# CONTENTS

INTRODUCTION .......................................................... 3

CHAPTER 1
GLOBAL FINANCIAL INSTABILITY
AS THE «NEW NORMAL» OF THE MODERN WORLD 5

CHAPTER 2
MONETARY MECHANISM OF THE US ECONOMY 14

2.1. Current peculiarities of the monetary mechanism of the US economy 17
   Economic and institutional context of functioning of the US monetary mechanism 17
   The Fed actions of monetary easing directed to overcome the financial and economic crisis 21

2.2. Efficiency of the monetary mechanism in the US economy 25
   Interest rates’ dynamics 28
   Lending 31
   Securities market 35
   Labor market 39
   Fostering economic growth 42
   Summary 46

CHAPTER 3
MONETARY MECHANISM OF THE EU ECONOMY 51

3.1. Current peculiarities of the monetary mechanism of the Eurozone economy 55
   Economic and institutional context of functioning of the Eurozone monetary mechanism 55
   European debt crisis and monetary easing for the economies in the Eurozone countries 64

3.2. Efficiency of the monetary mechanism in the Eurozone economy 70
   Interest rates’ dynamics 70
   Lending 75
   Securities market 78
   Labor market 81
   Fostering economic growth 84
   Summary 87