

# THE REGULATION OF PUBLIC-PRIVATE PARTNERSHIPS IN THE ECONOMY: A CASE STUDY OF THE EMERGING MARKET

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## Abstract

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The study investigated the impact of public-private partnerships (PPP) sectors and their dimensions (legal legislation, political challenges, financial challenges, administrative challenges, and weak public awareness) on economic growth in Jordan. The study used a descriptive-analytical approach, distributing a questionnaire to a hundred individuals, including administrative and financial managers of private companies involved in PPP. Ninety-five responses were collected and analyzed using a Statistical Package for the Social Sciences (SPSS) to estimate simple and multiple linear regression parameters, providing insights into the nature of PPP sectors. The study found that PPP sectors are essential for economic growth, leveraging the private sector's experience and competencies. It also emphasized the need for more support and incentives for the private sector and the establishment of true PPP sectors through joint projects between the public and private sectors. These findings are crucial for policymakers and stakeholders involved in economic development. Understanding the role of PPP sectors can lead to more effective policies and strategies to promote economic growth and enhance the collaboration between the public and private sectors. As a result, the study recommended providing more support and incentives to the private sector, recognizing its active role in the economy.

**Keywords:** Public Sector, Private Sector, Partnerships, Economy, Jordan

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## 1. INTRODUCTION

The private sector is considered a fundamental element in driving economic growth in various countries around the world. Due to its effective financial and managerial capabilities, many

countries seek to enhance the participation of the private sector in economic projects to achieve development (Rashed & Shah, 2021). Based on this, Jordan has recognized the importance of the private sector in achieving economic development and has been keen on effectively involving it in various

sectors. Its efforts have focused on stimulating local and foreign investment, creating job opportunities, and enhancing the volume of national exports (Al Sharif, 2023).

Public-private partnerships (PPP) are defined as cooperation between a government institution and a private sector company, with the aim of financing and operating projects. In this partnership, the government institution provides a suitable environment for investment and establishes productive projects by the private sector, contributing to improving the economic situation and reducing unemployment rates (Essa, 2018). The significant importance of this partnership lies in complementary projects, as this partnership is considered the optimal solution to address the problems faced by countries in implementing infrastructure projects such as roads, water, electricity, communications, and public transport networks by the public sector. In the case of such non-profitable projects, the private sector is required to study the potential negative impacts of their implementation before participating in them (Febbianti et al., 2024).

The PPP is a fruitful approach that entails several tangible benefits. This partnership contributes to achieving many important advantages, including enhancing transparency, reducing corruption risks, achieving strong economic growth, and reducing unemployment rates (Al Sharif et al., 2023). Additionally, the partnership contributes to achieving the highest levels of efficiency in production processes and exchanging experiences between the sectors, leading to improving the performance of production operations and achieving them better and more efficiently (Zwati & Kouider, 2018).

The study's theoretical importance lies in its review of the literature and previous studies on PPP, understanding the role of PPP in the Jordanian economy and proposing recommendations for enhancing this partnership. It also contributes to Arab literature by linking these variables and lays the groundwork for future research.

Practically, the study provides valuable information about the level of PPP in Jordan. It also offers insights on improving economic growth and employment by strengthening this partnership, contributing to the development of both sectors and economic growth in Jordan.

This study aims to shed light on the importance of the public and private sectors and the role of each in economic development and to identify the role that each sector plays in achieving the desired development through its impact on increasing gross domestic product (GDP). This study employs a descriptive-analytical method, using specialized research to explore the concept, types, and significance of partnerships, as well as the reasons for their adoption. It examines partnership dimensions (legislative, political, financial, administrative challenges, and public awareness) as tools for economic growth. Data is collected through questionnaires to describe variables and test study hypotheses. The Jordanian economy suffers from structural imbalances resulting from the inefficiency of the public sector in providing sufficient income to achieve optimal utilization of available economic resources. Most of Jordan's infrastructure projects rely mainly on external aid and grants, hence the need for PPP to

address imbalances and improve the economy. In light of this, the study raises the following question:

*RQ: To what extent does the partnership between the public and private sectors contribute to improving growth in the national economy?*

The structure of this paper is as follows. Section 2 reviews the relevant literature. Section 3 outlines the research design, data collection methods, and analysis techniques used. Sections 4 describe and discuss the results and, finally, Section 5 presents the conclusion.

## 2. LITERATURE REVIEW AND HYPOTHESES DESIGN

### 2.1. Theoretical framework

The concept of PPP involves the collaboration between public and private sectors, utilizing their resources to achieve economic and social goals for the benefit of society, enabling it to keep pace with contemporary developments (Al-Rashid, 2007). Hamada (2014) defines PPP as a long-term contract where the private sector handles most risks and management for executing projects or providing services, receiving fees based on performance. This arrangement places the burden of long-term financing and implementation on the private sector, with the government paying only upon project completion and not incurring additional costs for overruns (Hamada, 2014).

Partnerships can be based on sectoral or economic principles and can expand vertically or horizontally (Brinkerhoff, 2002; Fudenberg & Tirole, 1991). In Jordan, partnerships are often contractual and economically driven by government priorities and private sector profitability goals (Bovaird, 2004). They involve risk-sharing and reducing the public sector's financial burden (Flyvbjerg, 2007), enhancing accountability and transparency (Broadbent & Laughlin, 2003), and providing necessary technology and infrastructure (Hodge & Greve, 2007). However, these projects may neglect social and environmental impacts due to insufficient government oversight (Areiqat & Al-Salhi, 2011). The private sector tends to avoid significant risks by imposing high prices and shifting responsibilities for price and quality issues to the public sector (Savas, 2000; Alfen et al., 2009). Effective partnerships require clear legislation, defined obligations, adherence to schedules, and policies that encourage private sector involvement while reducing risks (Talloua, 2017; Rondinelli & London, 2003; Huxham & Vangen, 2004; Klijn & Koppenjan, 2000).

The private sector in Jordan is a key driver of economic growth and job creation, actively involved in providing goods and services. Since the state's establishment, the government has prioritized the private sector across economic sectors to foster development and sustainability. Jordan's security and stability have encouraged investment, leading to policies and laws that enhance private sector participation. The government began privatizing in 1985, spurred by economic reforms and a move towards self-sufficiency. After the 1990s economic crisis, Jordan integrated many institutions with the private sector, including telecommunications and key industries. Private sector investments exceeded \$1 billion in both 2006 and 2007, with

significant contracts like the Al-Kharrar Al-Samra wastewater treatment and Queen Alia International Airport upgrade, creating numerous job opportunities (Hammouri, 2014).

The private sector in Jordan, in all its forms, is the backbone of the Jordanian economy in terms of its contribution to the GDP, employment levels, job creation, and taxes paid to the state treasury. The importance of the private sector in the national economy is highlighted by employing more than 70% of employees and sharing burdens with the state. Stability in legislation and the necessary laws to encourage investment, preserve national capital, and prevent competition from the public sector are

among the most important services provided by the government to the private sector (Middle East Studies Center, 2019).

Hence, it must be said that the Jordanian government has taken measures to assist the private sector. According to a report issued by the United States Agency for International Development (USAID), Jordan is one of the most improved countries in terms of business climate globally. The Jordanian government's recognition of the importance of this sector in various economic fields has led to the private sector's contribution to the GDP exceeding 75.2% in 2021, as shown in Table 1 below.

**Table 1.** Contribution of public and private sectors to the GDP for the period (2010–2021)

Year	Public sector contribution to GDP	Private sector contribution to GDP	GDP at current prices	Public sector contribution to GDP	Private sector contribution to GDP (%)	Growth in public sector contribution to GDP (%)	Growth in private sector contribution to GDP (%)
2010	4108.2	12532.4	16640.6	24.7	75.3	0	0
2011	4603.6	13572.9	18176.5	25.3	74.7	2.4	-0.8
2012	4838.8	14636.4	19475.2	24.9	75.1	-1.6	0.5
2013	5124.5	16125.9	21250.4	24.1	75.9	-3.2	1.1
2014	5565.7	17158.8	22724.5	24.5	75.5	1.7	-0.5
2015	5957.1	17901.2	23858.3	25	75	2.1	-0.7
2016	5793.1	18885.6	24678.7	23.5	76.5	-6	2
2017	5882.5	19688.4	25570.9	23	77	-2.1	0.7
2018	6176.5	20372.3	26548.8	23.3	76.7	1.3	-0.4
2019	6521.1	21067.5	27588.6	23.6	76.4	1.3	-0.4
2020	6676.7	20496.1	27172.8	24.6	75.4	4.2	-1.3
2021	6959.3	21152.6	28111.9	24.8	75.2	0.8	-0.3

Source: Department of Statistics (2021).

Private sector exports in Jordan exceeded 5 billion dinars in 2021. Additionally, 17% of the total taxes come from the private sector, with sales tax accounting for more than 71% of the total taxes paid in 2021. The issuance of the new tax law in 2019 contributed to the increase in government tax revenues, reaching more than 20% of the total public revenues in Jordan.

Literature review results indicate a lack of direct studies on the challenges hindering the implementation of PPP in the Jordanian economy. Therefore, this study attempted to utilize findings from previous studies to achieve its objectives.

## 2.2. Previous studies

An article by Mofokeng et al. (2023) discusses the impact of PPP on economic growth in developing countries. It highlights the limited empirical studies in this area and aims to fill this gap by examining the effect of PPP sectoral investments on economic growth among 35 developing countries from 1997 to 2018. The study uses the neoclassical growth framework and the system generalized method of moments (GMM) estimation technique to analyze the data. The findings suggest that aggregate PPP investment and energy investment have a positive impact on economic growth in developing countries. This indicates the multiplier effect of energy in stimulating economic growth in these economies. The article also discusses the policy implications of these findings, suggesting that PPP investments, particularly in the energy sector, can be an effective tool for promoting economic growth in developing countries.

A paper by de Albornoz et al. (2023) discusses the use of PPP as part of countercyclical policies to

combat economic recessions. The study conducts an empirical analysis covering 160 countries over 30 years, focusing on the comparison between PPP projects reaching financial close during recessions and those outside a recession. The findings indicate that only a few European countries have been successful in deploying PPP as part of countercyclical policies. The research suggests that increasing the number of PPP projects while maintaining project size could be a sensible approach, but this strategy only works in some developed nations.

According to Malik and Kaur (2022), the purpose of their study is to investigate the determinants of PPP projects in Asia. The methodology relies on the fixed effects panel, random effects, two-step GMM, and bounded quantile regression during the period 2010–2019. The results confirm the role of PPP in physical infrastructure, financial sector development, market conditions, and institutional quality, and identifying the determinants of PPP will help private sector investors make informed decisions regarding the choice of countries for PPP investments, increasing the likelihood of project success.

Fares (2022) aims to address the topic of PPP in agriculture in Palestine, and this goal was achieved by following the descriptive analytical approach. The study tool was a questionnaire targeting agricultural companies in Palestine. The results indicated that one-third of agricultural partnerships were with the government, mostly in the areas of agricultural product marketing and providing new seed varieties. Israeli occupation and internal division negatively affect partnerships with the public sector. Additionally, agricultural sector development in Palestine is linked to the strength of economic policies and applied legal regulations.

Nasrat et al. (2020) aim to shed light on the determinants of PPP and the extent of economic development in Algeria for the period 1993–2018 through the descriptive analytical approach. The study developed methods and techniques to address corruption issues due to favoritism for companies and individuals with links to public stakeholders. One of the most important results is that the lack of supervision, transparency, and integrity undermines investor confidence instead of attracting them. Therefore, safeguards against supply monopolies in tenders should be put in place to ensure transparency, fairness, evaluation, and approval of the working environment to enhance PPP for promising economic development.

Obayelu (2018) explores the current status of PPP in the agricultural business sector in African countries over the past decade, despite the prominent challenges. Strong political will, sound governance, and the provision of a favorable economic and regulatory environment by the public sector to the private sector in work are the main drivers of the successful implementation of PPP in agribusiness. Developing agribusiness and agricultural industries in African countries requires large amounts of fixed capital from the private sector, which the public sector alone finds difficult to provide.

Talloua (2017) aims to identify the importance of the integration between the public and private sectors in achieving development in the governorates of Gaza. The descriptive analytical approach was followed, and the study concluded that the public and private sectors do not effectively play their roles in development in the absence of an integrative relationship between the two sectors. The study recommended giving a real active role to the private sector by facilitating administrative procedures.

A study by Bo Dhiab (2017) aims to identify the importance of PPP in terms of its nature, objectives, and rationale for establishing such partnerships. The results of the study highlighted the pivotal role of the PPP in Lebanon and its positive impact on the Lebanese national economy and revenue improvement. The study recommended the development and enhancement of the legislative and institutional frameworks necessary for the success of PPP, as well as the provision of a written oversight system by some government agencies to ensure compliance with the agreements and the provision of the required services to citizens at reasonable prices.

The paper by Kasri and Wibowo (2015) explores the determinants of private sector participation in providing public infrastructure in Islamic developing countries by researching the PPP. This study used advanced panel data capabilities to develop a cross-country analysis of private finance determinants in 48 developing Islamic countries for the period 2002–2011. The results indicate that market conditions, institutional characteristics, and state risks are the most important factors determining private sector participation in financing infrastructure in Islamic countries. Policymakers in these countries will be encouraged to prioritize their efforts to attract private investment in public infrastructure, which in turn will contribute to increased economic growth and improved development in the Islamic region.

The study by Awaida (2014) aimed to identify the importance of integration between the public and private sectors in achieving development in

the governorates of Gaza. The descriptive analytical approach was followed, and the study concluded that the public and private sectors do not effectively play their roles in development in the absence of an integrative relationship between the two sectors. The study recommended giving a real active role to the private sector by facilitating administrative procedures.

What distinguishes this study from previous studies is that it shares the theoretical and conceptual framework with them, but differs in that it focuses on analyzing the overall aspect of the economy at the level of each sector rather than studying the contribution of the public or private sector at the level of individual projects. One of the difficulties faced by this study is the lack of previous studies that have addressed the overall contribution of the public and private sectors to each sector of the economy. This study is one of the few Arab studies that attempts to link these variables together, making it a distinguished scientific contribution. Furthermore, this study paves the way for more research and studies in this field according to the researchers' knowledge.

### 2.3. Research hypotheses

Based on the detailed literature review, the research hypothesis can be formulated as follows:

*H<sub>0</sub>: There is no statistically significant effect at the level ( $\alpha \leq 0.05$ ) of the partnership between the public and private sectors, with its dimensions (legal legislations, political challenges, financial challenges, administrative challenges, lack of public awareness) on the Jordanian economy (GDP growth).*

Subsidiary (alternative) hypotheses derived from the main hypothesis:

*H1: There is no statistically significant effect at the level ( $\alpha \leq 0.05$ ) of the partnership between the public and private sectors (legal legislations) on the Jordanian economy (GDP growth).*

*H2: There is no statistically significant effect at the level ( $\alpha \leq 0.05$ ) of the partnership between the public and private sectors (political challenges) on the Jordanian economy (GDP growth).*

*H3: There is no statistically significant effect at the level ( $\alpha \leq 0.05$ ) of the partnership between the public and private sectors (financial challenges) on the Jordanian economy (GDP growth).*

*H4: There is no statistically significant effect at the level ( $\alpha \leq 0.05$ ) of the partnership between the public and private sectors (administrative challenges) on the Jordanian economy (GDP growth).*

*H5: There is no statistically significant effect at the level ( $\alpha \leq 0.05$ ) of the partnership between the public and private sectors (lack of public awareness) on the Jordanian economy (GDP growth).*

## 3. RESEARCH METHODOLOGY

This study adopts the descriptive analytical method through sources and specialized research on this topic, to understand the concept of partnership, its types, importance, and the main reasons for resorting to it. It will also address the subject of partnership and its dimensions (legislative regulations, political challenges, financial challenges, administrative challenges, lack of public awareness) as a tool for achieving economic growth, relying on the use of a questionnaire to collect data from

the study population. These data will be used to describe the variables and test the hypotheses of the study, leading to the results.

### 3.1. Study population and sample

Participants in the current study included employees from 63 companies operating in Jordan and listed on the Amman Stock Exchange. Data was collected using a self-administrated web-based survey questionnaire.

The study population consists of financial managers and administrative managers in private companies that have partnerships with the public sector, and their experience is more than 25 years. The researcher faced difficulty in accessing all members of the population, so 100 questionnaires were distributed to financial and administrative managers. Ninety-five questionnaires were retrieved, resulting in a response rate of 95%. The majority of respondents who answered the survey questions were those aged from 50 years old to 70 years old, regarding gender, males constituted approximately 96% of the sample.

### 3.2. Study tool

The study tool consisted of three parts, designed as follows:

1. Part 1: This part aimed to collect data on the demographic characteristics of the study sample. It included questions about:

- Gender: Male or female;
- Age: Age was distributed into five categories;
- Educational qualification: General secondary, intermediate diploma, bachelor's degree, master's degree, doctorate.

2. Part 2: This part addressed the independent variable of the study, which is the PPP. This variable was measured using a Likert scale. It included the following statements:

- *Legal legislation* measured through five statements;
- *Political challenges* measured through five statements;
- *Financial challenges* measured through five statements;
- *Administrative challenges* measured through five statements;
- *Lack of public awareness* measured through five statements.

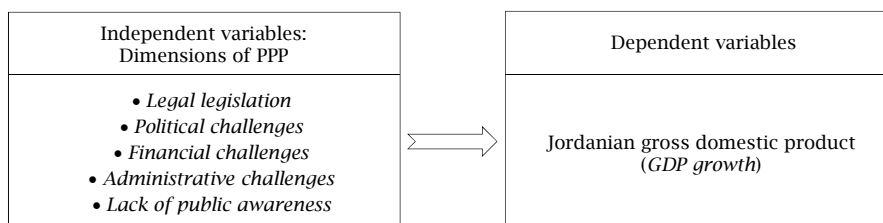
3. Part 3: This part included phrases related to measuring economic growth. A Likert scale was used to collect data for this part. It included the following statement:

- *GDP growth* measured through five statements.

### 3.3. Study model

The hypothetical model of the study was structured in light of the study's problem and objectives, illustrating the independent and dependent variables, along with their directional relationships as shown in Figure 1. Accordingly, a hypothetical model was designed for the current study, consisting of two main variables; the first concerns the partnership between the public and private sectors as an independent variable with its five dimensions (*legal legislation, political challenges, financial challenges, administrative challenges, lack of public awareness*), while the second variable concerns the *GDP growth* as a dependent variable.

Figure 1. Study model



Source: Developed by the researcher based on the study by Abednego and Ogunlana (2006), Shen et al. (2006), Talloua (2017), and Cui et al. (2018) to suit the nature of the study variables.

## 4. RESULTS AND DISCUSSION

The measurement instrument (questionnaire) was subjected to reliability and validity tests to ensure the achievement of its intended objectives. This was done after presenting it to specialized referees in the field and modifying it according to their opinions and comments.

### 4.1. Reliability test of the study instrument

Cronbach's alpha test was used to verify the reliability of the study instrument. The results, as shown in Table 2, indicate a high level of reliability in the respondents' responses, as the standard Cronbach's alpha value exceeds 60%, which is an acceptable ratio in management research (Sekaran & Bougie, 2016).

Table 2. Results of the reliability test of the study instrument (Cronbach's alpha)

Domain	Cronbach's alpha
Partnership dimensions	0.631
<i>Legal legislation</i>	0.633
<i>Political challenges</i>	0.681
<i>Financial challenges</i>	0.686
<i>Administrative challenges</i>	0.642
<i>Lack of public awareness</i>	0.652
<i>GDP growth</i>	0.621
Overall performance	0.668

It can be observed from the table that the lowest Cronbach's alpha value is 0.621, and the Cronbach's alpha value for the overall performance is 0.668. This indicates that the reliability is high and statistically significant.

## 4.2. Statistical methods used

To obtain the results of the study, the following statistical methods were used:

- Descriptive statistics: Frequencies and percentages were used to identify the personal characteristics of the sample. Means and standard deviations were used to identify the sample's trends in the study variables.
- Inferential statistics: The researcher used simple and multiple regression to measure the impact of the partnership dimensions between the public and private sectors on the growth of the Jordanian economy, and thus test the hypotheses.

**Table 3.** Means and standard deviations for the sample's evaluation of the PPP

No.	Variable	Mean	Std. dev.
1	Legal legislation	4.2296	0.17151
2	Political challenges	4.2115	0.16949
3	Financial challenges	4.1904	0.16481
4	Administrative challenges	4.2387	0.14558
5	Lack of public awareness	4.1983	0.14885

*Sample attitudes toward PPP.* The results in Table 3 indicate that the sample's attitudes toward the PPP are positive. The sample's average ratings

**Table 5.** Results of the study on the impact of the PPP, with its dimensions, on the Jordanian economy (*GDP growth*)

Variables	Parameter	t	R <sup>2</sup>	Significance level	F	Durbin-Watson test
Constant	1.381	0.756	0.431	0.452	13.346	1.259
Legal legislation	2.364	0.020				
Political challenges	-3.082	0.003				
Financial challenges	-3.733	0.000				
Administrative challenges	-2.503	0.014				
Lack of public awareness	-2.121	0.037				

**Table 6.** Impact of the *legal legislation* on the Jordanian economy (*GDP growth*)

R	R <sup>2</sup>	t	Significance level
0.459	0.210	4.949	0.000

The study's results in the table above indicate that legal legislations contribute by 21% to the variation in the Jordanian economy (*GDP growth*). The results also show a statistically significant effect of the PPP (*legal legislation*) on the Jordanian economy (*GDP growth*), with a t-value of 4.949 and a significance level of 0.000, which is less than the significance level ( $\alpha \leq 0.05$ ). This result is consistent with the studies by Kasri and Wibowo (2015), Awaida (2014), and Fares (2022).

**Table 7.** Impact of the *political challenges* on the Jordanian economy (*GDP growth*)

R	R <sup>2</sup>	t	Significance level
0.364	0.132	3.746	0.000

The results of the study indicate that *political challenges* contribute by 13.2% to the variation in the Jordanian economy (*GDP growth*). The results also show a statistically significant effect of the PPP (*political challenges*) on the Jordanian economy (*GDP growth*), with a t-value of 3.746 and a significance level of 0.000, which is less than the significance level ( $\alpha \leq 0.05$ ). This result is consistent with the studies by Talloua (2017) and Obayelu (2018).

for this partnership ranged from 4.1904 to 4.2387, showing a generally agreeable response to statements related to this partnership.

**Table 4.** Means and standard deviations for the sample's evaluation of growth in the Jordanian economy

No.	Variable	Mean	Std. dev.
1	GDP growth	4.3096	0.44506

## 4.3. Hypothesis testing

The results of the multiple linear regression model in Table 5 indicate that 43.1% of the variations in the Jordanian economy are due to changes in the PPP, represented by its dimensions (*legal legislations, political challenges, financial challenges, administrative challenges, and lack of public awareness*). According to the Durbin-Watson test, there is no autocorrelation problem between the study variables, with a value of 1.259. The calculated value of 13.346 (F) is greater than the tabular value (F). Based on these results,  $H_0$  was rejected, and the alternative hypothesis  $H_1$  was accepted, indicating a statistically significant relationship at the level ( $\alpha < 0.05$ ) between the PPP, with its dimensions, and the Jordanian economy (*GDP growth*).

**Table 8.** Impact of the *financial challenges* on the Jordanian economy (*GDP growth*)

R	R <sup>2</sup>	t	Significance level
0.479	0.230	5.239	0.000

The results of the study indicate that *financial challenges* contribute 23% to the variation in the Jordanian economy (*GDP growth*). The results also show a statistically significant effect of the PPP (*financial challenges*) on the Jordanian economy (*GDP growth*), with a t-value of 5.239 and a significance level of 0.000, which is less than the significance level ( $\alpha \leq 0.05$ ). This result is consistent with the study by Bo Dhiab (2017).

**Table 9.** Impact of the *administrative challenges* on the Jordanian economy (*GDP growth*)

R	R <sup>2</sup>	t	Significance level
0.173	0.030	-1.685	0.095

The results indicate that *administrative challenges* contribute by 3% to the variation in the Jordanian economy (*GDP growth*). The results also show a statistically significant effect of the PPP (*administrative challenges*) on the Jordanian economy (*GDP growth*), with a t-value of -1.685 and a significance level of 0.095, which is less than 10% ( $\alpha \leq 0.10$ ). This result is consistent with the study by Malik and Kaur (2022).

**Table 10.** Impact of the *lack of public awareness* on the Jordanian economy (*GDP growth*)

R	R <sup>2</sup>	t	Significance level
0.210	0.044	2.063	0.042

The results indicate that *lack of public awareness* contributes 4.4% to the variation in the Jordanian economy (*GDP growth*). The results also show a statistically significant effect of *lack of public awareness* on the Jordanian economy (*GDP growth*), with a t-value of 2.063 and a significance level of 0.042, which is less than the significance level ( $\alpha \leq 0.05$ ). This result is consistent with the study by Nasrat et al. (2020).

## 5. CONCLUSION

By examining the results of the simple and multiple regression models, it was found that their results are similar in terms of the type of relationship. The null hypothesis was rejected, and the alternative hypotheses were accepted, which states that there is a relationship between purchasing power parity variables and economic growth in Jordan. The results were statistically significant at the level  $\alpha \geq 0.05$  for the dimensions of PPP (legal systems, political challenges, financial challenges, administrative challenges, and lack of public awareness) on economic growth in Jordan. Legal systems positively affect GDP growth, while political and financial challenges negatively affect it. Administrative challenges also hinder economic growth, and a lack of public

awareness reduces the success of projects, which negatively affects economic growth. The results confirm the importance of PPP for economic stakeholders in Jordan. Therefore, it is necessary to support the private sector, improve the partnership environment, enhance cooperation between sectors, overcome financial and administrative challenges, and expand the scope of future research.

In conclusion, the results of this paper are of great importance to various stakeholders in the Jordanian economy, ranging from policymakers, economists, and financiers, to local and international investors, and to all those interested in the field of PPP.

This study was limited to private companies that have partnerships with the public sector in Jordan. The researcher suggests that the study be applied on a broader scale, for instance, in Middle Eastern countries that share similar social structures and are distinguished by having diverse economies.

In the current study, the impact of the dimensions of PPP (legal regulations, political challenges, financial challenges, administrative challenges, and lack of public awareness) was examined as an independent factor in the partnership between the public and private sectors. Accordingly, the researcher suggests conducting further future studies to examine the impact of other independent factors in PPP, such as technical and technological challenges, regulatory challenges, and digital economy challenges on economic growth, as this may lead to better results.

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## APPENDIX

Table A.1. Arithmetic means and standard deviations for evaluating the sample for PPP

<i>Phrase</i>	<i>Arithmetic mean</i>	<i>Standard deviation</i>
<b><i>Legal legislation</i></b>		
1. Legal legislation encourages partnership between the public and private sectors.	3.8	0.61
2. Legal legislation solves problems that may arise in public-private partnerships fairly.	3.7	0.51
3. There is no contradiction in legal legislation in promoting partnership between the public and private sectors.	3.6	0.81
4. Legal legislation is updated periodically to align with economic changes to promote partnership between the public and private sectors.	3.7	0.80
5. Legal legislation is periodically updated to align with economic changes to reduce unemployment.	3.6	0.79
Average	3.7	0.7
<b><i>Political challenges</i></b>		
6. Political challenges inhibit partnership between the public and private sectors.	3.8	0.61
7. Political legislation updates are periodic and in line with economic developments and increasing employment rates.	3.7	0.51
8. There is no contradiction in political legislation that encourages partnership between the public and private sectors.	3.6	0.81
9. Political legislation is periodically updated to encourage partnerships between the public and private sectors.	3.7	0.55
10. Political legislation studies aim to increase economic development.	3.6	0.57
Average	3.7	0.61
<b><i>Financial challenges</i></b>		
11. Improving the financial situation in the country encourages partnership between the public and private sectors and reduces unemployment.	3.5	0.32
12. Private sector contribution to providing the necessary funds for projects encourages partnership between the public and private sectors and increases economic development.	3.4	0.51
13. Financial challenges contribute to inhibiting partnerships between the public and private sectors.	3.3	0.33
14. International financial grants encourage partnerships between the public and private sectors.	3.3	0.34
15. Financial corruption in partnership projects negatively affects the development of partnerships between the public and private sectors.	3.5	0.37
Average	3.4	0.37
<b><i>Administrative challenges</i></b>		
16. Training project managers to encourage partnership between the public and private sectors and thus increase employment levels.	3.3	0.32
17. Improving the administrative level of partners encourages partnership between the public and private sectors and helps in increasing economic development.	3.4	0.34
18. Administrative agreement on all terms of the partnership contract helps in the success of a partnership between the public and private sectors.	3.2	0.33
19. Administrative challenges facing partnerships contribute to inhibiting partnerships between the public and private sectors.	3.4	0.34
20. Administrative corruption in partnership projects negatively affects the development of partnerships between the public and private sectors.	3.5	0.35
Average	3.4	0.34
<b><i>Lack of public awareness</i></b>		
21. Lack of public awareness appears in the concept of partnership between the public and private sectors.	3.3	0.23
22. Lack of public awareness appears in matters related to the importance of partnership between the public and private sectors.	3.3	0.36
23. There is a lack of public awareness in matters related to the advantages of partnership between the public and private sectors.	3.4	0.35
24. Lack of public awareness appears in the effects of partnerships between the public and private sectors on economic development.	3.5	0.34
25. Lack of public awareness appears in the results of partnerships between the public and private sectors on unemployment levels.	3.3	0.35
Average	3.4	0.33

Table A.2. Arithmetic means and standard deviations for evaluating economic growth in the Jordanian economy

<i>Phrase</i>	<i>Arithmetic mean</i>	<i>Standard deviation</i>
<b><i>Economic GDP growth</i></b>		
26. One of the most important criteria for economic growth is GDP growth, which is directly proportional to it.	3.5	0.31
27. Increased financial challenges reduce GDP growth.	3.4	0.33
28. High levels of administrative corruption reduce GDP growth.	3.3	0.33
29. Legal legislation is periodically updated to encourage increased production, which increases GDP growth.	3.4	0.34
30. Political legislation takes into account the issue of partnership between the public and private sectors, which increases GDP growth.	3.5	0.35
Average	3.4	0.33