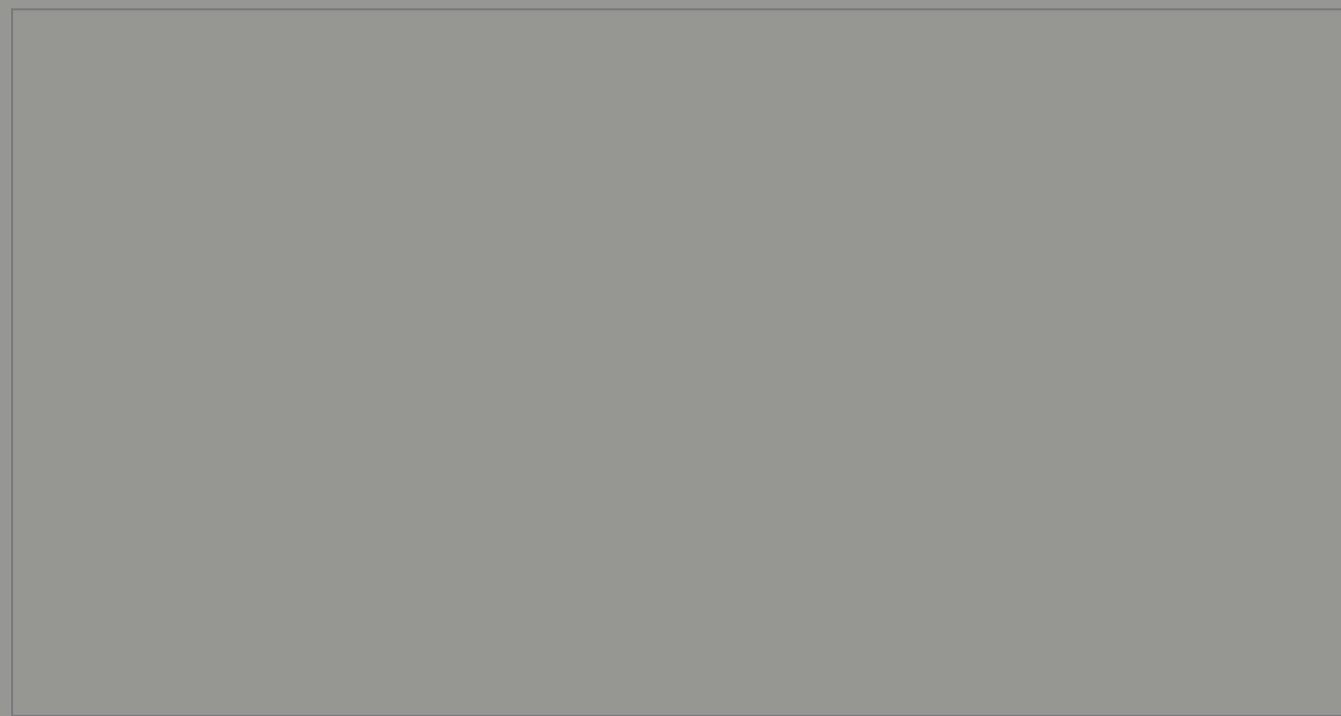


Finance and Macroeconomic Volatility

Cevdet A. Denizer, Murat F. Iyigun and Ann Owen

Published/Copyright: October 16, 2002



Published by



DE GRUYTER

Become an author with De Gruyter Brill

[Submit Manuscript](#) →

[Author Information](#) →

[Explore this Subject](#) →



From the journal
Contributions in Macroeconomics
Volume 2 Issue 1

Abstract

Countries with more developed financial sectors experience smaller fluctuations in real per capita output, consumption, and investment growth. However, the manner in which the financial sector develops matters. The relative importance of banks in the financial system is important in explaining GDP, consumption, and investment volatility, and the proportion of credit provided to the private sector explains the volatility of consumption and output. The main results are generated using fixed-effects estimation with panel data from 70 countries covering the years 1956 through 1998.

Keywords: [Financial Development](#); [Economic Fluctuations](#); [Business Cycles](#)

Published Online: 2002-10-16

©2011 Walter de Gruyter GmbH & Co. KG, Berlin/Boston



Articles in the same Issue



<https://doi.org/10.2202/1534-6005.1048>

Keywords for this article

[Financial Development](#); [Economic Fluctuations](#); [Business Cycles](#)

Sign up now to receive a 20% welcome discount

Subscribe to our newsletter

Institutional Access

How does access work?

 De Gruyter Brill

[Our privacy policy](#)

[Our cookie policy](#)

[Accessibility](#)

[General terms and conditions](#)

[Legal Notice](#)

Have an idea on how to improve our website?

Please write us.

© 2026 De Gruyter Brill

Downloaded on 13.2.2026 from <https://www.degruyterbrill.com/document/doi/10.2202/1534-6005.1048/html>