



BIRZEIT UNIVERSITY

The Department of Finance and Banking – Faculty of Business and Economics cordially invites you to attend a round table discussion entitled

“Modern Monetary Theory”

Presented by: Prof. Frank Ashe

On Tuesday May 2nd 2017 in BUS305 at 9:30 am.

Abstract

A short guide to modern monetary theory is given. The approach is kept as simple as possible to highlight the logical coherence of the system of fiat money and its differences from a gold-standard theory of money. The role of the government is central to this discussion. Many common ideas concerning money, which are holdovers from a gold standard, do not hold under a fiat system and this has implications for financial systems.

It is easy to become confused between the boundary line demarcating (i) and (ii) and the boundary line demarcating (ii) and (iii) where:

- (i) what is easily accomplished using the current economic institutions, widely interpreted as: laws on budgetary outcomes; notional independence of central banks; presentation and discussion of government finances; imagined reactions of bond markets etc i.e. the self-imposed constraints under which a government manages the economy;
- (ii) what is actually happening under a fiat money system;
- (iii) what is not allowed under a fiat money system

Biography

Dr Frank Ashe has a consulting practice specialising in risk governance, behavioural finance, risk management, and investments. Risk management covers the gamut from culture and behavioural psychology, to technical matters in derivative risk, to strategy, to asset-liability management, to

comparative corporate governance. He is an Honorary Associate Professor with the Macquarie University Applied Finance Centre.

Dr Ashe has worked in Australia, Canada and Asia with consultancies, insurance companies, investment management firms, bond dealers, and financial software houses. His 30+ years of practical experience have been predominantly in the measurement and management of financial risk and return, with an emphasis on governance, asset-liability management, and developing risk measurement and management tools for novel situations. His passion is for the clear expression of risk concepts to the non-specialist at all levels in the organisation

He is a regular presenter at industry seminars and colloquia, and was President of the Australian Q-Group 2002-2011. He regularly travels through East Asia and South Asia, consulting and giving seminars, in-house training and Masters level University courses. Dr Ashe is a member of the Australian Institute of Company Directors.

Dr Ashe obtained his PhD in Operations Research from the University of New South Wales. He majored in Pure and Applied Mathematics, Statistics, and Actuarial Science, with First Class Honours in Mathematics, from Macquarie University.