

# Length of Crises and Financial Development

Published on July 15, 2021 – Updated on July 15, 2021

Dates

on the July 15, 2021

Focus on research

## Length of Crises and Financial Development

**A large literature looks at the influence of financial development on the costs in terms of output of crises. Our contribution takes a somewhat different path, by looking at the impact of financial development on the length of banking crises. Using a large database spanning over almost four decades, our estimations show that on average the length of crises is statistically higher in countries with higher financial development. Confirmed by various robustness tests, this finding exhibits various heterogeneities related, among others, to the time period or countries' economic development level.**

[Read in french](https://cerdi.uca.fr/version-francaise/actualites/toutes-les-actualites/zoom-sur-la-recherche/longueur-des-crisis-et-developpement-financier#/admin)(<https://cerdi.uca.fr/version-francaise/actualites/toutes-les-actualites/zoom-sur-la-recherche/longueur-des-crisis-et-developpement-financier#/admin>)

### About the authors

[Clément Mathonnat](https://www.linkedin.com/in/clément-mathonnat-phd-72aa92128)(<https://www.linkedin.com/in/clément-mathonnat-phd-72aa92128>)

Associate professor, BETA, Université de Lorraine

[Alexandru Minea](https://cerdi.uca.fr/version-francaise/unite/lequipe/annuaire/m-alexandru-minea#/)(<https://cerdi.uca.fr/version-francaise/unite/lequipe/annuaire/m-alexandru-minea#/>)

Professor, CERDI, Université Clermont Auvergne

[Marcel Voia](http://www.leo-univ-orleans.fr/fr/membres/#marcel.voia@univ-orleans.fr)(<http://www.leo-univ-orleans.fr/fr/membres/#marcel.voia@univ-orleans.fr>)

## Reference

C. Mathonnat, A. Minea, M. Voia, "[Does more finance lead to longer crises?](https://onlinelibrary.wiley.com/doi/10.1111/twec.13159)(<https://onlinelibrary.wiley.com/doi/10.1111/twec.13159>)", *The World Economy* - First online 28 June 2021

<https://cerdi.uca.fr/english-version/news/news/research-focus/length-of-crises-and-financial-development>(  
<https://cerdi.uca.fr/english-version/news/news/research-focus/length-of-crises-and-financial-development>)