Enhancing economic sustainability of financial sector through economic policies

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Abstract

Economic sustainability is the term used to identify various strategies that make it possible to use available resources to their best advantage. This is done to ensure the use of available resources in a way that is both efficient and responsible, and likely to provide long-term benefits. In the case of a business operation, it calls for using resources so that the business continues to function over a number of years, while consistently returning a profit. Economic sustainability can be achieved through economic policies. Economic policies play an important role in economic sustainability as they are designed according to available resources of economy. This paper investigates with help of secondary date using descriptive statistical technique role of monetary policy in strengthening economic sustainability of financial sector in developing economies. Paper concludes that weak monetary policy can lead to fall of financial sector affecting investment and growth of economy. Paper develops a model based on experience of other countries suitable for developing economies in enhancing their financial sustainability.

Keywords: Economic Sustainability, Monetary Policy, Financial sustainability.