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## Central Banking in the Twentieth Century

Central banks are powerful but poorly understood organisations. In 1900 the Bank of Japan was the only central bank to exist outside Europe but over the past century central banking has proliferated. John Singleton here explains how central banks and the profession of central banking have evolved and spread across the globe during this period. He shows that the central banking world has experienced two revolutions in thinking and practice, the first after the depression of the early 1930s, and the second in response to the high inflation of the 1970s and 1980s. In addition, the central banking profession has changed radically. In 1900 the professional central banker was a specialised type of banker, whereas today he or she must also be a sophisticated economist and a public official. Understanding these changes is essential to explaining the role of central banks during the recent global financial crisis.

JOHN SINGLETON is Reader in History at Sheffield Hallam University. His previous publications include *Innovation and Independence: The Reserve Bank of New Zealand, 1973–2002* (2006).

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## Contents

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<i>List of illustrations</i>	<i>page</i> ix
<i>Acknowledgements</i>	x
<i>List of abbreviations</i>	xi
1 A beginner's guide to central banking	1
2 Very boring guys?	17
3 Wind in the willows: the small world of central banking c. 1900	34
4 Something for everyone: new central banks, 1900–1939	50
5 A series of disasters: central banking, 1914–1939	69
6 The mysteries of central bank cooperation	91
7 The first central banking revolution	110
8 No time for cosmic thinkers: central banking in the 'Keynesian' era	128
9 Rekindling central bank cooperation in the Bretton Woods era	147
10 The goose that lays the golden egg: central banking in developing countries	165
11 The horse of inflation	184
12 The second central banking revolution: independence and accountability	204
13 Reputations at stake: financial deregulation and instability	222
14 Inflation targeting: the holy grail?	241
	vii

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Frontmatter  
[More information](#)

---

viii	Contents	
15	The long march to European monetary integration	259
16	A world with half a million central bankers	277
	<i>References</i>	289
	<i>Index</i>	327

## Illustrations

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Figure 1	A three-dimensional profession	<i>page</i> 18
Table 1	Founding dates of banks of issue and central banks	35
Table 2	Central bank personnel, 1950–90	141
Table 3	Average annual inflation in selected countries, 1960s to 1990s	186

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Frontmatter

[More information](#)

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## Abbreviations

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BBC	British Broadcasting Corporation
BCCI	Bank of Credit and Commerce International
BCEAO	Banque Centrale des États de l'Afrique de l'Ouest
BdL	Bank deutscher Länder
BEAC	Banque des États de l'Afrique Centrale
BIS	Bank for International Settlements
BNB	Banque Nationale de Belgique
CAMA	Central African Monetary Area
CBA	Commonwealth Bank of Australia
CBBH	Central Bank of Bosnia-Herzegovina
CBC	Central Bank of China
CBM	central bank money
CCC	Competition and Credit Control
CEMLA	Center for Latin American Monetary Studies
CFA	Colonies Françaises d'Afrique
CHIPS	Clearing House Interbank Payments System
CLCB	Committee of London Clearing Bankers
CPI	consumer price index
CPSS	Committee on Payment and Settlement Systems
DCE	domestic credit expansion
DFC	Development Finance Corporation
DM	Deutsche Mark
DNS	deferred net settlement
ECB	European Central Bank
EEA	Exchange Equalization Account
EEC	European Economic Community
EMI	European Monetary Institute
EMS	European Monetary System
EMU	Economic and Monetary Union
EPU	European Payments Union
ERM	Exchange Rate Mechanism
ESCB	European System of Central Banks

xii List of abbreviations

ESF	Exchange Stabilization Fund
FFR	federal funds rate
FOMC	Federal Open Market Committee
FRBNY	Federal Reserve Bank of New York
FSA	Financial Services Authority
GAB	General Agreement to Borrow
IBI	Imperial Bank of India
IMF	International Monetary Fund
LMU	Latin Monetary Union
LTCM	Long-Term Capital Management
LZB	Landeszentralbanken
MPC	Monetary Policy Committee
NBFI	non-bank financial institution
NMC	National Monetary Commission
NRA	National Reserve Association
OCA	optimum currency area
OCR	official cash rate
OECD	Organisation for Economic Cooperation and Development
OEEC	Organisation for European Economic Cooperation
PBC	People's Bank of China
PTA	Policy Targets Agreement
RBA	Reserve Bank of Australia
RBC	risk-based capital
RBI	Reserve Bank of India
RBNZ	Reserve Bank of New Zealand
RBS	Royal Bank of Scotland
RFC	Reconstruction Finance Corporation
RTGS	real-time gross settlement
S&L	Savings and Loan
SARB	South African Reserve Bank
SDR	Special Drawing Right
SEACEN	South East Asian Central Bank
SEANZA	South East Asia New Zealand Australia
SMU	Scandinavian Monetary Union
SUMOC	Superintendency of Money and Credit
TARGET	Trans-European Automated Real-time Gross Settlement Express Transfer System
WAMU	West African Monetary Union
YSB	Yokohama Specie Bank