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IMAGINING MONETARY FUTURES:

CHINA'S POST-CRISIS REFORM PROPOSALS
AND THE LIMITS OF THE SUPRANATIONAL
CURRENCY DEBATE

KEEGAN ELMER



UNIVERSITY OF HELSINKI

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HELSINKI CENTRE FOR GLOBAL POLITICAL ECONOMY

University of Helsinki
Helsinki, Finland

Telephone: +358-(0)40-5184854

Email: gpe@helsinki.fi

helsinki.fi/gpe



KEEGAN ELMER

Faculty of Social Sciences

P.O. Box 54 (Unioninkatu 37)

00014 University of Helsinki

Finland

keegan.elmer@helsinki.fi

Orcid ID: <https://orcid.org/0009-0005-3062-4556>

BIOGRAPHICAL NOTE:

Keegan Elmer, a Doctoral Researcher in World Politics at the University of Helsinki, works on China, labor politics and international political economy. He has previously worked as Beijing correspondent for the *South China Morning Post*, and as a researcher at labor rights NGO *China Labour Bulletin*.

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IMAGINING MONETARY FUTURES: CHINA'S POST-CRISIS REFORM PROPOSALS AND THE LIMITS OF THE SUPRANATIONAL CURRENCY DEBATE

Abstract: As trade tensions escalate, and skepticism toward the U.S. dollar grows, proposals for alternative global monetary arrangements have resurfaced in international debates, including within China. In June 2025, People's Bank of China governor Pan Gongsheng explicitly revisited Zhou Xiaochuan's 2009 call for a supranational reserve currency, reaffirming long-standing concerns about the instability of a dollar-centric system. This paper revisits a largely forgotten episode from the aftermath of the 2008 financial crisis, when Chinese economists and policymakers briefly advanced a diverse wave of supranational currency proposals — from Ma Guoshu's eccentric Global Independent Money scheme and Xie Ping's bond-backed global currency to Li Chong's sophisticated “world dollar” program. While Zhou's initial call for the creation of a Keynes-inspired supranational currency is often remembered as an isolated event, it was in fact part of a broader, pragmatic Chinese engagement with the contradictions of the dollar-based system.

Drawing on Chinese-language sources, this study reconstructs the debates of the post-2008 period to reveal how Chinese theorists of supranational currencies sought not to displace U.S. leadership, but to stabilize the international monetary order through multilateral, pragmatic reform. It shows how later Chinese scholarship became increasingly focused on the promotion of renminbi internationalization, ultimately narrowing the horizon for broader visions of supranational alternatives. It also challenges the post-crisis academic binaries between optimists, who expected China to replace the dollar, and skeptics, who saw China as trapped under U.S. dominance, by recovering a more complex history of creative and pragmatic Chinese engagement. These debates, though relatively short-lived, represent an important case of collective learning in the context of systemic crisis, which remains highly relevant amid renewed global trade wars and the uncertain future of dollar hegemony today. By recovering the breadth of Chinese proposals, this paper highlights opportunities for more inclusive and cooperative approaches to international monetary reform.

INTRODUCTION: THE RETURN OF SUPRANATIONAL CURRENCY ALTERNATIVES TO DOLLAR HEGEMONY

After assuming office in January 2025, US President Donald Trump’s administration has been attempting to reshape global trade relations, and at least some of the president’s advisers have been rethinking the role of the dollar as a global reserve currency.¹ After threatening, and to some extent imposing, a wide range of tariffs wielded against allies and adversaries alike – with China facing the greatest pressure – the Trump administration has drawn renewed attention to the foundations of the international trade and monetary systems. Although Trump’s proposals point toward a “Mar-a-Lago Accord” and a revaluation of the dollar while preserving its reserve status,² signs of unease have emerged. As uncertainty grows, the future of dollar dominance and the search for alternatives has reemerged in global discussions, in response to Trump’s policies.³

In China, the Trump administration’s tariffs campaign, beginning with executive order 14195 on February 1st 2025, have not only provoked resistance to U.S. actions, but also reignited deeper debates about the future of global monetary governance. A flicker of new Chinese discussions around supranational currencies (超主权货币) — a concept prominently articulated by former central bank governor Zhou Xiaochuan during the 2008–2009 global financial crisis (GFC) — has appeared, hinting at a rekindling of interest.⁴ In June 2025, Zhou’s successor, sitting central bank governor Pan Gongsheng,

1 See, for example, remarks by Stephen Miran, Chairman of the White House Council of Economic Advisers, who argued that while the United States remains committed to the dollar’s role as the global reserve currency, the system must be restructured to require greater burden-sharing from other nations, criticizing China and other countries for exploiting the reserve system to sustain trade surpluses and contribute to financial instability (Miran 2025).

2 The phrase “Mar-a-Lago Accord” was first coined by financial strategist Zoltan Pozsar in mid-2024 as a provocative analogy to the 1985 Plaza Accord, suggesting a coordinated devaluation of the U.S. dollar to restore trade balance while maintaining its reserve currency status. The term was the title of Pozsar’s newsletter “Money and World Order” on 15 June 2024, (link to newsletter page here: <https://exunoplures.hu/money-and-world-order>). The idea was developed by Miran, who proposed a formal “Mar-a-Lago Accord” in a policy paper outlining mechanisms to strategically realign the dollar and global trade flows while preserving U.S. monetary primacy (Miran 2025).

3 Trump has also threatened 100 percent tariffs on BRICs countries, following discussions among BRICs countries to find alternatives to the dollar (Shakil 2025).

4 The Chinese term 超主权货币 is most often translated as “supranational” currency, and sometimes “super-sovereign”, “non-sovereign”, or other similar variants. In Chinese literature, the term appears to have originated with Zhou Xiaochuan’s March 2009 paper with the PBoC, and the official English translation uses the term “super-sovereign” currency. However, I have chosen “supranational” for several reasons. First, it conveys the same basic meaning in the other translations, of a currency not issued by any single state. Also, the use of the prefix “supra” can mean either “above” or “transcending”, and is closer to the idea of a global currency whose authority is “above” or “transcends” any present day national currency. The term “super sovereign”, on the other hand, is far more vague, and could mean a currency with some special power, or even imply a currency that is issued by a possible future world state, or state with authority over other states.

explicitly revisited Zhou's 2009 call for the possibility of a supranational currency alternatives to the dollar system. While Pan affirmed that a supranational currency could, in principle, address the systemic flaws of a dollar-centric order, he also acknowledged that political consensus and institutional capacity remain far too limited to realize such a vision at present.⁵

Pan has nonetheless joined the chorus of those who have been spurred by US actions to revive the once vibrant discussions in China in the wake of the GFC who explored the possibility of establishing supranational currencies, and building a global monetary order that would ultimately surpass reliance on the dollar, or any single national currency, altogether. Recently, former vice president of Bank of China Wang Yongli argued that supranational currencies could be a theoretical appealing way to curb the dominance of the U.S. dollar, though he laments that the actual implementation would be extremely difficult without the necessary global governance mechanisms (Y. Wang 2024, 2025).⁶ Xu Deshun, a researcher at the Chinese Academy of International Trade and Economic Cooperation, has suggested that deepening diversification of the international currency system, in response to Trump's tariffs, could open the door for new modes trade settlement, and the possible development of a supranational currency (Xu 2025). And Zhang Jun, Dean of the School of Economics at Fudan University, specifically highlighted John Maynard Keynes's proposal at Bretton Woods for a global clearing union, and a global currency *bancor*, as a potential solution to the structural contradictions of the dollar-dominated system exposed by Trump's tariffs, in an interview with Chinese

While some proposals for supranational currencies may assume continued national monetary sovereignty, others could entail partial or full transfer of that sovereignty to a higher-level authority. Konsta Kotilainen, for example, explores this variation in institutional designs, examining how different models of supranational monetary governance can impact state autonomy and the broader global financial architecture (Kotilainen 2024, Chapters 7–9). See also Kotilainen (2022), for an theoretical examination of supranational currencies, sovereignty and modern monetary theory.

⁵ While Pan affirmed that a supranational currency could, in principle, address the systemic flaws of a dollar-centric order, he emphasized that political consensus and institutional capacity remain far too limited to realize such a vision. Instead, he argued, the international monetary system is more likely to evolve toward a pattern of competitive coexistence among a few major sovereign currencies, including the dollar, euro, and renminbi, rather than toward a supranational solution. Mainstream English language news did not cover Pan's discussion of supranational currencies (see for example Hale & Leng 2025). Pan's initial comments in Chinese did, however, discuss supranational currency ideas, and recommended expanding the use of SDRs, similar to Zhou's 2009 suggestions (see "The future international monetary system" 2025).

⁶ The ideas in Wang Yongli's April 2025 news piece mentions his views on supranational currencies, specifically as a warning against misunderstanding bitcoin and digital currencies as an alternative to the dollar system (see Y. Wang, 2025). Also of interest is Wang's longer essay from late November 2024, where he outlined more specific views on supranational currencies and the dollar system, published on Renmin University's International Monetary Institute website (see Y. Wang 2024).

think-tank the New Economist (J. Zhang 2025).⁷

Following the emergence of the global dollar system after the second world war, a number of thinkers have proposed fundamental reforms that would supplant the dollar with a new international system of trade settlement and financial exchange. Since Keynes, economists Robert Triffin (1960), Paul Davidson (1992, 2009), Stiglitz (with Greenwald 2010) and, from a different ideological standpoint, Robert Mundell (2005) have all advanced proposals for alternatives to the dollar as the key global currency. A forthcoming volume on the International Clearing Union (Morgan and Patomäki forthcoming) engages with this broad tradition of global monetary reform, offering new rationales and institutional models for 21st-century clearing mechanisms. Yet despite this body of work, English-language scholarship on international monetary reform, including studies of renminbi internationalization and China's global monetary strategy, has paid little attention to domestic Chinese debates on currency reform, or the proposals of Chinese scholars for supranational currency alternatives.

In fact, Chinese economists and policymakers developed their own, distinct wave of proposals for global monetary reform, especially in the aftermath of the 2008 financial crisis. A key catalyst was Zhou Xiaochuan, then Governor of the People's Bank of China, whose 2009 proposal for a supranational reserve currency, inspired by Keynes's Bretton Woods proposal, ignited a vibrant Chinese conversation about the future of the international monetary system. As the fallout from the global financial crisis of 2008 continued to pummel China's economy, the sitting governor of the People's Bank of China (PBoC), Zhou Xiaochuan, turned heads around the world with his call for a new "supranational currency" (Zhou 2009b). In his piece, published in March 2009, just days before the London G20 summit, Zhou lamented the rejection at Bretton Woods of Keynes's proposed international currency, the *bancor*, originally designed to manage global trade imbalances after the Second World War.

While Zhou avoided naming the United States or the dollar specifically, he called for fundamental reform of the global monetary system to reduce reliance on any single national currency. Central to his proposal was the idea of enhancing the role of the International Monetary Fund's Special Drawing Rights (SDRs), expanding their use in international trade and finance, and ultimately developing the SDR into a true supranational reserve asset. This proposal was not merely theoretical; it reflected China's growing economic weight and its frustration with a global financial architecture shaped by persistent vulnerabilities its economy suffered because of dollar dominance.

⁷ Zhang cautioned, however, that while in the past, China had been bullish about the internationalization of the renminbi, the central government's new, more cautious approach – tempered by past financial shocks linked to capital market liberalization – would require a careful rethinking of the risks a renminbi-internationalization and international currency reform.

Building on Zhou's intervention, a range of Chinese thinkers — from bankers to academics and economists — explored alternative monetary futures that sought to address the contradictions of dollar dominance. By moving beyond Zhou Xiaochuan's short-lived 2009 proposal, this paper highlights the breadth and diversity of the most prominent, concrete and robust proposals for supranational currencies that emerged from Chinese discussions on global monetary reform. Remarkably, these proposals, ranging from ambitious visions like Ma Guoshu's Global Independent Money to more cautious and incremental models like Xie Ping's bond-backed currency, while revolutionary in their approach to global monetary order, often prioritize stability and cooperation rather than confrontation of the dollar order. Contrary to common framings of China as an upstart rising power in the field of global monetary politics, I argue that Chinese proposals for supranational currencies, while diverse, share an interesting common thread: *accommodating*, rather than directly challenging, Washington's global position, and acknowledging that the US, too, suffers from imbalances of the current system.

This paper also argues that Chinese discussions on supranational currency reform were prematurely sidelined, and they seem to have become tethered to renminbi internationalization. The reasons for this sidelining are not entirely clear and will be discussed later in the paper, though somehow they appear to have been connected to China's experience of financial turbulence in 2014–15, capital flight, and subsequent tightening of capital controls.

Finally, this paper suggests that the burst of Chinese debate on international monetary reform following the 2008 global financial crisis can be understood as an episode of *collective learning*, a moment in which actors, faced with systemic uncertainty, reassess past frameworks while reflecting on alternative futures. From a neo-Gramscian perspective, Stephen Gill asks why, in the wake of such crises, certain epistemic communities, both dominant and subaltern, are able to reassert influence, while others proposing more systemic transformations are often sidelined (Gill 2012, 6). In Gill's framing, Chinese scholars advocating supranational currency reform might be seen as organic intellectuals of a rising power, part of a broader field of contestation whose ideas were largely excluded from dominant, technocratic crisis narratives (Gill 2012, 29–33). Yet moments of rupture, and the intervention of heterodox intellectual projects, can play a role in preparing the ground for future change. Wolfgang Streeck and Kathleen Thelen describe such periods as critical junctures—moments when entrenched path dependencies are destabilized, allowing space for policy experimentation and reorientation (Streeck & Thelen 2010, 7–10). Heikki Patomäki offers the notion of collective learning, on a global scale, as a reflexive, historically situated process, where crises can open space for critical reassessment and the articulation of plausible alternatives. Learning, for Patomäki, is not limited to retrospective evaluation but also entails anticipation, im-

agination, and the social capacity to institutionalize change. While such processes can unfold unevenly, and sometimes even regressively, he argues that when supported by political mobilization and epistemic openness, they can foster transformative agency over time (Patomäki 2022, 38–41, 79–88). Perhaps collective learning can indeed eventually take place on a truly global scale. For its part, this paper seeks to facilitate such a transformation.

This paper situates China's post-2008 monetary reform debates as one particular moment of collective learning, a moment that, although constrained, geographically limited, and ultimately short-lived, reflected a serious engagement with the vulnerabilities of the dollar-based system. However, collective learning is not confined to the aftermath of past crises. In the wake of renewed global trade tensions, and as new Chinese discussions of supranational currencies have reemerged in response to recent U.S. tariffs, the questions raised after 2008 are once again highly relevant. By revisiting these earlier debates, this study aims to contribute to the ongoing process of reimagining the future of international monetary governance. Crucially, it reframes Chinese thinkers not as passive responders or hegemonic challengers, but as creative, pragmatic contributors to (what they view as) a shared global project. Recognizing this role is essential for building the mutual understanding needed for more inclusive and cooperative reform on a broad scale.

The paper proceeds in five sections. First, it surveys the English-language literature on global monetary reform, focusing on how China's role has been variably framed, by reviewing optimists and skeptics of China's relationship to international currency system change. Second, it examines trends in Chinese academic publications on the topics of international monetary reform, renminbi internationalization, and supranational currencies, to offer a picture of the rise and decline (and possible rebirth) of interest in supranational monetary reform between 2008 and the present. Third, it reconstructs the major Chinese proposals for supranational currencies in detail, with particular attention to the diversity of approaches, as well as the tensions embedded within them. Fourth, it analyzes factors that curtailed Chinese conversations on supranational currencies, highlighting not only external factors like US opposition, but also factors internal to the Chinese debates like overreliance on renminbi internationalization as a way forward for supranational currency development. Finally, the conclusion reflects on the episode of Chinese supranational currency debates in the wider context of global collective learning in the field of international monetary reform.

ENGLISH-LANGUAGE LITERATURE REVIEW – SKEPTICS AND OPTIMISTS

China's calls for changes to world affairs are frequently met with polarized world views, in English-language academia as well as in the broader media sphere, and its position on international currency politics are no exception. Zhou Xiaochuan's call for reform to the global monetary system sparked a firestorm of debate, and reactions can be viewed as a litmus test of what kind of transformative force China brings to world politics.

While mainstream international English-language scholarship has paid close attention to China's growing economic and military power, they often have very differing opinions as to whether China's can, or should, transform the system dollar hegemony. Some Western interpretations have typically cast China either as a rising challenger, poised to displace the dollar, or as a constrained actor whose ambitions are unlikely to materialize. These binaries tend to obscure more nuanced questions: Would a transformation of the international monetary system be normatively desirable?⁸ And is such a transformation practically feasible?⁹

To help map the diversity of views in the literature, the following table locates key scholars and institutions along two axes: whether reform is seen as desirable or undesirable, and whether it is considered feasible or unlikely. This heuristic is not meant to impose hard typologies but to help parse recurring tendencies across the debate, laid out in this section.

⁸ While normatively desirable could have many possible connotations, for the sake of this brief review, normatively desirable entails those who feel that reforms, or significant substantive changes, to the dollar system would be a good thing. For a more thorough review an ICU as a normatively desirable alternative to dollar hegemony, see Kotilainen (2024).

⁹ Feasibility judgments often depend not only on geopolitical analysis but also on an author's capacity to imagine alternatives—such as a functional ICU or a renminbi-led system. Here, *feasibility* refers to whether China could meaningfully transform the dollar-based order, through either hegemonic replacement or a plural currency system. There are several possibilities that remain unexplored in this paper, like whether the BRICs could support an alternative means of settlement outside the dollar system. Patomäki (forthcoming) argues that feasibility should be seen as a dynamic process, shaped by political will, institutional design, legitimacy, timing, and material capacity. In world-historical terms, feasibility evolves through complex, sometimes non-linear developments, and must be distinguished from *viability*—the longer-term sustainability and coherence of any reform.

Table 1. Will China transform the dollar system?

	Desirable	Undesirable
Feasible	“Optimistic advocates” - Ito - Eichengreen - Chin	“Concerned opponents” - Mearsheimer - Rogoff
Not Feasible	“Pessimistic advocates” - Cohen - Helleiner - Pettis	“Dismissive opponents” - Krugman - Steil

Dismissive Opponents (Not feasible, undesirable)

Following Zhou’s calls for reform in 2009, many onlookers immediately took a skeptical view, not to mention policy makers like then US Treasury secretary Timothy Geithner, or FED chairperson Ben Bernanke. Economist Paul Krugman immediately took a cynical view as “an admission of weakness,” saying that “China had driven itself into a dollar trap, and that it can neither get itself out nor change the policies that put it in that trap in the first place” (Krugman 2009).

Benn Steil notes that while Zhou’s calls were a significant sign of discontent, he believes that China, even should its economy outgrow the size of the United States, is “in no position to orchestrate a Bretton Woods–type refashioning of the global monetary architecture” (Steil 2013, 344). Steil notes that Zhou and other Chinese leaders were not alone in their discontent as calls for an overhaul of the global monetary system also came from French President Nicolas Sarkozy and British Prime Minister Gordon Brown in the wake of 2008 crash (2013, Chapter 1). However, China is “boxed in” by the dollar system, and moreover could never challenge the dominance of the dollar, due to China’s strict capital controls and underdeveloped domestic capital market (2013, 345).

Optimistic Advocates (Feasible, and desirable)

In opposing fashion, however, some renminbi “optimists” have expected that China has real potential disrupt dollar hegemony, in one way or other. Takatoshi Ito was one of many scholars, writing in the wake of the global financial crisis, advocating that China would not only unseat, but surpass the dollar in its global role. In 2010, Ito predicted that China was poised to overtake US GDP by 2020. This would in turn open the door for China to become “the key international currency”, and eventually overtake the dollar, though over an unspecified time period (Ito 2010, 275).

In more reserved, but nonetheless optimistic terms, scholars like Barry Eichengreen

looked with hope to China's initiatives to internationalize the renminbi in the post-crisis years, through currency swap agreements and renminbi-denominated bonds, as part of a long-term strategy to reduce dependence on the U.S. dollar. Like Ito, in the immediate aftermath of the GFC, Eichengreen speculated that the renminbi could soon be positioned as a leading global currency, as soon as 2020, pending substantial financial and institutional reforms (Eichengreen 2009). These earlier views are perhaps more tempered today, as detailed in the following section.

World politics scholars Heikki Patomäki and Jamie Morgan have argued that, should China ever pick up Zhou's calls for supranational currency, its success will still likely hinge on engagement other parties interested in changing the dollar system. In their analysis, China's growing involvement in institutions like the BRICS group and its support for regional alternatives to the dollar, such as the Asian Infrastructure Investment Bank (AIIB), could signal a gradual move toward more multilateral alternatives to dollar hegemony, and rebalancing of global trade relationships. However, they caution that these developments are still in their early stages and that China's long-term strategy may prioritize regional influence over global monetary reform (Patomäki & Morgan, forthcoming 2025).

Joseph Stiglitz and Bruce Greenwald argue that supranational currency alternatives, like Zhou's, are not only viable but essential for global stability. Stiglitz suggests that an alternative arrangement would be more stable than a single sovereign currency system, or a likely even more volatile system based on two or three competing global reserve currencies (Stiglitz & Greenwald 2010, 2–3). Stiglitz and Greenwald envision a transition to a rule-based global reserve system, potentially centered on a strengthened SDR or other configurations, that would reduce global imbalances and deflationary pressures; in this context, they cite Zhou Xiaochuan's 2009 proposal as one prominent example of calls from major emerging economies for systemic reform (Stiglitz & Greenwald 2010, 2,17).

Gregory Chin portrays China's position on monetary reforms as a strategic outlook, rooted in China's structural position in the global monetary system, that is aimed at slowly reshaping the system rather than simply reacting to external pressures (Chin 2014, 184–185). Chin, writing in 2014, interprets Zhou Xiaochuan's 2009 essay not as an isolated view, but as reflective of broader consensus within Chinese policy circles, noting that top policy makers, from the 1990s through the 2000s, were discontent with what they viewed as an unfair and irrational system of management by the US (2014, 187–195). Chin notes that Zhou's essay reflected the frustration, but also the caution, of other high level policy makers, such as then-assistant governor of the PBoC Li Ruogu (listed in the plans below), or Vice Premier Wang Qishan, which explains China's cautious approach and preference for gradual expansion of SDRs as its main international policy position in subsequent years (2014, 200–203). Chin introduces the idea of “al-

ternative multilateralism” to describe China’s efforts, often in coordination with other BRICS countries such as Russia and Brazil, to incrementally reshape the global monetary system from within, rather than abandoning existing institutions outright (2014, 200–203). While Chin gives an excellent picture hinting at a broader sympathy within policy circles to Zhou’s essay, he only opens the door to the broader range of thinking on supranational currency plans explored in detail in the following section.

Pessimistic Advocates (Not feasible, but desirable)

There are, however, a large number, and kind, of authors who believe that while changes to the dollar system may be a good thing, China is nonetheless too constrained, or perhaps even unwilling itself, to fundamentally change the dollar system.

Eric Helleiner has highlighted how China played a pivotal role in shaping post-crisis financial governance, though not as a radical reformer. China’s actions reinforced the status quo by doubling down on the dollar in the aftermath of the crisis; in Helleiner’s view, China sought incremental changes that would enhance its global financial standing, and the viability of its export-based economic model, without disrupting the current order (Helleiner 2014, Chapters 1 & 3).

Similarly, Benjamin Cohen suggests that while China is actively promoting the internationalization of the yuan, it does not appear to seek a complete overhaul of the dollar-led global monetary system (Cohen 2018, 78–80). Instead, its ambitions seem to center on gradually curbing the dominance of the dollar and advancing diversification within the system. This strategy aligns with broader geopolitical goals to increase China’s influence globally, leveraging the yuan as a tool to challenge U.S. monetary supremacy without outright replacement. However, significant domestic constraints, like maintaining Party control and avoiding the risks of full liberalization, complicate these ambitions, leading to cautious and incremental steps toward currency reform. Cohen argues that while China’s economic power is significant, the dominance of the U.S. dollar is not solely based on economic size but also on institutional factors, such as deep and liquid capital markets. Cohen, borrowing from the characterization of Paola Subacchi (Subacchi 2017), frames the renminbi as a “dwarf currency” on the global stage (Cohen 2018, 152–160).

More than a decade after the global financial crisis, scholars like Michael Pettis believe that any change to the underlying global imbalances, and the dominance of the dollar, require change in Washington, not Beijing, before much needed changes can occur. Pettis argues that China’s primary concern has been managing its own economic transition from an export-led growth model to one based more on domestic consumption. In this context, Pettis suggests that while China may be interested in global monetary reform, it is unlikely to champion global reforms, which would require it to cede

some control over its monetary policy in favor of multilateral governance. Ultimately, Pettis concludes that in all likelihood, the world is “stuck with the US dollar”, not because of the dollars’ own exorbitant privilege, but because providing demand to the rest of the world comes at a major cost to US workers, farmers, and small businesses; any shift to an alternative systems would require the United States to acknowledge, and act on, these costs (Pettis 2022, 511–512). Pettis, along with his writing partner Matthew Klein, are also keenly aware of Beijing’s deep-seated fears of financial instability, rooted in its experience of the 1997–98 Asian Financial Crisis, particularly the collapse of the Suharto regime in Indonesia, which Chinese officials watched with alarm. That episode, along with the capital flight of 2014–15, has overridden any tentative interest in Beijing to liberalize capital controls (Klein & Pettis 2020, Chapter 6).

Barry Eichengreen, while more bullish on the renminbi immediately after the crisis, in later writings, began to emphasize that persistent structural barriers, including China’s capital controls and the limited convertibility of the renminbi, make it unlikely that the currency will replace the dollar in the foreseeable future (Eichengreen 2019). Still, Eichengreen and his co-authors argue that full capital account convertibility is not necessary for the renminbi to become a “consequential” reserve currency, and increase its global role. Yet because China continues to hold substantial dollar reserves, the renminbi can only compliment, rather than substitute, the dollar on the world stage (Eichengreen et al. 2022).

Concerned Opponents (Feasible, not desirable)

There are many in the English-language realm that believe China is both willing and able to make substantial changes, or even uproot, the dollar system, and that this is a future that should be actively fought against. While not a currency scholar, this is a familiar position of those China “hawks” who see Beijing as a rising threat to be dealt with. Scholars like John Mearsheimer, for example, have long argued that American power should be wary of China’s rise, and that the US made grave mistakes by working with China to deepen its economic integration into the world economy in the 90s and early 2000s (Mearsheimer 2018, Chapter 7). In addition, the US should do everything in its power to prevent China from becoming a regional hegemon in Asia (2018, Chapter 8).

In monetary terms, Kenneth Rogoff, former economist serving at the Federal Reserve and the IMF, has expressed strong concerns about the global consequences of dollar displacement by the renminbi. In *Our Dollar, Your Problem*, Rogoff recognizes that China is actively pushing for alternatives to U.S. monetary dominance, and that the renminbi may eventually come to “effectively rule Asia” (Rogoff 2025, Chapter 10). While acknowledging that the U.S. dollar faces real geopolitical competition, he warns that abandoning the dollar-centric system could lead to fragmentation, instability, and a

rise in transaction costs; still, while the dollar will remain on top, for Rogoff, the future will likely involve some level of substitution of the dollar by the renminbi, but also by the euro, the Swiss franc, and Japanese yen (2025, 253).

PUBLICATION TRENDS IN CHINESE LITERATURE

Chinese Academy of Social Science researcher Sun Jie has noted that while the GFC was indeed an economic shock to the world, it was also “conceptual shock” to Chinese scholars, which sparked a wave of new research and writing on international currency politics. Sun noted that, according to the premier Chinese academic paper repository China National Knowledge Database (CNKI), the topic of renminbi internationalization surged from around 30 academic articles per year before 2008, to 300 per year in the year 2009 (Sun J. 2014, 39–40).

Building on Sun’s observations, this section gives a brief statistical overview of publication trends on CNKI, on Chinese language academic publication on the topics of the international monetary system, international monetary reform, renminbi internationalization, and supranational currencies. This statistical overview contextualizes the emergence of Chinese supranational currency proposals within broader trends in international monetary reform and renminbi internationalization debates. It helps explain why certain ideas gained traction while others faded, and why, as I will argue, the emphasis on renminbi internationalization ultimately narrowed the horizon for supranational alternatives.

CNKI catalogs books, academic conference proceedings, newspaper articles, and graduate theses in addition to journal articles. However, for the purposes of this paper, only academic articles — CNKI’s primary focus — are included in the analysis. CNKI is the most comprehensive Chinese-language academic repository, though it primarily indexes journal articles and may not fully capture informal debates or unpublished government reports.

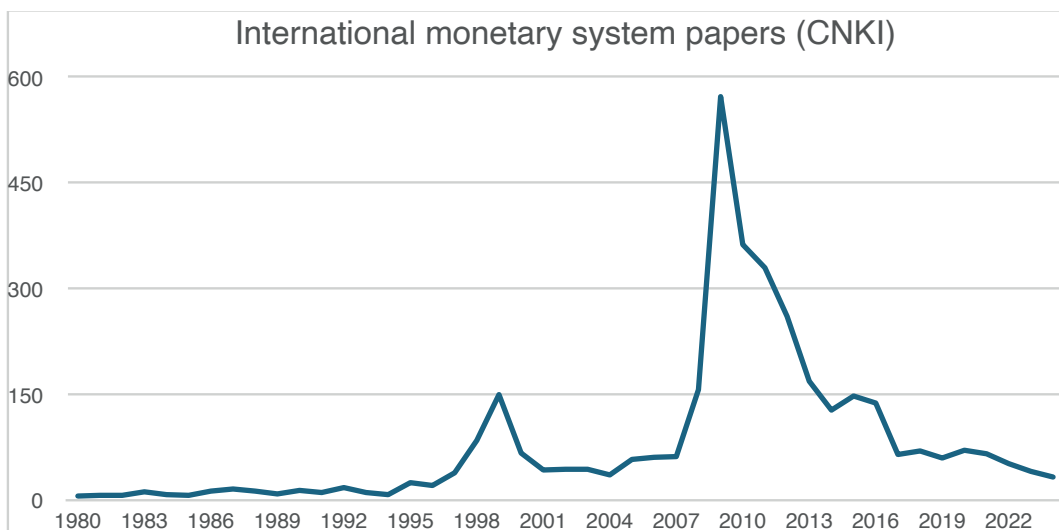
Queries were made using CNKI search functions, searching in most cases according to “topic” (主题), which returns papers based on relevant subject matter, and in some cases by “full text” (全文).¹⁰ All searches were limited to publications up to the year 2024.

¹⁰ The distinction between CNKI’s “topic” and “full text” search functions is important in the following sense: topic searches are curated to reflect the central subject matter of a paper, while full text searches may return articles where the keyword appears only in passing. According to the CNKI user manual, the “topic” search function “contains all the subject features of an article. At the same time, professional dictionaries, subject thesaurus, Chinese-English dictionaries, stop word lists and other tools are embedded in the search process, and a keyword truncation algorithm is used to truncate low-relevant or slightly relevant documents.” The “full text” search function, by contrast, searches “the entire text of a document, including the title, keywords, abstract, main text, references, etc.” (CNKI Manual, n.d.)

Papers on the topic of the “International monetary system” (国际货币体系)

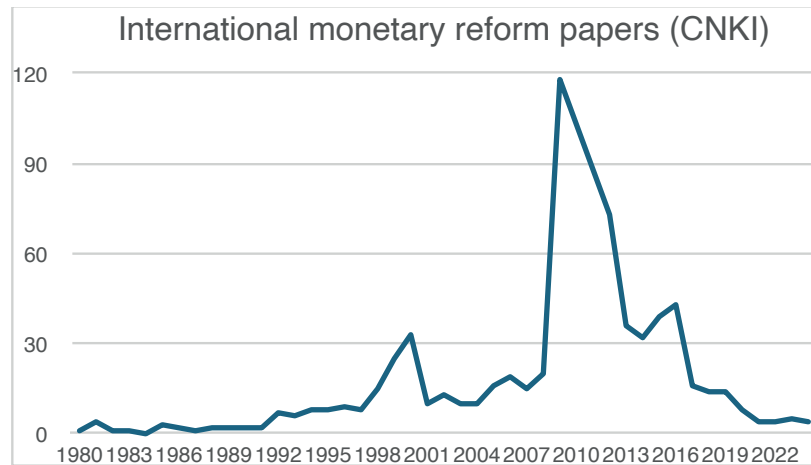
In the CNKI database, Chinese authors have written 3620 academic articles published between 1980 and 2024. Publications on the “international monetary system” climb in the years following the Asian financial crisis, which began in 1997, before declining in the early 2000s. Publications skyrocketed following the outbreak of the Global Financial Crisis in 2007, and peaked in 2009 at 573 academic articles, before a precipitous decline throughout the 2010s, and continued through 2024.

Figure 1. CNKI Publications on the international monetary system.



Papers on the topic of International monetary reform (国际货币改革)

Similarly, publications on the reform of the international monetary system peaked in 2000 and 2009, immediately following the Asian and global financial crises. CNKI search returned showed 854 academic articles since 1980, with peaks in 2000 and 2009, following the trend search results for “international monetary system”.

Figure 2. CNKI Publications on the topic of international monetary reform.

Papers on the topic of Renminbi internationalization (人民币国际化)

There are 15,185 papers on the topic of renminbi internationalization in the CNKI database between 1996 and 2024. In slight contrast to Sun Jie's observations, there were 85 papers on the topic in 2007, the year before the full-blown financial crisis struck in 2008, compared to 624 in 2009. The number of articles peaked in 2015, around a period of financial turmoil in 2014–15, where China's stock market tumbled and increased capital controls were subsequently introduced. By 2024, the number of articles sat at just 14, levels not seen since the early 2000s. This paper will return to the role of renminbi internationalization in the conversations around supranational currencies, and propose that an overreliance on the idea of renminbi internationalization may have helped shut down debates around supranational currencies.

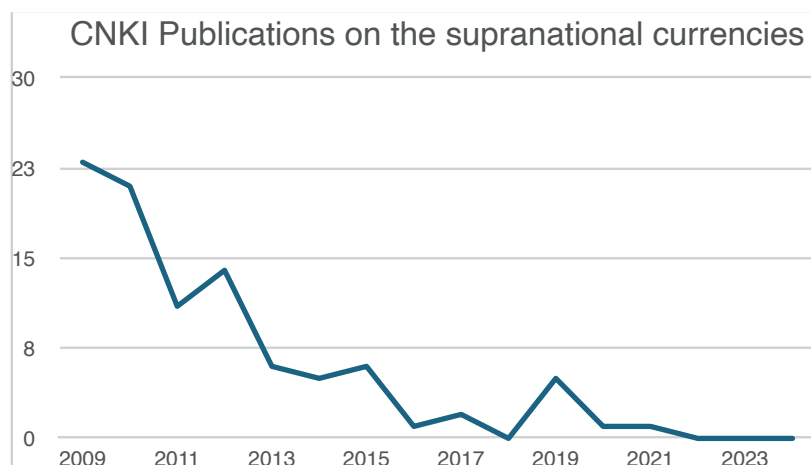
Figure 3. CNKI Publications on the topic of renminbi internationalization.

Papers on the topic of Supranational currency (超主权货币)

There are 96 academic articles on the topic of “supranational currency” on the CNKI since 2009, the earliest year in which search results appeared. The earliest listed publication occurs in April 2009, one month after the Zhou proposal was first published. In fact, the first appearance of a text in which “supranational currency” turns up in the full-text search is Zhou Xiaochuan’s early piece from March 2009 (Zhou 2009a).

The absence of papers about a “supranational” currency before 2009 does not, however, rule out that similar proposals do not exist. In fact, as mentioned below, the work of author Ma Guoshu does not mention Zhou’s plan at all, and is based on years of work on international currency reform dating back to the Asian Financial Crisis of 1997. It is possible that other relevant proposals exist before 2009, but this study has not found any references to such domestically developed precursor models prior to the outbreak of the global financial crisis. Ruling out this possibility is, or identifying earlier models for global alternatives to the dollar-based system, for now, beyond the scope of this paper.

Figure 4. CNKI Publications on the topic of supranational currencies.



There are, for example, only eight articles with topics like “international clearing union” (ICU) (国际清算联盟), which primarily discuss Keynes and economic history, and are not proposals for a ICU. Whereas English language scholarship on global alternatives to the dollar-based system circulates around concepts like special drawing rights, diversifying global currency baskets, or an international clearing union, Chinese discussions appear to focus primarily on the concept of a supranational currency, likely due to the weight of Zhou’s March 2009 proposal.

Lastly, it is worth noting that the most recent papers on supranational currencies are often discussed in the context of blockchain, cryptocurrencies, and other questions of new technological innovations to the global monetary system.

CHINESE SUPRANATIONAL CURRENCY PLANS

The post-crisis surge in Chinese scholarship on international monetary issues created an intellectual environment in which more concrete reform proposals could emerge. Moving beyond abstract discussions of dollar dominance or general calls for reform, a range of Chinese officials, economists, and scholars advanced specific ideas for reshaping the international monetary system between 2008 and the early 2010s.

While Zhou Xiaochuan's 2009 call to strengthen the role of Special Drawing Rights (SDRs) remains the best-known intervention outside China, a closer reading of Chinese literature reveals a much richer landscape of proposals. These include calls to build regional monetary arrangements, promote commodity-linked settlement mechanisms, and design new supranational reserve assets more ambitious than SDRs alone. Although diverse in form, many of these proposals shared a pragmatic recognition of China's own vulnerabilities and a reluctance to confront the dollar system, and the United States, head-on.

This section reconstructs the main proposals advanced by leading Chinese thinkers, including Zhou Xiaochuan, Li Ruogu, Ma Guoshu, and others. It highlights the ambitions, tensions, and internal contradictions of Chinese reform ideas during this period, offering a more complete picture of China's engagement with international monetary governance than what is typically recognized in English-language scholarship.

Zhou Xiaochuan (2009): The Zhou plan revisited

While it appears that Zhou's 2009 piece was his first meditation on supranational currencies, his own published views on the international role of the renminbi and global currency reform can be traced back decades. Zhou rose to prominence in the 1990s as Vice Governor of the PBoC, and later as the head of the State Administration of Foreign Exchange (SAFE), where he oversaw China's foreign exchange policies and advocated for gradual renminbi liberalization. Already in 1994, Zhou argued that capital account liberalization was a necessary long-term goal, but one that should follow current account convertibility and be pursued in a sequenced, and stable manner (Zhou 1994). As Governor of the PBOC from 2002 to 2018, Zhou played a pivotal role in modernizing China's financial system, introducing a managed floating exchange rate for the renminbi in 2005, and advocating for the currency's gradual internationalization. In 2004, while China's global trade volumes grew at a breakneck pace, Zhou advocated that China and its neighbors like Vietnam and Russia settle more payments in their respective local currencies, though dollar transactions were dominant (Zhou 2004).

Zhou's landmark piece of from 23 March 2009 stands out not only in terms of its vision, but also contains an enduring question, as to his writing on supranational cur-

rencies were a relatively short-lived topic, when viewed in the context of his subsequent writing and thoughts. In the piece, entitled “Reform of the International Monetary System”, Zhou looked to the Keynes plan for inspiration:

The reestablishment of a new and widely accepted reserve currency with a stable valuation benchmark may take a long time. The creation of an international currency unit, based on the Keynesian proposal, is a bold initiative that requires extraordinary political vision and courage (Zhou 2009b).

Zhou traced back his proposal a supranational currency to the plans of Keynes, and how such a currency could, or should, operate:

Though the super-sovereign reserve currency has long since been proposed, yet no substantive progress has been achieved to date. Back in the 1940s, Keynes had already proposed to introduce an international currency unit named “Bancor”, based on the value of 30 representative commodities. Unfortunately, the proposal was not accepted ... A super-sovereign reserve currency not only eliminates the inherent risks of credit-based sovereign currency, but also makes it possible to manage global liquidity. A super-sovereign reserve currency managed by a global institution could be used to both create and control the global liquidity (Zhou 2009b).

As a pragmatic first step, Zhou suggested expanding the use of SDRs in international trade.

Zhou’s article was published on the PBoC website just days ahead a meeting with then US Treasury Secretary Timothy Geithner, followed by a G20 meeting in early April (“China’s Zhou Hopes” 2009). Geithner, in response to journalists questions about the Zhou proposal, initially told reporters that he was open to increasing the use of the IMF’s special drawing rights (“Geithner ‘Open’ to China’s Proposal” 2009). Just hours later, however, he and Federal Reserve chairperson Ben Bernanke told a congressional hearing that they both rejected moving away from the dollar to a new global currency, referring to Zhou’s proposal (“Geithner, Bernanke Reject New Global Currency Idea” 2009). And while Zhou’s article stirred concern over the future of the dollar, the vice-governor of the PBoC, Hu Xiaolian, told media that China would continue buy US treasury bonds as “as an important part of our foreign exchange reserve management”, immediately following the publication of Zhou’s article (Branigan 2009).

Zhou’s proposal calling for a supranational reserve currency, while suggesting po-

tentially radical reforms to the international monetary system, were largely in-line with Chinese foreign policy thinking, and were accompanied by other high-level Chinese political voices calling for reform, during the follow out of the global financial crisis. Elements of Zhou's plan were already long-held views within the Chinese government (Chin 2014; Ren 2015). For example, Zhou's proposal was also quickly followed days later by another important essay on the world monetary system reform by high-level politicians vice premier Wang Qishan, a senior Chinese diplomat and member of the elite seven member Chinese Communist Party's central committee. In his short essay, Wang called on the G20 for a clear goal, timetable and roadmap for reform of the global financial system. Though Wang made no reference to Zhou's plan, he also called for IMF-centered reforms as a pragmatic first step (Q. Wang 2009).

And despite opposition from Geithner and Bernanke, former US Treasury official and international currency scholar Fred Bergsten welcomed Zhou's proposal. Bergsten claimed that he had made similar proposals for an SDR-based dollar swap program in the pages of the Financial Times in 2007, "in which Chinese officials displayed considerable interest" (Bergsten 2009).

The G20 meeting, however, did not produce a clear consensus for reform in the direction of the Zhou proposal, though Zhou continued to write on the global monetary system and its contradictions. In July of 2009, a few months after his initial essay made waves, Zhou gave a speech imagining several scenarios for rebalancing the global economy. Zhou's focus, however, was not a supranational currency per se, but instead global financial imbalances underlying the global financial crisis. In his remarks, he stated that "[i]n the view of traditional Chinese philosophy, imbalance is a state of normalcy and balance is only a relative concept" (Zhou 2009c). Zhou's outlined six scenarios for future development, including a disaster scenario trade imbalances remain persistent, and trade protectionism rises, rather resembling the present political moment.

Zhou continued to publicly advocate for international currency system reform, though mentions of supranational currencies disappeared. By the mid 2010s, Zhou said China should increase its role in the basket of SDR currencies, and to push for greater "voice" (话语权) for China (Zhou 2015). In recent years, he has turned his attention to other issues, like the role of digital currency and electronic payments effects on the structure of global currencies (Zhou 2020). Still, Zhou has cautiously promoted the slow internationalization of the renminbi, particularly in the digital realm, noting that while the US dollar remains dominant, the increased use of sanctions will weaken the dollar's credibility in the long run and create opportunities for other currencies (Zhou 2022).

Ma Guoshu (2009): Global Independent Money

Renmin University researcher Ma Guoshu (马国书) is among the earliest known - and perhaps most eccentric - post-crisis proposal for a global independent money (GIM). Notably, Ma's 2009 book *Global Independent Currency* makes no reference to Zhou Xiaochuan, his proposal, or supranational currencies anywhere in the text. This is likely because Ma is one of several scholars involved in a long-term research program, advocating for alternative views of economics, trade, and even ethics, and Ma's plan GIM plan was years in the making before its publication in 2009. Ma's theories are undergirded by an alternative vision of economics, politics and philosophy called "general economics" (广义经济学) and its accompanying theory of "all-win economics" (Ma 2009, 37–53).

Ma's work on an alternative global currency regime appear to stretch back to his research on the Asian financial crisis of 1997 (2009, 3). Ma concluded, following the crisis, that financial crises were inevitable under the prevailing international systems of trade and finance, in particular the system of international trade settlement. Because national currencies are subject to significant volatility and manipulation, multiple sovereign currencies on international markets create instability, which Ma calls the "exchange rate trap" (汇率陷阱); currency fluctuations expose countries to risks beyond their control, making financial crises an unavoidable consequence (2009, 267–269).

Ma holds that the current monetary order is a "zero sum" system, based on the interests of individual nations, rather than humanity as a whole. The only way out, for Ma, is to establish a more stable, non-sovereign global monetary system that can serve as a neutral and crisis-resistant platform for international trade and finance.

Ma's work on monetary reform is also deeply rooted in global governance and statecraft. For Ma, the principle of state sovereignty, since the peace of Westphalia in 1648 lies at the core of the zero-sum system (2009, 6). Ma argues that human civilization cannot continue to rely on violent, competitive zero-sum games, and must shift to a win-win system of mutual exchange. This historical moment, for Ma, presents an opportunity to move beyond the old paradigm and embrace a win-win system where collective global interests outweigh narrow nationalistic pursuits. Writing in the wake of GFC, Ma claims that the urgency with which the global community must act to establish new systems that prioritize collective well-being.

Ma Guoshu's Global Independent Money (GIM) system is a comprehensive proposal for addressing the structural issues in global finance and trade, particularly the volatility caused by sovereign currencies in international settlements. GIM is designed to function as a non-sovereign, global currency system that can coexist with national currencies while offering a more stable, non-inflationary alternative for international

trade and finance (2009, Chapters 4 & 5). Ma's vision of GIM is grounded in his broader economic theories, where he emphasizes the need for collective global mechanisms over competitive national systems.

The GIM system is envisioned as being established through a series of foundational agreements, starting with the creation of a "GIM Founding Community." This community would consist of participating nations that agree to issue GIM alongside their national currencies, initially in a dual system. Over time, the system would transition into a single global monetary framework, as more countries adopt GIM for international settlements. The mechanism behind GIM includes the "Global Trade Surplus Community Treaty" and the "Global Foreign Exchange Reserve Community Treaty," which aim to align global monetary practices, and phase out the dependency on sovereign currencies for international reserves (2009, 539–545). In this way, GIM aims to eliminate the systemic risks associated with currency imbalances and prevent future financial crises by creating a more balanced, non-zero-sum global monetary system.

In response to the 1997 Asian financial crisis, Ma proposed a system of "Asian Tiger Bonds", issued in renminbi, offering a way to stabilize economies in the region while gradually reducing reliance on the U.S. dollar (Ma 2009, Chapter 6). Ma Guoshu's proposal for these bonds emerged as part of a broader strategy aimed at integrating the renminbi into global financial markets in a way that avoids the pitfalls of competing with the dollar for international reserve currency status. The bonds serve as a prototype for Ma's larger plan to transition the global financial system away from sovereign currencies, including the dollar, toward a more collective, stable monetary framework. The issuance of these bonds in renminbi aligns with his concept of GIM, as it moves international finance toward a non-zero-sum, globally coordinated system where debt and trade can be settled in a neutral, global currency, thus reducing dependence on the U.S. dollar and avoiding future financial crises.

Curiously, Ma Guoshu's more recent writings denote a stark departure from the optimism and ambitious global vision present in his 2009 book. For example, in a more recent article from 2021 shifts its focus towards a more defensive and pragmatic outlook, acknowledging the increasingly contentious U.S.—China financial rivalry (Ma 2021, 13). Ma no longer emphasizes the potential for sweeping reforms like GIM but instead focuses on the inevitable conflict between the dollar and the renminbi. He now highlights the challenges that China will face in the coming decade, particularly under what he calls the "double-anchor dollar system." Rather than pursuing global solutions like GIM, his focus is now on creating financial tools to withstand potential U.S. financial aggression, against the background of the first Trump administration's more hostile China strategy, signaling a shift from Ma's earlier optimism toward a more cautious, protectionist approach (2021, 15).

This evolution in Ma's thinking suggests a recognition that the global financial system, dominated by the U.S., may not be as amenable to the types of reforms he once envisioned. Instead of achieving collective global prosperity through new monetary systems, his more recent writing appears to accept that U.S.—China competition will likely dominate the financial landscape, and China must focus more on defensive strategies. This shift underscores a significant change in Ma's perspective, from one that looked toward the possibility of win-win global cooperation, to a more hardened realism about the future of U.S.—China relations and global finance.

Li Ruogu (2009): Expanded SDRs

Li Ruogu (李若谷) book *Reform of the International Monetary System and Internationalization of the Renminbi* is an extensive critique of the global monetary system, along with proposals for reform (R. Li 2009, 2016).¹¹ Written while he was still head of China's Export-Import Bank, the book makes Li's writings the most high-profile known elaboration on the topic of supranational currencies, behind those of Zhou Xiaochuan. Li notes that in his own thinking, he has researched the creation of "a new international currency or currency unit not based on the currency of any single country" (2016, 142), or what he simply calls a "non-sovereign currency", to address the inherent flaws in the current global monetary system, which he argues is overly reliant on the U.S. dollar.¹²

Li envisions this non-sovereign currency as a means to stabilize exchange rates and mitigate the imbalances caused by the dominance of sovereign currencies like the dollar. However, Li's concept of a non-sovereign currency is largely vague, with few specific details on how it would be implemented or governed. He elaborates with great familiarity the basic mechanisms of Keynes's proposed *bancor* and international clearing union (ICU) systems, designed to promote balanced trade (2016, 18, 139–141). However, Li characterizes Keynes's plan as "unrealistic", without elaboration (2016, 176).¹³

Instead, the book places greater emphasis on the need for reform in global institutions like the International Monetary Fund (IMF) and World Bank (R. Li 2016, Chapter 12). Li stresses that developing countries should have a greater voice in these organizations, as current governance structures disproportionately favor developed nations. He calls for an overhaul of voting rights, fund quotas, and representation within the IMF

¹¹ Li's original work was published in Chinese in 2009, and translated into English in 2016.

¹² Li Ruogu's *Economic Globalization and Chinese Financial Reform* (2001) and *International Economic Integration and Financial Regulation and Supervision* (2002) appear to be his earliest publications addressing issues of global monetary reform and financial governance. I have not yet been able to access physical or digital copies for direct consultation.

¹³ Although Li summarizes the main features of Keynes's proposed international clearing union, he does not substantively engage with its logic or offer detailed reasons for deeming it unrealistic. His dismissal remains cursory, with little explanation beyond a passing reference.

to reflect the growing economic influence of emerging economies like China, Brazil and other emerging economies; Li proposes a 50/50 split in voting power between developed and developing countries as the “simplest and most equitable solution,” although he does not elaborate on how such a dramatic shift could be practically achieved (R. Li 2016, 158).

Li’s perspective on international monetary reform combines a critique of the current dollar-dominated system with an advocacy for a more balanced financial order. He believes that reforms should promote stability while ensuring that developing countries benefit from global growth. Despite his calls for comprehensive reform of the institutions of global monetary governance, the book often lacks concrete plans for how these reforms could be realized. The call for a non-sovereign currency, while compelling, remains particularly abstract, and his recommendations for institutional reforms echo long-standing concerns without offering new mechanisms for achieving change.

Dong et al. (2010): Three models

Dong et al explicitly take Zhou Xiaochuan’s comments as the starting point for their meditation on a supranational currency. They forward three brief descriptions of possible models in which a supranational currency could emerge, and evaluate their feasibility (Dong et al. 2010).

The author’s first model suggests reforming the IMF’s the Special Drawing Rights (SDRs), focuses on enhancing their functionality as a supranational reserve asset. The authors suggest broadening SDR functions in multiple respects, including adjusting the allocation mechanisms to better benefit developing nations, and expanding their use beyond governmental and institutional transactions to include trade, investment, and financial markets. They also suggest linking SDR value to broader economic indicators and real assets (2010, 9–10).

In the second model, Dong et al consider a regional-to-global approach, which centers around developing regional supranational currencies as a precursor to global monetary integration. Inspired by the model of the Euro, this approach advocates the gradual creation of regional monetary unions in areas with close economic ties and shared goals like Association of Southeast Asian Nations (ASEAN). These regional currencies, the authors contend, could address localized needs, while serving as stepping-stones toward a unified global currency system (2010, 10).

The third model proposed by Dong et al. envisions a digital international accounting currency managed by central banks within regional blocs like the Shanghai Cooperation Organization, or an Asian free trade area (2010, 10). Anchored to a basket of real assets, this currency would exist only as electronic entries in national accounts, with borrowing limits tied to economic strength. Member states would commit to redeeming

currency units in goods of agreed value, and settlement would occur directly between governments. While bypassing institutions like the IMF, the model faces significant challenges in trust, governance, and valuation mechanisms (2010, 10–11).

In their evaluation, Dong et al argue that while all three models have theoretical merit, the first two (reforming SDRs and the regional-to-global approach) are more feasible (Dong et al. 2010, 11). They argue that SDR reform offers an incremental and widely acceptable route, while regional initiatives can build trust and institutional capacity that may later support global integration. By contrast, the international accounting currency model faces major obstacles, including political opposition from dominant-currency states like the U.S., and technical challenges related to valuation, stability, and cross-national coordination. Ultimately, the authors emphasize that the development of a supranational currency must proceed gradually, with SDR reform and regional efforts advancing in tandem to enhance global monetary stability.

Xie Ping (2011): Bond-backed supranational currency

Xie Ping (谢平) is another high-profile writer on supranational currencies, and is the former director of the research bureau of the PBoC. Xie proposed his own supranational currency (simply called “super currency”) in a 2011 entitled “The Specific Design of Super-Sovereign Reserve Currency” (Xie 2011), which was later published as a chapter by the same title in an edited volume (Xie 2012). Xie’s global currency aims to address the perceived limitations of the Special Drawing Rights (SDR) system. Xie argues that SDRs lack adequate asset backing and flexibility, which reduces their effectiveness as a potential global reserve currency. To overcome these shortcomings, Xie proposes a new bond-based model.

In Xie’s design, the supranational currency would not be a general currency used for trade or settlements, but would function primarily as a store of value, to address global liquidity needs more effectively than the current SDR system. Xie criticizes the SDR system’s limited practical utility, particularly their lack of connection to tangible assets and real-world economic conditions. Instead, Xie proposes that his proposed currency be issued and regulated by the IMF. More specifically, bonds would be issued from funds among the G20 countries, with each country contributing in proportion to its GDP. These bonds would provide the asset backing that SDRs lack, ensuring stability and long-term confidence in the currency, Xie suggests.

For Xie, the bond-based nature of Xie’s plan adds an important layer of flexibility to currency. By allowing central banks to trade supranational currency bonds on a secondary market, the design would create liquidity, and offer central banks the ability to adjust their reserves dynamically. This contrasts with the rigid and limited role SDRs currently play, where there is no significant market mechanism to allow for easy trade

or value adjustment. The bonds would offer fixed interest rates and potential capital gains, making them more attractive to central banks, and providing a stable return on reserves.

The “super currency”, in Xie’s design, would also allow the IMF to issue bonds in response to global financial crises, injecting liquidity into the international system when needed, much like a global lender of last resort. This flexibility in managing supply, based on global GDP growth and market demand, distinguishes Xie’s plan from the static and limited issuance of SDRs.

Li Chong (2014): The world dollar, and world central bank

Li Chong (李冲), a scholar of Marxist economics and finance at Beijing Normal University, has developed a sophisticated and detailed proposal for a supranational currency system in the years following the financial crisis. Li’s work developed over time, beginning with cursory research on the world currency system, and finally developing into a proposal for what he calls the “world dollar” (世元) in his 2014 book *The Establishment of Supra Sovereign International Money: The Reform of International Monetary System* (translated into English in 2022). The book presents his most comprehensive vision for a new, asset-backed global currency, and its accompanying institutions (C. Li 2014; 2022).

Following the global financial crisis, Li expanded upon Zhou Xiaochuan’s 2009 proposal, and began to review the history of some of the supranational currency proposals in existence. In his initial analyses, Li identified core contradictions in the post-war dollar system, noting that these contradictions were perpetuated by two key factors: first, the conflict between U.S. domestic interests and its role as the issuer of the global reserve currency, and second, the inevitable erosion of U.S. global monetary dominance, should its relative economic power decline (Li C. 2010).

In 2011, Li, with collaborator Wang Lirong, analyzed historical and contemporary proposals for supra-national currencies, including those by Keynes, White, Triffin, and Mundell. Li and Wang highlighted the need for coordination among major economies to create a global central bank managing a supranational currency backed by the monetary assets of five key economies, as represented in the SDR basket. Li and Wang recognized the long-term nature of these kinds of global monetary reforms, and emphasized that current global monetary contradictions would eventually necessitate action of some kind (Li C. & Wang 2011).

Following the 2011 U.S. sovereign debt crisis, Li Chong and Qu Yi argued in 2012 that the crisis exposed the weaknesses of the dollar-dominated system and should be seen as an opportunity to push for an international solution through the creation of a supra-national reserve currency. They proposed that a global currency independent of any

nation's sovereignty could provide a more balanced and stable global monetary order, without proposing a particular plan (Li C. & Qu 2012).

Finally, in his 2014 book *The Establishment of Supra Sovereign International Money*, Li proposes the “world dollar” as a new global currency backed by a basket of five major currencies - the U.S. dollar, euro, renminbi, yen, and pound sterling (C. Li 2014; 2022). Li proposes the currency be managed by a new global institution, the “world central bank”, which would be responsible for issuing and managing the “world dollar”, as well as conducting the clearing and settlement operations among member states.

One role of the world central bank would be the oversight of reserves, achieved by setting a legal reserve ratio for “world dollar” deposits. This means that national central banks will be required to ensure that commercial banks maintain a specified portion of their world dollar holdings as reserves, both in their national currencies and in “world dollars.” This reserve requirement will help control the supply of the “World Dollar” globally, ensuring liquidity and stability. Crucially, the WCB will also manage the clearing and settlement of international transactions between member states, facilitating efficient cross-border payments. Profits generated from the issuance of the “world dollar” will be distributed to member states, with a portion designated to support developing countries. As for the initial assignment of value of the world dollar, Li draws inspiration from the formation of the euro, and suggests adjusting the value every five years (C. Li 2014, 123–130).

Li suggests a phased implementation of the “world dollar,” beginning with its coexistence alongside national currencies, before slowly gaining in prominence over other currencies, and ultimately replacing them in global trade and finance. The governance model Li proposes would be structured to allow for member states to retain some monetary independence, while still complying with the regulatory framework of the World Central Bank. He emphasizes the need for this new system to be built on the foundation of the current IMF, but structured to surpass its current limitations.

Li also presents critical appraisals of previous proposals, including those of Zhou Xiaochuan and Xie Ping, primarily for their scant specificity and feasibility. But Li notes that Zhou's plan lacks details on how, or whether, a supranational currency would be backed by any asset, let alone how it might be managed, expanded or contracted (C. Li 2014, 86).

Regarding Xie Ping's proposal, which as discussed above is based on the IMF issuing “super currency” bonds, Li notes that while Xie's model is far more concrete than Zhou's, it still faces several problems. First, the plan would be diverging interests between developing and developed nations. While under Xie's plan, developing countries might benefit from having their currencies accepted by developed nations, those developed countries who benefit from seigniorage income of their currencies would likely oppose

Xie's the plan. Li argues that the plan is impractical because it relies on developed countries to voluntarily accept a system that diminishes their privileges. Li therefore doubts that these countries would support an IMF-enforced mandate requiring them to hold "super currency" bonds, as it offers them little benefit. Furthermore, he questions the feasibility of the proposed secondary market for these bonds, highlighting that central banks may be unwilling to trade them in non-reserve currencies, thus undermining market liquidity (C. Li 2014, 86–87).

Li also devotes an entire chapter to renminbi internationalization as a practical means by which to pursue his world dollar system. Chapter eight of his magnum opus on the topic is dedicated to renminbi internationalization. For Li, a more internationalized renminbi would allow it to serve as a credible component in the proposed world dollar, alongside other major currencies. Without greater international use of the renminbi, China risks being sidelined in the creation and governance of a new global monetary system (C. Li 2014).

Li concludes that, despite the political challenges, the systemic flaws in the current international monetary system may ultimately compel global actors even in developed nations, including the United States, to support such reforms. He argues that the U.S. could retain influence by participating in the management of the new system, helping to mitigate global financial risks. He recognizes that the transition to a new system would require unprecedented international cooperation and a willingness among major economies, especially developed countries, to cede some of their monetary sovereignty.

To gain U.S. support, Li argues that the supranational currency plans be framed as a means to enhance global financial stability, which aligns with long-term American interests. He acknowledges the U.S.'s current benefits from the dollar's dominance, but suggests that the systemic risks of the status quo, like the "Triffin dilemma," could ultimately harm the U.S. economy itself. By participating in the creation and management of the new system, the U.S. could retain significant influence and mitigate global financial vulnerabilities. Li also proposes risk management strategies and international cooperation to address concerns, emphasizing that the dollar would remain a key component within the basket of currencies backing the supranational world dollar currency, thus preserving its international relevance (C. Li 2014, 207–212).

Sun Yexia (2019): Top down, bottom up

Marxist perspective of Sun Yexia (孙业霞), does not produce a fully-fledged alternative currency or trading solution, but is one scholar that has observed the previous literature, and made important technical distinctions to the process of creation of a supranational currency. Sun notes that while the approaches are many, she distinguishes between a bottom-up and a top-down approaches. Sun cites plans of Mundell, as a "bottom-up"

theorist, where euroization might occur regionally, before building to a global currency. But a more “top-down” approach could occur if, for example, the IMF were to act as a central authority; Sun looks with hope to blockchain as a way to help manage international currencies (Sun Y. 2019, 99).

Still, as a path forward, Sun sees that renminbi internationalization as crucial. The goal should not be to supplant the dollar as the global hegemonic currency, but to mitigate its hegemony. For Sun, renminbi internationalization is not just about enhancing its status but also about paving the way for a reformed international monetary system that includes a super-sovereign currency to ensure better stability and equity in global finance (Sun Y. 2019, 100–101). Much of Sun’s paper focuses on the disadvantages of the current system of US hegemony for developing nations, in its unfairness and instability. Developing nations, for Sun, are looking for alternatives (Sun Y. 2019, 94–96).

Yang et al. (2019): New technologies and their limits

Yang et al. critically examine the potential of blockchain-based digital currencies to function as a true supranational currency, from a Marxist perspective. They argue that although blockchain currencies like Bitcoin offer a decentralized alternative to traditional sovereign currencies, they are fundamentally constrained by their finite supply, as well as their speculative nature (Yang et al. 2019, 103–104). These currencies, according to the authors, cannot adequately meet the demands of a growing commodity economy, as their limited issuance clashes with the infinite need for liquidity in global trade. The authors highlight that blockchain currencies tend to detach their intrinsic value from the exchange value they represent, making them vulnerable to becoming speculative assets rather than stable monetary options (2019, 99).

The authors note the decentralized and non-sovereign nature of blockchain currencies offers a potential advantage in mitigating the flaws of a unipolar global monetary system dominated by a single currency, such as the U.S. dollar. They argue that these characteristics could enhance global financial stability and foster steady economic development (2019, 101). However, they stress that for blockchain currencies to truly become supranational, cannot rely on the architecture of any given state and its instruments. Otherwise, in their view, they risk becoming mere extensions or subordinates of sovereign currencies (2019, 105).

While it is unclear from where Yang et al. trace the broader historical discussion of supranational currencies, or the particular nature of their Marxist lens, though they clearly frame their Marxism in perspective in opposition to U.S. hegemony. They primarily identify the question of a supranational currency as a response to the contradictions perpetuated by the dollar-dominated global system (Yang et al. 2019, 100–101).

In sum, the authors observe that while blockchain technologies provide innovative

frameworks for monetary reform, they fall short of the structural requirements needed to replace sovereign currencies or for the construction of a new global monetary system. Instead, they suggest that blockchain's strengths might be better utilized within hybrid frameworks that integrate decentralized mechanisms with traditional financial governance (Yang et al. 2019, 105–106).

Wang and Lu (2023): Tripolar to supranational

Wang Xiaofang (王晓芳) and Lu Keji (鲁科技), in their article *Reform of the International Monetary System and renminbi Internationalization*, open with a significant discussion on the potential creation of a new super-sovereign currency. What stands out is their openness to revisiting the concept of an International Clearing Union (ICU), originally proposed by John Maynard Keynes in the 1940s as a solution to global economic imbalances (Wang X. & Lu 2023, 48). Keynes's ICU envisioned a global currency, *bancor*, that would act as a non-sovereign unit of account for clearing international trade. This currency would be backed by a basket of commodities, and the ICU would symmetrically distribute the burden of adjusting trade imbalances between creditor and debtor nations. Although this idea was not pursued at the time due to political and technical limitations, as well as U.S. interests, Wang and Lu suggest it could serve as a model for reform today.

They acknowledge other proposals from English academic literature, including Robert Mundell's plans of a global currency (INTOR), and later suggestions by Alessandrini and Fratianni to create a New International Clearing Union (NICU). This updated ICU could issue a supranational bank currency that coexists with national currencies, supported by assets from major central banks like the Federal Reserve and the European Central Bank. Wang and Lu's willingness to explore these historical ideas, along with their structured analysis of how such a system might be implemented, sets their work apart from more conservative approaches to global monetary reform.

Building on this framework, the authors propose a gradual transition toward a super-sovereign currency, starting with the diversification of the international monetary system and the internationalization of the renminbi. They argue that moving away from an over-reliance on the U.S. dollar and developing a tri-polar system of the dollar, Euro, and renminbi would stabilize global markets. As China's economic influence grows, promoting the renminbi's role in global trade through initiatives like the Belt and Road and aligning monetary policy with Europe are key steps toward a more balanced system (2023, 50–51). This foundation would ultimately facilitate the creation of a super-sovereign currency, managed by an international central bank, which could better address trade imbalances and reduce global financial instability.

DISCUSSION

The Chinese proposals for a supranational currency reflect a diverse range of perspectives, though there are several key dynamics worth highlighting. These include a clear emphasis on a pragmatic accommodation for US interests; the persistence of the term “supranational currency” itself, instead of adjacent concepts like the ICU; the diverse range of options; the cognizance of the role of technology among more recent authors; and the role of renminbi internationalization which figures highly in each plan.

First, nearly all the plans have the striking feature of an effort to balance U.S. and developing countries’ interests; the authors appear to recognize fundamental contradictions in the system, though their views do not take a fundamentally antagonistic view toward the dollar itself or the United States in particular. While Zhou Xiaochuan’s 2009 call for a supranational reserve currency was often perceived in the West as a challenge to U.S. dominance, many Chinese scholars aimed to integrate, rather than exclude, the U.S. from a reformed global system. Li Chong’s “world dollar” proposal, for example, preserves the dollar as part of a currency basket, and Dong et al. suggest reforming Special Drawing Rights (SDRs) to expand developing countries’ representation without sidelining the U.S. Such pragmatism underscores an understanding that any successful reform must accommodate geopolitical realities.

Overall, Chinese approaches to supranational currencies appear to disproportionately center around the creation of a currency as such, typically envisioned as a new unit of account, perhaps backed by central bank reserves or a basket of assets. While some Chinese scholars give a nod to Keynes’s original proposals and the ICU,¹⁴ most proposals remain rooted in the framing introduced by Zhou Xiaochuan in 2009, which emphasizes the development of a reserve currency akin to an enhanced SDR. This orientation seems to reflect a broader concern in Chinese debates about the volatility and dominance of the dollar, particularly its financial impact on China, rather than with the deeper systemic issues of persistent trade imbalances. As a result, the clearing function that was central to Keynes’s design, which penalizing both surplus and deficit countries to promote adjustment, receives little sustained attention. Instead, proposals tend to treat supranational currency creation as a technical solution to mitigate dollar risk, and enhance global monetary diversification, rather than as part of an institutional overhaul of the global trading imbalances.

However, assessments of feasibility vary widely among scholars. Some, like Ma Guoshu, present highly ambitious visions, advocating for a complete overhaul of global financial governance with his Global Independent Money (GIM) concept. Others, like Dong et al., propose incremental reforms, such as enhancing SDR functionality or de-

¹⁴ For some of Keynes’s original proposals, see Keynes 1945.

veloping regional currency unions before global integration. The division is nonetheless a sign of a fertile field of intellectual approaches, that are by no means a mere imitation or adaptation of the Zhou plan.

Technological innovation plays an increasingly prominent role in reform discussions. Blockchain and digital currency solutions are seen by some, like Sun Yexia, as a means to improve global monetary governance, while others, such as Yang et al., remain skeptical of their limitations. Yang et al. argue that decentralized blockchain currencies, like Bitcoin, are too speculative and rigid to function as a true global currency. The diverging views on technology reflect a shift in Chinese debates, with some scholars seeing digital currency as a complement to monetary reform, while others view it as a distraction from structural change.

It should be noted that these perspectives also rely on different ethical and ideological assumptions and lines of argument. Ma Guoshu explicitly argues with a global ethical perspective in mind, with an intent to affect an unjust global monetary system, and redesigning global economic relations win-win cooperation, rather than zero-sum competition. Even more seemingly neutral framings like, Sun Yexia or Li Chong, tend to frame their arguments in terms of global financial stability rather than explicitly ideological confrontation. Overall, the proposals for supranational currencies notably contrast with the emphasis on geopolitical rivalry and antagonistic competition so often found in international relations language in both the English and Chinese contexts.

Finally, most authors in this literature view renminbi internationalization as a necessary, if partial, step toward broader global monetary reform, even if they ultimately advocate for a supranational currency. Zhou (2009), while not explicitly linking the renminbi to his early call for a supranational reserve currency, emphasized the need for China's own financial modernization and had long supported gradual internationalization. Li Chong integrates the renminbi into his proposed "world dollar" basket, preserving its status as a core national currency even while calling for a new global unit.

Similarly, Wang and Lu promote a "tripolar" system of the dollar, euro, and renminbi as a steppingstone toward a super-sovereign arrangement. Others, such as Dong et al. and Xie Ping, also position renminbi internationalization as part of a pragmatic path: in the near term, expanding the renminbi's role in trade and investment can build institutional confidence for more ambitious currency reforms down the line. Even Marxist-oriented writers like Sun Yexia see renminbi internationalization as a way to weaken dollar hegemony in the short run, though they believe a fully non-sovereign global currency will ultimately be needed. Overall, while these scholars differ on how quickly and aggressively to pursue it, all acknowledge that internationalizing the renminbi plays a vital bridging role on the way to any supranational currency.

THE RISE AND FALL OF CHINESE DEBATES ON SUPRANATIONAL CURRENCIES

Since the heyday of Chinese supranational currency debates, many of the trailblazing thinkers who once considered radical system reforms no longer publish on the subject of alternatives to the dollar system, and have turned their attention to other topics. Dong Yanling, lead author of Dong et al, researches China's regionalization, the Belt and Road, and regional trade agreements like RCEP (Dong et al. 2010). And Li Chong, author of multiple articles and a book on supranational currencies, has turned to analyzing US—China relations and the evolution of capitalism (C. Li 2024).

What happened that could explain the sudden rise and fall of these debates? Understanding why these debates lost momentum is crucial for grasping both their historical significance and their contemporary echoes under renewed global monetary tensions today.

There are many possible causal factors to explain the decline in interest since 2009:

- A) **US opposition:** policy choices made by the US, and vocal opposition to reform plans post 2008, including the Zhou plan
- B) **Xi administration:** Xi rose to power in 2013, not only changing national policy priorities but also altering domestic academic discussion, including a more nationalist foreign policy
- C) **China's economic stability/volatility:** periods of relative economic growth and stability, like China's post-crisis recovery boom, versus economic shocks and turbulence, like China's 2015 stock market crash and volatility
- D) **Global reform efforts:** the economic reform agenda of the world as a whole, including forums like the G20
- E) **Theoretical breakdown:** presuppositions of the theoretical framework of China's supranational currency discussion broke down – i.e. the assumption that renminbi internationalization could serve as the logical path.

The following sections will briefly address each causal factor in turn, before returning to a broad overview.

A) US opposition

The decline of Chinese interest in international monetary reform after 2009 is relatively straightforward to explain. Vocal U.S. opposition, particularly from Geithner and

Bernanke (see “Concrete Proposals” above), appears to have halted momentum almost immediately. While it remains unclear how closely Zhou Xiaochuan’s proposal reflected broader Chinese state planning, Zhou himself never returned publicly to the topic after his meeting with U.S. officials, and supranational currencies vanished from his subsequent writings.

In the absence of political traction, Chinese scholarship came to view Zhou’s proposal as a valuable long-term ideal rather than a practical short-term objective (Li D. & Yin 2010; Yu 2009; Zhang M. 2012). Without external support or internal political momentum, the space for imagining a fundamental restructuring of the international monetary system narrowed, setting the stage for a more pragmatic focus on renminbi internationalization as China’s main monetary strategy.

B) Xi administration

While initial US opposition may have silenced Zhou Xiaochuan, and sidelined G20 reform conversations, it did not stamp out Chinese academic conversations on supranational currencies, or international currency reform. However, China’s administrative changes in 2013, from the outgoing Hu Jintao administration, to the incoming Xi Jinping administration, are likely to have also contributed a relative decline in interest over time in supranational currency conversations. Xi Jinping’s more nationalistic approach, over a (relatively) more cosmopolitan approach of the Hu’s administration, could have bottlenecked Chinese conversations.

Xi Jinping came to power in 2013, and brought about a sea change in China’s domestic politics through a concerted anti-corruption campaign, party disciplinary reform, and institutional shake ups. Xi’s China has taken up a state-led nationalism, however, increased after the 2008 global financial crisis, that grew to a fevered pitch in popular circles in the late Hu-Wen administration; silencing cacophonous voices of nationalism, and other ideas, while state-led nationalism rose, institutionalizing nationalism in the education and policy spheres (Zhao 2021).

Xi’s nationalism alone, however, does not explain the abrupt drop in discussions of international currency reform and supranational currencies, around the 2015 (discussed below). In fact, the administration’s regime shifted China’s policy from one of aggressive pursuit of renminbi internationalization, to a more cautious footing after 2015.

Chinese observers have often divided the evolution of renminbi internationalization into distinct historical phases. Zhu Juan, Director of the International Department at the People’s Bank of China, identifies three major periods: a pre-crisis phase of slow development (1993–2007), a post-GFC phase of rapid promotion (2009–2015) during which the renminbi entered the IMF’s Special Drawing Rights basket, and a period of “stable development” following China’s 2015 stock market crash (Zhu 2021). Similarly,

Table 2. Periodizations of renminbi internationalization.

	Pre-GFC	GFC - China stock market crash	Stock market crash – orderly renminbi promotion	Orderly renminbi promotion - present
Zhu Juan	Pre-crisis (1993-2007): slow growth of renminbi internationalization	Post-GFC (2009-2015): rapid push phase	Post-stock market crash (2015-present): stable development	
Liang and Liu	Pilot stage (1993-2009): beginning offshore renminbi and renminbi trade settlement	Initial state (2009-2014): expansion of renminbi global investment and trade settlement	Developmental stage (2014-2022): renminbi to IMF basket of currencies	Orderly stage (2022-2024): cautious policies of renminbi internationalization

Liang and Liu propose a four-stage framework: a pilot stage (1993–2009), an initial expansion stage (2009–2014), a developmental stage (2014–2022), and a current “orderly stage” (2022–present) characterized by a cautious and managed approach to renminbi internationalization (Liang & Liu 2024).

Both periodizations mark 2015 as a pivotal year, linking the slowdown of outward monetary ambitions to the financial instability triggered by the stock market crash and renewed capital controls. The recent emphasis on terms like “steady,” “prudent,” and “orderly” in describing renminbi internationalization, like the use of “orderly” in Xi Jinping’s report to the CCP’s 20th National Congress (Xi 2023), coincides with a notable decline in academic publications on renminbi internationalization and broader international monetary reform. These shifts suggest that under Xi’s leadership, renminbi internationalization evolved from an experimental policy into a cautious, state-managed project focused more on domestic stability than on systemic global reform.

C) China’s 2014–15 financial shock

China’s stock market crash of 2015, and its aftermath, including the devaluation of the renminbi and the subsequent tightening of capital controls, marked a decisive shift in reform preferences and possibilities, redirecting Chinese attention away from global monetary reform (Zeidan 2024). The 2015 financial crisis in China was triggered by a stock market crash, where the Shanghai Composite Index fell by over 40% between June and August, fueled by excessive margin trading and speculative bubble (Lu & Lu 2017, 149). Simultaneously, capital outflows surged, reflecting investor concerns over slowing economic growth and the government’s ability to manage financial risks.

To stabilize the situation, China devalued the renminbi (renminbi) in August 2015, shifting towards a more market-driven exchange rate, which sparked global concerns of a “currency war” (Sweeney & Jianxin 2015). The Chinese government intervened ag-

gressively by imposing stock trading restrictions, suspending IPOs, injecting liquidity through the People's Bank of China (PBoC), and tightening capital controls to curb outflows. While these measures stabilized the economy in the mid-2010s, they also forced policymakers to recalibrate their approach to renminbi internationalization, slowing down capital account liberalization while continuing efforts to promote the renminbi as a global trade currency (Aglietta & Macaire 2019, 3).

D) Global reform efforts

The decline of interest in international monetary system reform immediately after 2009 is perhaps the easiest to explain: vocal US opposition to Zhou's plan appears to have stopped the discussion in its tracks. Subsequent decline in discussions, however, appear to be tied to the (was more or less already fixed) solidification of the global reform agenda in forums like the G20, China's 2015 financial crisis, as well as the centrality of renminbi internationalization in Chinese international monetary system reform discussion circles.

Jonathan Luckhurst, in his examination of G20 reform efforts in the wake of the GFC, argues that the Zhou plan failed in part because of China's own large dollar holdings, but also because of lack of a viable alternative in global forums like the G20 (Luckhurst 2016, 225). He notes that while the G20 initially functioned as a "crisis committee" with coordinated stimulus measures during 2008–2009, by 2010 this urgency had diminished, and the group began transitioning into a more cautious "steering committee" format amid diverging priorities among major economies (2016, 31–32). By the 2011 Cannes summit, the reform agenda had largely become institutionalized, but the G20's capacity to enforce meaningful international monetary reform was constrained by geopolitical divisions, domestic political constraints, and a loss of momentum around global multilateralism (2016, 113–114).

China's own approach at the G20 advocated short-term concerns, focused diversification of diversification of reserve currencies, and expanding the role of SDRs (Zhu 2021). China pushed for a great coordination of exchange rate policies, greater diversification of reserve currencies, and enhanced financial regulation to mitigate systemic risks, rather than radical reform. Ultimately, some argue, China saw itself as a beneficiary of the dollar-centric system, and followed a path of gradual adjustments (X. Li & Feng 2012).

E) Theoretical breakdown

In the years following the global financial crisis, Chinese discussions about international monetary reform — including supranational currencies — increasingly converged around the policy goal of renminbi internationalization. After the 2008–2009 stim-

ulus package, which injected massive liquidity through infrastructure spending, local government borrowing, and aggressive credit expansion, Beijing moved to expand the global use of the renminbi. In 2009, China set up cross-border renminbi trade settlements, which grew rapidly and expanded the currency's global (Sun J. 2014).

However, by 2015, after facing stock market turmoil, capital outflows, and mounting financial risks, the Chinese government made clear that renminbi internationalization would not proceed at the expense of domestic financial stability. This strategic recalibration effectively constrained the scope of China's international monetary ambitions, and perhaps dampened the hopes of China's international currency reform researchers whose theories were so intimately tied with renminbi internationalization efforts.

The centrality of renminbi internationalization, within the international currency reform framework in China, cannot be understated. Li Ruogu's book, outlining the possibility of a supranational currency, was on the topic of renminbi internationalization, and the topic plays a prominent role in the thinking of Li Chong, Sun Yexia, Wang and Lu, and other theorists of supranational currencies highlighted in this paper. Strangely, however, Zhou's initial call for a supranational currency makes no mention of renminbi internationalization, and in fact, makes no mention of the dollar; it instead clearly advocates for the creation of an international currency "disconnected from individual nations" (Zhou 2009b).

CONCLUSION

The renewed trade war launched by the Trump administration in 2025 has reignited global debates about the foundations of the international trade and monetary systems. In this context, revisiting the largely forgotten wave of Chinese supranational currency proposals from the post-2008 era is not merely of historical interest; it can offer valuable insights for contemporary and future reform efforts. The Trump administration's renewed tariff war, while escalating tensions, also offers an opportunity: it highlights that the United States, like China and other economies, faces deep structural costs from the current dollar-centered order. Many Chinese scholars of supranational currency reform recognized early on that sustainable change would require not confrontation, but cooperation, offering the United States, too, a pathway out of systemic imbalances through pragmatic, multilateral reform.

Rather than framing China's earlier proposals as a failed challenge to dollar hegemony, this paper has shown that Chinese economists and policymakers pursued a debate, and diverse set of ideas, aimed at stabilizing the global monetary system on radically new grounds. Their approaches emphasized multilateral cooperation, and pragmatic solutions, while at the same time recognizing that both China and the United States

were harmed by the structural imbalances of the dollar-centered order.

Two key conclusions emerge. First, it is important to recognize that Zhou Xiaochuan's 2009 intervention was grounded in a principle shared by thinkers such as Keynes, Triffin, and Stiglitz: that no single national currency should dominate the international monetary system. Zhou's call for a supranational reserve asset based on Special Drawing Rights (SDRs) reflected a theoretical commitment to building a more stable and balanced global order, not an effort to promote China's own currency to a position of supremacy. However, in the years following Zhou's proposal, much of the Chinese scholarly and policy discussion shifted toward a focus on renminbi internationalization. This shift departed from the initial spirit of Zhou's intervention, and from the broader tradition of monetary reform thinking that emphasized systemic solutions over national advantage. By emphasizing the promotion of the renminbi within the existing framework, Chinese debates gradually narrowed the scope of monetary reform, leaving them more vulnerable to the domestic financial shocks that unfolded in 2015.

Second, the supranational currency debates reveal possibilities that escape the limited framings dominant in much post-crisis commentary. Optimists such as Ito imagined China as a radical savior who might displace the dollar and remake the system; pessimists like Krugman portrayed China as a minor actor trapped in a "dollar trap" of America's making. Both narratives overlooked a more complex reality: the willingness of Chinese economists and policymakers to engage proactively and creatively with the challenges of global monetary governance. Far from simply seeking to replace U.S. hegemony or resigning themselves to systemic subordination, many Chinese thinkers explored pragmatic, cooperative reforms aimed at stabilizing the international order for the benefit of all. Recognizing this capacity for creative participation is essential for any future effort to engage seriously with China, and with Chinese intellectual traditions, in the broader project of reforming world politics.

More broadly, the episode analyzed in this paper can be understood as part of a larger process of collective learning — a historically situated effort to imagine global trade and financial futures in response to recurring crises of the dollar system. For such learning to be genuinely collective (i.e. global), it must involve mutual recognition of different historical experiences, creative capacities, and reform traditions. Even if China's post-2008 debates were short-lived, they represent a meaningful attempt to confront the contradictions of the existing system and to anticipate future vulnerabilities. Reengaging with these debates today is essential not only for understanding China's evolving role, but also for building the intellectual and political foundations for more inclusive, cooperative approaches to international monetary reform.

The post-2008 Chinese discourse on global monetary reform represents both an important historical moment, and a potential source of ideas for future reform. Under-

standing these perspectives is crucial not only for Chinese scholars but also for anyone engaged in global discussions about the future of the international monetary system.

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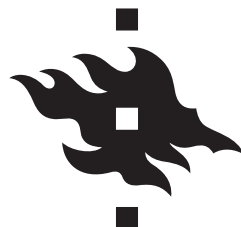
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