Chapter -3
Research Methodology

3.0 Overview
With a view to accomplish the set of objectives of our study which have been explained in the previous chapter, we have adopted different qualitative techniques taking into account the availability of information and data related to various sectors of Yemen economy during pre and post reform period. The econometric techniques are not used in this study due to the lack of a large time series data set during pre and post reform era in the economy of Yemen. The following methods are adopted in this study to unravel the overall impact of reforms recommended by IMF and World Bank.

3.1 Tools and techniques
Based on the subject of research questions, the researcher decided to use more than one research method in order to study the problem from all its parts (angles) and to integrate all these tools to avoid the limitations that would exist in each tool if used by itself.

It is based on the assumption that a well-formulated research problem can be tackled when there is a clear link between research issues (Questions) and the methodological approach to arrive at the objective focus. Therefore, the major methods that were used here are descriptive, analytical and explanatory approach mainly historic and survey methods to analyze the issues under study.

The study has utilized several qualitative methods to address the research questions and to meet research objectives. The study also employed many charts for further explanation and simplification which would help the researcher as well as readers to obtain better understanding by comparing the economic variables pre and post reforms period.
Furthermore, the study has established the pre and post-reform periods as an assessment tool for analyzing the relevance, impact and suitability of economic reforms. Briefly, “before and after” approach are used for analyzing the impact and suitability of economic reforms. In the before-after approach, the economic performance during the program was compared with that prior to the program. The limitations of this approach are well known. One has to keep in mind that the observed (dependent variables) economic growth, budget deficit, inflation stability, balance of payment, investment trends, employment/unemployment and poverty are caused by the (independent variable) IMF & World Bank reform related policies as well as long term structural factors. Besides, it is important to examine the impact of other factors, such as political, social and external factors. Thus, the study will also examine the impact of exogenous factors such as weather. The researcher has chosen a particular reference period five years before the program 1990-1994 with ten years after the program 1995-2005) in order to provide an adequate ground that clarifies the relevance, impact and suitability of reforms program through extensive assessment.

3.2 Study Design

The study has adopted a multi-faceted research design in order to garner data on a number of variables related to fiscal, monetary and exchange rate policies and strategies derived from each policy. The design used various techniques such as quantitative survey, qualitative methods, case studies, key informant interviews and documentary reviews. The study attempted to aggregate the different responses on the basis of different techniques to arrive at a more accurate generalization of the study responses. The nature of these aspects helped to measure the impact of economic reforms to the Yemen economy.

3.3 Study Population

The study is mainly a policy-based study that required response of the various policy makers and stakeholders in the Yemen economy. It constituted officials of the Ministry of Finance, Central Bank of Yemen and Ministry of Planning and International Cooperation. The study sought to capture responses from Donor agencies/organizations such as IMF and WB. Policy makers and academicians will also
be considered for responses. These have been analyzed to obtain important issues for the study.

3.4 Method and Tools for Data Collection

The Collection of Primary data involved use of key informant, schedule, interview guide for key respondents and focus group discussion. However, the Study largely depended on Secondary data sources and as such a number of reports were utilized to obtain the necessary information. This included related scientific books, economic studies, official annual reports, IMF and World Bank evaluation reports, Academic reports and literatures, Journals, independent analyst publications, UNDP annual surveys in Yemen economy and Internet data (Web sites), with the aim to gather more accurate information for the proposed study.

3.5 Sample Size and Sampling Procedures

The Sample size for the study constituted about thirty respondents for primary data collection however, most of the information was obtained from using secondary data sources. The selection of respondents depended on their suitability to the subject matter of the study and as such it was largely based on judgmental sampling technique.

3.6 Methods for data analysis

The study is qualitative in understanding the suitability of the IMF and WB reforms program to the Yemen economy. However, since the demands of the study as clearly eluded in the objectives, it required more elaborate discussions; therefore the study has largely been qualitative in nature to bring more of the subjective and non subjective issues that are important for the subject matter, quite often with use of direct quotations from the respondents.
3.7 **Approach to Quality Control (Reliability and Validity)**

During the research process a great deal of attention is accorded to the ethics of research. The study has used the required information after obtaining permission from relevant authorities both in the study areas and in the host institutions of the researcher. In data collection, it ensured that the interaction with respondents is as natural as possible, and interactive in a way to put the respondent at ease and elicit sufficient information to fulfill the objectives of the study.

Attempt has been made to ensure that the interaction between the investigator and the respondent is limited only to the subject matter of the study issues. This has been done by making a thorough introduction of self by the investigator and the purpose for which the study is intended. It is therefore deemed prudent to do this to ensure efficient use of scheduled time but not compromising the objectives of the study. The study variables are as follows:

- Economic Reform Program of IMF& World Bank.
- Economic growth (GDP).
- Non-oil GDP.
- Inflation rate (CPI).
- Budget deficit.
- Money supply growth rate.
- Exchange rate.
- Balance of Payment (BOP).
- Investment trends.
- Privatization.
- Unemployment and poverty (Social dimension).
- Structure of the economy (agriculture, manufacturing industries, services and oil).

The study attempts to illustrate the impact of economic reform program of IMF and World Bank (Independent variable) on the other dependent variables in the pre and post reform periods. The variables employed in this study (dependent variables) has mostly been referred to the Gross Domestic Product (as percentage of GDP), unless
otherwise indicated, with aim to assess the performance of these variables prior and post reforms period.

To sum up, the current study has sought to integrate all these tool and techniques (qualitative) with aim to support and ameliorate its outcomes as well as ensure to arrive at a more accurate generalization of the study issues.

In the fourth chapter, we have endeavored to qualitatively analyze and discuss the impact of reforms on the economy of Yemen with the help of proper information regarding macro economic as well as social parameters during the post reform period against the backdrop of pre reform period.