

Boosting the autonomy of regional banking systems as a driver of economic development: The case of Russia

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Abstract

The object of the research study reported in this paper is to work out a set of practical recommendations on reforming the key instruments and mechanisms that underpin state regulation of Russia's banking sector to help boost the autonomy of its regions' banking systems based on a set of inferences derived regarding the effect of autonomy in terms of boosts in the efficiency of regional banking systems. The authors' practical recommendations are aimed at stimulating the self-development of the nation's regions. Institutional regulation of the regional banking system is proceeding along the path of putting together regional financial-industrial clusters, participants in which are eligible for the long-term use of the resources available. What is open to question is the degree to which the regulator's standards and requirements are differentiated depending on the specificity of the region's economy and the bank's sectoral specialization.

Keywords

Central Bank of Russia, Economic growth, Monetary-lending policy, Regional banking system, State regulation

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