ABSTRACT

Energy is one of the most significant presented factors in economic literature. Today, the consumption and efficiency of energy have affected all the economical and industrial activities. Our world is the world of economical and industrial development and the process of this development has even been accelerated through the recent decades.

Compared to the past, energy issue has become so extensive and serious that one of the major goals of economic policy in achieving an economic growth and development is to implement proper energy consumption. Nowadays economists have discovered the relationship between energy consumption and economic growth and development in each country.

Considering the especial situation of Iran in the world and in the region as well, energy sector is more important in this country. The energy of Iran, as one of the most powerful import-export energy of the world, is very potent in the world economy. While Iran is benefited from energy exportation, it can also affect the economy of importer countries.

This thesis has dealt with energy consumption, growth rate of energy consumption, energy reserves and relationship between energy consumption and Iran’s economic growth and development. In addition, important indices like per capita consumption, energy intensity and energy coefficient, have been introduced and a comparison between Iran’s economy and other countries is made in this thesis.

This study there presented calculation of oil products, natural gas and electricity consumption during 1984-2004 which is 98.41% of the total energy consumption in Iran. Oil products containing liquid gas, petrol, aircraft fuel, kerosene, gasoil and fuel oil stand for 61.8% of the total energy consumption. Furthermore, the analytical study of energy changes is presented.

In addition, this thesis introduced Shanghai Cooperation Organization (SCO) and discussed the situation of India and Iran as member-observes in SCO for the further development of their energy sectors. The estimation results inferred that oil products consumption causes economic growth with feedback. Further investigation indicates that economic growth leads to the
natural gas consumption without feedback, while in the case of electricity sector and economic growth; there is no effective relationship between them in Iran.

The implications of the present study suggest that in order not to adversely affect economic growth, energy conservation policies that aim at curtailing energy use must rather find ways of reducing consumer demands, especially in non-industrial sectors. Such a policy could be achieved through an appropriate interaction between energy taxes and subsidies. At the same time, efforts must be made to encourage industry to adopt technology that minimizes wasting energy.

The implications of this study also suggested that there should be energy conservation policies in natural gas and electricity sectors to reduce the energy use, because the consumption of these products do not lead to economic growth and development.