

FINANCIAL  
LIBERALIZATION  
*in*  
DEVELOPING  
COUNTRIES

*Trevor M. Sikorski*

In *Financial Liberalization in Developing Countries*, Trevor Sikorski challenges conventional financial liberalization theory by using a more complete view of the money creation process in developing countries. This book seeks to develop a theoretical framework for successful analysis of monetary and financial policy in developing countries.

By emphasizing the interrelationships and institutional structures which characterize the monetary transmission mechanism, Dr Sikorski shows how a policy of full financial liberalization is largely unsustainable in a developing economy. Assuming an endogenous money supply, this analysis is able to take greater account of adjustment costs from financial liberalization. Case studies are presented for South Korea, Indonesia, Malaysia and the Philippines, in order to assess the experiences of these countries in an endogenous money framework.

*Financial Liberalization in Developing Countries* will be welcomed for offering a coherent and unified theoretical framework capable of explaining the way monetary policy works in repressed and liberalized financial regimes.

TO PAPA & MAMA,  
THANK YOU FOR LOOKING  
AFTER ME IN HONG KONG &  
ENCOURAGING ME TO MAKE  
THE PUBLICATION OF THIS BOOK  
POSSIBLE.  
TREVOR





# Financial Liberalization in Developing Countries

**For Geraldine, Mom and Dad**

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Trevor M. Sikorski

Previously with The University of Strathclyde

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