Financial development dan gross domestic products : pendekatan kausalitas

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Abstrak

This research investaged the causal relationship between financial development and total output (Gross Domestic Products/GDP) Indonesia period 2001Q1-2009Q1 using Granger Causality. The research question is whether financial development causes economic output or reversely. Financial development was proxied by ratio broad money to GDP (M2Y), ratio total credit provided by banking to GDP (CRY) and ratio investment credit provided by banking to GDP (INVY) and total economic output was measured by real GDP. Results of this research are the variables have unit root and stationer in first difference. Johansen cointegration test showed that in long run the variables will be cointegrated. Granger causality test showed that there were bi-directional causalities between LGDP, M2Y and CRY. But there was one direction causality from LGDP to INVY and M2Y to INVY.