

Abstract
Master's thesis - Natural Catastrophes and
Financial Development

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Natural disasters affect lives of many people every year. Using a panel dataset of 214 countries from 1970 to 2021, this thesis analyses the impact of disasters on financial development, namely on depth, efficiency, access, and stability, using fixed effects and system GMM estimators. The main findings imply that depth and stability are negatively affected by disasters, and the impact is more pronounced for lower-income countries. On the other hand, efficiency and access provide no consistent results. There is no type of disasters, e.g., biological or geophysical, that would have a significant impact on all types of financial development. The effect probably varies due to the different characteristics of disaster types.