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Essays on Economic Policy (ESPE in Spanish) - the Effects of Financial Intermediation on Colombian Economic Growth

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Abstract

Countries with highly developed financial systems tend have higher GDP growth rates than those than have not reached this desirable financial stage. Behind this premise there is a complex theoretical structure associated to the effects that financial intermediation have on the economic growth. The Literature on banking crises suggests that these effects may be negative in the short run whereas in the economic growth literature these are positive in the long run. In Colombia, the effects of financial intermediation on growth, evaluated by means of ARDL models, are positive in both the short and long run supporting the hypothesis of economic growth literature, but contradicting the hypothesis of banking crises literature.

Fuente: https://www.banrep.gov.co/en/publications-research/espe/effects-financial-intermediation-colombian-economic-growth