

Abstract

Energy is one of the key elements in human life and in the overall economic activity in all over the world. There are a lot of factors that influence energy consumption and one of those factors is financial development. This study examines the impact of financial development towards energy consumption in 19 countries of the G20 members spanning from 2000 to 2014. Estimation was carried out using panel data analysis of fixed effects method. The result of this study shows a positive and statistically significant impact of financial development towards energy consumption when financial development is measured using stock market capitalization to GDP.