**Research Title:** Impact of Financial Development, Industrialization and Urbanization on Energy Consumption in Pakistan

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**Abstract:** Voluminous work has been produced on energy consumption and economic growth but empirical studies dealing specifically with industrialization, financial development, urbanization and energy consumption linkages are scant, particularly for Pakistan. The present study is an attempt to find the relation among energy consumption, industrialization, urbanization and financial development of Pakistan by employing Autoregressive Distributed Lag (ARDL) approach for the analysis of co-integration from 1972-2013. The result confirms the presence of short-term and long-term association of energy consumption with industrialization, urbanization and financial development in Pakistan. This study finds significant positive impact of industrialization on energy consumption suggesting that industrialization stimulates economic activities which raise demand for energy. This study shows that energy consumption is significantly positively affected by urbanization which is implying that more people living in urban areas stimulate economic and housing activities which trigger many structural changes in the economy. Moreover, finding of financial development exhibit significant positive impact on energy consumption identifying that developed financial markets enables the investors to get high returns from projects that also attracts foreign direct investment by enhancing investors’ confidence. Based on the findings, in general, this study recommends formulating policies to invest in these financial institutions that encourage energy sectors to fulfill the escalating demand for the energy. Furthermore, steps should be taken to discover new sources of energy that can fulfill the growing demand of the energy, which in turn stimulate economic activities.