

Impact of Financial System's Development on Economic Development: An Empirical Investigation

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Abstract : Comparisons of financial development across countries are central to answering many of the questions on factors leading to economic development. For this reason this study analyzes the implications of financial system's development on country's economic development. The aim of the article: to analyze the impact of financial system's development on economic development. The following research methods were used: systemic, logical and comparative analysis of scientific literature, analysis of statistical data, time series model (Autoregressive Distributed Lag (ARDL) Model). The empirical results suggest about positive short and long term effect of stock market development on GDP per capita.

Keywords : banking sector, economic development, financial system's development, stock market, private bond market

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