Financial Stability and Growth in Emerging Economies:
The Role of the Financial Sector
Forum on Debt and Development (FONDAD)

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Financial Stability and Growth in Emerging Economies
The Role of the Financial Sector

Edited by
Jan Joost Teunissen and
Mark Teunissen

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Financial Stability and Growth in Emerging Economies: The Role of the Financial Sector

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Editors: Jan Joost Teunissen and Mark Teunissen

The views expressed in this book do not necessarily represent those of the Forum on Debt and Development or any of the co-sponsors. The summaries of the floor discussions, following the papers, attempt to convey the sense and substance of what was discussed. They have not been reviewed by all of the participants.


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## Abbreviations

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<th>Abbreviation</th>
<th>Description</th>
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<tr>
<td>ACU</td>
<td>Asian currency unit</td>
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<tr>
<td>ADBI</td>
<td>Asian Development Bank Institute</td>
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<td>AFTA</td>
<td>ASEAN Free Trade Area</td>
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<td>AMF</td>
<td>Asian Monetary Fund</td>
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<td>APEC</td>
<td>Asia Pacific Economic Cooperation</td>
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<tr>
<td>ASEAN</td>
<td>Association of South-East Asian Nations (Brunei, Burma, Cambodia, Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand, Vietnam)</td>
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<td>ASEAN+3</td>
<td>ASEAN and China, Japan, and Korea</td>
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<td>BIS</td>
<td>Bank for International Settlements</td>
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<td>CCA</td>
<td>common currency area</td>
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<td>CEE</td>
<td>Central and Eastern Europe</td>
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<tr>
<td>CEEC</td>
<td>Central and Eastern European countries</td>
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<tr>
<td>CEPAL</td>
<td>see ECLAC</td>
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<td>DIT</td>
<td>direct inflation-targeting</td>
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<td>DNB</td>
<td>De Nederlandsche Bank</td>
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<td>EBRD</td>
<td>European Bank for Reconstruction and Development</td>
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<td>ECB</td>
<td>European Central Bank</td>
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<tr>
<td>ECLAC</td>
<td>Economic Commission for Latin America and the Caribbean (of the UN); (in Spanish CEPAL)</td>
</tr>
<tr>
<td>ECU</td>
<td>European currency unit</td>
</tr>
<tr>
<td>EMS</td>
<td>European Monetary System</td>
</tr>
<tr>
<td>EMU</td>
<td>European Economic and Monetary Union</td>
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<tr>
<td>ERM</td>
<td>Exchange Rate Mechanism (European)</td>
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<tr>
<td>ERM-II</td>
<td>Exchange Rate Mechanism II (for EMU)</td>
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<tr>
<td>EU</td>
<td>European Union</td>
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<td>FDI</td>
<td>foreign direct investment</td>
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<td>FPC</td>
<td>Fiscal Policy Committee</td>
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<td>FTAA</td>
<td>Free Trade Area of the Americas</td>
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<td>G-7</td>
<td>Group of Seven</td>
</tr>
<tr>
<td>GATT</td>
<td>General Agreement on Tariffs and Trade</td>
</tr>
<tr>
<td>GDP</td>
<td>gross domestic product</td>
</tr>
<tr>
<td>HICP</td>
<td>Harmonised Index of Consumer Prices</td>
</tr>
<tr>
<td>HIPC</td>
<td>Heavily Indebted Poor Countries</td>
</tr>
</tbody>
</table>
IMF  International Monetary Fund
IFI  international financial institutions
IIF  Institute for International Finance
Mercosur  Southern Cone Common Market
          (in Latin America)
MFN  most favoured nation (trade status)
MPC  Monetary Policy Committee
NAFTA North American Free Trade Agreement
NPL  non-performing loan
OCA  optimum currency area
OECD Organisation for Economic Cooperation and Development
PPP  purchasing power parity
RER  real exchange rate
SDR  special drawing right
SDRM  Sovereign Debt Restructuring Mechanism
UK  United Kingdom
UN  United Nations
UNCTAD United Nations Conference on Trade and Development
US  United States
VAR  vector autoregression
WPI  wholesale price index
WTO  World Trade Organization