

Year: 2013
Volume: 58
Issue: 2

STUDIA Universitatis Babes-Bolyai OECONOMICA

FINANCEMENT BANCAIRE DE L'ETAT ET CREDIT PRIVE: EXISTE-T-IL UN EFFET D'EVICION AU SENEGAL?

Mouhamadou Bamba DIOP *

Direction de la Prévision et des Etudes Economiques, Senegal

Mame Sow MBENGUE

Direction de la Prévision et des Etudes Economiques, Senegal

Abstract. This paper tries to assess the consequences of the strong intervention of the Senegalese government on the financial market during the recent period. Focusing on the emerging financial market in West Africa, the reforms initiated since 1990s have helped to deepen and make more efficient the collect of national savings for the financing of investment. In order to assess the risk of crowding out effects of the large intervention of the Senegalese government on this market, an econometric approach is used. The results reveal that 100 CFAP more borrowing by government reduces private credit by about 127 FCFA. In other words, it develops a 'lazy bank' model of bank behavior in Senegal. Moreover, Senegalese banks focus more around the collection of deposits, loans to large companies and Government and transfers of money. Through the recommendations made at the end of this article, our study suggests to revise the model of bank in Senegal in order to accompany the private investment. Moreover, the Senegalese government might to reduce its large public deficit for making less intervention on the financial market.

JEL Classification: O23, H62

Keywords: Government Borrowing, Private Credit, Domestic Banking Sector, Crowding Out, Private Investment, Lazy Banks

* Corresponding author. Address: Sacré Coeur 3 Pyrotechnie N° 78 bis, BP 116 Dakar RP – Senegal, Tél : +221 33 825 00 50, Email : mbambadiop@gmail.com