



Candidate: **Nanda Wijayanti**

For the degree of: Doctor of Philosophy

Department: School of Public Affairs and Administration

Title: **Banking Supervisory and Regulatory Policy in Developing Countries: An Analysis of Determinants and Impacts**

Committee: Dr. Udaya Wagle, Chair

 Dr. Kevin Corder

 Dr. Susan Pozo

Time/Place: **Friday, July 12, 2019**

 **10 a.m. to noon**

 **211E Walwood Hall**

Over a decade after the Great Recession of 2007/2008, many countries are still struggling to devise appropriate policy actions that enhance banking supervision and regulation and help mitigate large-scale financial crisis in the future. This uncertainty has also left lingering impacts on economic growth especially in developing countries that have weak institutional mechanisms. This study examines how banking supervision and regulatory reforms are determined in the cross-national context of advanced and developing countries. Using time series, cross-sectional data on 180 countries over a period of 12 years (1999-2011), the purpose is to explore the roles of exposure of financial crisis, trade openness, recipiency of financial assistance, level of democratization, and corruption in adopting the different degrees and forms of banking supervision and regulatory policies. The analysis is also extended to the potential impact of banking supervision and regulation on economic growth in the cross-national context.

Findings from multivariate analysis suggest that countries with financial crisis experience, low reliance on financial assistance, high trade openness, and, to some extent, democratic institutions are more likely to witness a relatively stable policy context of banking supervision and regulation. Findings also suggest that tighter forms of banking supervision and regulation may have contributed to faster economic growth before, although not after, the global financial crisis. While acknowledging sensitivity to the specific measure of banking supervision and regulation as well as the diverging experiences of advanced and developing countries, this study helps comparative researchers and policy makers understand how contextual and institutional settings become a part of the equation determining banking regulations and growth across countries.