



Shanghai Forum 2015 Perspective Highlights

Opening of China's Finance and Integration of Asia's Markets

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Chair: Sun Lijian
Director, Financial Research Center, Fudan University

Fabrizio Saccomanni
Former Minister of Economy and Finances, Italy

How can we manage the risk of debt financing in global market?

Over the past period of time, the world's financial system is facing some problems, the most important of which is the lack of investment.

We have huge capital demand. Because of market failure, we need more government intervention. Some international institutions and some international organizations can also play a more important role.

Guan Tao
Director of the International Department of SAFE

The Belt and Road Initiatives, Going Abroad of Chinese Capital

Although China's long-term trade is positive, our long-term return of foreign exchange assets is negative. This reflects the main structure of our resource mismatch.

The Belt and Road Initiatives helps to form new pattern of opening-up.

The Belt and Road Initiatives helps to explore multi-channel capital output.

Myron Scholes
Buck Professor of Finance, Emeritus, Stanford University

1. The U.S. will be more concerned about domestic technological innovations (such as robotics, nanotechnology, 3D printing technology), which will make the United States more competitive.
2. Technology development can ease the scarcity of resources.
3. Private capital joining in the field of public investment can effectively prevent the resources from mismatch.
4. Excessive public welfare is based on the sacrifice of future generations.
5. It is worth considering whether economic prosperity should depend on credit.

Huang Jianhui
President of
Minsheng Bank
Research
Institute

The Belt and Road Initiatives, China's Economic Transformation and Global Peace Development

1. We realize the only way to empower our country is insisting on opening up policy.
2. Peaceful development is the contemporary theme of global development.
3. China has to accelerate the speed of the transition to a comprehensive, open economy.
4. The Belt and Road Initiatives is China's implementation of the responsibility to promote and lead the global peace development.

Guo Tianyong
Professor of
Finance
Department,
Central University
of Finance and
Economics

The Belt and Road Initiatives and the Development of AIIB

1. Although Asian Infrastructure Investment Bank has not been established, it has already had a very large impact on the global traditional financial institutions.
2. We hope that the governance of Asian Infrastructure Investment Bank can refer to some commercial banks, which will make it more efficient.
3. We hope that the establishment of AIIB can give benefits to RMB internationalization.

Sun Lijian
Director, Financial
Research Center,
Fudan University

Asian financial integration and the role of China

1. The engine of future growth comes back to the Asian market.
2. The future development of the world derives from the expansion of the Asian mode.
3. Liquidity is important for AIIB to access the profitability and the risk of the project, which requires financial innovation.

Yong- Rok Cheong
Professor of
International
College, Seoul
National
University, Korea

RMB Internationalization and Sino-Korean Financial Cooperation

1. China-South Korea trade in the future will be more potential.
2. The proportion of RMB usage in the trade between China and South Korea is not at a very high level.

Shi Liya
Executive director
of Shanghai
Financial
Association

Experimentation area financial reform and opening and macro Prudential Management

In order to avoid the risk of financial liberalization, developing countries should take macro prudential management, such as the adjustment of the reverse cycle and the prudential exceptional arrangement of financial.

Qiao Yide
Secretary General
of the Research
Association of the
Shanghai
Development Fund

RMB into the SDR basket: the Possibility and Its Implications

1. We do not need to exaggerate the significance of RMB into the SDR basket.
2. RMB into the basket helps to reform the international monetary system.
3. The currency exchange or complete liquidity is not a necessary condition or prerequisite for the integration of a country's currency in the SDR basket.

Lars Oxelheim
Professor of
economics, Lund
University,
President of the
European
Economic
Integration Society

Governments give creating jobs the top priority. In fact, there are three ways to reach this goal: reducing government intervention and bureaucracy, market-oriented and reducing corporate taxes. But now the government regards trade protectionism as a guarantee of employment rate.

Conclusions

Exchange rate's marketization, interest rate's marketization and other financial markets opening is not overnight, but gradual. There is no specific sequence.

The internationalization of RMB is a slow process..

The mechanism design of the AIIB should have greater transparency.

(Editor: Zhou Mengtian, Xia Mengzhou)