LIBYA’S ECONOMIC REFORM PROGRAMME AND THE CASE FOR A STOCK MARKET

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Introduction

This thesis was undertaken to develop a conceptual framework for a research model with a specific focus on the Libyan economic reform programme and the development of the Libyan stock market between 1999 and 2007.

The thesis consists of eleven chapters. After the first chapter, which describes the purpose of the study and the organisation of the thesis, Chapters 2, 3, 4, 5, and 6 represent theoretical contributions and review the relevant literature alongside a brief review of the theoretical framework. Chapter 2 discusses the function of economic growth theory while Chapters 3 and 4 focus on the nature of economic reform programmes and macro-economic reform performance. Chapter 5 considers stock market performance, including financial maturity. Chapter 6 considers the theories and concepts discussed in the previous four chapters in the context of Libyan economic and social development. Chapter 7 discusses the methodological framework of the current study. Chapters 8, 9, and 10 represent the empirical data analysis, which is one of the major contributions of this study. Chapter 11 presents the research summary and conclusions, discusses contribution, and its implications, and gives recommendations.

The study investigates the determinants of economic reform and stock market performance within the Libyan economy utilising data from three different sources and a multiregional approach. Self-administered questionnaires were distributed to the entire target population of the Libyan financial market, banking sector, and a number of companies, while semi-structured interviews were held with managers in a subset of companies, selected via a stratified sample of respondents to the self-administered questionnaires.

The third method collected financial market data over the period 1995-2006 from 42 emerging market countries, specifically, Algeria, Argentina, Bahrain, Bangladesh, Brazil, Bulgaria, Chile, China, Czech Republic, Egypt, Fiji, Hungary, India, Indonesia, Iran, Israel, Jordan, Kuwait, Lebanon, Libya, Malaysia, Mexico, Morocco, Nigeria, Oman, Pakistan, Philippines, Poland, Qatar, Romania, Russia, Saudi Arabia, South Africa, Sudan, Syria, Thailand, Tunisia, Turkey, United Arab Emirates, Venezuela, Yemen, and Zimbabwe were analysed to examine whether best practice from emerging stock markets is transferable to the Libyan context.

Chapter 8 presents the data analysis, which is one of the major contributions of this study. Chapter 11 presents the research summary and conclusions, discusses contribution, and its implications, and gives recommendations.