



The Effect of the Approval of the Nationalization law of Iran's Oil Industry on the Implementation of the First and Second Development Programs (1949-1962)

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Abstract

The process of nationalization of the oil industry started before the first development program and its law was approved during this program. Although the consequences of the nationalization of the oil industry continued for many years, its most direct impact was on the implementation of the first and second development programs due to its simultaneity. The cancellation of the Darcy concession and the subsequent 1933 agreement, the nationalization of the oil industry and the consortium agreement are four parallel, related and important events in the oil field (at the domestic and international level) from the beginning to the end of the Pahlavi era that have influenced the implementation of development programs. Compilation and implementation of the first and second development programs can be considered as the period of formation of program-oriented development thinking and creation of planning institution in Iran. Although the planning system in Iran is very old from a historical point of view, but the efforts to accept the plan Economic development and planning thinking in Iran in its new form from the early years of the Pahlavi period was started at the suggestion of Dr. Abolhasan Ebtahaj. This period coincided with the unstable political and social conditions in Iran. After World War II and the discussion of national development planning at the global level, Iran was one of the first countries to move towards developing a development plan and in 1949, it approved the first development plan to be implemented in a seven-year period. Oil and its related revenues, especially after Darcy's concession, became one of the main sources of funding for the government, and with the beginning of the Pahlavi period, it became the most important source of Iran's modernization program. Considering the fluctuations of access to oil revenues and the existence of two completely different experiences of embargo (in the first program) and lifting of the embargo (in the second program).

Most of the studies carried out in the field of nationalization of the oil industry focus on the formation of the nationalization movement of the oil industry, the causes and

factors influencing the formation and continuation of the negotiations related to the oil debate, the historical process, the role of individuals, officials, structure, Institutions, domestic and international factors have been discussed, but the focus of this research is to examine the approval of the nationalization law of the oil industry and its consequences (especially in the field of economy and finance) on the implementation of the first and second development programs in the Pahlavi period, which so far is an independent research in This has not been done. the purpose of this research is to examine the effect of the approval of this law and its consequences on the implementation of the first and second development programs. This research is qualitative and has been carried out in a descriptive-analytical way, and official documents and statistics have been used to collect information. The first two years of the first development program were spent on establishing the organization of the program. With the start of executive preparations The first program, the discussion of the nationalization of the oil industry also started. The oil crisis and cut off oil revenues caused the government to suffer severe financial hardship. Before the start of the second program, the difficult economic conditions caused by the decrease in oil revenues that had continued since the nationalization of the oil industry forced the government to borrow from the National Bank. However, the second program started in more favorable conditions than the first program because over time and with the elimination of the effects of relative stagnation, prosperity and dynamism appeared in the country's economy, and this led to; The number of unemployed decreased, the income and purchasing power of the people increased.

The results showed that the lack of oil revenues and the lack of access to World Bank loans due to the oil crisis after the approval of the law on the nationalization of the oil industry caused 80% of the first development program to be delayed. The second program started in more favorable conditions than the first program, because after with the agreement made in the so-called consortium contract, the effects of the embargo were removed, oil income increased, foreign loans and grants were received; The government's current expenses and investment increased to a significant extent, and in total, from the average growth of 10.7% of the second plan, the oil sector has been the main factor of economic growth with an average growth share of 5.5%. The economic resilience of the country against the oil embargo was very little after the approval of the nationalization law of the oil industry. Strong dependence on oil revenues caused the negative impact of the approval of this law on the first and second development programs.

Key words: Nationalization of Oil Industry, First Development Program, Second Development Program, Oil, Development.

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