THE POLITICS OF BANKING: GLOBALISATION AND DOMESTIC POLICY CHANGE

Widigdo Sukarman
Universitas Gadjah Mada, Indonesia
(w_sukarman@yahoo.com)

ABSTRACT

The current article aims to elaborate on the history of bank policy modifications as a response towards economic and financial change, mainly due to globalisation. The central status of banks in the economy causes a need for the government to protect it in many forms that differ from one country to another. Bank policy makers that are closed or esoteric and are short-lived must be opened up to be able to receive long term ideas. The process is also marked intensively with competing interests between other actors of the government.

Keywords: esoteric, globalisation, segmentation, deregulation, problem of coordination.