

Effects Financial Development and GDP on Energy Consumption in Iran

Shahrbanoo ahmadi moridany*,

Abstract Financial development has influence on energy consumption because of its impact on economic growth. Therefore, estimation of energy demand without considering financial development would provide inaccurate picture. This paper aims at investigating the finance growth -energy nexus for Iran over the period 1971 to 2014, using the system GMM estimation technique. In order to capture the impact of financial development on energy consumption through economic growth channel and includes prices and urbanization in the structural model. The study finds positive and significant impact of economic growth and urbanization on energy consumption, while the effect of energy prices over energy consumption is significant but negative. Financial development positively and significantly affects energy consumption through the economic growth channel. Our analysis is important for policy makers for effective energy demand planning and conservation policies that would ensure sustainable economic development as well as serve as motivation to search alternative energy sources to meet the burgeoning energy demand in Iran. **Key words:** energy consumption , financial development , GDP ,GMM , energy price , urbanization , Iran

Keywords : energy consumption , financial development , GDP ,GMM , energy price , urbanization , Iran

[Islamic Azad University, Rasht Branch - Thesis Database](#)
[دانشگاه آزاد اسلامی، واحد رشت - سامانه بانک اطلاعات پایان نامه ها](#)