Financial Liberalization and Economic Growth in Anglophone West African Countries

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ABSTRACT

Financial market liberalization is a key aspect of economic globalization, with capital flows from developed to developing countries expected to enhance growth. This study assessed the impact of financial liberalization on economic growth in Anglophone West African countries from 1990 to 2022. Data were obtained from UNCTAD, the World Bank's World Development Indicators (WDI), and IMF databases. Financial liberalization indicators, including bank credit to the private sector and savings mobilization, were analyzed alongside inflation, interest rate, and financial market depth. Using unit root and cointegration tests, the study employed the Pooled Mean Group (PMG) estimator within static and dynamic panel frameworks. The results showed mixed integration orders of I(0) and I(1), while the Kao cointegration test confirmed a long-run equilibrium relationship between financial liberalization and economic growth. PMG estimates revealed that financial openness had a positive and significant effect on growth. Financial market depth had a positive but insignificant effect. Interest rate had a negative and significant impact, while savings mobilization and inflation had negative and insignificant effects on growth. The study concludes that financial openness is a key driver of economic growth in the region and recommends a coordinated policy approach to strengthen financial systems for sustained growth.

Keywords: Financial Liberalization, Economic Growth, Interest Rate, Inflation**.**

JEL Classification: F43, G20, O16, E44, C33,F36

INTRODUCTION

The growth and development of economies around the world have been largely shaped by the nature and effectiveness of economic policies adopted by various nations. One prominent policy tool embraced particularly by developing and emerging economies is financial liberalization. Financial liberalization refers to the process of removing regulatory restrictions from the financial sector to allow market forces to determine interest rates, credit allocation, and the entry and operations of financial institutions (Hungu, 2024). It is widely regarded as a strategy for enhancing economic efficiency and stimulating investment, as it removes distortions such as interest rate controls, credit rationing, and restrictions on capital flows (McKinnon, 1973; Shaw, 1973).

In practice, many countries, including those in West Africa, have adopted financial liberalization policies in pursuit of rapid economic growth. These include Nigeria, Ghana, Gambia, Sierra Leone, and Liberia, which are all Anglophone West African countries that liberalized their financial sectors to deepen financial markets and improve access to credit. However, the outcomes have been mixed. According to the African Development Bank (2024), despite reforms, financial liberalization in Ghana has not translated into inclusive financial development, largely due to the persistent dominance of informal financial institutions and ongoing macroeconomic instability. Frimpong (2025) echoed this concern across Anglophone West Africa, attributing limited success in financial inclusion to the same structural constraints.

The study jointly examines the impact of financial openness, interest rates, inflation, savings mobilization, and financial market depth on economic growth. Specifically, the study seeks to: (i) ascertain the relationship between financial openness and economic growth; (ii) investigate the relationship between interest rates and economic growth; (iii) determine the relationship between savings mobilization and economic growth; (iv) examine the relationship between financial market depth and economic growth; and (v) analyse the relationship between inflation and economic growth in Anglophone West African countries.

The theoretical foundation of financial liberalization is rooted in the McKinnon-Shaw model, which posits that financial repression, which is the administrative suppression of interest rates and financial intermediation, hampers economic growth. McKinnon (1973) and Shaw (1973) challenged the then-dominant Neo-Keynesian perspective that supported low interest rates for capital formation. Instead, they argued that financial repression reduces savings mobilization, diminishes the efficiency of credit allocation, and stifles investment. According to this framework, liberalizing financial markets enhances financial deepening, encourages savings through higher real interest rates, and facilitates more productive investment through financial intermediaries (Mukherjee, Chowdhury, & Bhattacharya, 2021; Obi & Adebaj, 2025).

This paradox, where financial liberalization does not consistently yield the expected development outcomes, has sparked considerable empirical inquiry. Numerous studies across different contexts have examined the relationship between financial liberalization and economic growth, producing a range of findings. In a regional study of ECOWAS countries, Igbinovia and Igbinovia (2023) employed panel co-integration and system GMM techniques to find that financial liberalization and economic openness positively influenced growth, while inflation and exchange rate instability had negative effects. However, the positive effect of interest rates was statistically insignificant.

In North Africa, Benarbia and Aiboud (2023) analysed Algeria's financial liberalization experience from 1970 to 2021 using the ARDL model. They found that liberalization enhanced the transmission of monetary policy through exchange rate and financial asset channels, but not through interest rate or bank lending channels. Similarly, Jima and Makoni (2023), in a study covering 26 Sub-Saharan African economies from 2000 to 2019, established a strong bi-directional long-run relationship between financial inclusion and economic growth using panel ARDL and GMM techniques.

In the context of Nigeria, several studies have offered varying perspectives. Ajudua and Odishika (2022) found that money supply, market capitalization, and liquid liabilities significantly promoted economic growth, while credit to the private sector and lending rates were statistically insignificant. Kudaisi, Ojeyinka, and Osinubi (2021) examined the interaction between remittances and financial liberalization, finding that although both individually had negative effects on growth, their interaction yielded a significant and positive impact. This highlighted the importance of financial liberalization in enhancing the effectiveness of remittance inflows. Bank-Ola and Adelakun (2021), using ARDL and OLS techniques, reported that financial reforms related to bank lending, exchange rates, and deposit rates positively influenced growth, whereas inflation and lending rates had negative or insignificant effects.Ilugbusi, Ajala, Kindejoye, and Ogundele (2020), using the McKinnon-Shaw framework and ARDL analysis for the period 1986–2018, found that credit to the private sector was a key channel through which financial liberalization influenced growth positively in Nigeria. The study recommended a review of savings deposit rates and more support for private-sector investment. Further empirical insight comes from Rayyanu (2015), who confirmed both short-run and long-run positive relationships between liberalization and real output in Nigeria from 1981 to 2012 using the ARDL model. Orji, Ogbuabor, and Anthony-Orji (2015) also found that liberalization and private investment had a significant positive effect on growth, while high lending rates remained a constraint. Idowu and Origin (2019), in contrast, reported a negative and statistically insignificant impact of financial liberalization on Nigeria’s growth using the ECM approach, stressing the importance of policy consistency.

At the broader Sub-Saharan African level, Akinsola and Odhiambo (2017) studied 30 countries and found that financial liberalization generally enhanced economic growth. However, in low-income countries, the relationship was negative but statistically insignificant, suggesting that institutional weaknesses and vulnerability to banking crises might dilute the benefits of liberalization.

Despite this extensive literature, several gaps remain. Many existing studies rely heavily on single-country time series analysis, thereby limiting the generalizability of findings across nations. In addition, most works examine financial indicators in isolation, for example, focusing on interest rates or credit allocation alone without accounting for the interactive and dynamic nature of financial liberalization components. Financial liberalization variables such as savings mobilization and financial market depth are often underexplored, while inflation is frequently treated merely as a control variable rather than a possible moderator. Moreover, a large portion of the literature employed static econometric models, failing to capture the evolving dynamics of financial liberalization over time.

This study addresses these limitations by adopting a dynamic panel analysis captured by the pooled Mean Group (PMG) covering five Anglophone West African countries of Nigeria, Ghana, Gambia, Sierra Leone, and Liberia over a 32-year period from 1990 to 2022. By employing advanced estimation techniques that account for endogeneity and heterogeneity across countries, this study aims to produce more robust and policy-relevant insights to guide governments and stakeholders in formulating financial policies that promote stability, inclusion, and sustainable economic development.

METHODS AND MATERIALS

Data Description

The study employed annual data for five Anglophone West African countries of Nigeria, Ghana, Gambia, Liberia, and Sierra Leone, covering the period from 1990 to 2022. The Data were sourced from the World Bank's World Development Indicators (WDI) and respective national Central Banks of the West African countries under study.

Variables and Measurement

The dependent variable is economic growth, measured by the annual growth rate of real GDP. While the key independent variables of the study are,

Financial openness (proxied by credit to the private sector as a percentage of the gross domestic product)

Interest rate liberalisation (measured by real interest rate)

Savings mobilisation (measured by domestic savings as a percentage of GDP)

Financial market depth (proxied by M2/GDP or credit to the private sector/GDP),

Inflation (consumer price index annual percentage change).

Model Specification

The empirical model is grounded in a dynamic panel framework to capture both cross-country variations and temporal dynamics. The general model is specified as:

$$rgdp_{it} = f(fopn_{it}, fmd_{it}, svmb_{it}, int_{it}, inf_{it}) \quad (1)$$

Specifying equation (1) in econometric form gives the equation below:

$$lnrgdp_{it} = \delta_0 + \delta_1 lnrgdp_{it-1} + \delta_2 fopn_{it} + \delta_3 fmd_{it} + \delta_4 svmb_{it} + \delta_5 int_{it} + \delta_6 inf_{it} + \alpha_i + \varepsilon_{it} \quad (2)$$

Estimation Technique

The panel pool mean group technique was employed to estimate the specified model equation on the impact of financial liberalization on economic growth in the Anglophone West African countries of Nigeria, Ghana, Liberia, Gambia, and Sierra Leone. The effect of financial openness and other variables on economic growth was examined in a static and dynamic panel framework using the Pooled Mean Group (PMG), together with unit root and cointegration tests. The PMG allows for heterogenous short-run dynamics while assuming long-run equilibrium relationships across countries. Therefore, considering the structural and policy differences among the countries under study, PMG ensures that country-specific short-run adjustments are captured while maintaining a common long-run coefficient, making it suitable for cross-country analysis with diverse economic characteristics.

Table 1: Descriptive Statistics

	RGDP	**FOPN**	**FMD**	**INTR**	**SVMB**	**INF**
Mean	1051.733	7.2239	0.0288	22.9749	10.9114	15.2029
Std. Dev.	697	6.9765	0.0193	23.2925	7.3731	11.0400
Maximum	2688	19.6035	0.1087	62.8333	64.2114	110.9000
Minimum	317	0.0015	0.0006	9.1015	-20.1639	-0.9200
Skewness	629.6712	4.8213	0.0253	8.5244	15.5123	15.8038
Kurtosis	1.1646	0.2856	0.9571	1.4182	1.0888	3.3116
Coefficient of Variation	3.1428	2.3312	3.1371	7.2814	4.3048	17.0157
Jarque-Bera Prob.	0.0000	0.0711	0.0000	0.0000	0.0000	0.0000

Source: Authors computation (2025)

The descriptive statistics indicated that the five Anglophone West African countries studied, Gambia, Ghana, Liberia, Nigeria, and Sierra Leone have experienced persistently low economic growth, with an average real GDP per capita of US$1,051.73 over the 32-year period, well below the US$3,500 threshold that typically signals middle-income status. This underperformance is striking given the abundant natural resources, such as crude oil and minerals, found in these countries. Financial openness remains limited, with credit to the private sector averaging just 7.22% of GDP, while the financial market depth is notably shallow at 0.0288, reflecting underdeveloped capital markets and restricted access to finance. High borrowing costs persist, with average interest rates near 23%, compounded by low savings mobilization by banks at 10.91% of GDP, which constrains investment and economic expansion. Additionally, the countries face macroeconomic instability, evidenced by double-digit inflation averaging 15.20%, which undermines purchasing power and investment confidence. The data distributions are generally right-skewed and leptokurtic, indicating volatility, with the exception of financial openness, which follows a normal distribution. These findings underscore structural and financial sector challenges impeding sustained economic growth in the region.

Table 2: Correlation Matrix

	RGDP	FOPN	FMD	INTR	SVMB	INF
RGDP	1.0000					
FOPN	0.6782*	1.0000				
FMD	0.6981*	0.6813*	1.0000			
INTR	-0.1932*	0.0459	-0.0829	1.0000		
SVMB	0.5855*	0.3062*	0.3101*	-0.1091	1.0000	
INF	0.0337	-0.0842	-0.0063	0.4310*	0.2096*	1.0000

Source: Authors computation (2025)

The correlation analysis shows no multicollinearity among the explanatory variables, with all coefficients below the 0.85 threshold. Financial market depth and financial openness exhibit a moderate positive correlation (0.68), reflecting how liberalization boosts market participation. Financial openness also positively correlates with savings mobilization and economic growth, underscoring its role in development. A significant positive relationship between inflation and interest rates suggests inflation pass-through effects. Overall, the results validate the suitability of the variables for inclusion in the model without multicollinearity concerns.

In examining the nature of the relationship between two or more economic or financial variables, it has become mandatory to test if there is the presence of a unit root in the series to gain knowledge about the statistical properties of the series. Also, conducting unit root tests becomes necessary to avoid reaching economic or financial inferences that are misleading. Hence, this study tested for the panel unit root of the stationarity of the series.

Table 3: Panel Unit Root Result

Panel Unit Root Test					
Panel A: LLC			Panel B: IPS		
Variables	Levels	1st Diff.	Levels	1st Diff.	Remark
$lnrgdp_{i,t}$	0.7675	-4.6056***	1.4343	-4.5054***	I (1)
$fopn_{i,t}$	-2.3983***	-	-1.5053*	-7.1171***	I (1)
$fmd_{i,t}$	-0.8694	-3.9876***	-1.1103	-5.6305***	I (1)
$intr_{i,t}$	-2.4118***	-	-2.2153**	-	I (0)
$svmb_{i,t}$	-1.9613**	-	-1.7952**	-	I (0)
$inf_{i,t}$	-4.6671***	-	-4.8159***	-	I (0)

Source: Authors Computation (2025)

Note: we use *, **, and *** to show confidence at 90%, 95%, and 99%, respectively. I(0) denotes series is stable; I(1) denotes series is unstable; I(U) denotes that stability is unverified. IPS = Im, Pesaran, and Shin; LLC = Levin, Lin, and Chu.

Unit root tests using both LLC and IPS methods indicate that interest rate, savings mobilization by banks, and inflation are stationary at level (I (0)), requiring no differencing. In contrast, economic growth (real GDP per capita) and financial market depth are non-stationary at level but become stationary after first differencing, classifying them as I (1) variables. Financial openness showed conflicting results: LLC suggests stationarity at level, while IPS indicates non-stationarity at level, requiring first differencing and thus classified as I (1). Despite this discrepancy, none of the variables required second differencing. The presence of both I (0) and I (1) variables supports the suitability of using Pooled Mean Group (PMG) or panel autoregressive distributed lag (PARDL) method for static and dynamic analysis.

Following the identification of the integration process of the series, the study proceeded to test for cointegrating relationships among employed variables. This test was applied to determine if the modeled variables have the same stochastic trends in the long run. This test was necessitated by the stationarity properties of the series, as the LLC and IPS tests suggested that some series are first differenced series. Hence, it becomes necessary to determine if the errors from combining the series in the model are stable in level form, as doing so ensures the results are not spurious and the static model can be estimated. The panel approach to testing for cointegration adopted for this study was the Kao (1999) method. This method is residual-based and entails extracting the errors from regressing the metric of income inequality on the vector of regressors.

Table 4: Panel Kao Cointegration Result

	Statistic	Prob.
Modified DF	-2.6057	0.0046
DF	-1.5363	0.0622
ADF	-2.0237	0.0215
Unadjusted modified DF	-1.6715	0.0473
Unadjusted DF	-1.2217	0.1109

Source: As compiled by Author (2025)

Note: DF = Dickey-Fuller; ADF = Augmented DF

The outcome of the test suggests that the null hypothesis indicating that no level relationship exists among the modeled variables cannot be accepted as the probability value of the Kao t-stat of -2.0237 is less than 0.05, that is, $0.0002 < 0.05$. The implication is that there is an equilibrium condition that binds the series together. Put differently, this study was able to confirm the long-run relationship among financial openness, financial market depth, savings mobilization by banks, interest rate, inflation, and economic growth. Hence, the study proceeded to estimate the static and dynamic models using the Pearsan, et al., (1999) Pooled Mean Group, as the period is relatively larger than the cross sections, that is, T (32) > N (5).

Evidence of cointegration among the employed variables gives backing to the estimation of the static and dynamic models. The single equation specified to explain the performance of the economies of the countries studied was estimated using the Pooled Mean Group (PMG) method. This method can simultaneously estimate the static and dynamic models. Another advantage of the method is that the long-run estimates it produces are consistent and asymptotically normal, notwithstanding if the underlying variables are I (0) or I (1). The Pooled Mean Group (PMG) assumes the coefficient of the parameters is homogenous across countries in the long run but allowed to be heterogeneous in the short run. Also, by infusing the long-run equilibrium in the differenced

short-run model, the method ensures that valuable long-run information is not lost. The results of the Panel regression model are presented in Table 5.

Table 5: Panel PMG Result

Variable	Coefficient	Std. Error	t-statistics	Prob.
Panel A: Long Run				
$\boldsymbol{fopn_{i,t}}$	0.0547***	0.0132	4.1447	0.0001
$\boldsymbol{fmd_{i,t}}$	3.4362	2.0785	1.6531	0.1010
$\boldsymbol{intr_{i,t}}$	-0.0169***	0.0064	-2.6351	0.0096
$\boldsymbol{svmb_{i,t}}$	-0.0016	0.0043	-0.3691	0.7127
$\boldsymbol{inf_{i,t}}$	-0.0022	0.0032	-0.6932	0.4895
Panel B: Short Run				
$\boldsymbol{ECM_{t-1}}$	-0.0699***	0.0176	-3.9719	0.0001
$\boldsymbol{d(lnrgdp_{i,t-1})}$	0.2562**	0.1280	2.0016	0.0477
$\boldsymbol{d(fopn_{i,t})}$	-0.0050***	0.0010	-4.8824	0.0000
$\boldsymbol{d(fmd_{i,t})}$	-1.2133	0.8766	-1.3841	0.1690
$\boldsymbol{d(intr_{i,t})}$	-0.0007	0.0007	-0.9259	0.3564
$\boldsymbol{d(svmb_{i,t})}$	4.92E-05	0.0005	0.0921	0.9267
$\boldsymbol{d(inf_{i,t})}$	-3.66E-05	0.0005	-0.0681	0.9458
$\boldsymbol{c}$	0.4787	0.1150	4.1618	0.0001

Source: Authors Computation (2025)

Note: we use *, ** and *** to show confidence at 90%, 95%, and 99%, respectively.

The Pooled Mean Group (PMG) results are conveyed in Table 5. The results are divided into two parts Part A and Part B. The Part A captures the static result which shows the impact of the explanatory variables (financial openness, financial market depth, interest rate, savings mobilization by banks, and inflation) on economic growth in the long run. The Part B of the Table shows how financial openness, financial market depth, interest rate, savings mobilization by banks, and inflation affect economic growth in the short run, taking into consideration the effect of time.

In the long run, the level of economic growth in the Anglophone countries studied was found to be positively influenced by changes in financial openness. This positive relationship established between financial openness and economic growth indicates that an increase in financial openness or as the financial sector of the countries studied become more developed or credit to private sector increases, is expected to accelerate the level of economic growth in the long run. The positive relationship is consistent with the a priori expectation, indicating that an increase in financial openness improves the level of economic activities in these countries under study. The result further indicates that financial liberalization is an ingredient of economic growth, suggesting that financial repression is hurtful to economic growth in the countries studied. The estimated financial openness coefficient of 0.0547 suggests that an increase in financial openness by one percent is

expected to accelerate the level of economic growth in the countries studied by 0.0547 percent. This positive impact of financial openness on economic growth is found to be statistically significant, indicating that financial openness is a major determinant of economic growth in regional countries.

The Table 5 equally shows that changes in the financial market depth promote economic growth in the long run. From the estimated coefficient of 3.4362 for financial market depth, the result revealed that one unit increase in financial market depth or as the financial institutions and markets in the countries studied improve in terms of depth (size and liquidity), access and efficiency, such positive gains is expected to accelerate output per capita by 3.4362 units. The positive relationship between financial market depth and economic growth is not significant at the 5 percent level. It shows that the coefficient of financial market depth is elastic and estimated to be 3.4362. By this, an increase (decrease) in financial market depth by one unit will cause real gross domestic product per capita, that is economic growth, to increase (decline) by more than proportionately by 3.4362 units, ceteris paribus.

The study further observed that interest rate relates negatively to economic growth in the long run. This established negative relationship aligns with the a priori expectation and is also significant at a 5 percent level. The long-run relationship between interest rate and economic growth is such that an increase in interest rate is expected to bring about a reduction in the level of economic growth in the long run. The result of the analysis shows that a one percent increase in interest rate will lead to a 0.0169 percent decrease in real gross domestic product per capita, undermining economic growth in the countries studied by 0.0169 percent, under the assumption of ceteris paribus. The policy implication of this result is that the countries studied can improve their level of economic growth and raise real gross domestic product per capita by implementing policies that can reduce the cost of capital or interest rate. The negative relationship established between interest rate and economic growth over the long run is theoretically correct and aligns with the a priori expectation of the study, and the negative effect of interest rate on economic growth is statistically significant.

Savings mobilization by banks was found not to behave in the same fashion as financial openness and financial market depth in the long run. The study found that real gross domestic product per capita does not respond positively to changes in savings mobilization by banks in the countries studied. The study from estimation revealed that the relationship between savings mobilization by banks and economic growth is negative. The Pooled Mean Group (PMG) result revealed an estimate of -0.0016 for savings mobilization by banks, as it computed the marginal effect. This implies that an increase in savings mobilization by banks harms the level of economic growth in the long run, as real gross domestic product per capita declines due to the increased savings mobilization. Specifically, whenever there is an increase in savings mobilized by banks by one percent, the estimated result suggests that real gross domestic product per capita is expected to decrease by 0.0016 percent, indicating that the more savings are mobilized by banks through their intermediation role, the more the economic growth index of the countries studied in the form of real gross domestic product per capita declines. The negative relationship found existing between savings mobilized by banks and economic growth is statistically insignificant, suggesting that savings mobilization is not a key determinant of economic growth in the countries studied.

In the long run, it was found that the relationship between inflation and economic growth is negative. This relationship established between inflation and economic growth suggests that an increase in inflation level undermines growth in the countries studied. The estimated coefficient of -0.0022 for inflation indicates that every one percent increase in inflation is expected to lead to a decline in real gross domestic product per capita by 0.0022 percent, holding constant changes in other economic growth factors considered for this study. The negative relationship between inflation and economic growth is consistent with the a priori expectation and economic theory, as increased inflationary pressures undermine economic growth prospects by creating an uncertain and unstable macroeconomic environment that discourages investments, and the expectation that the Central Banks will hike policy interest rate to curb prices of goods and services from rising, will reduce share prices of companies in the real sector, as profit is expected to decline as measures are taken to combat inflation by slowing down the economy. Though the relationship between inflation and economic growth is consistent with economic theory, the negative effect of inflation on economic growth is statistically insignificant.

The short-run dynamics result for the panel ARDL (2, 1, 1, 1, 1, 1) model as presented in Part B showed that the effect of financial openness on the current level of economic growth is negative and deviates from expected a priori, according to economic theory. The result shows that financial liberalization does not support economic growth in the short run. The estimated coefficient of -0.0050 for financial openness indicates that a 1 percent increase in financial openness or credit to the private sector as a percentage of gross domestic product is expected to cause a contraction in economic output to the magnitude of 0.0050 percent. The effect of financial openness on economic growth in the short run is lower than the effect of changes in financial openness in the long run.

The Table revealed that any short-run disturbances that cause the ARDL model (2, 1, 1, 1, 1, 1) to deviate from the long-run level of economic growth will be corrected at the speed of 6.99 percent in the following year or every year. This is based on the estimated error component term of -0.0699, which satisfies the negative and significant conditions of the error correction term. The implication of this is that short-run disequilibrium positions in the system can be reconciled with long-run equilibrium levels, but the speed of convergence of the estimated model is slow or weak.

CONCLUSION AND RECOMMENDATIONS

The study examined whether financial liberalization matters for economic growth in five (5) Anglophone West African countries, from 1990 to 2023. The study specifically investigated the impact of financial openness, financial market depth, interest rate, savings mobilization, and inflation on economic growth of Nigeria, Gambia, Ghana, Liberia, and Sierra Leone. To achieve this objective, the study indexed economic growth using real gross domestic product per capita, to account for population differences between the Anglophone West African countries under study. The analysis of the relationship between financial liberalization and economic growth was conducted using the Pooled Mean Group (PMG), based on the fact that the period considered was relatively larger than the cross sections and given the integrated properties of the series. The result of the regression analysis revealed that financial openness significantly enhanced economic growth in Anglophone West African countries. Also, the PMG result showed that an environment of high capital cost undermines economic growth in Anglophone West African countries, as the interest rate was found to have a negative and significant effect on economic growth. On these backdrops, the study concludes that financial openness significantly promotes economic growth in Anglophone West African countries, highlighting the importance of liberalizing cross-border financial flows. However, financial market depth and savings mobilization, while positively associated, were not statistically significant, indicating structural inefficiencies in the financial sector. The significant negative impact of interest rates suggests that high borrowing costs hinder productive investments. Furthermore, the negative but insignificant relationship between inflation and growth underscores the need for stable macroeconomic policies. These findings suggest that while liberalization can foster growth, its benefits are contingent on complementary reforms. Therefore, the study recommends that policymakers should strengthen financial market institutions, reduce lending rates, and enhance monetary stability, as promoting financial inclusion and deepening domestic savings channels is essential for the growth of the west African Anglophone region. A coordinated policy approach is also recommended to ensure that liberalization efforts translate into sustained economic growth in the region.

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