

SOCIAL REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

Ho Chi Minh City, December 12th, 2021

PAGE INFORMATION OF NEW CONTRIBUTIONS
ON THE ACADEMIC SECTOR, THEORETICAL OF THE THESIS

Thesis title: *Study on the relationship between banking development and economic growth in conditions of trade openness and inflation: Empirical evidence in Vietnam.*

Major: Finance – Banking

Code: 9340201

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Course: 2

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Summary of theoretical and practical contribution

Academic and theoretical contributions

The thesis is studied in conditions of Vietnam - one of the countries in the group of developing countries. This is one of the few studies that presents the relationship between banking development and economic growth in developing countries. Most of the previous studies explored the relationship between financial development and economic growth in developed economies. Meanwhile, the relationship between banking development and economic growth in developing countries have not been studied thoroughly.

This is the first study to demonstrate the influence of external economic shocks on the relationship between banking development and economic growth in Vietnam.

This is the first study to provide evidence on determining a specific threshold value of trade openness and inflation to assess the impact of banking development on economic growth in Vietnam.

Original contributions of the thesis

The thesis provides new empirical evidence on the relationship between banking development and economic growth in conditions of trade openness and inflation in Vietnam.

The empirical research results of the thesis have proved the existence of a relationship between banking development and economic growth in terms of trade openness and inflation in Vietnam, as well as the influence of economic shocks on the relationship between banking development and economic growth in Vietnam in 2008.

Furthermore, the thesis also determining the threshold value of trade openness of 32.86 % and inflation of 9.19%. There is a difference in the impact of banking development on economic growth in Vietnam with above or below this threshold value. Particularly, with a trade openness of less than 32.86%, it shows that banking development does not contribute to economic growth in Vietnam. However, when the trade openness is greater than 32.86%, banking development has a positive impact on economic growth in Vietnam. In addition, with an inflation rate below the threshold of 9.19%, banking development has a positive impact on economic growth through domestic credit in the private sector. In contrast, with an inflation rate above the threshold of 9.19%, it proves that the positive impact of banking development on economic growth is through the interest rate differential.

Therefore, the research results have provided the most convincing evidence as a basis for proposing policy implications on banking development, increasing trade openness and controlling inflation to achieve the target of economic growth in Vietnam.

PhD student's signature



Nguyen Thi Hong Anh