

1. Record Nr.	UNINA9910788519003321
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Titolo	Adopting Full Dollarization in Postconflict Economies : : Would the Gains Compensate for the Losses in Liberia? // Liliana Schumacher, Jiro Honda
Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2006
ISBN	1-4623-1348-5 1-4527-7840-X 1-282-58992-X 9786613822574 1-4519-0877-6
Descrizione fisica	1 online resource (25 p.)
Collana	IMF Working Papers
Altri autori (Persone)	HondaJiro
Soggetti	Dollar, American Monetary policy - Liberia Banks and Banking Foreign Exchange Money and Monetary Policy Public Finance Monetary Systems Standards Regimes Government and the Monetary System Payment Systems Debt Debt Management Sovereign Debt Banks Depository Institutions Micro Finance Institutions Mortgages Monetary economics Currency Foreign exchange Public finance & taxation Banking Currencies Exchange rate arrangements

Dollarization
Government asset and liability management
Money
Monetary policy
Finance, Public
Banks and banking
Liberia Economic conditions
Liberia Economic policy
Liberia

Lingua di pubblicazione	Inglese
Formato	Materiale a stampa
Livello bibliografico	Monografia
Note generali	"March 2006."
Nota di bibliografia	Includes bibliographical references.
Nota di contenuto	""Contents""; ""I. INTRODUCTION""; ""II. PROS OF DOLLARIZATION: ANALYTICAL CONSIDERATIONS AND EMPIRICAL EVIDENCE""; ""III. CONS OF DOLLARIZATION""; ""IV. CHOICES OF CURRENCY REGIMES IN POSTCONFLICT COUNTRIES""; ""V. CONCLUSIONS: IS LIBERIA A CANDIDATE FOR FULL, DE JURE DOLLARIZATION?""; ""References""
Sommario/riassunto	This paper discusses whether adopting the U.S. dollar as the sole legal tender could help Liberia, a postconflict economy, to boost growth and strengthen fiscal discipline. In view of the performance of exchange rate regimes in many countries and Liberia's own experience with dollarization, we conclude that Liberia should not adopt full dollarization for the following reasons: (i) the alleged benefits voiced by the proponents of dollarization, in terms of enhanced fiscal discipline and faster economic growth, are not supported by the empirical evidence; (ii) dollarization would increase the Liberian economy's vulnerability to external shocks and Liberia's social fragility; (iii) banks in fully dollarized economies face additional capitalization requirements that Liberian banks cannot meet at present; and (iv) dollarization would be costly in terms of real resources because of the loss of seigniorage.