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THE DEVELOPMENT OF LIBYAN
OIL SECTOR (1970-1995)

BY

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ABSTRACT

The aim of this dissertation is to study the development of Libyan oil and its contribution towards the growth and development of the various sectors within the Libyan economy during the period 1970-1995. The study was first set out to give a historical background of dynamics of the Libyan economy and development stages before and after 1969 revolution. A survey is made on the impact of oil revenues since it was first discovered in late 1950s up to mid 1990s. The indicators before 1969 showed that there was no oil strategy to safeguard the national wealth. Whereas in 1970, controlling, systemizing of oil exploration and production activities are realized. These resulted rapid growing of oil production and high revenue. An important factor affecting the proper usage of oil revenues is also discussed to see how variation of parameters before and after 1969 can influence the economic growth in the country. The change in policy adopted and the high revenues was a very important factors that influenced the economic transformation in Libya. The study has also focused on the various stages of exploration, drilling, processing, and distribution of oil and gas which are the core of this sector. The structural changes that accompanied the economic boom as well as the *strategic location of the country* have both added to the growing demand for the Libyan oil. The finding of this study will serve as an indication in planning production and consumption policies of oil. The domestic consumption is bound to rise rapidly, given the industrial projects currently taking place in the country as well as the increasing demand on Libyan oil as the new millennium approaches. International consumption of oil is expected to rise in 1999 by 7% or 5 million barrel a day.

The results show that Libyan oil industry played a significant role in the economic plan transformation and that the characteristics of the investment programs carried out during 1970-1995 provide huge contribution to the oil sector.

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