

**Volume 33, Issue 2****Research Announcement****Banking crises and inflation dynamics in the west africa monetary zone**

Adegoke I. ADELEKE  
*University of Ibadan*

Joseph O. Ogebe  
*University of Ibadan*

**Abstract**

This paper examines the impact of banking crises on inflation in WAMZ from 1970 to 2012. It adopted the modified monetarist theory of inflation that is based on dynamic panel estimation technique to analyze the dynamics of inflation and banking crises. The paper indicates that banking crises increases the amount of deposit withdrawals, money in circulation and thus inflation in WAMZ. Overall, the study concluded that banking crises can thwart the effectiveness of monetary policy and the achievement of single central bank and thus common currency among member states in WAMZ.

Completed draft available on request from:

Adegoke I. ADELEKE  
University of Ibadan  
ai.adeleke@ui.edu.ng

Department of Economics,, University of Ibadan  
Ibadan, Nigeria  
+234-8023755663(Phone)