

Effect of Governance Perspective and Economic Policy Uncertainty on Financial Stability in Nigeria

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Abstract

This study examines the effect of governance perspective and economic policy uncertainty on financial stability in Nigeria. The data for this study was secondary in nature and were obtained from CBN statistical bulletin and world development indicators (WDI). The vector error correction model VECM regression technique was employed, using econometric views (Stata) version 14.0 software. The results shows that there is a significant long run positive relationship between financial stability and interest rate as a proxy for economic policy uncertainty (INTRAT). Gross domestic product had a positive significant impact on financial stability in Nigeria while government debt as a proxy for governance perspective had a negative but insignificant effect on financial stability in Nigeria. The study recommends that the existing institutions and strategies for fighting corruption and ensuring good governance be improved for more effectiveness. Moreso, to reduce economic policy uncertainty in the economy, government should ensure that frequent and unnecessary changes in regulatory initiatives be avoided because of its impact on bank risk at the macro and market structural levels. However, at the bank level, risk assessment capability should be developed to enable financial managers respond appropriately to economic policy uncertainty.

Keywords: Governance Perspective, Financial Stability, Interest Rate, Gross Domestic Product, Policy Uncertainty

Introduction

From a governance perspective; the effect of economic policy uncertainty on financial stability in Nigeria is a critical issue that needs to be addressed Nigeria. Consequently, many other developing countries, faces challenges in ensuring stability in its financial sector due to various factors such as political instability, weak institutional frameworks, and inadequate governance practices (Al-thaqeb et al. 2019; Dou et al. 2022). Governance perspective in Nigeria refers to the way in which the country is governed and the effectiveness of its governance structures and processes. Unfortunately, Nigeria has long been plagued with issues of corruption, inefficiency, and lack of accountability in governance systems. From a governance perspective, Nigeria faces several challenges. One of the key challenges is corruption, which permeates virtually all sectors of the country. Corruption undermines the effectiveness and legitimacy of governance institutions, erodes public trust, and diverts public resources away from public goods and services (Shabir et al., 2022).

Economic policy uncertainty can have a significant impact on financial stability in Nigeria. Uncertainty about government policies and regulations can make it difficult for businesses and investors to make informed decisions, which can lead to a slowdown in investment and economic activity. One-way economic policy uncertainty can affect financial stability is through its impact on the banking sector. Banks rely on stable economic conditions to operate effectively, and uncertainty can lead to a decrease in lending and investment. This can lead to a decrease in credit availability, which can then hinder business growth and economic development (Al-Shboul et al., 2020).

Furthermore, uncertainty in economic policies can also impact the exchange rate and inflation rates. Fluctuations in exchange rates can create uncertainty for businesses engaged in

international trade, making it difficult to predict costs and revenues. This can also lead to inflationary pressures, as businesses try to mitigate the risk associated with uncertain exchange rates (Karadima & Louri, 2021; Shabir et al., 2021). Overall, economic policy uncertainty can have a detrimental effect on financial stability in Nigeria. It can lead to a decrease in investment, increased market volatility, and instability in the banking sector. Therefore, it is important for the Nigerian government to provide clear and consistent economic policies to promote stability and growth in the financial sector (Bermpei et al., 2018).

Nigeria has long been experiencing issues of corruption, inefficiency, and lack of accountability in its governance system. One of the key challenges is corruption, which permeates virtually all sectors of the country. Corruption undermines the effectiveness and legitimacy of governance institutions, erodes public trust, and diverts public resources away from public goods and services (Shabir et al., 2022). In recent years, there have been efforts to address these governance challenges in Nigeria. The government has made commitments to fight corruption, improve accountability, and promote transparency. The establishment of anti-corruption agencies such as the Economic and Financial Crimes Commission (EFCC) and the Independent Corrupt Practices Commission (ICPC) are steps in the right direction (Shabir et. al., 2022). However, in spite of the efforts made by government to address these challenges, the challenges have persisted. It is against this backdrop that this study asked the questions; does governance perspective affect financial stability in Nigeria? How does economic policy uncertainty affect financial stability in Nigeria? This study therefore examines the effect of governance perspective and economic policy uncertainty on financial stability in Nigeria.

Literature Review

Theoretical Review

The literature on governance perspective and the effect of economic policy uncertainty on financial stability provides some theoretical explanation on how financial stability is impacted by governance perspective and economic policy uncertainty in Nigeria. The theoretical framework was anchored on three theories namely: diamond-dybvig model theory of financial stability, stakeholder theory of governance perspective and knightian uncertainty theory of economic policy uncertainty.

Diamond-Dybvig Model Theory of Financial Stability

The Diamond-Dybvig Model theory describes financial stability by focusing on the role of information and liquidity in the financial system. The theory suggests that banks play a crucial role in providing liquidity and managing information problems, which are essential for maintaining stability. According to the Diamond-Dybvig Model, banks act as intermediaries between savers and borrowers. Savers deposit their money with banks, expecting it to be safe and accessible when they need it. Borrowers, on the other hand, rely on banks to provide them with loans for various purposes (Diamond & Douglas, 1984). The theory highlights two main types of demands for liquidity: precautionary and speculative. Precautionary liquidity refers to the need for individuals to have access to their funds in case of unexpected events or emergencies. They stress that the speculative liquidity refers to the desire for individuals to be able to withdraw their funds to take advantage of profitable investment opportunities. The Diamond-Dybvig Model suggests that banks can provide liquidity by using the funds from savers to make loans to borrowers. However, this creates a potential problem. If all savers were to simultaneously demand their funds back, banks may not have enough liquidity to meet these demands, leading to a bank run and instability in the financial system. To manage this potential problem, the Diamond-Dybvig Model proposes that banks employ a technique called maturity transformation. Banks take short-term deposits from savers and use these funds to make long-

term loans to borrowers. This allows banks to profit from the spread between the interest rates on deposits and loans. However, this maturity transformation exposes banks to liquidity risks. If a large number of savers suddenly demand their funds back, banks may not have enough liquid assets to meet these demands, leading to a potential bank run. This is known as liquidity crisis, and it can have destabilizing effects on the financial system. The Diamond-Dybvig Model suggests that financial stability depends on the ability of banks to manage liquidity and information problems. Banks need to maintain adequate reserves and manage their assets and liabilities in a way that ensures they can meet demands for liquidity. Additionally, banks need to effectively manage information problems, such as assessing the creditworthiness of borrowers and ensuring the accuracy and transparency of financial information (Diamond & Dybvig, 1983).

Stakeholder Theory of Governance Perspective

Stakeholder Theory describes the governance perspective by emphasizing the importance of considering the interests and needs of all stakeholders in decision-making processes. According to this theory, governance should not only focus on maximizing shareholder value but also take into account the concerns of other stakeholders, including employees, customers, communities, and the environment. Stakeholder Theory recognizes that organizations are interconnected with various stakeholders who can significantly impact and be impacted by their actions. It emphasizes the idea that governance should ensure that the voices and interests of all stakeholders are heard, considered, and incorporated into decision-making processes (Floyd & McManus, 2004).

From a governance perspective, Stakeholder Theory suggests that governance structures and processes should allow for the equitable participation and representation of stakeholders. It emphasizes the importance of transparency and disclosure to ensure stakeholders have access to relevant information and can hold decision-makers accountable. The theory recognizes that governance is not solely about creating value for shareholders but rather about managing and balancing the interests of all stakeholders. It calls for the recognition of the rights and responsibilities of all stakeholders and the development of mechanisms to ensure their concerns are addressed in decision-making processes (McManus, 2002). Overall, Stakeholder Theory provides a framework for understanding governance from the perspective of diverse stakeholders and emphasizes the importance of their inclusion and representation in decision-making processes. It calls for governance structures and practices that promote stakeholder engagement, transparency, and accountability.

Knightian Uncertainty Theory

Knightian uncertainty theory, named after economist Frank Knight, describes economic policy uncertainty as the result of the inherent unpredictability and risk associated with government policies. According to this theory, economic policy uncertainty arises from the unknown outcomes and consequences of government decisions on the economy. This uncertainty can stem from various sources, such as changes in tax policies, regulations, trade agreements, fiscal stimulus measures, and other policy decisions that directly impact businesses and individuals. When policymakers introduce new policies or make unexpected changes, it creates uncertainty regarding how these decisions will affect the economy and the behavior of economic agents (Bachmann et al., 2013).

Knightian uncertainty theory emphasizes that economic policy uncertainty can have significant effects on investment, consumption, and economic growth. When faced with uncertainty, businesses may delay investment decisions as they wait to see how government policies unfold. Similarly, individuals may postpone consumption, opting to wait and see how the policy

landscape evolves before committing to long-term purchases. Risk aversion plays a crucial role in decision-making during periods of economic policy uncertainty, according to Knightian uncertainty theory. Economic agents, such as businesses and individuals, may exhibit more caution and conservatism in their decision-making. They may prefer to wait and gather more information before making long-term commitments or investments, as uncertainty makes it difficult to accurately assess the potential risks and rewards (Baker et. al., 2015). Overall, Knightian uncertainty theory highlights the importance of policy stability and clarity for sustainable economic growth. When policies are uncertain, economic agents may adopt a wait- and-see approach, leading to reduced investment and consumption, which in turn can impact economic outcomes. Clarity and predictability in government policies are considered essential for fostering a conducive environment for economic growth and development.

Conceptual Review

Governance Perspective

The governance perspective is a concept that looks at the way in which power and authority are exercised in society, particularly within the context of government and public administration. It focuses on the processes and structures that influence decision-making, policy implementation, and the delivery of public goods and services. The governance perspective recognizes that governance is not only about formal structures and institutions but also about the relationships and interactions between different actors, including government, civil society organizations, the private sector, and citizens. It emphasizes the need for inclusive and participatory processes, transparency, accountability, and the rule of law. Key aspects of the governance perspective include (McManus, 2006).The governance perspective recognizes the importance of decision-making at multiple levels, including local, regional, and national. It promotes the delegation of authority and resources to lower levels of government and encourages citizen participation in decision-making processes. The governance perspective emphasizes the involvement of stakeholders, including civil society organizations, community groups, and marginalized populations, in decision-making and policy implementation. It recognizes the importance of their voice and agency in shaping policies and programs that affect them. The governance perspective recognizes that addressing complex societal challenges requires collaboration and partnerships between different actors, including government, civil society, and the private sector. It encourages the sharing of knowledge, resources, and expertise to find innovative solutions to problems. Overall, the governance perspective provides a framework for understanding and analyzing the processes and structures that shape decision-making and policy implementation in society. It promotes inclusive and participatory governance, transparency, accountability, and the rule of law, with the aim of improving the effectiveness and legitimacy of governance systems (Floyd & McManus, 2004).

Financial Stability

Financial stability refers to the condition in which the financial system, comprising financial institutions, markets, and infrastructure, is robust and able to withstand shocks and disruptions without significant adverse effects on the broader economy. It is a state in which financial intermediaries can fulfill their essential functions of mobilizing and allocating resources efficiently, intermediating and managing risk, and facilitating the smooth functioning of the economy (Mishkin & Frederick, 1999).Financial stability is essential for sustainable economic growth and development. When the financial system is stable, it promotes investor confidence, encourages savings and investment, facilitates the allocation of capital to productive sectors, and supports the overall functioning of the economy. Key aspects of financial stability include: Systemic risk management-financial stability requires the identification, monitoring, and management of systemic risks, which are risks that can impair the functioning of the entire

financial system. Financial stability requires robust financial infrastructure, including payment systems, clearing and settlement systems, and market infrastructure. These systems need to be secure, efficient, and capable of handling large volumes of transactions to maintain confidence in the financial system (Haldane & Andrew, 2004). Overall, financial stability is essential for ensuring a resilient and sustainable financial system that can support economic growth and development. It requires proactive risk management, prudential regulation and supervision, macro prudential policy, robust financial infrastructure, and effective crisis management and resolution mechanisms.

Economic Policy Uncertainty

The concept of economic policy uncertainty refers to the level of uncertainty surrounding government policies and their potential impact on the economy. It represents the uncertainty faced by businesses, investors, and consumers regarding future economic conditions and policy decisions. High levels of economic policy uncertainty can dampen economic growth and productivity. Uncertainty can lead to a decline in business investment, reduced consumer spending, and a slowdown in innovation and entrepreneurial activity. This, in turn, can limit job creation, hinder technological advancements, and reduce overall economic output. Overall, economic policy uncertainty can have significant implications for the economy as it affects investment decisions, consumption patterns, financial market stability, and overall economic growth. Managing and reducing economic policy uncertainty is important for fostering a stable and predictable economic environment that supports business confidence, investment, and long-term economic development (Alola & Uzuner, 2020).

Empirical Literature

In the empirical literature, numerous papers on the link between governance perspective and the effect of economic policy uncertainty on financial stability have been identified on different classification and the research is still on. Thus, Tabash et. al., (2022) assessed the impacts of EPU on the construction of corporate supporting in Asia. Their examination separated the supporting source into two sorts of obligation, to be specific bank advances and exchange credits. In this unique circumstance Yu et al. (2022a) fights that high EPU adversely affects bank credits, bringing down the aggregate sum of venture expected for monetary steadiness.

In addition, Yu et al. (2022b) found an opposite connection among EPU and bank supporting for Chinese firms, inferring that EPU raises funding costs, lessening for bank supporting. Amatus and Alireza (2021) concentrated on the connection financial stability and financial inclusion consideration in 35 Sub-Saharan African nations, utilizing the Summed-up Technique for Minutes (GMM) for dynamic board information traversing 2004-2011. The factors used were bank z-scores for financial stability; extraordinary stores with business banks and exceptional credits from business banks for financial consideration. Different factors included were Gross domestic product per capita, expansion, credit to private area by home-grown banks, and monetary emergency as control factors. The discoveries showed that remarkable stores with business banks adversely influenced financial stability. This suggested that store accounts held with the banks are less enhanced in SSA. Remarkable credits from business banks play a positive part on financial stability.

Udom et.al.,(2019) in their study which concentrated on forming a list to help monetary and financial stability examination in Nigeria, fabricated a composite monetary framework solidness record (FSSI) or a 'all in one resource' strength pointer that cautions and motions toward an expected monetary emergency in the NFS. The review accomplishes this by developing a monetary soundness record from three classes of the monetary framework that incorporates the financial area, the capital market and protection area.

Ogunleye et al. (2020) which investigated the effect of economic policy uncertainty on bank lending in Nigeria. The authors found that higher levels of economic policy uncertainty led to a decrease in bank lending, indicating that uncertainty in economic policies negatively affects financial stability.

Olofin and Ajayi (2018) examined the relationship between economic policy uncertainty and the stability of the Nigerian financial system. Their findings suggest that higher levels of economic policy uncertainty contribute to financial instability, as measured by the frequency and severity of banking crises. In terms of the governance perspective, a study by Adetunji et al. (2015) analyzes the impact of institutional quality on financial stability in Nigeria. The authors found that weak governance, including poor regulatory enforcement and corruption, adversely affects the stability of the financial system. While there is a lack of specific literature on the governance perspective and the effect of economic policy uncertainty on financial stability in Nigeria, these studies provide some insights into the relationship between these factors. It is important for future research to further explore this topic and consider the specific governance mechanisms within Nigeria's financial system to understand the potential implications of economic policy uncertainty on financial stability in the country.

Methodology

The research adopted the Vector Error Correction Model and Engle and Granger (1987) based on its ability to produce consistent estimates even in small samples. The research subjected the model to various diagnostic checks in order to ensure that the underlying assumptions of the framework are duly satisfied. This technique was chosen because they can examine relationship among variables and offer short run and long run relation between variables. However, prior to the estimation of the model, the variables were subjected to pre-estimation tests in order to avoid spurious regression. The pre-estimation tests include the Augmented Dickey-Fuller (ADF) unit root test and the Johansen co-integration test. The functional form of the model is as follows:

$$FS = F(GOVDBT, INTRAT, GDP) \quad (1)$$

The functional form of the model was transformed into an econometric form and logged as follows:

$$LFS = \beta_0 + \beta_1 GOVDBT + \beta_2 LINTRAT + \beta_3 LGDP + U_t \quad (2)$$

Where: LFS= natural log of financial stability; LGOVDBT = natural log of Government debt proxy for Governance perspective ;LINTRACT = natural log of interest rate proxy for economic policy uncertainty; LGDP= natural log of gross domestic product proxy for economic growth; β_0 = estimated constant parameter; β_1 = estimated coefficient vector of government debt; β_2 = estimated coefficient vector of interest rate; β_3 = estimated coefficient vector of gross domestic product; U_t = error term

Data Analysis and Results

Table 1: Descriptive Statistics

Variable	Obs	Mean	Std. Des	Min	Max
YEAR	32	2005.5	9.380832	1990	2021
FS	32	1336.483	931.5655	270.224	3098.986
GOVDBT	32	5854714	1624223	312014	8088546
INTRAT	32	733.2562	35.84787	679.269	798.63
GDP	32	16.04668	6.047426	4.80983	31.79159

Authors: Calculation using STATA Software 14.0

The variables in full are as follows financial stability (FS), government debt as a proxy for governance perspective (GOVDBT), interest rate as a proxy for economic policy uncertainty (INTRAT) and gross domestic product (GDP). The summary statistics for all the variables in this study is clear on the table above of sample data of Nigeria which shows the sample data of 32 years observations hence, the above represents the mean value for our sample data of 32 years, mean value can be defined as the statistical means that mostly used to measure location. Therefore, mean value can be used to measure the central tendency of distribution of sample data.

Table 1: Unit Root Test Result

S/ N	Variables	DF Level	1 st Difference	PP Level	1 st Difference	Cond usci
1	LFS	-0.770	-4.410***	-0.847**	4.433***	1(1)
2	LGOVDBT	-1.618	-4.185***	01.714**	4.066***	1(1)
3	LINTRAT	-1.147	-5.582 ***	-1.016**	5.672***	1(1)
5	LGDP	-2.592	-4.794***	-2.473	4.660***	1(1)

Authors' calculation using STATA software 14.0

Note: ** and *** indicate levels of significance at 5% and 1% respectively. In addition, figures in parenthesis indicate the number of lags.

Table 1 presents the results of Dickey Fuller and Phillip Perron unit root tests on all variables at their level and differenced values. The Dickey Fuller and Phillip Perron tests unit root test results shows that financial stability (FS), government debt, interest rate, and gross domestic product (GDP) are not stationary in their level values even at 5% level of significance, suggesting the rejection of the null hypothesis that states a series variable is not stationary. However, the results of the test shows Gross domestic product (GDP), government debt, and, interest rate, financial stability (FS), government debt, interest rate, and gross domestic product (GDP) are stationary in their first difference values at either 5% or 1% level of significance which indicate the acceptance of alternative hypothesis. Furthermore, Clemente et al. (1998) unit root tests results indicate the rejection of null hypothesis, which states that a series variable are not stationary in the level values of all the variables. But in the first difference value of the variables, the results indicate the acceptance of the alternative hypothesis, which states that a series is stationary. The implication of the results of both tests is that the variables are integrated of the same order at their difference values. According to Eagle and Granger (1987), to conduct co-integration analysis, when all variables are be integrated of the same order, Johansen co integration test should be adopted.

Table 2: Johansen Co-Integration Test Trace Statistics

Maximum	Parms	LL	Eign value	Trace Statistics	5%
0	20	88.76951	-	78.8923*5	47.21
1	27	97.389256	0.43710	27.6528 *1	29.68
2	32	103.12049	0.31756	2.1903	15.41
3	35	104.09835	0.06311	0.2346	3.76
4	36	104.21566	0.00779	-	-

(b) **Max-Eigen Statistics**

Maximum	Parms	LL	Eigen value	Trace Statistics	5%
0	20	88.76951	-	17.2395	27.07
1	27	97.389256	0.43710	11.4625	20.97
2	32	103.12049	0.31756	1.9557	14.07
3	35	104.09835	0.06311	0.2346	3.76
4	36	104.21566	0.00779	-	-

Authors' calculation using STATA software 14.0

Note: * Indicates that Trace & Max Statistic value is not significant at 5% level, suggesting no more than one co-integrating rank.

The trace statistics critical values were obtained by using Empirical distribution table of maximum and trace statistics. Results of Johansen tests for the number of co-integrating ranks are presented in Tables 1.2 the results of the test indicate the rejection of the null hypothesis, which states there is no co-integrating vector. This suggests the acceptance of alternative hypothesis, that there exists co-integration among the variables captured in the co-integration regression. The results further indicate that there is no more than one co-integrating vector, suggesting that there is one co-integrating rank. This is because the λ_{trace} show that at $r=0$ of 78.8923 exceeds its critical value of 47.21 at 5% level, and we can reject the null hypothesis of no cointegration equations. But at $r=1$ of 27.0583 27.6528 is less than its critical value of 29.68 at 5% level, which means we fail to reject the null hypothesis that there is only one cointegration equations exist. This gives room for running VEC regression to get the normalised co-integrating coefficients and test for short run relationships among the variables.

Table 3: Minimizing Information Criterion

Lag	LL	LR	df	P	FPE	AIC	HQIC	SBIC
0	-29.3392	-	-	-	.000127	2.38137	2.43955	2.47169
1	143.438	345.55	16	0.000	1.8e-09	-8.81698	-8.52607	-7.8654
2	169.785	52.694	16	0.000	9.1e-10	-9.55606	-9.03243*	-7.84323
3	178.232	16.895	16	0.392	1.9e-09	-9.0166	-8.26024	-6.5425
4	206.506	56.547*	16	0.000	1.3e-90	-9.89327*	-8.90419	-6.65791

Source: Authors' Calculation using STATA Software 14.0

Note: * Indicates the corresponding optimal Lags to be Selected

From the results, all the criteria, including HQIC are in favour of inclusion of one lag in the co-integration regression. This is because, according to Hoxha (2010) the best information criterion is Hannan-Quinn Information criterion (HQIC).

Table 4: Vector Error-Correction Approach

Variable	Coef.	Std Err	Z	P> Z	95% Conf.	Interval
IFS	1	-	-	-	-	-
IGOVDDBT	-7.512042	4.126529	6.92	0.069	1.469674	2.624195
IINTRAT	-8.06063	29.78011	-15.95	0.087	-2.147752	-1.677741
IGDP	-5.705527	1.78223	-7.38	0.001	-1.456959	-8.388715
_CONS	56.98028	-	-	-	-	-

Source: Authors' Calculation using STATA Software 14.0

Table 1.3 presents the normalised co-integrating coefficients. After normalization imposed, the co-integrating regression will be: Since FS (IFS) as a measure of financial stability has been

normalised to 1, it then becomes the dependent variable. Thus, the long run economic growth equation will now be: $lgovdtt = 6.95co2 + -15.95lintrat^{***} + -7.28lgdp^{***} + ECt$

Note: *** Indicates significant statistical value at 1% level and the figures in the parentheses are the t ratios.

From the results of the long run economic growth equation, it is clear that there is a significant long run positive relationship among financial stability, interest rate, and gross domestic product (GDP) has a positive significant impact on economic growth in Nigeria, is negative which has no effect on the economic policy uncertainty on financial stability in Nigeria. These findings support those of Tang et al (2008), Adams (2009). The results for the robustness of the model indicate that the model is statistically significant. In addition, the results of the post-estimation tests indicate no autocorrelation and that the residuals are normally distributed, suggesting that the model is statistically adequate.

Table 5: Vedmar/Lagrange – Multiplier Test

Lag	Chiz	Df	Prob > Chiz
1	19.2124	16	0.25780
2	15.0018	16	0.52451

Source: Authors using STATA Software 14.0

Interestingly, the results for the robustness of the Vecrmar model for Granger causality test indicate no autocorrelation, residuals are normally distributed and the model satisfies stability conditions, suggesting that the model is statistically adequate.

Conclusion and Recommendations

This study aims at investigating the long run and causal relationships between governance perspective and the effect of economic policy uncertainty on financial stability in Nigeria. The study employed annual time series data set for a period of 32 years from the period of 1990 to 2021 with the use of Vector Error-Correction Approach on the basis of the data availability. However, it is clear from both theoretical and empirical sides that the impact of governance perspective and the effect of economic policy uncertainty on financial stability is still a contentious issue which is yet to be resolved in literature. In order to fill in this gap, this study investigated the impact of governance perspective and the effect of economic policy uncertainty on financial stability in Nigeria. Overall, Vector Error Correction approach shows that there is a significant long run positive relationship among financial stability (FS), interest rate, and gross domestic product have positive significant impact on financial stability in Nigeria while government debt had a negative but insignificant effect on financial stability in Nigeria. Based on the findings, the study recommends that the existing institutions and strategies for fighting corruption and ensuring good governance be improve upon for more effectiveness. Moreso, to reduce economic policy uncertainty in the economy, government should ensure that frequent and unnecessary changes in regulatory initiates be avoided because of its impact on bank risk at the macro and market structural levels. However, at the bank level, risk assessment capability should be developed to enable financial managers respond appropriately to economic policy uncertainty.

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