

## Report on the Final Exam

Name of the Chair: Hideaki Goto

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On behalf of the Thesis Examining Committee, I would like to report the result of the Final Exam as follows.

1. Student ID	1B 6D04
2. Name	Yin Yin Mon
3. Cluster	Economics
4. Thesis Examining Committee	Chair: Hideaki Goto
	Referee: Chun-Hung Kuo
	Referee: Ching-Yang Lin
	Referee: Makoto Kakinaka (Hiroshima University)
5. Dissertation Title	Essays on Financial Developments
6. Submission Date	Draft: April 22, 2019
	Final: June 10, 2019
7. Final Exam Date	May 24, 2019
8. Faculty Meeting Date	June 17, 2019
9. Degree Title	Ph.D. in Economics
10. Result	Pass

## I. Dissertation Overview and Summary of the Presentation

The dissertation mainly consists of three empirical studies. As indicated by the title, the backbone of the dissertation is financial development—all the studies consider the effects of or on financial development.

The first study analyzes how financial development affects the size of the shadow economy for 59 countries between 1991-2014. By using the financial liberalization index as an instrumental variable, the candidate finds that the effect of financial development is nonlinear—it has no effect in low stages of economic development, a linear effect in the middle stage, and diminishing effects for developed countries. These results empirically confirm the theoretical implications derived by an influential paper published in the field top journal in development economics (Capasso and Jappelli, 2013).

The second study examines how the impacts of financial crisis on financial reform differ according to macroeconomic variables. This study covers 91 countries from 1973 to 2005. It has revealed that the influence of financial crisis on financial reform does change depending on GDP per capita, external debt, and trade openness—financial crisis speeds up financial reforms for countries with high GDP per capita or larger external debts while it slows down financial reforms for countries more open to trade.

The third study, which uses the data of 59 countries from 1987 to 2011, investigates how monetary and fiscal policies and financial development are associated and how the relationship changes with macroeconomic conditions. The results show that money supply and government expenditure are negatively associated with financial development and that higher money supply is associated with more financial development in better economic environment.

The first, second, and third studies mentioned above are presented in Chapters 2, 4, and 3 of the dissertation, respectively, while the studies were presented in the above-mentioned order at the Final Exam. The Final Exam lasted for a little longer than one hour, during when each study and their main results were explained in detail and questions were raised by the referees. The candidate explained each study clearly. Also, she was able to answer most questions effectively, showing her understanding of the methods used in the studies.

II. Notes from the Thesis Examining Committee (including the changes required to the dissertation by the committee)

Overall, the dissertation was well-organized and well-executed. However, the committee suggested the following for further improvement:

- (1) English should be edited—there are sentences, here and there, that are difficult to understand.
- (2) Each section should be revised so that the arguments are presented in a more logical and convincing manner.

III. Confirmation by the Chair that changes have been done to the satisfaction of the committee

I hereby confirm that the requirements in Section II have successfully been addressed to the satisfaction of all the committee members.

#### IV. Overall Evaluation

The candidate has significantly improved her dissertation following the comments made by the dissertation committee at the interim report. The quality of the dissertation has now surpassed the minimum level required for academic research. Therefore, the Thesis Examining Committee unanimously agrees to give the candidate a passing grade.