

Title: The effect of financial sector development on economicgrowth of selected sub-Saharan Africa countries

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The effect of financial sector development on economic growth is among themain debatable issue in economics and policymaking. Thus, by using differentfinancial sector dimensions, this research tried to look at the effect of financialsector development on the economic growth of 25 sub-Saharan Africa coun-tries for the period 2010–2017. Precisely, three dynamic panel data models thatlook at the effect of financial sector depth, access, and efficiency on economicgrowth were estimated by two-step system GMM estimation. In this research,credit extended to the private sector per GDP, commercial bank branch per100,000 adult population, and Return to assets were used as a proxy and mea-sures for financial sector depth, access, and efficiency respectively. Accord-ingly, the results revealed that financial sector depth, access, and efficiencyhave a positive and statistically significant effect on these countries' economicgrowth. Therefore, it is recommended that the concerned bodies that broaden-ing the depth of financial institutions by giving more credit to the private sec-tor is essential. Besides, the financial institutions will have to be expanded toincrease their accessibility to the mass and take some measures to promotetheir efficiency

Biography

Dagim Tadesse has completed his MSc at the age of 23 years from Jimma University in Economic Policy Analysis. He has currently serving as lecturer at salale university department of Economics. He has published 5 papers in international and national journals.

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