the impact of agricultural subsidies and procurement prices on farmers' profitability. The study employed a descriptive-analytical methodology supported by quantitative data obtained from various sources, applying simple economic models to measure the relationship between costs, provided subsidies, and net profit calculation. Additionally, a comparison was conducted between the agricultural policies adopted in Iraq and those in Egypt regarding wheat production and pricing. The results indicated that agricultural subsidies play a pivotal role in enhancing the economic and production feasibility of wheat crops; however, weaknesses in implementation mechanisms and bureaucracy limit their effectiveness in achieving optimal utilization. The return indicators demonstrated that the costs of wheat cultivation yield acceptable economic and financial feasibility, especially when adequate support and incentives are available. Furthermore, the study concluded that the success of any agricultural policy does not solely depend on legal legislations that assist farmers and protect local production but also relies on the efficiency of distribution, the availability of necessary infrastructure, and the alignment between public expenditure and monetary policy. The research called for the necessity of reforming the subsidy system and adopting flexible agricultural policies that adapt to the local reality of each region.

Keywords: Economic feasibility, agricultural policies, agricultural productivity, food security, government support, cost analysis, agricultural policy comparison

Introduction

1. Research Problem: Despite the great importance of wheat as one of the main and strategic components in achieving food security for any country, there are always significant questions raised about its economic feasibility in light of the substantial ongoing impact on current agricultural policies such as subsidies, pricing, and procurement systems. Here, we must begin by posing the following question, which represents the research problem:

Is wheat cultivation still an economically profitable venture for farmers under these policies?

2. Scientific Importance of the Study: This study contributes to enriching the economic and academic literature on the importance of analyzing the economic and agricultural feasibility of strategic crops such as wheat, which is considered a safety valve for achieving food security in any country due to its great importance. It also provides results that policymakers in the political and economic spheres can benefit from in their continuous efforts to amend agricultural policies in a way that serves farmers, strengthens the national economy, and maintains self-sufficiency.

3. Research Objectives: Through this study, the researcher seeks to achieve a set of objectives based on the data and information obtained, after describing and analyzing them accurately. The most prominent of these objectives are:

- Analyzing the costs and revenues associated with wheat cultivation.
- Measuring the economic feasibility indicators of wheat crops.
- Studying the impact of current agricultural policies on the profitability and efficiency of

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- wheat production.
- Providing recommendations to improve policies and guide subsidies.

4. Research Hypotheses: The researcher was keen to establish the following hypotheses and to work on proving or disproving them in light of the economic and political variables of agricultural policies:

- There is a positive relationship between agricultural subsidies and achieving profitability in wheat cultivation.
- Current government policies (such as pricing and subsidies) directly affect economic feasibility.
- The production feasibility of wheat crops varies according to agricultural regions and the subsidy policies applied therein.

5. Methodology Followed by the Researcher: In analyzing this study and discussing its results, the researcher used both the descriptive-analytical and quantitative approaches, after diligently collecting data and information from various sources, relying on the diversity of these sources. These included data obtained from the statistics of the Ministry of Agriculture and the Statistics Authority, as well as data gathered through interviews with specialists and experts in agricultural economics. A questionnaire form was also organized and distributed to some experts and farmers to collect data and their opinions regarding the revenues achieved and the costs they incurred during the agricultural season.

The collected data were analyzed using statistical and economic analysis tools such as (break-even point, net return calculation, and return-to-cost ratio calculation), utilizing programs such as Excel or SPSS.

Second... Theoretical Framework and Previous Studies Basic Concepts of Economic Feasibility and Agricultural Productivity

This term refers to the processes through which the necessary data and information are collected regarding the costs incurred by the project and the total revenues it generates to determine whether it is logical and preferable to continue and complete the project or whether it is practically and economically unfeasible to proceed with it. It is assumed that the revenues and profits generated by the project exceed its economic costs [8].

What is economic feasibility? It is a comprehensive evaluation process of the project (in your case: wheat cultivation) in terms of expected revenues and costs to determine whether the project generates profits or not. In other words, it is about whether it is worthwhile for the farmer to cultivate wheat and whether the financial returns achieved will cover the costs and generate high financial returns. It can also be defined as the principle that justifies the costs of achieving educational objectives, taking into account the rational use of materials, labor, time, and other resources [1].

Economic feasibility is also defined as the process of analyzing the revenues and costs associated with a specific agricultural project, such as wheat cultivation, to determine its feasibility under prevailing economic conditions and adopted policies.

Economic feasibility indicators can be measured through the following equations:

$$\text{Net return} = \text{Gross revenues} - \text{Total costs} \quad \dots\dots\dots (1)$$

From the above equation, it is evident that the greater the

financial return, the higher the economic feasibility of wheat cultivation, in addition to its contribution to achieving food security. The ratio of the total achieved return to the total costs of wheat cultivation can also be calculated, where if the achieved return ratio is greater than (1), wheat cultivation is profitable and has high economic feasibility. However, if the achieved return ratio to total costs is less than (1), this means the project is unprofitable, as shown in the equation below [3]:

$$B/C = \frac{\text{Gross revenues}}{\text{Total costs}} \quad \dots\dots\dots (2)$$

If the returns achieved from wheat cultivation are equal to the costs incurred by farmers, then in such a case, the break-even point will be achieved.

The main objectives of a feasibility study can be identified as follows; however, there is always a primary goal that a feasibility study seeks to achieve, which is determining whether or not to proceed with the idea (project), in addition to several sub-objectives, the most prominent of which are [4]:

- Identifying alternative investment opportunities by deriving effective methods and patterns for evaluating and developing projects so that feasibility studies become worthwhile, as feasibility studies should not be wasted because they are purely economic studies with a financial dimension.
- Studying and deepening specific concepts in all aspects of projects, in terms of technological, technical, financial, and economic dimensions.
- Adopting advanced marketing methods, focusing on marketing studies, and specifying the types of technologies used in projects to identify the possibility of providing expansion plans and programs for existing industries.
- Identifying the economic impacts of proposals and uncovering the interactions between them and the economy by determining the potential positive and negative outcomes of the project before investing, and how to obtain high-quality data and information for decision-makers.

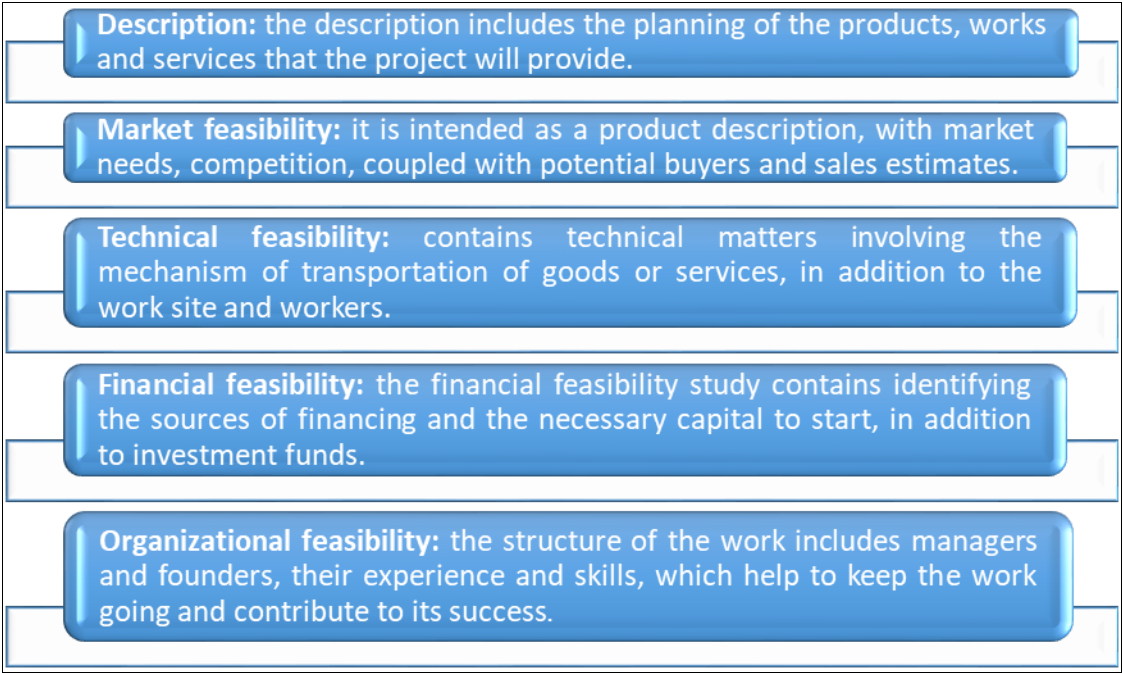
The feasibility of analyzing economic and productive activities largely depends on the accuracy, methodology, and organization of work behavior and productivity. Methodology is a set of methods and techniques needed for economic research and practical analysis of economic activities. If economic analysis methodology is presented as a strategy for researching economic processes and phenomena, then methodology is the tactic for studying and evaluating them whenever literature related to financial analysis is available, which comprises a variety of financial analysis methods that can be classified and divided into three main groups [6]:

- Methods directly or indirectly borrowed from other sciences.
- Models used in financial analysis.
- Methods of reading financial data.

There are different classifications of methods that can be applied in financial analysis. It is noted that the most important feature of this type of classification is the distinction between formal and informal analysis methods, which is based on relatively strict formal analytical dependencies. Dozens of these methods are known for relying on mathematical models, official data, statistics, and readings based on actual data [17].

The most prominent elements of an economic feasibility study are those presented in the following figure, designed to

determine the importance of this study for the project. It has become necessary to conduct a detailed study of the project, called a feasibility study, taking into account all factors—whether economic, social, technological, or legal—before investing large amounts of money or wasting a lot of time. These elements include ^[15]:



Source: Prepared by the authors (2025)

Fig 1: Elements of the economic feasibility study

There are many different types of feasibility studies, including economic, technical, operational, scheduling, and market studies. In addition, there are other types considered to be of lesser importance, such as managerial, cultural, social, political, safety and environmental feasibility, and organizational feasibility.

As for agricultural productivity, it can refer to the efficiency of resource use in crop production, and it is usually measured as output per unit of land or other production inputs. The concept of agricultural productivity can be explained as a measure of efficiency in managing crops produced relative to units of resources (land, water, labor, etc.) ^[2].

There are multiple types of agricultural productivity: land productivity, partial productivity of production inputs, and total productivity. Land productivity can be measured using the following, which is considered the most common measure ^[5]:

Productivity = $\frac{\text{Quantity collection (tons)}}{\text{Cultivated area (ha)}}$ (3)

As for calculating the partial productivity of production inputs, it can be calculated using the following equations:

Labor productivity = production ÷ number of working hours (4)

Manure productivity = Production ÷ quantity of manure (5)

These are widely used to determine the effectiveness of each of the above inputs, which include production quantity, number of working hours, and the amount of manure used, by measuring labor productivity and manure productivity ^[18].

Regarding total productivity, it is a comprehensive measure that depends on all production elements (land, labor, water, manure...) and is considered one of the most important aspects

studied in agricultural economics because it measures overall efficiency. Agricultural production theory is used to measure economic efficiency and the marginal productivity of each production element, as well as to explain the relationship between inputs (land, water, manure...) and outputs (production quantity) ^[9].

The factors affecting agricultural productivity: Agricultural production depends on a number of important factors that significantly contribute to increasing and growing the amount of agricultural production and its availability in local markets, as well as contributing to the state treasury through its export abroad and obtaining foreign currency. These factors can be summarized as follows ^[11]:

- **Climatic factors:** Climatic factors affecting agricultural productivity include a set of natural elements such as sunlight, water, rainfall, temperatures, as well as oxygen, carbon dioxide, humidity, and wind. Plants are greatly affected by all these factors, especially in the presence of atmospheric humidity and winds that can break or damage crops and plants.
- **Environmental factors:** These include factors related to the environment that significantly affect agricultural productivity, the most important of which are topography, soil, and environmental technology, which refers to knowledge of agriculture and its methods, advanced technologies used in it, in addition to a number of social factors such as land ownership and the type of agriculture practiced ^[7].
- **Other factors affecting agricultural production:** Among the other factors that cannot be neglected in their impact on agricultural production are biological factors, which include diseases, insects, pests, and weeds that cause destruction and damage to agricultural crops if not treated and dealt with properly to prevent their effects on agricultural production and the quantity and quality of crops. Moreover,

the difficulty of obtaining agricultural tools, as there are areas where agricultural equipment of various kinds is hard to obtain, negatively affects agricultural production ^[12]. Market fluctuations also play a role, referring here to changes in the demand for certain planted crops based on market needs and demand, which can have a negative impact on agricultural production.

The Role of Agricultural Policies and Productivity

These are a set of laws, legislations, and government procedures that affect agricultural production, such as subsidies, pricing, grants, taxes, and market regulations. The theory of prices and subsidies is among the most prominent theories addressed by these policies, which discuss the continuous government support and its impact on farmers’ decisions. It indicates that increasing subsidies reduces costs and encourages farmers to increase production, although sometimes at the expense of efficiency. The following table illustrates the Policy Analysis Matrix (PAM) model, where the objective of this model is to determine whether agricultural policies provide incentives or impose constraints on farmers ^[10].

Table 1: Policy Analysis Matrix (PAM) Model

S	Item	Farm-Level	National Economy	Difference
1	Revenues	X	X	X
2	Tradable Costs	X	X	X
3	Non-Tradable Costs	X	X	X
4	Net Return	X	X	X

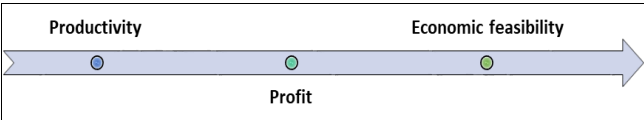
Source: Prepared by the researcher, 2025.

The following table illustrates the concept of the relationship among the three terms considered fundamental pillars of our study: economic feasibility, agricultural productivity, and agricultural policies.

Table 2: The Relationship Between the Three Concepts

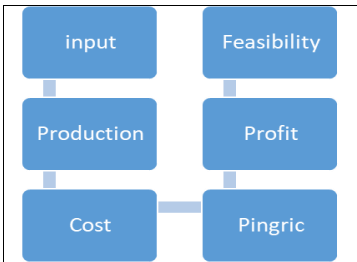
S	Concept	Relationship with Others
1	Economic Feasibility	Depends on productivity and is also significantly affected by agricultural policies.
2	Agricultural Productivity	Influences net financial returns and therefore impacts economic feasibility.
3	Agricultural Policies	Has a significant effect on costs, revenues, and productivity either directly or indirectly.

Source: Prepared by the researcher, 2025.



Source: Prepared by the authors (2025)

Fig 2: The relationship between economic feasibility and productivity



Source: Prepared by the authors (2025)

Fig 3: The Agricultural feasibility cycle of wheat crop

The most important tools that the government can use to manage agricultural policy and productivity are the following:

1. Agricultural subsidies are government payments made to farmers and agricultural industrial institutions to manage the agricultural sector as part of various methods used by the government in a mixed economy. The terms of payment and reasons for granting specific subsidies depend on agricultural products, farm size, ownership type, country, and other factors. Reasons for providing certain subsidies have included enriching peanut farmers for political purposes, keeping staple food prices low to prevent uprisings among the poor, stabilizing crop production to avoid famine and encourage diversification, among many other goals ^[14].
2. Minimum or maximum price controls set the lowest or highest price for a product. Price controls encourage increased production through minimum prices or reduced production through maximum prices. The government may impose trade barriers to limit the quantity of imported goods (in the case of quotas) or impose tariffs to raise domestic prices of imported goods. These barriers give preference to local producers ^[14].

Previous Scientific and Academic Studies

Previous studies form the foundation upon which scientific research is built, contributing to supporting the theoretical framework and clarifying the scientific originality of the current study’s topic. This chapter reviews a group of studies that addressed the economic feasibility of wheat production and the impact of agricultural policies on its production and profitability in several Arab countries. The studies will be classified according to key themes that aid in their analysis and comparison. Through a thorough reading of relevant scientific and academic literature, the researcher reviewed a set of studies that contributed ideas forming the basis of this study. The most important of these studies are briefly summarized as follows:

1. Al-Ahbabi and Al-Ajeeli (2021) ^[1] analyzed the impact of pricing policy and government subsidies on wheat production in Iraq (1993-2019), published in Tikrit Journal of Administrative and Economic Sciences. The study used the ARDL model to analyze the effects of pricing policies and government support on wheat production. Results showed that local price and cultivated area had a significant effect on production, while global price and financial support did not have a significant effect.
2. Al-Lafi *et al.* (2021) analyzed agricultural policies for wheat production using the Policy Analysis Matrix (PAM). The study concluded that government policies supported farmers by subsidizing input prices and not imposing taxes, which positively affected the economic feasibility of the crop.
3. Al-Amiri *et al.* (2022) ^[6] focused on the econometric analysis of wheat cost functions in northern Iraq, aiming to estimate short- and long-term cost functions. The study found that the optimal farm size in the long term is 116 donums, and that supporting input prices helps reduce costs and increase profitability.
4. Kashkoul (2023) analyzed the reality of wheat cultivation in Wasit Governorate (2019-2022), studying fluctuations in wheat production and its impact on food security. The study recommended supporting farmers, improving marketing procedures, and paying overdue entitlements to enhance local production.

5. Desouki (2023) ^[8] conducted an analytical study of wheat production in Egypt using the Policy Analysis Matrix. The study found that the state provided implicit support to farmers through price support, which contributed to increased production.

Through reviewing the previous studies, it is noticeable that

most of them agree that agricultural policies play a pivotal role in determining the feasibility of wheat production. Input support, setting a fair procurement price, and improving cultivated varieties are among the most important factors positively affecting crop profitability. The following table illustrates the similarities and differences between the reviewed studies.

Table 3: Comparison of Previous Studies

S	Tasks	Points of Similarity	Points of Difference
1	Methodology	Most studies used economic analysis.	Some studies attempted to integrate both quantitative and qualitative analysis.
2	Geographical Location	Iraq, Egypt, and Libya.	Variations exist in the geographical distribution between urban and rural areas.
3	Results	Emphasis was placed on the importance of continued government support for agricultural inputs.	Differences appear in the recommendations regarding marketing mechanisms and government roles.

Source: Prepared by the researcher, 2025.

Nevertheless, there remains a need for more comprehensive studies that consider regional and environmental differences, focus on sensitivity analysis, and estimate production risks. This is the aim of the current study due to a clear research gap in integrating precise economic analysis with an in-depth evaluation of agricultural policies simultaneously. Accordingly,

this study seeks to fill this gap by presenting a comprehensive analytical model for the production feasibility of wheat under the current agricultural policies in the selected study area ^[13].

Third... Analysis and Discussion

Presentation of Field Study Data.

Table 4: Comparison of Agricultural Policies for Wheat Production between Egypt and Iraq

S	Item	Iraq	Egypt
1	Type of Government Support	Direct subsidies and incentive prices, sometimes with tax exemptions.	Direct support for inputs (fertilizers, pesticides) and support for wheat procurement price.
2	Wheat Pricing Mechanism	The government purchases wheat from farmers at predetermined supported prices.	The government sets the procurement price annually based on cost plus a profit margin.
3	Procurement System	Mandatory in some areas, with penalties for non-compliance.	Partial mandatory procurement (farmers supply a portion of their crop to the state).
4	Technical and Extension Support Procedures	Limited technical extension support, often provided through international projects.	Agricultural extension through agricultural associations.
5	Problems of Agricultural Policies	Bureaucracy, poor storage, weak agricultural infrastructure.	Delays in paying farmers' dues, weak marketing, and price volatility.
6	Role of the Private Sector	Very limited role - state intervention is predominant.	Limited role in marketing and agricultural processing.
7	Orientation Towards Self-Sufficiency	Initiated a move toward self-sufficiency with partial reliance on imports.	Moderate self-sufficiency - food gap covered by imports.
8	Impact of Policies on Economic Feasibility	Unstable economic feasibility - affected by political instability and fluctuating support.	Varies by region; some farmers achieve positive feasibility due to support.

Source: Prepared by the researcher, 2025.

From the above table, it is necessary to conduct a comparative analysis of agricultural policies between Egypt and Iraq and their impact on the production feasibility of wheat.

It is observed that direct input support in Egypt helps reduce costs, which positively reflects on economic feasibility if payments are made timely. Meanwhile, Iraq, despite providing more diverse support, faces administrative instability and bureaucracy that may limit the effectiveness of this support in improving production efficiency.

Regarding pricing and procurement systems, both countries show a lack of flexibility in pricing, which can lead to distortions in production incentives, especially amid fluctuating global market prices. This affects farmers' decision to continue or reduce the wheat-cultivated area.

In terms of infrastructure and technical support, the weaker agricultural extension services in Iraq compared to Egypt may result in lower overall productivity, even if financial support exists, thus reducing economic feasibility.

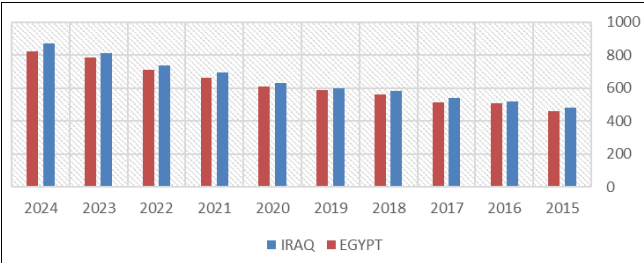
Both countries share a weak private sector role in marketing, storage, and processing of wheat. The absence of effective private-sector marketing mechanisms imposes additional burdens on farmers and reduces their willingness to expand

production, negatively impacting feasibility.

Finally, regarding the orientation toward self-sufficiency, it is noted that the closer a country moves toward self-sufficiency, the greater the incentives for local production, which improves economic feasibility—and vice versa. Agricultural policies encouraging imports without protecting local producers lead to decreased productivity and reduce the feasibility of investing in wheat.

The comparison clarifies that the effectiveness of agricultural policies depends not only on the presence of financial support or incentive pricing but also on implementation methods, availability of infrastructure, and agricultural extension services. Despite administrative weaknesses, Egypt's policies are better implemented in practice, whereas Iraq theoretically offers good support but lacks strong enforcement mechanisms. Therefore, the economic feasibility of wheat production is directly affected by the stability and effectiveness of agricultural policies, not merely their existence.

The following figure illustrates a price comparison between Iraq and Egypt for wheat procurement, highlighting the higher level of support Iraq provides to farmers through wheat marketing.



Source: Prepared by the authors (2025)

Fig 3: Comparison of prices between Iraq and Egypt for the supply of wheat

Cost and Revenue Analysis

Cost and revenue analysis is one of the most important tools for evaluating the economic feasibility of any agricultural activity. Through this analysis, it can be determined whether the financial return from wheat cultivation covers the costs and generates an acceptable profit, thereby aiding farmers’ decisions and guiding agricultural policymakers.

Table 5: Relationship Between Input Support and Net Profit (Approximate Figures in USD per Feddan)

A (Input Subsidy %)	Production Cost	Selling Price	Net Profit
0	850	1000	150
10	765	1000	235
20	680	1000	320
30	595	1000	405
40	510	1000	490
50	425	1000	575
60	340	1000	660

Source: Prepared by the authors (2025)

The data show a strong positive relationship between levels of input support and net profit per feddan. As support increases, the reduction in production costs leads to significantly higher profitability, highlighting the economic feasibility of wheat cultivation under supportive agricultural policies. With greater input support, net profit per feddan rises markedly, indicating a direct positive correlation. Input support policies enhance the economic feasibility of wheat production.

Table 6: Wheat Production in Iraq (2015-2024)

S	Year	Quantity (Million Tons)	Growth Rate
1	2015	3.00	-
2	2016	3.20	7%
3	2017	3.50	9%
4	2018	4.00	11%
5	2019	4.70	12%
6	2020	6.20	13%
7	2021	4.20	-32%
8	2022	2.00	-52%
9	2023	4.50	125%
10	2024	6.30	40%

Source: Prepared by the authors (2025)

Between 2015 and 2018, wheat production experienced a gradual increase driven by government-supported improvements in agricultural practices such as fertilizers and seeds, expansion of cultivated areas, and abundant rainfall during this period, despite the ongoing war in the country. During 2019-2020, Iraq achieved self-sufficiency due to the abundant crop production, reaching a record output of 6.2 million tons in 2020. This was attributed to water availability, the government's implementation of substantial procurement and support plans, and rising global

prices, which encouraged farmers to increase production. However, production significantly declined between 2021 and 2022 due to drought and reduced water flow from Turkey and Iran because of dams, as well as reduced rainfed cultivation areas. The financial crisis faced by the government, marked by delays in paying farmers' dues, further contributed to the decline, dropping production to 2.0 million tons in 2022—a negative decrease of 52%. This sharp drop corresponded with a substantial reduction in economic feasibility, as farmers abandoned cultivation, and local flour prices increased. Production recovered sharply in 2023 with a 125% increase to 4.5 million tons and rose further to 6.3 million tons in 2024. This recovery was driven by heavy rainfall, adoption of modern irrigation techniques recently embraced by farmers, and continued government support aimed at achieving self-sufficiency and securing the country’s food security. A comparison of production volumes over the same period with Egypt reveals the following:

Table 7: Comparison of Wheat Production (2015-2024)

S	Year	Iraq	Growth Rate	Egypt	Growth Rate
1	2015	3.00	-	8.500	-
2	2016	3.20	7%	8.600	1%
3	2017	3.50	9%	8.700	1%
4	2018	4.00	11%	8.800	1%
5	2019	4.70	12%	8.900	1%
6	2020	6.20	13%	9.000	1%
7	2021	4.20	-32%	8.800	-1 %
8	2022	2.00	-52%	8.700	-1%
9	2023	4.50	125%	8.900	1%
10	2024	6.30	40%	9.200	1%

Source: Prepared by the authors (2025)

Iraq has experienced sharp fluctuations in wheat production due to climatic changes, especially droughts in 2021 and 2022, resulting in volatile growth. Peak production occurred in 2020 and 2024, reaching its highest levels thanks to heavy rainfall and government support. Meanwhile, Egypt maintained relative stability with a fairly consistent production level and slight annual increases, culminating in a gradual rise to 9.2 million tons in 2024, driven by expanded cultivated areas and improved productivity.

Despite Egypt’s numerical superiority in production volume, Iraq possesses significant latent capacity that could enable it to surpass Egypt if stable agricultural policies, sustainable water resources, and advanced technical support are provided. This potential can be realized with political, security, and agricultural stability, along with adequate infrastructure and the adoption of modern irrigation technologies. Such conditions would support higher production and stronger economic feasibility—principles applicable to any country seeking self-sufficiency in strategic crops like wheat.

Analysis of the Impact of Agricultural Policies on the National Economy

Agricultural policies in Iraq are vital tools used by the state to direct economic and social activities. These policies aim to achieve sustainable development in the agricultural sector by ensuring the delivery of high-quality agricultural goods at affordable and healthy prices to consumers. On the other hand, they help provide agricultural inputs to producers at the lowest possible cost, contributing to a reasonable financial return (profit) that supports the continuity of production with the same efficiency and effectiveness, thereby increasing the agricultural

sector's contribution to the Gross Domestic Product (GDP).

The key criteria in analyzing major agricultural policies are Pricing Policy and Government Support: These have a positive impact on agricultural pricing policies and government support policies. They are important mechanisms that stimulate and encourage agricultural development in Iraq, contributing to increased growth rates of agricultural crops due to their rapid responsiveness to continuous changes in support prices. However, challenges exist that significantly affect the effective implementation of these policies, thereby impacting agricultural production.

Government Agricultural Investment Spending: Increasing investment spending by 0.01% leads to a 0.06% increase in agricultural GDP, reflecting the importance of this type of spending in promoting agricultural growth and achieving self-sufficiency. This is due to the unlimited subsidies provided by the state to the agricultural sector and incentives for investment in it. However, economic and financial analysis reveals a rise in operational expenditure, often at the expense of investment spending, which negatively affects agricultural GDP. This imbalance may also indicate disguised unemployment within the administrative apparatus of the Ministry of Agriculture and its affiliated departments.

Import-Related Policies: There is a long-term complementary relationship between economic growth and import components. Agricultural imports have a significant positive effect on economic growth, as the state resorts to imports when self-sufficiency is not achieved, reflecting unmet demand in the domestic market for agricultural products. Conversely, protecting local producers is essential to prevent foreign currency outflow.

Major Challenges Facing the National Economy in Encouraging and Activating the Agricultural Sector for Self-Sufficiency Include

Administrative and Financial Corruption: One of the primary obstacles hindering the implementation of agricultural policies in Iraq, negatively affecting the production process.

Weak Infrastructure: Characterized by deficiencies in agricultural infrastructure and the lack of adoption of modern technologies in irrigation and farming, which reduces production and distribution efficiency.

Climate Change: Refers to climate variability and global warming, negatively impacting water availability and natural resources essential for agriculture, particularly rainfall seasons. In conclusion, the availability of natural resources, agricultural lands, and groundwater are enabling factors for developing the agricultural sector. Investing in agricultural technology and adopting modern techniques can significantly improve agricultural production efficiency.

Presentation of Final Results

The final results of the research will be discussed according to the hypotheses on which the study was based:

Discussion of the First Hypothesis

The first hypothesis stated that "There is a positive relationship between agricultural support and profitability in wheat cultivation."

Result: The data confirmed a clear positive correlation between the levels of agricultural input support—such as fertilizers, seeds, and water—and the net profit achieved per dunum. As the support rate increased from 0% to 60%, net profit rose from \$150 to \$660 per dunum, strongly validating the first hypothesis. This indicates that agricultural input support directly reduces production costs and enhances the economic feasibility of wheat cultivation, especially amid climatic fluctuations and high production costs in Iraq.

Discussion of the Second Hypothesis

The second hypothesis stated that "Current government policies, such as pricing and support, directly affect economic feasibility."

Result: A comparison of agricultural policies between Iraq and Egypt showed that Egypt follows a structured system with organized supply mechanisms and a stable, supported price that builds farmers' confidence and encourages production. In contrast, Iraq, despite offering diverse and encouraging government support, suffers from weak policy implementation and poor infrastructure, which diminish the positive impact of support on profitability. The findings proved that agricultural policies are not merely legislative frameworks on paper; their effectiveness depends on implementation mechanisms and ensuring timely, flexible delivery of support.

Discussion of the Third Hypothesis

The third hypothesis stated that "The productive feasibility of the wheat crop varies according to agricultural regions and the applied support policies."

Result: The study revealed significant variation in economic feasibility and productivity across the examined periods. This variation was linked to differences in production quantities due to water availability (irrigation versus rainfed), the level of agricultural extension support, the strength or weakness of marketing networks and infrastructure, as well as the adoption of modern and technological irrigation methods. This disparity highlights the importance of specialized agricultural policies at both regional and national levels, as unified support policies fail to achieve equitable productivity outcomes. The results clearly advocate for simple and flexible agricultural policies tailored to the specific characteristics of each region to enhance productivity and improve the effectiveness of agricultural policies.

Summary of the Discussion

There is a direct relationship between state support, encouragement of farmers, and profitability through increased wheat production.

The inconsistent and unbalanced implementation of agricultural and productivity policies clearly weakens the economic feasibility despite genuine intentions to provide support.

Geographic disparities and unstable distribution of support and resources have a significant and tangible impact on productive feasibility.

Agricultural policies must be integrated with developmental plans in irrigation, marketing, and agricultural technologies to maximize benefits.

Periods of drought, poor water resource management, and irregular rainfall demonstrate how the feasibility of any agricultural or developmental initiative can collapse despite the existence of nominal support on paper if not fully and

effectively implemented.

Fourth Section ... Results and Recommendations Conclusion

Achieving clear economic feasibility for wheat cultivation:

The study showed that wheat farming in Iraq yields a tangible net profit when genuine support is provided to farmers. This confirms that agricultural projects can be economically viable when encouraging and motivating policies are in place.

A high cost-to-return ratio is a facilitating factor for investment in the agricultural sector, indicating that revenues exceed costs in most cases. This confirms the financial feasibility for farmers and motivates them to continue wheat cultivation.

The productivity of wheat is closely linked to the effectiveness of agricultural policies, which may explain the fluctuations in crop productivity from year to year. This is directly related to the effectiveness or weakness in the implementation of these policies, whether through fertilizer distribution, irrigation management, or pricing mechanisms.

There is a clear disparity in production and economic feasibility between regions due to differences in natural resources, infrastructure, and the level of actual support provided by local or federal governments. This highlights the necessity of adopting region-specific agricultural policies.

Government support is a fundamental element in enhancing profitability, as the study's analysis showed that support reducing the costs of agricultural production inputs directly increases net profit. Conversely, reducing this support leads to a decline in economic feasibility for farmers.

Agricultural policies suffer from weakness and delays in implementation despite genuine intentions to support government plans. Practical application faces major challenges including bureaucracy, delayed distribution of farmers' dues, and inadequate coverage of production costs, which limit the expected positive impact.

The Egyptian experience in wheat procurement policies outperformed the Iraqi one used for comparison. Egypt's unified pricing policy for procurement produced better economic feasibility outcomes than the policies followed in Iraq. This reflects the importance of clarity, stability, and consistency in agricultural policy in motivating and encouraging local production.

Finally, these results confirm that this study aims to emphasize the necessity of achieving productive and economic feasibility for wheat cultivation in Iraq, which does not depend solely on natural factors but is closely related to the efficiency, stability, and flexibility of the implemented agricultural policies in supporting farmers and investors over the long term.

Recommendations

Activate agricultural support policies regularly and transparently. Relevant authorities must ensure continuous support for production inputs (fertilizers, seeds, fuel) at subsidized prices, with a fair and transparent distribution system, as this directly reduces costs and increases economic feasibility.

Adopt an incentivizing and stable procurement price policy. It is recommended to set a guaranteed procurement price for wheat by the state, based on actual cost calculations and profit margins, following the Egyptian model. This enhances farmers' confidence and encourages increased local production.

Conduct periodic studies and evaluations of existing agricultural feasibility to identify strengths and weaknesses, directing support and resources according to actual efficiency instead of traditional distribution approaches.

Implement region-specific agricultural policies to promote production equity and ensure sustainability across different Iraqi regions. Support agricultural research centers, statistical agencies, and universities to perform quantitative studies on the impact of agricultural policies on the national economy, aiding evidence-based decision-making.

Increase investment spending by allocating more resources to the agricultural sector to boost growth and productivity.

Combat financial and administrative corruption by enhancing transparency and accountability in policy implementation, developing human resources, and investing in agricultural education and training to raise sector workforce efficiency.

Develop infrastructure and encourage investment in improving agricultural infrastructure, including irrigation networks, storage, and transportation.

Encourage research and development in agriculture by supporting agricultural research and developing modern technologies to increase production efficiency.

Conclusion of Recommendations

The results of this study demonstrate that developing Iraq's wheat sector cannot be achieved without flexible, comprehensive, and implementable agricultural policies. Therefore, restructuring agricultural support, activating financing tools, and linking agricultural production with macroeconomic planning are fundamental factors to achieving long-term food security and economic viability.

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