July 2025, Vol. 12, No. 3

IMI Newsletter

International Monetary Institute
Renmin University of China

Highlight

• Monetary and Financial Roundtable • Spring 2025 Held in Haining: Experts Discuss Green Inclusive Finance

• Anoop Singh, Former IMF Asia-Pacific Director, Speaks at McKinnon Lecture Series on “Global Financial Landscape and Risk Mitigation

• Chinese and International Experts: Policy Innovations for Regional Economic Development in China and Globally

Research

• Macro-Finance Salon No. 249–251、253、255

Highlight

Monetary and Financial Roundtable • Spring 2025 Held in Haining: Experts Discuss Green Inclusive Finance

On May 10, 2025, the "Monetary and Financial Roundtable • Spring 2025 & Smart Green Finance, Inclusive Future – AIF 10th Anniversary Event" was successfully held at Zhejiang University's Haining International Campus. The event was co-hosted by the International Monetary Institute (IMI) of Renmin University of China, the Academy of Internet Finance (AIF) of Zhejiang University, the Zhejiang University International Business School (ZIBS), and the China Academy of Inclusive Finance (CAFI), among other authoritative institutions.

Distinguished guests attending and delivering speeches included: Ben Shenglin (Director of AIF, Dean of ZIBS, and Co-Director of IMI), Bei Duoguang (President of CAFI), Wang Xiaolong (Deputy Director of the Economic Committee of Zhejiang Provincial Committee of the Chinese People' s Political Consultative Conference), Tu Yonghong (Deputy Director of IMI and Director of the Yangtze River Economic Belt Research Institute), Yang Xiaohu (Deputy Director of AIF and Deputy Director of the National Key Laboratory of Blockchain and Data Security at Zhejiang University), Yang Zaiping (Founding Secretary-General of the Asian Financial Cooperation Association and former Executive Vice Chairman of the China Banking Association), and Chaesub Lee (Director of the Telecommunication Standardization Bureau at the International Telecommunication Union).

At the beginning of the event, Ben Shenglin, serving as the moderator, delivered the opening speech. He pointed out that green inclusive finance is a key pathway to achieving the "dual carbon" goals and common prosperity, but in practice still faces challenges such as mismatched standards and data gaps, urgently requiring multi-party collaboration to drive innovation.

In his keynote speech, Bei Duoguang started with the case of low-cost solar lamps, emphasizing that green inclusive finance needs to balance environmental benefits and social equity, providing more precise financial services for small and micro enterprises, farmers, and other groups through policy guidance, technological innovation, and product optimization. Shenzhen entrepreneur Li Xia promoted low-cost solar lamps in Africa at a price of $5 with a 5-year usage cycle, ensuring both economic feasibility and carbon reduction, fully demonstrating the practical value of integrating green finance and inclusive finance to serve underprivileged groups. China's green finance ranks among the global leaders in green credit and bond scale, but resources are overly concentrated in large enterprises and national-level projects. Future development should focus on two major directions: first, promoting the transition of traditional energy projects and existing assets; second, deepening the integration of green finance and inclusive finance. In particular, to correct the “preference for the wealthy” in financial resource allocation, it is necessary to include small and micro enterprises in the coverage of green transition policies, guiding diversified capital through policies to balance commercial benefits and social value, ultimately achieving the sustainable development of green inclusive finance.

In his keynote speech, Yang Zaiping, combining the tremendous changes in his hometown since China’s reform and opening-up, analyzed and envisioned the role of green inclusive finance in rural development. He pointed out three major problems in rural development: abandoned farmland, left-behind elderly, and environmental sanitation. E.F. Schumacher noted in Small Is Beautiful that the overwhelming problem in developing countries is the rural problem and how to revitalize rural life. Green inclusive finance has great potential in rural development: first, serving the needs of the rural revitalization strategy by supporting the R&D and promotion of green agricultural technologies, assisting in the construction of rural ecological infrastructure, and promoting the development of rural eco-tourism; second, innovating the financial product system by developing targeted financial products such as carbon emission pledge loans, eco-compensation income financing, green supply chain finance, and climate insurance products based on rural green development needs; third, building a service ecosystem, including establishing a government-bank-insurance-guarantee collaboration mechanism, setting up a rural credit information sharing platform, and conducting green finance knowledge popularization education.

In his keynote speech, Chaesub Lee emphasized that true “smart” transformation should align with human values and local characteristics, not just rely on advanced technology. Sustainable development needs to balance environmental, economic, and social dimensions, starting at the community level. He stressed that technology is merely a means, and its value lies in integration with social and regulatory systems. At the same time, transformation requires balancing top-down and bottom-up forces, with community participation at the core. Additionally, digital transformation should span multiple fields, achieved through the integration of technology and real-world systems. Standardization should ensure interoperability while maintaining flexibility to adapt to local needs. In short, successful intelligent transformation and sustainable digital transformation depend on multi-party collaboration and innovation. His speech supplemented the role green finance can play from the perspective of technological change.

During the roundtable discussion, experts and scholars from financial institutions and research organizations shared their views on the theme of “green inclusive finance”.

Wang Fang introduced Jiaxing Bank’s active exploration in the field of green inclusive finance during the discussion. On the product side, the focus is on photovoltaic energy storage; in terms of services, it collaborates with State Grid Zhejiang to obtain carbon reduction support tools; digitally, it innovates online financing models, breaking geographical restrictions. By the end of last year, its green finance loans accounted for nearly 14%, demonstrating good business development results.

Wang Xiaolong conducted an in-depth discussion on “the clarification, current status, and social governance functions of inclusive finance”. The characteristic of inclusive finance is finance rather than fiscal policy, but in practice, the operation of policy funds needs to be standardized. Zhejiang Rural Commercial Bank has developed people-centered inclusive finance, using accumulated data and fintech to build a widely covered digital network in Zhejiang, which is also a stage of rural social governance.

Tu Yonghong introduced the tracking research results on the financial development of national central cities, showing that the development of green and inclusive finance presents an insufficient and uneven regional pattern. The Yangtze River Economic Belt has a strong collaborative foundation and supporting capacity. Chengdu has promoted the integration of multi-party resources and cross-regional linkages by building a digital inclusive finance platform, forming a replicable experimental mechanism. The advancement of inclusive finance should further penetrate the industrial level, combining the actual characteristics of cultural and creative small and micro enterprises, to explore the effective connection of funding support, financial tools, and policy tolerance.

Yang Xiaohu pointed out during the discussion that the service targets of inclusive finance and green finance have the characteristics of being “small, micro, and scattered”, requiring the use of information technology to achieve effective services. Among them, data credibility, transaction efficiency, and privacy protection are key issues. Blockchain and smart contract technology can prevent data fraud, improve transaction automation, reduce costs, and solve privacy leakage problems.

Other participants in the roundtable discussion included: Lü Jianzhong (Director of GRI, Deputy Director of the Sustainability Management Committee of the China Management Science Society, and Deputy Director of the ESG Committee of the China Environmental Protection Federation), Zheng Xiaolin (Deputy Director of the AI Research Institute at Zhejiang University and Chief Scientist of Hangzhou Jintower Technology), Luo Xingguo (Deputy Dean of ZIBS), Wu Jiaqing (Senior Managing Director of East West Bank and Chairman of the Asia-Pacific Operations

Decision Committee), Yu Fang (Executive Director of DBS Bank (Hong Kong) and Director of the Regional Business Team for Chinese Enterprise Internationalization), Pei Yigen (Vice President of the Shanghai Modern Service Industry Federation and former Deputy President of Citibank China), Zhang Guoxiong (Executive Director of Deloitte China Economic Advisory and Chairman of the ESG Committee of the British Chamber of Commerce in Shanghai), Chang Qing (Assistant Director of the Zhejiang University Financial Research Institute and Deputy Director of the Zhejiang Academy of Financial Research), Yu Lei (Senior Investment Director of ZStone Investment), Lu Gaofei (Deputy Head of CCB's Yangtze River Delta Integrated Branch), professors Wen Wu and Zhang Ruidong from Zhejiang University, Luo Dan (Associate Researcher at AIF and Lecturer at Hangzhou Normal University), and Gu Yue (Associate Researcher at AIF and Lecturer at Zhejiang University City College), etc.

It is reported that the "Monetary and Financial Roundtable" is a high-level quarterly forum initiated by the International Monetary Institute (IMI), inviting renowned financial experts from home and abroad to discuss the path of monetary and financial reform and development, with the aim of providing visible strategies for the formulation and implementation of China's international financial strategy. Currently, the forum has become an important international academic exchange platform in the field of monetary and finance, enjoying high reputation in both financial theory and practice.

Anoop Singh, Former IMF Asia-Pacific Director, Speaks at McKinnon Lecture Series on "Global Financial Landscape and Risk Mitigation"

On the morning of May 27, 2025, the 16th session of the McKinnon Lecture Series, hosted by the International Monetary Institute (IMI) of Renmin University of China, was successfully held in Conference Room 801 of the Mingde Main Building at Renmin University. The theme of this lecture was "Global Financial Landscape and Risk Mitigation." Anoop Singh, former Director of the Asia and Pacific Department at the International Monetary Fund (IMF) and former Managing Director of J.P. Morgan Asia Pacific, was invited to deliver a keynote speech. The forum was chaired by Zhang Zhixiang, former Director-General of the International Department of the People's Bank of China and former Executive Director for China at the IMF. Distinguished panelists included Zhao Xijun, Co-Dean of the China Capital Market Research Institute at Renmin University; Li Jing, Professor at the School of

Economics, Capital University of Economics and Business; Qu Qiang, Deputy Director of the Regional and Country Studies Institute at Minzu University of China; and Jiang Ningxin, Economist at the IMF China Office.

In his keynote speech, Anoop Singh, former Director of the IMF Asia-Pacific Department and former Managing Director of J.P. Morgan Asia Pacific, pointed out that the COVID-19 pandemic, the Russia-Ukraine conflict, and the energy crisis have reshaped the world economy over the past decade. Coupled with “crazy” tariffs causing dual shocks to global trade supply and demand, the landscape of financial flows is undergoing rebalancing. Sovereign debt has surged to nearly 100% of GDP, and the U.S. fiscal deficit may push its debt ratio to 125%. Investors demanding higher yields are exacerbating vulnerabilities in government bond markets. Singh warned that the over $2 trillion “dark” credit market in non-bank financial intermediation, capital misallocation in state-owned banks, and weak standards in bank infrastructure and cybersecurity will continue to threaten global financial stability in the coming years.

During the subsequent interactive panel discussion, Zhao Xijun, Li Jing, Qu Qiang, and Jiang Ningxin engaged in in-depth exchanges on the theme of “Global Financial Landscape and Risk Mitigation.” The panelists highly praised Anoop Singh’s profound insights into global economic challenges and financial risks, fostering a lively atmosphere of intellectual exchange. The event concluded with warm applause, and attendees expressed significant gains from the session.

It is reported that Professor McKinnon, the founder of contemporary financial development theory, was a highly respected economist of his era. He served as a member of the Advisory Committee since the institute’s establishment in 2009, making outstanding contributions to its development. After Professor McKinnon’s passing in October 2014, his family generously donated his collection of 1,897 books to the institute. In honor of his legacy, the institute renamed the “IMI Lecture Series” as the “McKinnon Lecture Series.” The series continues to combine “going global” and “inviting in,” featuring renowned domestic and international experts who address theoretical and policy issues in monetary and financial fields.

Chinese and International Experts: Policy Innovations for Regional Economic Development in China and Globally

On June 20, the seminar on the International Monetary Fund (IMF) World Economic Outlook Report, co-hosted by the IMF China Office, the International Monetary Institute (IMI) of Renmin University of China, and the International

Cooperation Center (ICC), was successfully held. The event featured a keynote speech by Marshall Mills, Chief IMF Representative in China. Panelists including Zhao Xijun (IMI Academic Committee Member and Co-Dean of the China Capital Market Research Institute at Renmin University), Liu Zehao (Associate Professor and Doctoral Supervisor at Renmin University's School of Finance, Wu Yuzhang Young Scholar), and Zhao Ran (Researcher at IMI) engaged in discussions on "High-Quality Regional Economic Development and Policy Innovation." The session was chaired by Zhang Zhixiang, former Director-General of the International Department of the People's Bank of China and former Executive Director for China at the IMF.

Marshall Mills, Chief IMF Representative in China, delivered a keynote on global economic conditions and the latest IMF World Economic Outlook Report. He stated that global uncertainty remains elevated, with trade policy volatility and tariff levels continuing to suppress growth despite slight declines from peaks. Regional divergence is stark: advanced economies face declining consumer confidence, weak industrial production, and fiscal constraints from high debt; China struggles with sluggish domestic demand and consumer confidence below pre-pandemic trends; emerging markets show robust industrial output. Asia relies on exports for recovery, while domestic demand lags pre-pandemic trends, leaving it vulnerable to trade policy shifts. Trade dependencies are realigning: China's direct exports to the U.S. have decreased, shifting toward emerging Asian economies; ASEAN nations like Vietnam are increasingly U.S.-dependent. Global productivity is declining, with medium-term growth projected at 3.3%. Policy priorities include easing trade tensions and strengthening international cooperation; China needs accommodative monetary policy to stimulate demand, supplemented by targeted fiscal measures; Asia must shift from export-led growth to balanced models; China should advance structural reforms to sustain momentum.

The IMF World Economic Outlook Report(April 2025) projects global growth to slow to 2.8% in 2025 and 3% in 2026, down 0.8 percentage points cumulatively from January 2025 forecasts, well below the historical average. Advanced economies are projected to grow 1.4% in 2025. U.S. growth slows to 1.8% due to policy uncertainty, trade tensions, and weakening demand; Eurozone growth at 0.8%. Emerging markets growth moderates to 3.7% in 2025 and 3.9% in 2026, with significant downgrades for trade-impacted economies like China. Global inflation is projected at 4.3% in 2025 and 3.6% in 2026, with advanced economies seeing upward revisions.

During the panel discussion, Zhao Xijun analyzed global economic shifts post-financial crisis and pandemic, noting persistent scarring effects. He highlighted divergent fiscal, trade, and environmental deficits driving economic fragmentation. For China's new development phase, he emphasized monitoring expectation indicators and cited the PBOC's structural tools like swap facilities and relending programs to stabilize growth.

Liu Zehao outlined core challenges in structural transformation: transitioning from government-led to market-driven policies to avoid inefficacy; addressing industrial price declines through urgent demand stimulus; coordinating structural monetary policies with fiscal functions to control debt and currency risks; and navigating political polarization through stable expectations and policy coordination to rebuild public confidence.

Zhao Ran addressed China's transition challenges: exercising caution against a liquidity trap amid record-low M1 growth; mitigating U.S. tariffs' impact on RMB internationalization; addressing the employment crisis for over 10 million graduates annually through emergency fiscal measures; highlighting China's achievement of 5% growth despite deflationary pressures; and leveraging large-scale fiscal support to counter local debt and employment pressures for a U-shaped recovery.

Research

Macro-Finance Salon

Editor's Note:

The Macro Finance Salon, co-hosted by the School of Finance and the National Academy of Financial Research at Renmin University of China and organized by the International Monetary Institute (IMI), serves as a high-level academic platform. It draws on China's practical experiences and keeps pace with global developments to promote the construction of the Macro Finance discipline and advance theoretical, policy, and strategic research in finance.

Professor Huang Da, the founder of the Macro Finance theoretical framework in China, initiated this discipline in response to the challenges of economic globalization. Over the years, successive generations of scholars have expanded this system, emphasizing the integration of finance with the real economy and macrofinance with microfinance. This framework, rooted in Renmin University's distinctive academic tradition, continues to inspire theoretical innovation and offers valuable guidance for addressing China's financial and economic challenges.

Macro Finance Salon No. 249: How to Boost Consumption and Expand Domestic Demand

On April 13, Macro Finance Salon No. 249 was successfully held online, co-hosted by the Renmin University of China Shenzhen Research Institute and the Institute of Social Science (Shenzhen) of Renmin University of China, organized by the Shenzhen Advanced Institute of Finance of Renmin University of China, and co-organized by the International Monetary Institute (IMI) of Renmin University of China and the Beijing Central Business District Administrative Committee. The event featured a keynote speech by Wang Wei, former Director and Senior Researcher (Level II) of the Market Economy Research Institute at the Development Research Center of the State Council, as well as discussions by experts including Lian Ping, Chairman of the China Chief Economists Forum and Chief Economist of the Guanghua Chief Industry Research Institute; Zhang Ming, Deputy Director of the Institute of Finance and Banking at the Chinese Academy of Social Sciences and Deputy Director of the National Institution for Finance & Development; Zhu Taihui, Senior Research Director at JD Group; and Dong Qing, President of Beijing Xiushui Street Commercial Management Co., Ltd. The experts engaged in in-depth discussions on “How to Boost Consumption and Expand Domestic Demand.” The meeting was moderated by Qu Qiang, Assistant Director of IMI, Vice Dean of the School of Journalism and Communication at Minzu University of China, and Researcher at the National Ethnic Affairs Commission’s “Belt and Road” Country and Regional Research Center.

In his keynote report, Wang Wei, former Director and Senior Researcher (Level II) of the Market Economy Research Institute at the Development Research Center of the State Council, provided a detailed analysis of short-term strategies and long-term plans for boosting consumption. Expanding consumption is not only a key task for short-term economic stabilization but also a core requirement for promoting high-quality development in the medium to long term. Currently, China’s consumer market shows signs of stabilizing growth and structural optimization, with service consumption, digital consumption, and green consumption emerging as new growth drivers. The proportion of service consumption continues to rise, exceeding that of total retail sales of consumer goods, while digital consumption’s share in retail sales has stabilized, and the penetration rate of green consumption, such as new energy vehicles, has reached new highs. However, the release of consumption potential still faces multiple challenges: slowing growth in household income, weak consumer confidence, structural imbalances between supply and demand, institutional barriers, and shortcomings in policy implementation. Moving forward, reform and innovation must be the core drivers, addressing three key areas: (1) improving income distribution mechanisms to enhance residents' consumption capacity and willingness; (2) optimizing the consumption environment, accelerating market-oriented reforms in the service sector, adjusting holiday policies, and strengthening consumer rights protection; and (3) deepening supply-side structural reforms, expanding the supply of mid-to-high-end goods and services, and fostering new consumption growth points. At the same time, short-term policies must be coordinated with long-term institutional design to stimulate domestic demand potential, promote the coordinated upgrading of manufacturing and services, and provide sustainable endogenous momentum for high-quality development.

In the second session of the salon, the participants engaged in in-depth discussions on the challenges and measures for boosting consumption, three key directions for consumption growth, consumption policies, and specific pathways for revitalizing consumption and expanding domestic demand.

Lian Ping, Chairman of the China Chief Economists Forum and Chief Economist of the Guanghua Chief Industry Research Institute, explored the challenges and measures for boosting consumption. First, promoting consumption faces multiple income growth dilemmas. Against the backdrop of U.S. tariff hikes, it is necessary to boost consumption by increasing income levels, thereby stimulating domestic demand. The slowdown in household income growth expectations is the main reason for weak consumption, with issues in wage income, business income, transfer income, and property income. The slow growth of property income is due to sluggish capital markets, a deep downturn in the real estate market, and rising household leverage. Local government debt pressures are being transferred to enterprises, affecting the business income of private entrepreneurs and reducing wage income for employees, dragging down consumption growth. Second, boosting consumption requires multiple measures to increase disposable income. Support for small and medium-sized enterprises should be strengthened to encourage entrepreneurship, create a favorable competitive environment for private enterprises, and increase wage and business income for residents. A macro policy framework for capital markets should be established to promote healthy market development and boost property income. Accelerating new urbanization can increase transfer income for new urban residents and unleash consumption potential. Unreasonable and competitive wage cuts and bonus suspensions should be halted, and multiple measures should be taken to boost income and promote consumption.

Zhang Ming, Deputy Director of the Institute of Finance and Banking at the Chinese Academy of Social Sciences and Deputy Director of the National Institution for Finance & Development, elaborated on three key directions for boosting consumption. Zhang Ming pointed out that vigorously boosting consumption has significant strategic importance in both the short and long term. First, China's private consumption as a share of GDP has long been lower than that of major developed and developing economies. Second, the recent decline in consumption's contribution to economic growth is the most important reason for China's current economic slowdown. Third, against the backdrop of trade wars creating uncertainty in external demand, boosting consumption is key to building a "dual circulation" development pattern. Based on the consumption function, Zhang Ming proposed three key recommendations: (1) At the household income level, measures should include issuing special treasury bonds to fund nationwide consumption vouchers (not tied to specific industries) in the short term, optimizing income distribution in the medium to long term, vigorously supporting private enterprises, increasing state-owned enterprise profit transfers (including potential equity transfers to social security), and transitioning household taxation from regressive to progressive. (2) At the household wealth level, policies should include lifting all purchase and loan restrictions to stabilize core area housing prices in first-tier cities, providing targeted support for stable private developers at the provincial level, and optimizing policies for purchasing existing commercial housing and converting it into affordable housing. Additionally, improving stock market governance, attracting long-term investors, and enhancing listed company quality are crucial for a healthy capital market. (3) At the confidence and expectations level, micro-level measures should increase public service supply (education, healthcare, elderly care, housing) to reduce precautionary savings, while macro-level policies should include more proactive fiscal and moderately loose monetary policies, accelerating reform and opening-up, mitigating systemic financial risks, and adopting more flexible economic diplomacy to boost confidence.

Zhu Taihui, Senior Research Director at JD Group, analyzed the current consumption landscape, potential issues, and policy recommendations from the perspective of how consumption policies should be implemented. Zhu Taihui noted that the "trade-in" policy has significantly boosted consumption growth, with total retail sales of consumer goods increasing by 4.0% year-on-year in January-February. Structurally, the policy has improved consumption in first-tier cities and created spillover effects for non-subsidized categories. However, the current growth rate remains below the pre-pandemic average of 8.5%, and consumption's contribution to GDP growth in 2024 (44.5%) is still far below the 55% average of the past decade. The sustainability of policy effects requires further observation. He pointed out that while income, wealth, and confidence—the three major constraints on consumption recovery—have improved this year, progress has been limited. The youth unemployment rate (16-24 years old) stood at 16.9% in February, disposable income growth lagged behind consumption growth, and the wealth effects of real estate and stock markets remain subdued. The decline in consumer credit indicates weak confidence. Zhu Taihui suggested that boosting consumption requires both short-term and long-term measures, forming policy synergy in four areas: (1) Accelerate the implementation of the "expanding domestic demand" strategy through policy audits and supervision; (2) Unleash rural and migrant workers' consumption potential through household registration reform, flexible employment social security reform, and rural land transfer reform; (3) Continue the "trade-in" policy and issue localized service vouchers to maintain policy continuity; (4) Improve financial support policies, such as special relending for consumption, fiscal interest subsidies for consumer loans, and risk-sharing mechanisms, to amplify the multiplier effect of consumer credit.

Dong Qing, President of Beijing Xiushui Street Commercial Management Co., Ltd., discussed specific pathways for revitalizing consumption and expanding domestic demand based on Xiushui Street's practical experience. She noted that the government work report emphasized revitalizing consumption through targeted campaigns to upgrade consumption quality. As a cultural and tourism landmark, Xiushui Street benefited from relaxed entry policies, with overseas visitor numbers surging by 251% in 2024. However, domestic tourists' consumption potential remains underutilized, as most focus on attractions like the Great Wall and the Forbidden City, limiting spending opportunities. She suggested that tourism authorities classify shopping destinations and open qualified locations to unleash domestic consumption. Dong Qing also highlighted Beijing's role as an international consumption hub, with Xiushui Street fostering domestic brands through online-offline integration. She proposed expanding tax refund points and relaxing duty-free shop regulations to enhance international consumption. Finally, she emphasized that "Made in China" premium products are key to expanding domestic demand. While China's industrial clusters are globally competitive, domestic brands lack recognition. Government, industry associations, and retailers must collaborate to incubate homegrown brands, meet rational consumption needs, and elevate Chinese manufacturing globally.

It is reported that the Macro Finance Salon is a high-level academic platform jointly initiated by the International Monetary Institute (IMI) of Renmin University of China and the Department of Monetary Finance at the School of Finance. Grounded in Chinese practice and aligned with global frontiers, the salon promotes the development of "Macro Finance" as a discipline, facilitating high-level, specialized, and open exchanges on theories, policies, and strategies. The concept of "Macro Finance" stems from Professor Huang Da's advocacy for integrating macro and micro financial theories, reflecting the systemic view of finance and the real economy as an inseparable whole. Chen Yulu, former Deputy Governor of the People's Bank of China, systematically demonstrated the "Macro Finance" proposition in The Outline of Macro Finance, laying the theoretical and empirical foundation for a financial framework that fosters long-term growth and national competitiveness.

Macro Finance Salon No. 250: Professor Yao Shuomin on the Role of Ancient

Chinese Currency in National Resource Allocation

On the morning of April 16, 2025, the Macro Finance Salon (No. 250), jointly hosted by the School of Finance at Renmin University of China and the National Academy of Financial Research (NAFR) of Renmin University of China, was grandly held under the theme "The Role of Ancient Chinese Currency in National Resource Allocation." Renowned monetary historian Professor Yao Shuomin, former Editor-in-Chief of China Numismatics, attended the salon and delivered a keynote speech. By delving into historical monetary materials from both Eastern and Western civilizations and comparing the evolution of monetary characteristics, Professor Yao illustrated how ancient currencies influenced national resource allocation and economic development. The salon was moderated by Professor He Ping from the School of Finance at Renmin University of China and Deputy Director of the Financial History Committee of the Chinese Financial Society.

Keynote Speech: "Spare No Copper, Adapt to Utility—The Role of Ancient Chinese Currency in National Resource Allocation"

Professor Yao Shuomin emphasized that studying ancient currencies requires an understanding of the differences between Eastern and Western monetary systems. Western currencies predominantly used precious metals like gold and silver, employing striking techniques, and typically took a round shape with engraved images or monarch portraits, with value determined by fineness and weight. In contrast, Eastern currencies primarily utilized base metals such as copper, adopting casting techniques, and mostly featured a round shape with a square hole, inscribed with characters rather than images, gradually moving away from weight-based valuation standards.

Discussing the development of Greek currency, Professor Yao noted that Greece's geographical conditions fostered a commerce-driven society. The Lydians were the first to mint and use gold and silver coins, a practice later adopted by city-states like Athens, each developing distinctive coinage. This advancement propelled Greece's commercial prosperity, highlighting the pivotal role of currency in economic activities.

Regarding Chinese monetary history, Professor Yao pointed out that coins originated during the mid-to-late Spring and Autumn period and the Warring States period, when currencies took diverse shapes. Over time, state intervention in currency increased. For instance:

• Li Kui's "Pingdi Policy" during the Warring States period stabilized grain prices and safeguarded farmers' livelihoods.

• Guan Zhong's economic philosophies reflected early state-led economic regulation.

• The Western Han's state monopolies on salt and iron, water transport equalization policies, and the Song Dynasty's "Ruzhong" system all exemplified the use of monetary tools to allocate resources and sustain state operations.

Professor Yao highlighted that Kong Yi's principle of "sparing no copper, sparing no effort" during the Northern and Southern Dynasties had a profound impact, echoed by later scholars such as Qiu Jun in the Ming Dynasty and Wang Maoyin in the late Qing Dynasty. This philosophy underscored the idea that currency should be state-controlled to rationally manage and regulate societal resources.

Professor Yao's in-depth analysis of ancient currency's role in resource allocation provided a unique perspective for related research, strongly demonstrating that ancient currencies played a crucial role in national resource allocation, closely intertwined with economic and social development. His insights offer valuable references and inspiration for future academic exploration.

Macro Finance Salon No. 251 & The Cross-border RMB Observation 2024 Fourth Quarter Questionnaire Results Presentation Exchange Meeting: Exploring Exploring the Path of RMB Internationalization under Reciprocal Tariff Shocks

Co-hosted by Renmin University of China, Bank of Communications, and Shanghai University of Finance and Economics, and co-organized by the International Monetary Institute (IMI) of Renmin University of China and the Shanghai Institute of International Finance Center (SIIFC) of Shanghai University of Finance and Economics, the "Cross-border RMB Observation 2024 Fourth Quarter Questionnaire Results Presentation Exchange Meeting & Macro Finance Salon No. 251" was successfully held in Shanghai on the afternoon of April 20, 2025. Experts and scholars from various fields attended the meeting and engaged in in-depth discussions around the theme "Exploring the Path of RMB Internationalization under Reciprocal Tariff Shocks".

The "Cross-border RMB Observation" 2024 Fourth Quarter Report was released at the meeting. This report presents the characteristics, motivations, influencing factors, difficulties, and obstacles of enterprises using cross-border RMB through descriptive statistical analysis of questionnaires collected from 1,090 enterprises as of March 5, 2025. It conducts a comparative analysis integrating data from all quarters of 2024, discusses the current highlights and shortcomings of RMB internationalization, analyzes the opportunities and challenges faced during the RMB internationalization process in light of macroeconomic development and policy and regulatory conditions, and consequently proposes targeted policy recommendations.

He Pengcheng, Deputy Secretary of the Party Committee and Secretary of the Commission for Discipline Inspection of Shanghai University of Finance and Economics, and E Yongjian, Deputy General Manager of the Development Research Department of Bank of Communications, delivered opening remarks respectively.

The meeting was chaired by He Qing, Vice President of the National Academy of Financial Research at Renmin University of China.

He Pengcheng first welcomed all participants. Secretary He pointed out that current global economic restructuring, trade protectionism, and reciprocal tariff measures pose challenges to international trade and financial stability, presenting both opportunities and challenges for the RMB internationalization process. As a multi-disciplinary key university, leveraging the geographical advantage of the Shanghai International Financial Center, Shanghai University of Finance and Economics has accumulated rich experience in RMB internationalization research, produced influential academic achievements, and provided theoretical support for policymaking. The university also actively participates in international cooperation and exchanges, promotes discussions on related topics, and supports academic innovation and policy practice through organizing high-end forums and publishing reports. Secretary He introduced that the Shanghai Institute of International Finance Center, Shanghai University of Finance and Economics, is a university-affiliated think tank platform jointly guided by the Shanghai Municipal Education Commission and Shanghai University of Finance and Economics. It is a key supporting unit for the "one body, two wings" structure of the university's finance discipline, providing long-term support for decision-making consultations and talent cultivation, and also serving as an important intellectual support for promoting the RMB internationalization process. Finally, Secretary He stated that the report released at this meeting embodies the wisdom of experts and scholars and will provide an important reference for subsequent research and practice. He hoped participants would fully exchange ideas and contribute wisdom to the development of RMB internationalization.

E Yongjian provided a systematic presentation focusing on the macroeconomic context of RMB internationalization, survey findings, and financial practices. Against the backdrop of the reshaping global political and economic landscape, "reciprocal tariffs" shock the global trade order, the foundation of US dollar credit is weakening, and the attractiveness of RMB assets is rising. Global financial market volatility coupled with exchange rate fluctuations exacerbates enterprises' exchange risk, increasing the demand for RMB settlement. Simultaneously, the US promotion of manufacturing reshoring and regional restructuring prompts China to accelerate its diversification strategy, leading to significant growth in RMB settlement and investment/financing demand within the Belt and Road region. The "Cross-border RMB Observation" report, based on a survey of 1,090 enterprises, demonstrates the diverse usage scenarios and evolving trends of cross-border RMB. The report has achieved systematic upgrades in data dimensions, dynamic tracking, and analytical frameworks, highlighting the significantly increased participation of foreign-funded enterprises and enterprises in markets of Europe, America, and Australia in RMB business, reflecting structural breakthroughs. Relying on its network of 66 overseas outlets spanning five continents, Bank of Communications has driven its total cross-border RMB settlement volume to RMB 1.94 trillion. By serving e-commerce platforms, supporting bond financing and innovative asset transfers in free trade zones, the bank has formed a systematic response in cross-border financial products and services, providing practical support for RMB internationalization.

At the meeting, Wang Jingye, Research Fellow at IMI, Assistant Professor at the School of Finance, Renmin University of China, and Research Fellow at the National Academy of Financial Research, released the “Cross-border RMB Observation” 2024 Fourth Quarter Report. Wang Jingye introduced that the International Monetary Institute of Renmin University of China and Bank of Communications jointly initiated the compilation of the “Cross-border RMB Observation” quarterly report, and the 2024 Fourth Quarter Report has been officially released.

This round of survey results revealed multiple highlights and shortcomings of RMB internationalization, showing both progress and challenges in its global promotion. The main highlights include:

(1) Solid Foundation for RMB Internationalization: Approximately 68% of enterprises engage in cross-border trade settlement using RMB, 53% participate in foreign exchange trading business. Enterprises have diverse motivations for using RMB, driving its status enhancement in international trade and the financial system.

(2) Comprehensive Growth in Foreign Enterprises’ Participation: The usage rate of RMB in cross-border trade settlement increased from 68% to 77%, and the proportion using RMB for payment and settlement with third-country (non-China, non-host country) enterprises in trade/investment/financing business rose from 40% to 48%, demonstrating RMB's growing competitiveness in international trade.

(3) Continuous Improvement in Enterprise Risk Management: The proportion of enterprises adopting exchange rate hedging measures among all surveyed enterprises has climbed for four consecutive quarters, with more enterprises implementing hedging measures and establishing internal exchange rate risk management strategies.

The main shortcomings in cross-border RMB business include:

(1) Persistent Shortages Show No Significant Improvement: The survey still reflects various shortcomings such as low participation rates in specific businesses; high complexity and poor consistency of policies; reluctance of counter-parties to use RMB; capital flow obstacles; and susceptibility to external influences. Persistent issues include policy complexity, capital flow barriers, and incompatibility with laws and regulations. The utilization of cross-border RMB cash management and offshore RMB business remains low.

(2) Low Recognition of Onshore Derivatives: Onshore derivatives are generally seen as playing a limited role in corporate hedging strategies, significantly less

important than natural hedging and offshore futures.

(3) Private Enterprises Exhibit "Strong Willingness but Weak Execution": Private enterprises have the strongest willingness to increase cross-border RMB usage, but their actual business penetration rate and risk management level are significantly lower than those of state-owned enterprises and foreign enterprises. Through concerted efforts at the government, financial institution, and enterprise levels, China is expected to further advance the RMB internationalization process, elevating the status and influence of the RMB in the international market.

Government level:

(1) Promote the "RMB + Digital Currency" dual-drive mechanism to expand the cross-border payment system. By collaborating with central banks of major economies on Central Bank Digital Currencies (CBDCs), build a cross-border payment "digital RMB - local currency" network to create more scenarios for international RMB settlement.

(2) Construct a "Free Trade Zone Plus" model for RMB internationalization, establishing new highlands for RMB usage. Combined with the Belt and Road Initiative, explore innovative models to promote RMB settlement within free trade zones and international cooperation parks.

(3) Expand the global awareness of RMB financial products and enhance the global market positioning of RMB assets. Strengthen the diversity and recognition of RMB-denominated financial products in global financial markets.

Financial institution level:

(1) Promote cross-border clearing interoperability between RMB and major currencies, improving payment and clearing efficiency.

(2) Accelerate innovation in financial derivatives within the RMB bond market to attract more international investment.

(3) Establish and improve a risk management mechanism for cross-border RMB capital flows.

Enterprise level:

(1) Promote the signing of RMB settlement agreements to strengthen cross-border trade settlement.

(2) Enhance the efficiency of cross-border RMB fund flows, optimize fund management structures, and ensure efficient use of funds with low risk.

(3) Utilize RMB financial products for financing, broaden funding sources, and enhance the recognition and attractiveness of RMB in the international market.

During the thematic discussion session, Tu Yonghong, Professor at the School of Finance, Renmin University of China and Deputy Director of IMI; Yang Changjiang, Director of the International Finance Research Center and Professor at Fudan University; Ma Wenjie, Dean of the Shanghai Institute of International Finance

Center, Shanghai University of Finance and Economics; Liu Gongrun, Deputy Director of the CEIBS Lujiazui Institute of International Finance and Secretary-General of the Lujiazui Finance 50 Forum; Xu Mingqi, Vice Chairman of the Shanghai International Economic Exchange Center; Zhang Jun, Deputy General Manager of Lingang New Area Economic Development Co., Ltd. and Vice President of Dishui Lake Advanced Finance Institute, and other guests expressed their views successively. The discussion was chaired by He Qing, Vice President of the National Academy of Financial Research at Renmin University of China and Zhao Xiaoju, Honorary Dean of the Shanghai Institute of International Finance Center at Shanghai University of Finance and Economics. This in-depth expert seminar provided substantial intellectual support and forward-thinking for the RMB internationalization process.

Tu Yonghong systematically analyzed the deep adjustments in the international monetary system and the strategic opportunities for RMB internationalization, pointing out that the current turbulent external environment and the shake-up of the US dollar’s credit foundation provide an important window for the RMB to go global. Firstly, as US debt and deficit levels continue to rise and its sovereign credit rating is downgraded, global expectations about the safety of dollar assets decline; simultaneously, the “weaponization” of the dollar intensifies the “de-dollarization” trend, increasing the international community’s demand for a multi-currency system. Against this backdrop, RMB internationalization should start from practical applications, focusing on four key areas: promoting RMB pricing for commodities in surrounding countries, the Middle East, and Belt and Road countries; leveraging cross-border e-commerce to expand C-side payment applications; promoting direct settlement in local currencies through the “mBridge” project; and improving the CIPS system to solve the “last mile” problem of cross-border payments. Finally, in the long term, RMB internationalization must rely on technology-driven high-quality development, continuously enhance currency stability and asset attractiveness, and build institutional trust and international recognition.

Yang Changjiang believed that, firstly, the current globalization system is facing restructuring, and the credibility of safe assets like US Treasuries is being questioned due to US policy turbulence. This presents a historic opportunity for RMB internationalization, which should seize the trend of global supply chain restructuring and enterprises “going global” to advance the path of RMB internationalization towards a new structure where trade, finance, and investment serve as the “three pillars”. Secondly, for RMB assets to become global safe assets, they are closely related to factors such as the exchange rate, financial market depth, and policies. From an exchange rate perspective, the RMB exchange rate is significantly undervalued, and domestic prices are relatively stable, providing a foundation for medium-term stability. From a financial market perspective, China’s government bond yields are relatively low, which stems from the bank-dominated financial system and relatively insufficient supply of marketable assets. In the future, the key to financial market development lies in providing rich and deep financial instruments. From a policy perspective, although relevant reforms are ongoing, the pace could be accelerated further; measures could include implementing a “negative list” policy in foreign exchange management, encouraging Chinese enterprises to prioritize using RMB when “going global”, and further strengthening the status and role of Hong Kong as an offshore financial center.

Ma Wenjie pointed out that, firstly, the development of Shanghai as an international financial center must closely adhere to two directions: serving the real economy and helping enterprises “go global”. It should seize the opportunities from the expansion of Belt and Road demand and green finance development, strengthening RMB risk hedging functions. Secondly, China’s international financial center construction is RMB-denominated internationalization, not USD-denominated, creating an urgent need for RMB internationalization. Promoting RMB internationalization needs to rely on China-dominated application scenarios, focusing on both financing and investment angles. From a financing perspective, it is necessary to activate liquidity in the offshore RMB market, enhance the offshore market’s support for “going global” enterprises in financing, and further strengthen the willingness of overseas financial institutions and enterprises to hold RMB. Improving the liquidity of bond markets like “dim sum bonds” by relaxing participation of financial institutions will enable offshore RMB to better serve real demand. Enterprises “going global” should be encouraged to use offshore RMB financing, further enhancing the convenience for these enterprises to buy domestic goods using offshore RMB. From an investment perspective, China’s vast bond market advantage should be leveraged to attract international capital, further expanding the green bond market supported by the China-EU Common Ground Taxonomy; concurrently, leveraging China’s scale advantage in global shipping and bulk trade, vigorously promote RMB settlement for spot and futures in commodities, shipping, etc., to strengthen pricing power.

Liu Gongrun mentioned that against the backdrop of shocks to international trade rules, Chinese financial institutions face challenges in multiple aspects. First, foreign trade-oriented enterprises face financing and liquidity pressures due to the US strategy of maximum pressure, squeezing profit margins and leading financial institutions to confront rising corporate credit risk and increasing non-performing loan ratios. Second, cross-border settlement risks escalate, requiring financial institutions to enhance multi-currency settlement capabilities; however, small currencies often suffer from poor liquidity, and RMB internationalization also faces challenges like market choice and funds repatriation. Third, turmoil in capital markets and exchange rate markets causes volatility in the A-share market and increased exchange losses for enterprises. He recommended that financial institutions should stabilize the market and expectations in the short term, innovate financial products, optimize supply chain finance, and introduce exchange rate hedging tools to manage risks. In the medium term, they should expand openness, enhance the design of institutional openness, improve capabilities in international financial services, and assist enterprises in overseas layouts and industrial/supply chain transfers. Concurrently, the government needs to strengthen policy coordination and international regional cooperation to diversify risks.

Xu Mingqi indicated that the impact of Trump's high tariff policies on RMB internationalization and Shanghai's international financial center construction is indirect. High tariffs mainly affect China-US trade and then spill over to the financial sector. Although the scale of trade settlement may decline due to trade contraction, there are still opportunities for expanding RMB internationalization because US dollar exchange rate volatility and the uncertainty of tariff policies will increase the demand for RMB as a trade settlement currency. The construction of Shanghai as an international financial center will be affected to some extent, but the overall impact is limited; progress can continue as long as financial market stability is maintained. He pointed out that China is taking firm measures to counter US high tariffs while actively tapping the domestic market and promoting product upgrading and transformation. The construction of an international financial center and RMB internationalization should seize opportunities and accelerate progress. In the short term, the market changes brought by US high tariffs should be utilized to speed up RMB internationalization, relaxing regulations on cross-border investment/financing and asset allocation, adopting a negative list management mode. Looking at the medium term, the transition from channel-based opening to institutional opening should occur to elevate the level of RMB internationalization and enhance the openness and competitiveness of financial markets to cope with potential risks of more severe external financial turbulence.

Zhang Jun believed that the Lingang New Area is China's "proactive measure" to respond to changes in the international economic environment and Sino-US competition. Under the current shock to international trade rules, opportunities outweigh challenges. The Lingang New Area has established full industrial chains for cutting-edge industries like integrated circuits, high-end equipment, aerospace, and the digital economy. It actively benchmarks international high-standard economic and trade rules, vigorously promoting freedom in investment, trade, shipping, talent, transportation, and safe and convenient cross-border data flows. Zhang Jun emphasized that the Lingang New Area can better leverage "two markets, two resources" next: better serve the domestic unified market, participate in building surrounding markets and the Global South market; better leverage the traction role of safe and convenient cross-border data flows, actively participate in electronic warehouse receipts, electronic invoices, digital signatures, digital identity work, and pioneer the creation of a regulatory-trusted "trusted data" authenticity foundation; promote the connection of application scenarios like digital RMB and the mBridge to international digital economy rules like "DEPA"; better advance integrated innovation in offshore business, providing customer outreach, channels, and matching financial services for "going global" enterprises, actively yet prudently promote the interconnection of commodity and other factor markets with international exchanges, and provide risk hedging tools. In the short term, Lingang should strengthen its advantages in manufacturing and the global sales of high-end equipment, pushing to establish global after-sales service systems; actively promote the opening of service industries like cross-border medical care and vocational education, creating more application scenarios for RMB internationalization; in the medium term, consideration could be given to building an integrated service complex combining technology R&D, technology transfer, industrial coordination, market integration, and financial interconnectivity to cultivate local multinational corporations. The important role of universities in this should also be highly valued, promoting integrated development of education, technology, and industry, and advancing the integration of government, industry, academia, and research.

Also attending the meeting were faculty members, students, financial institution practitioners, and media representatives from major universities and research institutes across the country.

Macro Finance Salon No. 253 Successfully Held: Technology-Driven Transformation of Wealth Management

On April 25, the 253rd session of Macro Finance Salon was successfully held, hosted by the School of Finance and the National Academy of Financial Research (NAFR) of Renmin University of China, and organized by the Shenzhen Advanced Institute of Finance (SAIF), the International Monetary Institute (IMI), and the Institute of Fintech Research (IFR) of Renmin University of China. The salon invited Tian Li, Chief Data Governance Expert at China International Economic Consulting Corporation, to deliver a keynote speech, and featured distinguished panelists including Yang Zaiping, Founding Secretary-General of the Asian Financial Cooperation Association and former Executive Vice Chairman of the China Banking Association; Yang Tao, Deputy Director of the National Institution for Finance & Development; and Zhou Ping, Special Researcher at the China Trustee Association and expert at CITIC Think Tank. The discussion centered on "Technology-Driven Transformation of Wealth Management: Innovative Practices of AI, Big Data and Blockchain." The session was moderated by Zhao Xuankai, Associate Professor at the

School of Economics of Central University of Finance and Economics and young member of IMI Monetary and Financial Roundtable.

Tian Li, Chief Data Governance Expert at China International Economic Consulting Corporation, delivered a keynote speech focusing on “Technology-Driven Transformation of Wealth Management,” systematically elaborating on the innovative practices and future trends of AI, big data and blockchain in wealth management. Tian first reviewed the development trends of fintech, noting its flourishing applications across sectors where AI-powered large models are proliferating and financial institutions are actively embracing AI, marking fintech’s entry into a new phase characterized by inclusivity, sustainability and green finance. Subsequently, through case studies including Netherlands-based N26, Tencent’s “Wei Qi Chain,” and China CITIC Bank’s “Gen Z Wealth Management,” Tian demonstrated how technology empowers end-to-end wealth management processes covering smart advisory services, asset allocation, data-driven decision-making, workflow automation, and customer service optimization. Looking ahead, Tian emphasized that fintech should further deepen and solidify its role in wealth management through four key directions: deeper technological integration, restructured risk management, innovative service models, and reshaped industry ecosystems. However, new technologies also introduce new risks, for which Tian proposed countermeasures including enhancing organizational capabilities, strengthening data governance, unlocking data value, and mastering AI applications to address fintech-driven transformation challenges.

During the panel discussion, experts explored core issues including key drivers, transformation challenges, technology-enabled pathways, product innovation directions, and risk management mechanisms in wealth management industry.

Yang Zaiping, Founding Secretary-General of the Asian Financial Cooperation Association and former Executive Vice Chairman of the China Banking Association, pointed out: First, China’s wealth management sector faces a structural mismatch between “asset scarcity” and “financing difficulties,” reflecting inefficiencies in capital allocation. Second, bridging this gap requires leveraging fintech and digital technologies to enhance “know-your-customer” (KYC) capabilities and transaction matching efficiency through AI and big data to analyze client risk preferences, capital flows and asset quality. Third, future development should prioritize financial product innovation to convert technological advantages into diversified, personalized solutions, with regulatory policies on product appropriateness management already setting clear direction. Finally, tech finance must address the shortage of long-term risk capital by designing scenario-based products to meet emerging industries’ financing needs while channeling private investment enthusiasm.

Yang Tao, Deputy Director of the National Institution for Finance & Development, analyzed wealth management from three perspectives: First, at macro level, the industry is driven by economic cycles, demographic shifts, trust culture, international environments and regulatory policies - collectively forming a “1+5” framework where technology reshapes industry chains through digitization. Second, at industry level, challenges include whether wealth management can truly boost household property income, inadequate risk management and hedging tools, weakened fiduciary relationships reducing cooperation patience, and high costs/inefficiencies in traditional models - all compelling a shift from “scale-driven” to “value-driven” strategies. Third, tech-enabled solutions include AI-powered research enhancing alpha generation, open collaboration refining client needs assessment, big data risk control improving oversight, transparent algorithms rebuilding trust, and digital transformation elevating operational efficiency - though challenges like data privacy concerns and AI’s “black-box” algorithms must be mitigated through “technology + institutional” dual drivers to balance efficiency and security.

Zhou Ping, Special Researcher at China Trustee Association and expert at CITIC Think Tank, noted: First, wealth management has evolved from product sales to client-centric asset allocation, with demand shifting from standalone financial products to tailored holistic solutions. Second, wealth itself is diversifying to encompass intangible assets like intellectual property and data. Third, while AI and big data cannot fully replace human advisors, they play critical roles in data collection, client profiling and risk control - though their effectiveness hinges on data authenticity, accessibility and usability as many clients’ deep-level data remains elusive. Fourth, AI’s future lies in scenario-based innovation to serve as powerful assistants rather than replacements for financial professionals, with institutions needing to proactively adopt technology to strengthen fiduciary relationships through more professional and trustworthy services.

Macro Finance Salon No. 255: Book Launch of “An Introduction to Traditional Chinese Monetary and Financial Thought”

On June 18, 2025, the 255th session of Macro Finance Salon and the book launch event for “An Introduction to Traditional Chinese Monetary and Financial Thought” were successfully held. Professor He Ping, Deputy Director of the Financial History Committee of the Chinese Financial Association and Professor at the School of Finance, Renmin University of China, delivered a keynote speech titled “The Long-standing Inquiry by Traditional Chinese Intellectual Elites into the Essential Characteristics and Functions of Monetary Forms.” Chen Ling, Director of the Editorial Office of China Financial Publishing House, and Zhang Chengsi, Vice Dean of the School of Finance at Renmin University of China, also spoke as guests. The salon was chaired by Luo Yu, Deputy Party Secretary and Professor at the School of Finance, Renmin University of China.

In his speech at the book launch, Professor He Ping emphasized that understanding the essence of money must be grounded in specific historical forms and real-world contexts. Current debates about money often descend into confusion due to the conflation of abstract monetary concepts with the manifestations of money in specific periods. The essence of modern credit money lies in its nature as a national credit contract, whereas ancient Chinese copper coins were merely physical metal carriers. While new digital currencies like Bitcoin rely on algorithmic technology, they still fail to resolve inherent contradictions such as value instability (e.g., the century-long volatility in gold prices) and rigid supply limits. Moreover, their inability to serve as stable stores of value makes it difficult for them to fulfill all monetary functions.

China's three-thousand-year monetary history reveals a key pattern: copper coins endured for millennia because they met the needs of domestic trade under centralized governance, exhibiting far greater stability in cross-dynastic circulation than commonly assumed. Song Dynasty paper money relied on government coercion rather than market credit mechanisms. During the Ming and Qing dynasties, inadequate governance led to the unchecked circulation of raw silver bullion, resulting in a chaotic monetary system where silver, copper coins, and private notes circulated in fragmented markets without free convertibility. Meanwhile, the West established rules for primary and secondary currency exchange through precious metal standards and developed redeemable paper money systems based on parliamentary credit, laying the foundation for modern monetary systems.

This historical evidence demonstrates that monetary designs detached from national governance frameworks are unsustainable. During the COVID-19 pandemic, it was sovereign currencies—not decentralized digital currencies—that fulfilled social relief functions. Therefore, policymakers urgently need to develop a historical perspective: they must guard against the oversimplified misconceptions of technological utopianism regarding money's complexity while recognizing that risk management remains an eternal imperative in financial activities. For financial frontiers like the Hainan Free Trade Port, it is particularly important to deeply analyze the historical lessons of China's cross-border copper coin circulation, the evolutionary path of Western credit money, and the fragmented monetary systems of the Ming and Qing dynasties. These insights should inform institutional design to avoid impractical innovations divorced from real-world conditions.

Following the keynote speech, the panelists engaged in a lively and extensive discussion on the book's contributions to intellectual history, economic history, monetary history, and financial history. Professors and experts including He Liping (Beijing Normal University), Zong Liang (Bank of China Research Institute), Zhou Jianbo (Peking University), Feng Yuejian (Chinese Academy of Social Sciences), Lan Rixu (Central University of Finance and Economics), Zhou Kaiguo (Capital University of Economics and Business), Xiong Jinwu (China University of Political Science and Law), and Li Lilie (Renmin University of China) shared their insights on the topic.

Journal Name: IMI Newsletter
Frequency of Publication: Quarterly
Publisher: International Monetary Institute, Renmin University of China
Editor-in-Chief: Ben Shenglin
Associate Editors: Song Ke, Qu Qiang
Associate Managing Editor: Li Jingyi
Assistant Editors: Liu Chenyang, Song Lingbo, Peng Yi
Editorial Office: Room 605, Culture Square, Renmin University of China, No. 59 Zhongguancun Avenue, Beijing 100872, China
Tel: 86-10-62516755
Email: imi@ruc.edu.cn

For more information, please visit
http://www.imi.org.cn/en/

Weibo

WeChat