

2008 Küresel Krizinin Gelişmiş ve Gelişmekte Olan Ekonomilerin Para Politikalarına Yansımaları/ The Effect of 2008 Global Crisis On The Monetary Policy of Advanced and Emerging Countries

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ABSTRACT

Countries firstly applied policy rate as conventional monetary policy in 2008 global crisis. But cutting interest rate proved not to be enough to stimulate in advanced economies, came near zero of interest rates and occurred debt sustainability problems in Eurozone peripheral economies so that inflation targeting regime which has only price stability as an aim, and instrument (policy rate) was started to be questioned by advanced economies. In this process, central banks of advanced economies have put price stability back front and give priority to maximum employment and economic growth in order to exit crisis and implementation of flexible inflation targeting that has more than one instrument, aims has been started. So that advanced economies have given excess liquidity to market by implementing unconventional monetary policy tools such as quantitative easing, credit easing and forward guidance. Central banks of emerging economies have started to apply monetary policy tools that have financial stability concern by preserving their main of price stability because that easing monetary policy of advanced economies and the ongoing fragilities in the global financial system has lead to substantial volatility in capital flows towards emerging economies. Emerging countries have started to use monetary policy tools such as reserve requirement and interest rate corridor effectively with policy rate for these aims. The aim of this study is to examine monetary policy in the emerging and developed economies. In this study, the applications of central bank's monetary policy in USA as developed economies and in Turkey as emerging countries are studied.

KEYWORDS Global Crisis; Monetary Policy; Advanced Economies; Emerging Economies

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