THE EFFECTS OF CREDIT, INTEREST RATES AND GOVERNMENT POLICIES ON HOUSEHOLD WEALTH IN ROMANIA

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Abstract
This study investigates how key financial variables—namely, the volume of new consumer credit, the level of interest rates, and government loan guarantees—influence household wealth accumulation in Romania. The research question guiding this study is: To what extent do credit dynamics, borrowing costs, and public financial interventions shape the structure and evolution of household wealth in an emerging economy? Based on annual data from 2010 to 2022 provided by the National Bank of Romania, the study employs multiple linear regression to test the impact of these factors on household net wealth, measured as the sum of financial and non-financial assets minus liabilities. The econometric model includes as explanatory variables the volume of new consumer loans, the effective annual interest rate, and government guarantees for both mortgage and business loans. The results show that household wealth is positively influenced by increased credit availability and government support for non-financial companies, while high interest rates significantly constrain wealth accumulation. The study contributes to the literature by quantifying these relationships in the context of a post-transition economy and highlights the need for targeted fiscal and monetary policies that ensure both access to affordable credit and macroeconomic stability. The findings have important policy implications for balancing short-term credit expansion with long-term financial resilience.

Keywords
household wealth, credit, interest rates, financial assets, economic resilience, financial stability, public policy

Introduction

In the current economic context, characterized by volatile financial markets and the persistent impact of economic shocks, the analysis of household wealth and its

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resilience to macroeconomic fluctuations is becoming a topic of major interest for policy makers and financial researchers alike. Recent developments, marked by financial crises, pandemics and geopolitical instability, have underlined the importance of a balanced household wealth structure, where the distribution of financial and non-financial assets plays an important role in ensuring economic resilience.

Figure 1 illustrates the evolution of household wealth in Romania over the period 2010-2022, showing the distribution of its main components: financial assets, non-financial assets, net wealth and resilience to economic shocks. A relative stability of the wealth structure is observed, with the maintenance of a high share of non-financial assets, which suggests a significant dependence of households on real estate assets, a trend specific to emerging economies, where investments in property are preferred over financial assets.
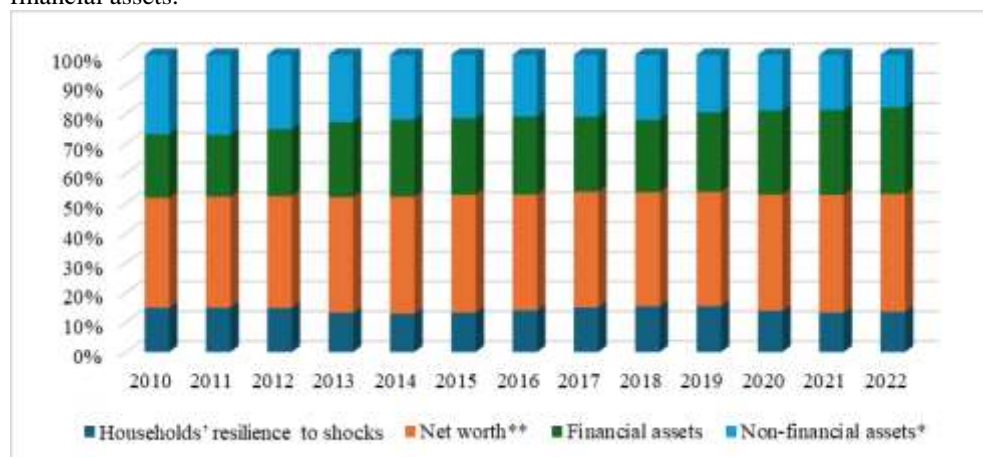

Figure no. 1: Households' wealth and resilience to shocks in Romania (2010-2022)
Source: Elaborated by authors based on NBR data (National Bank of Romania, 2024)

Financial assets, as shown in Figure 1, grew slightly, indicating a possible diversification of wealth and a gradual shift towards saving and more liquid investments. However, Romania continues to be characterized by low participation in financial markets compared to advanced economies, where the share of financial assets is much higher. A key aspect highlighted is the evolution of household resilience to economic shocks, which, although remaining relatively constant, seems to have increased slightly in recent years. This trend can be explained by improved access to financial instruments, such as bank deposits, insurance and pension funds, but also by government support measures implemented in times of crisis, such as during the COVID-19 pandemic. Net wealth has been influenced by fluctuations in the real estate and credit markets, remaining stable but without spectacular increases. What is new in this study is the integration of an econometric perspective on the relationship between lending, interest rates and government interventions, to understand the extent to which these variables influence the structure and evolution of household wealth. Unlike other studies that focus exclusively on income growth or the impact of inflation on household

welfare (Chu, 2022; Jiang, Puzzello and Zhang, 2023; Béland et al., 2024), this research takes a comprehensive approach to how financial and policy factors shape household economic resilience.

The main purpose of the study is to assess the impact of key economic determinants on household wealth accumulation and to identify policy measures aimed at optimizing the asset structure for greater resilience to external shocks. Specific objectives include analysing the influence of credit on household wealth, examining the effect of interest rates on asset structure, and assessing the role of government interventions in stabilizing household savings.

Through this approach, the study aims to provide a detailed understanding of the factors that determine the ability of households to protect and increase their wealth, thereby contributing to the development of more effective economic strategies and strengthening long-term financial stability.

1. Review of the scientific literature

In recent times, the study of household wealth has become a central topic in macroeconomic and financial policy analysis, given its impact on economic stability and overall welfare. Recent specialized studies (Chang, Gan and Mohsin, 2022; Kabundi and De Simone, 2022; Heino, Alimov and Tuominen, 2024) have shown that the structure of households' financial and non-financial assets influences their ability to absorb economic shocks and maintain their standard of living in financial volatility. According to other studies (Kamal et al., 2021; Dafe et al., 2022; Saifurrahman and Kassim, 2024), asset allocation and access to finance play a key role in household wealth formation, and monetary and fiscal policies can stimulate or inhibit this process. Research such as that of Vu et al. (Vu, Li and Liu, 2021), Robatto (Robatto, 2023) emphasized the importance of a balanced mix of liquid and illiquid assets in protecting households against financial crises. Authors Lenza & Slacalek (Lenza and Slacalek, 2024) also showed that policies to reduce income inequality can influence the distribution of wealth, with direct effects on consumption and investment. Also looking at emerging economies, the authors' research, Antwi et al. and Beck (Beck, 2023; Antwi, Kong and Gyimah, 2024) have shown that government interventions through credit market regulation and loan guarantees can have a major impact on household wealth growth, helping to reduce economic vulnerability. A key issue is the relationship between access to credit and wealth accumulation. In emerging economies, credit expansion has facilitated consumption and investment in real estate assets, leading to increased household wealth (O'Sullivan and Rethel, 2023; Sodokin et al., 2023; Hochstenbach and Aalbers, 2024). However, excessive access to finance can amplify the risks of over-indebtedness and economic instability, especially in the absence of effective risk management mechanisms (Kasoga and Tegambwage, 2024; Hamid, 2025). Against the backdrop of increased access to finance and the easing of credit conditions, growth in the volume of consumer credit has been correlated with an expansion in household wealth, but also with increased vulnerability to interest rate fluctuations and macroeconomic risks (Kanapickienė et al., 2023; Epure et al., 2024; Setterfield and Kim, 2024). Interest rates are a key factor in shaping household wealth, influencing the cost of financing and determining saving and investment strategies. The

literature emphasizes that low interest rates encourage taking out mortgages and increasing the value of real estate assets, strengthening wealth accumulation (Tarne, Bezemer and Theobald, 2022; Xie, Yang and Cai, 2024). On the other hand, rising interest rates may restrict access to credit and reduce the value of financial assets, negatively affecting household wealth (Demir et al., 2022; Kling et al., 2022; Eggertsson et al., 2024). Other recent research has shown that the effects of interest rates on saving vary according to the structure of financial markets and the degree of banking intermediation (Craig and Ma, 2022; Coimbra and Rey, 2024), suggesting that a sudden rise in interest rates may lead to significant adjustments in household consumption behaviour. Authors McKay & Wolf (McKay and Wolf, 2023) emphasized that monetary policy influences both household wealth through asset prices and changes in the cost of borrowing, which can amplify or dampen the cyclical effects of economic growth. For Romania, recent studies (European Commission, 2024; OECD, 2024) confirm this negative relationship between the annual effective interest rate and the level of households' net wealth, emphasizing the need for balanced monetary policies that maintain credit affordability without generating financial instability. At the same time, Groot & Haas (de Groot and Haas, 2023) suggest that prolonged low interest rates can lead to reversal rate effects, where banks' lending incentives diminish, which may affect the ability of households to accumulate wealth sustainably. Government interventions also play a major role in shaping household wealth (Bruna, 2024; Wang et al., 2025). Loan guarantee programs such as " First Home" and "New Home" have contributed to the expansion of access to finance and the development of the real estate market in Romania (Tamila Nussupbekova, 2025). However, recent studies (Ciziceno and Pizzuto, 2022; Chau and Yu, 2024) have shown that such interventions can lead to overvaluation of real estate assets and increase household indebtedness. Other research (Remeikienė and Gaspareniene, 2023; Siderius and Zink, 2023; Giorgis, Huber and Sornette, 2024) have pointed out that such guarantee programs can distort the market by artificially lowering borrowing costs, which can fuel speculative bubbles in the housing market. While intended to support financial stability, other studies (Anghel, Boitan and Marchewka-Bartkowiak, 2022; Dantas, Merkley and Silva, 2023; Wang, 2024) highlight that excessive government guarantees can reduce the flexibility of the banking system and increase fiscal risks in the event of severe economic crises. At the same time, government guarantees for loans to non-financial companies have supported job creation and economic stability, with a positive indirect impact on household incomes (Bezemer et al., 2023; Babatoundé, 2024). Authors' research, Budina et al. (Budina et al., 2023), shows that well-calibrated government interventions can mitigate the negative effects of recessions and stimulate consumption, but over-use can reduce the private sector's motivation to innovate and invest sustainably. However, these measures need to be carefully monitored to prevent the build-up of systemic financial risks and to ensure sustainable economic growth, and the implementation of mechanisms to assess the impact of these policies becomes essential in a dynamic global financial environment.

The literature confirms that access to credit, interest rate developments and government interventions are key determinants of household wealth. Studies emphasize the need to strike a balance between stimulating lending and avoiding over-indebtedness,

underlining the role of prudent public policies in maintaining long-term financial stability. Some research (Akinci and Queralto, 2022; Cerra, Fatás and Saxena, 2023) have shown that excessive access to credit without proper regulation can amplify business cycles and lead to financial crises, while other studies such as those by Fornaro & Wolf (Fornaro and Wolf, 2023) or Lakhchen (Lakhchen, 2025) emphasized the importance of a flexible monetary policy in mitigating the effects of economic volatility on wealth accumulation. In Romania, recent trends indicate that diversifying wealth towards financial assets and improving access to sustainable financing could increase households' economic resilience (Oprisan et al., 2023; Bădîrcea et al., 2025). Recent studies also (Goutte and Sanin, 2024; Zhao and Zhao, 2024; Wang et al., 2025) highlight that the deeper integration of emerging financial markets into global economic systems can reduce household financial vulnerabilities by increasing savings and investment options. From this perspective, future research should explore in detail the impact of the digitization of financial services, demographic changes and geopolitical implications on household wealth accumulation, given the context of a changing global economy. The digitization of financial services can help to increase the accessibility of credit and savings instruments, but it can also exacerbate economic inequalities if not accompanied by financial inclusion policies (Aggarwal and Jaggi, 2024; Sikka and Bhayana, 2024). This makes the need for adaptive financial strategies important to protect household wealth in an increasingly interconnected economic environment.

2. Research methodology

The study aims to investigate the impact of credit, interest rates and government interventions on household wealth in Romania, using a quantitative approach based on multiple regression analysis. The data sources used in the analysis come from reports published by the National Bank of Romania (National Bank of Romania, 2024), which provide relevant information on credit developments, interest rates and government interventions in the financial sector, as shown in Table 1. Data were collected for the period 2010-2022, thus providing an empirical basis for testing the hypotheses formulated. The statistical processing and analysis of the data were performed using specialized software such as SPSS, which allows the application of advanced regression and model diagnostic techniques.

Table no. 1. Presentation of indicators

Symbol	Indicators	U.M.
NetW	Household wealth	mld. lei
NConL	New consumer loans	mld. lei
EAIntR	Average effective annual interest rate	%
Lgov	Loans to the government	mld. lei
Govgl	Government guarantees for "First Home" of "New home" loans	mld. lei
Govglnonf	Government guarantees for loans to non-financial companies	mld. lei

Source: Elaborated by authors according to NBR data (National Bank of Romania, 2024)

The indicators included in this study were selected based on their economic relevance and demonstrated impact on household wealth, taking into account the literature (Bezemer et al., 2023; Kanapickienė et al., 2023; Eggertsson et al., 2024; European Commission, 2024; National Bank of Romania, 2024; OECD, 2024; Tamila Nussupbekova, 2025) and Romania's specific macroeconomic context. In this respect, key variables that influence the process of wealth accumulation at the household level have been identified, including both factors related to credit and the cost of financing, as well as government interventions that may facilitate or constrain households' access to financial resources. Household wealth (NetW) - is the main indicator of the economic well-being of the population and is directly influenced by multiple financial and economic variables. The level of wealth accumulation is determined by households' ability to save, access to finance and general economic conditions. In this respect, analysing the determinants of household wealth is essential for understanding the mechanisms through which financial and economic policies affect living standards. New consumer credit (NConL) - is a key source of finance for households, influencing both immediate consumption and their ability to make long-term investments. Credit expansion can stimulate economic growth and thus increase household wealth, but it can also contribute to the accumulation of financial risks in the event of over-indebtedness. The inclusion of this indicator therefore makes it possible to assess the impact of access to credit on household net wealth. Annual Effective Annual Interest Rate (AEIntR) - The cost of borrowing, as measured by the annual effective interest rate, plays a key role in household financial decisions. High interest rates can discourage borrowing and reduce the ability of households to accumulate wealth, while low rates stimulate access to finance and can facilitate economic growth. This indicator therefore allows the relationship between the cost of financing and household wealth to be analysed. Government borrowing (Lgov)- The level of government borrowing reflects fiscal policy and its impact on the economy. Increased government borrowing can affect financial conditions through substitution effects, either by raising interest rates or by reducing the resources available for private sector lending. Thus, this indicator is essential to assess the impact of government policies on financial markets and hence on household wealth accumulation. Government guarantees for mortgage loans - "First home" (Govg) - Government guarantees for loans for house purchase have a direct impact on households' access to finance. By making it easier to take out mortgage loans, these policies contribute to increasing household wealth through investment in real estate assets. Thus, this indicator is included to measure the effects of government support programs on household wealth. Government guarantees for loans to non-financial companies (Govglnonf) -Government guarantees for loans to non-financial companies have an indirect impact on households by influencing economic stability and employment opportunities. By facilitating firms' access to finance, these guarantees can stimulate investment, job creation and thus household income growth. Thus, the inclusion of this indicator makes it possible to analyse how government interventions in the corporate sector indirectly affect household wealth accumulation.

The selection of these indicators allows a comprehensive analysis of the main economic factors influencing household wealth in Romania. Combining variables related to credit, cost of financing and government interventions, the study provides an integrated

perspective on the mechanisms through which monetary and fiscal policy influence the level of household wealth. The model equation for the Impact of Credit, Interest Rates and Government Interventions on Household Wealth in Romania is as follows:

$$NetW = 2.374 \cdot NConL - 26.262 \cdot EAIntR - 29.181 \cdot Lgov - 26.673 \cdot Govgl + 212.870 \cdot Govglnonf + 763.367$$

Where: NConL -New Consumer Loans, EAIntR -Average Effective Annual Interest Rate, Lgov- Loans to Government, Govgl - Government Bonds, Govglnonf = Government Guarantees for Non-Financial Companies.

Based on the proposed econometric model and the literature (Anghel, Boitan and Marchewka-Bartkowiak, 2022; Eggertsson et al., 2024; Hochstenbach and Aalbers, 2024; Setterfield and Kim, 2024; Bădîrcea et al., 2025), this study aims to test several hypotheses regarding the impact of credit, interest rates and government interventions on household wealth in Romania. The hypotheses are the following:

H1.The volume of new consumer credit (NConL) has a positive and significant effect on household wealth.

H2.The annual effective interest rate (EAIntR) has a negative and significant effect on household wealth.

H3. Government guarantees (Govglnonf) have a positive effect on household wealth.

This approach allows for revealing the causal relationships between variables and provides support for policy recommendations aimed at optimizing financial support strategies and stimulating wealth accumulation among households.

3.   Results and discussion

In recent years, household wealth in Romania has been influenced by credit dynamics, interest rate fluctuations and government interventions. After the financial crisis of 2008-2009, access to finance gradually recovered, spurred by falling interest rates and government programs such as "First Home", which facilitated house purchases through state guarantees. Increased government borrowing has influenced lending conditions, while guarantees for non-financial companies have supported economic activity. These factors shaped household wealth accumulation, striking a balance between financing opportunities and the risks associated with indebtedness. Table 2 presents the model results on the Impact of credit, interest rates and government interventions on household wealth in Romania.

Table no. 2. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	0.981[a]	0.961	0.937	86.299	0.961	39.837	5	8	0.000	2.284
a. Predictors: (Constant), Govglnonf, EAIntR, NConL, Lgov, Govgl										
b. Dependent Variable: NetW										

Source: Elaborated by authors using SPSS program

The analysis of the multiple regression model shown in Table 1 emphasizes a strong relationship between the independent variables and household wealth, which is demonstrated by the R coefficient of 0.981, indicating a significant correlation between the explanatory factors and the dependent variable. At the same time, the R Square coefficient value of 0.961 reveals that 96.1% of the variation in household wealth is explained by the proposed model, which denotes a good predictive ability. The adjustment of the R Square coefficient to 0.937 confirms the robustness of the model, reducing the risk of overfitting and strengthening the validity of the econometric conclusions. The statistical significance of the model is supported by the F-test, whose value of 39.837, together with a significance level of 0.000, confirms that at least one of the independent variables has a significant impact on household wealth, which validates the hypothesis that the factors analysed exert a considerable influence on wealth accumulation in Romania. In addition, the Durbin-Watson test, with a value of 2.284, indicates a satisfactory independence of the errors and suggests the absence of a problematic autocorrelation between the residual terms, which is essential for the validity of the regression model used. Thus, the proposed model provides a robust explanation of the dynamics of household wealth, supporting the hypothesis that access to credit and government interventions through loan guarantees play a determinant role in the process of wealth accumulation, while high borrowing costs may limit this growth, generating restrictive effects on the ability of households to increase their financial and real estate assets.

Table 3 summarizes the results of the ANOVA test.

Table no. 3. ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1483448.635	5	296689.727	39.837	.000[b]
	Residual	59580.222	8	7447.528		
	Total	1543028.857	13			
a. Dependent Variable: NetW						
b. Predictors: (Constant), Govglnonf, EAIntR, NConL, Lgov, Govgl						

Source: Elaborated by authors using SPSS program

Table 3 shows the results of the Anova test for the overall significance of the regression model used to explain the changes in household wealth (NetW) as a function of the independent variables analysed. The results indicate that the sum of squares for the regression is 1,483,448.635, which indicates that a significant proportion of the total variation in the dependent variable is explained by the model. In comparison, the sum of residual squares is considerably smaller at 59,580.222, suggesting that model errors are relatively small. The F value (39.837) is high and statistically significant, as indicated by $p < 0.001$ (Sig. = 0.000), which confirms that the regression model is significant.

ANOVA analysis confirms that the model significantly explains the variations in household wealth, supporting the validity of the research hypotheses and the relevance of the explanatory variables included in the analysis. The analysis of the regression coefficients provided in the estimated equation confirms the validity of the hypotheses formulated, demonstrating statistically significant relationships between the explanatory variables and household wealth. As regards the hypothesis that the volume of new loans granted to consumers positively influences household wealth, the coefficient associated with the NConL variable, with a value of 2.374, indicates a directly proportional relationship between access to finance and the accumulation of household wealth. This finding suggests that the expansion of credit facilitates private consumption and investment, thus contributing to the increase in household assets, which validates hypothesis 1 that credit has a positive and significant effect on the level of wealth accumulated by the population. As regards the impact of the annual effective interest rate on household wealth, the negative coefficient of -26.262 on the EAIntR variable indicates that an increase in the cost of borrowing negatively affects the wealth accumulation process. This relationship reflects the mechanism through which higher interest rates discourage borrowing, thus reducing investment and consumption, which are key aspects in the dynamics of household wealth formation. This result supports Hypothesis 2 that high interest rates are a restrictive factor for wealth accumulation and confirms that the accessibility of low-cost finance is crucial for household wealth. At the same time, coefficient analysis reveals a positive and significant effect of government guarantees for loans to non-financial companies on household wealth, as evidenced by a coefficient of 212.870 for the Govglnonf variable. This result suggests that government interventions aimed at supporting the corporate sector have a favourable impact on households, probably by stimulating employment, increasing incomes and enhancing overall economic stability. Therefore, this finding validates hypothesis 3 that government guarantees to non-financial corporations contribute positively to household wealth accumulation, confirming the importance of supportive public policies in promoting household financial well-being. These results emphasize the fundamental role of monetary and fiscal policies in the dynamics of household wealth formation, highlighting the need for balanced strategies that support access to finance, maintain sustainable borrowing costs and stimulate the economic environment through government support measures.

These results are consistent with the literature, which emphasizes that the expansion of consumer credit is a key determinant of wealth accumulation, especially in emerging economies. For example, studies (Ofosu-Mensah Ababio et al., 2022; Ma et al., 2024; Chikeya and Ntsalaze, 2025) emphasize that easy access to credit stimulates real estate investment and private consumption, which contributes to the increase in the value of assets held by households. In the same sense, our results confirm that an increase in the volume of new loans has a positive and significant impact on household net worth in Romania. Regarding interest rates, recent literature (Abdulkadr et al., 2024; Lang et al., 2024; Zungu and Greyling, 2024) supports the hypothesis that high interest rates discourage borrowing, reduce investment opportunities and negatively affect households' ability to accumulate wealth, an observation also confirmed by our econometric model. Thus, the negative result associated with the annual effective

interest rate is in line with studies showing that restrictive monetary policies have an inhibitory effect on household financial welfare. Also, the positive impact of government guarantees to non-financial firms is supported by the findings of recent research (Asiimwe, Steven and and Ashaba, n.d.; Fan, Weng and Tian, 2024; Mohd Daud et al., 2024), which show that public interventions targeted at the productive sector have beneficial spillovers to households by stimulating employment, increasing incomes and strengthening overall economic resilience. Thus, the evidence from this study reinforces the argument that well-calibrated indirect interventions can have a more sustainable effect on wealth accumulation compared to direct measures that exclusively target the housing market.

Table 4 presents information on the quality and validity of the regression model used to explain the variation in household wealth (NetW) by analysing the residuals, influential values and error distribution.

Table no. 4. Residuals Statistics

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	497.50	1709.36	948.29	337.804	14
Std. Predicted Value	-1.334	2.253	0.000	1.000	14
Standard Error of Predicted Value	36.529	74.478	55.385	11.570	14
Adjusted Predicted Value	493.04	1920.70	945.23	362.678	14
Residual	-114.361	147.565	0.000	67.699	14
Std. Residual	-1.325	1.710	0.000	0.784	14
Stud. Residual	-2.236	2.262	0.013	1.100	14
Deleted Residual	-325.702	258.336	3.054	139.128	14
Stud. Deleted Residual	-3.417	3.526	0.016	1.511	14
Mahal. Distance	1.401	8.754	4.643	2.263	14
Cook's Distance	0.000	1.540	0.215	0.418	14
Centered Leverage Value	0.108	0.673	0.357	0.174	14
a. Dependent Variable: NetW					

Source: Elaborated by authors using SPSS program

According to the Table 4 the analysis of the residual statistics presented in the table reveals key issues regarding the appropriateness of the regression model used in explaining the changes in household wealth. The predicted values for the dependent variable show a significant dispersion, ranging from 497.50 to 1709.36, with a mean of

948.29 and a standard deviation of 337.804, suggesting considerable variability in the predictions and, therefore, in the data used.
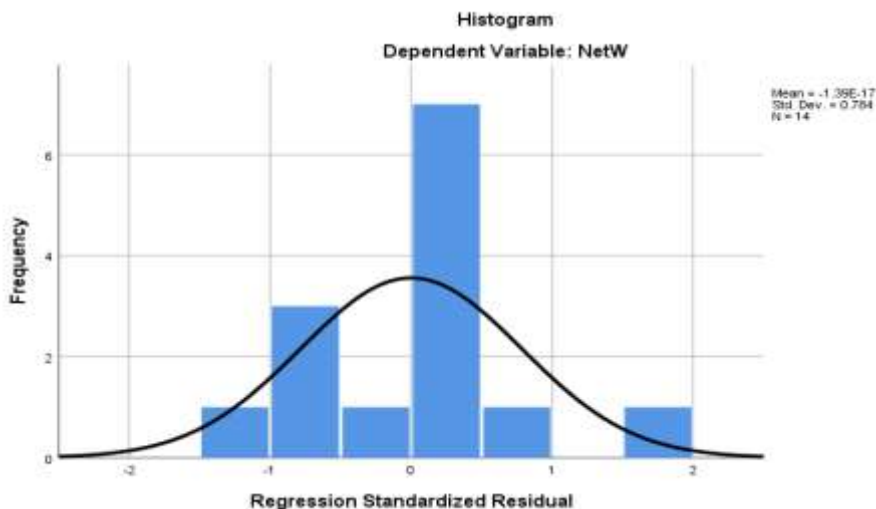Figure 2 shows the histogram of the model.

Figure no. 2: Histogram of the model
Source: Elaborated by authors using SPSS program

The histogram of the standardized residuals for the dependent variable NetW indicates that the regression model is well calibrated and provides robust estimates. The results highlight the importance of access to finance and supportive government policies on household wealth accumulation in Romania. At the same time, the negative impact of high interest rates emphasizes the need for balanced monetary policies that support lending without amplifying financial risks.

Conclusions
The results of this study confirm that household wealth in Romania is significantly influenced by financial factors, such as the volume of new loans granted to consumers, the level of interest rates and government interventions through state guarantees. Econometric analysis has shown that consumer credit has a positive effect on wealth accumulation, facilitating investment in real estate and financial assets. In contrast, the annual effective interest rate has a significant negative impact, suggesting that high borrowing costs limit access to finance and negatively affect households' ability to increase their wealth. At the same time, government guarantees for loans to non-financial companies have a positive effect on household wealth, indicating that indirect economic support, by stimulating investment and employment, contributes to increasing welfare. On the other hand, the effect of guarantees for house purchase was not fully favourable, suggesting the possibility of imbalances in the housing market or over-indebtedness of households. The regression model used has a high predictive power, explaining 96.1% of the variation in household wealth, and the analysis of the residuals

confirms the robustness of the estimates, although some deviations from normality may suggest the existence of exogenous factors that require further investigation.

To ensure sustainable growth in household wealth and minimize the financial risks associated with credit and economic policies, authorities must implement measures that balance access to finance with economic stability. A priority direction should be to promote monetary and fiscal policies that keep financing costs at an optimal level to stimulate lending without amplifying risks of over-indebtedness, which could imply an interest rate adjustment mechanism through more effective coordination between the National Bank and financial institutions. Optimizing government guarantee schemes for house purchase should be a central concern so that they are efficiently targeted to the categories of the population in real need of financial support, while avoiding speculative effects on the housing market. Such a measure could involve adjusting eligibility criteria to encourage responsible lending and prevent long-term household financial imbalances. In terms of support to non-financial companies, strengthening government guarantee schemes for the private sector could contribute to investment growth and labour market development, with a positive spill-over effect on household incomes. This measure should be coupled with tax incentives for companies investing in human capital development, to encourage higher wage income and thus the ability of households to accumulate wealth through saving and investment. At the same time, a stricter regulation of household indebtedness would be necessary, through the implementation of rigorous risk assessment mechanisms associated with consumer credit, to prevent over-indebtedness and reduce household vulnerability to economic fluctuations. This could imply imposing more restrictive ceilings on the maximum level of indebtedness and developing borrower protection instruments to mitigate the negative effects of rising interest rates on the ability to repay loans. Stimulating saving through favourable tax policies and promoting safe investment vehicles such as government securities or private pension funds could help reduce households' dependence on borrowing, thereby ensuring more sustainable growth in the long run. These measures should be coupled with a national financial education strategy so that the population is better informed about saving and investment options, thereby reducing the risks associated with uninformed financial decisions. By implementing well-structured public policies that balance access to finance with household protection against economic risks, financial stability at the macroeconomic level could be strengthened, while the welfare of the population could be increased sustainably.

Although the present study provides robust empirical evidence regarding the influence of credit, interest rates, and government interventions on household wealth in Romania, several limitations should be acknowledged. First, the analysis is based exclusively on macroeconomic data aggregated at the national level, which may obscure regional disparities or socioeconomic heterogeneity among households. Second, the study relies on secondary data sources, which may not capture informal financial practices or subjective perceptions of wealth and financial well-being. Third, the econometric model used is limited to linear relationships and may not fully account for potential nonlinear effects or interactions between variables.

Given these constraints, future research could adopt a microeconomic perspective, incorporating household-level survey data to explore the differentiated impact of

financial factors across income groups, regions, or age cohorts. Additionally, the use of panel data techniques or structural equation modelling could provide deeper insights into the causal mechanisms linking policy variables to wealth accumulation. Another promising direction would be to investigate the role of financial literacy, digital financial inclusion, and behavioural factors in shaping household financial decisions and resilience. Lastly, comparative analyses with other emerging economies in Central and Eastern Europe could offer a broader understanding of the systemic and contextual determinants of household wealth formation in post-transition societies.

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