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**THE IMPACT OF CAPITAL MARKET ON
ECONOMIC DEVELOPMENT**

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BUCHAREST UNIVERSITY OF ECONOMIC STUDIES
Council for Doctoral University Studies
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Abstract

The doctoral thesis investigates the relationship between capital market development and economic progress within the European Union, with a particular focus on emerging economies in Central and Eastern Europe. In a context marked by European initiatives aimed at deepening financial integration—such as the Capital Markets Union—the research explores the extent to which capital markets can contribute to sustainable, equitable, and resilient economic development, beyond mere GDP growth.

The thesis includes four complementary empirical analyses addressing the connection between capital markets and economic development: the contribution of the bond market to economic development, including through dynamic approaches; the reaction of capital markets to external shocks and their degree of resilience; the influence of education and human capital on capital market liquidity; and the relationship between capital market development and economic development levels, measured through both quantitative and qualitative indicators.

The results indicate that capital markets can support sustainable economic development only within well-regulated financial systems, supported by strong institutions, differentiated public policies, and investment in education. In emerging economies in particular, the quality of governance and the level of education play a decisive role in the efficiency of markets and their ability to finance productive investment.

The originality of this research lies in its integrated approach to economic development, combining quantitative analyses with qualitative dimensions such as education and human welfare. By applying rigorous methodologies adapted to the European context, the thesis provides relevant conclusions for the design of public policies focused on sustainability, financial inclusion, and economic convergence among EU member states.

Keywords: capital markets, economic development, European Union, emerging economies, resilience, public policies.