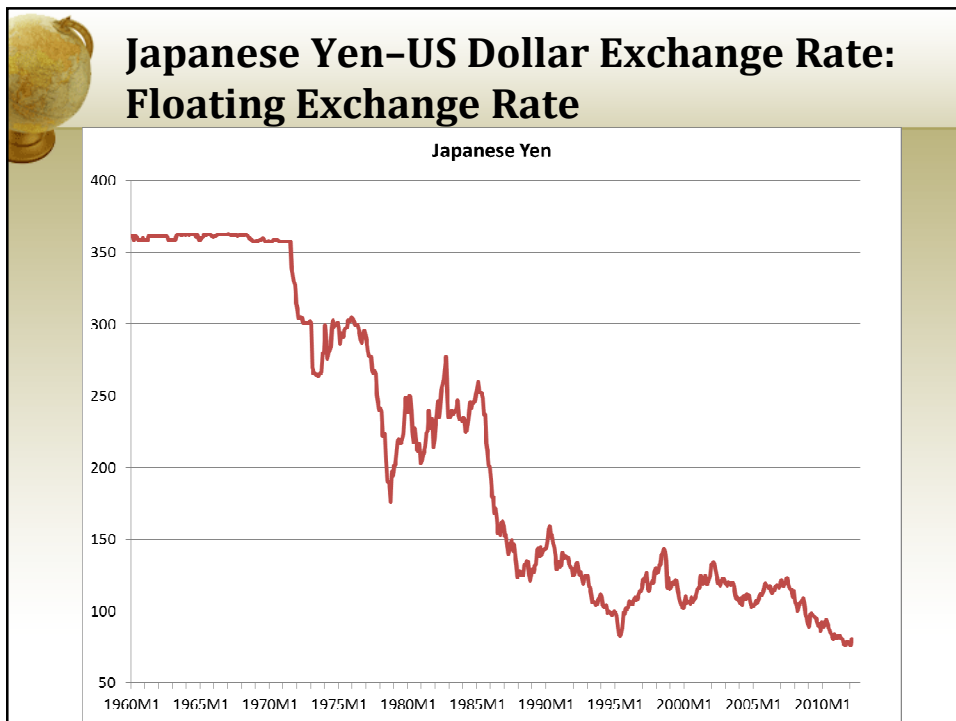
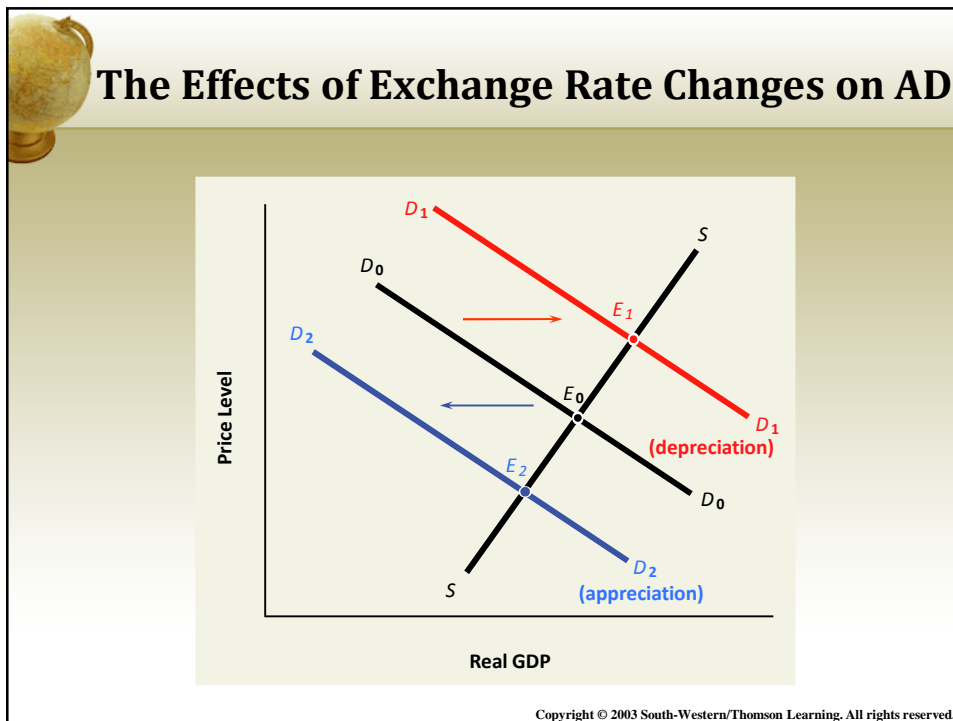
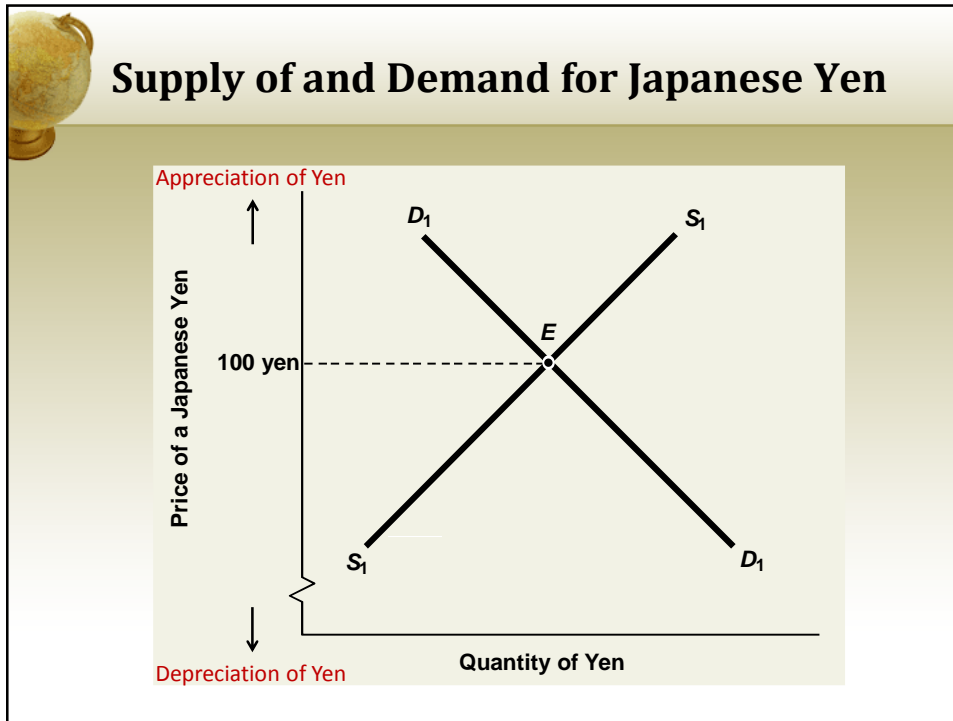
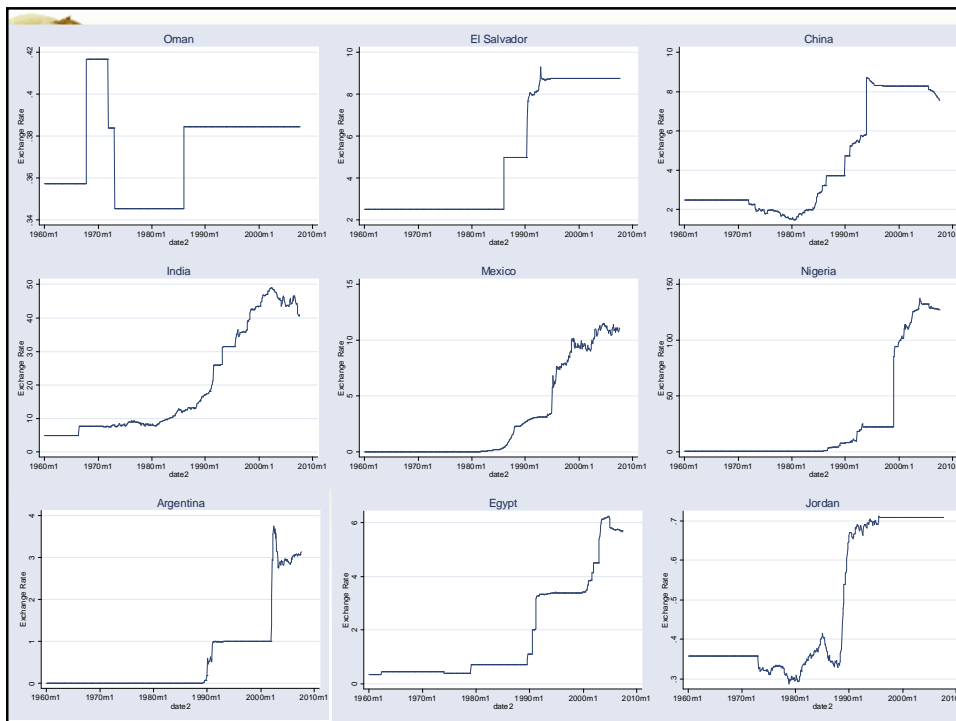
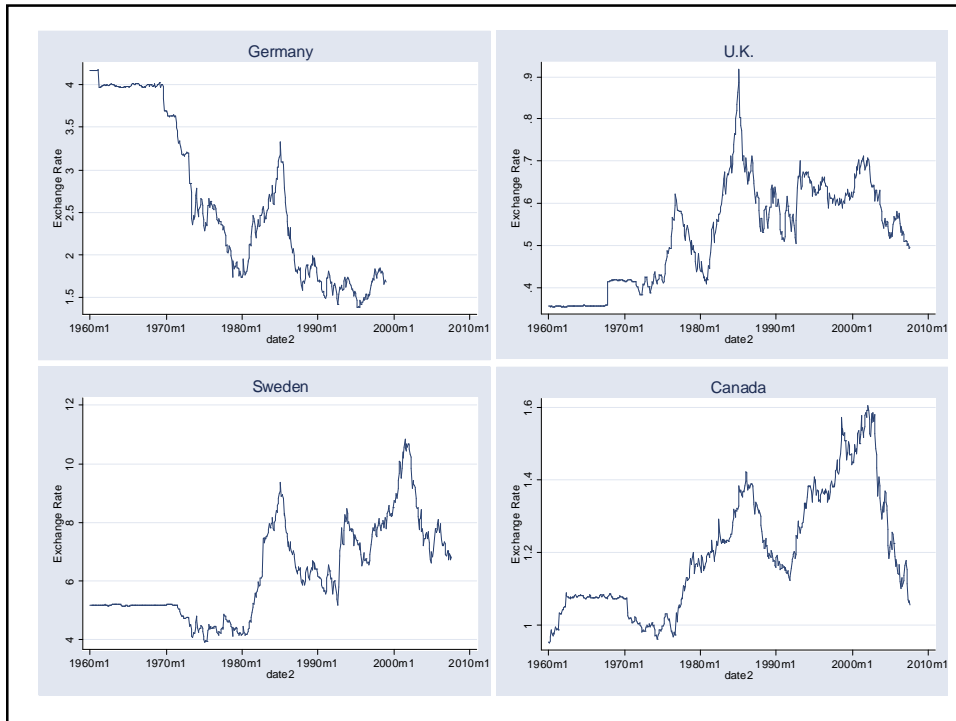


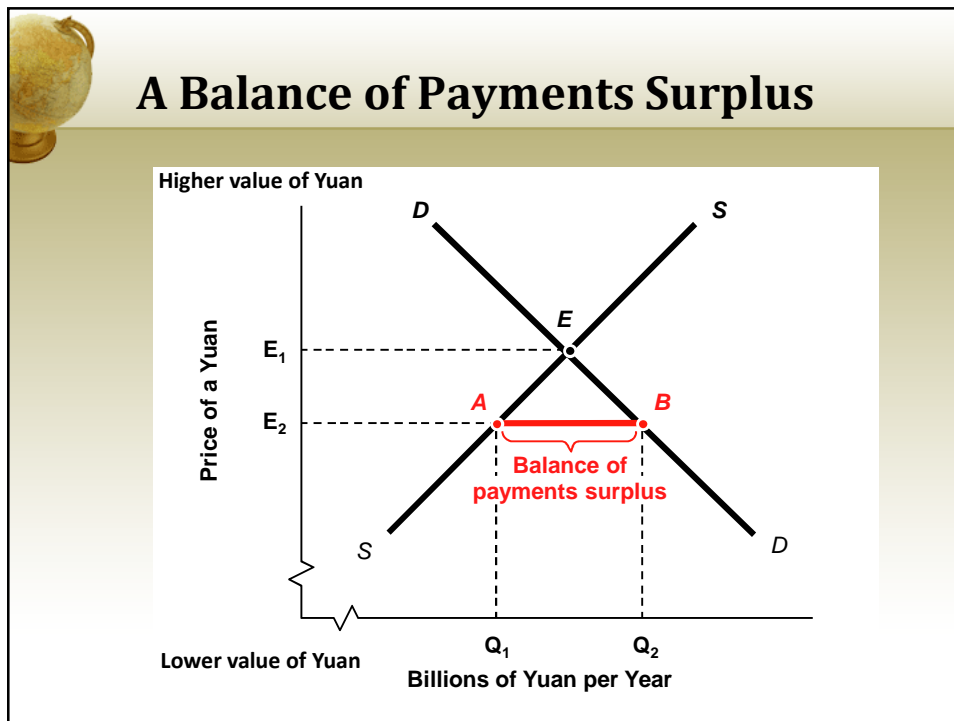
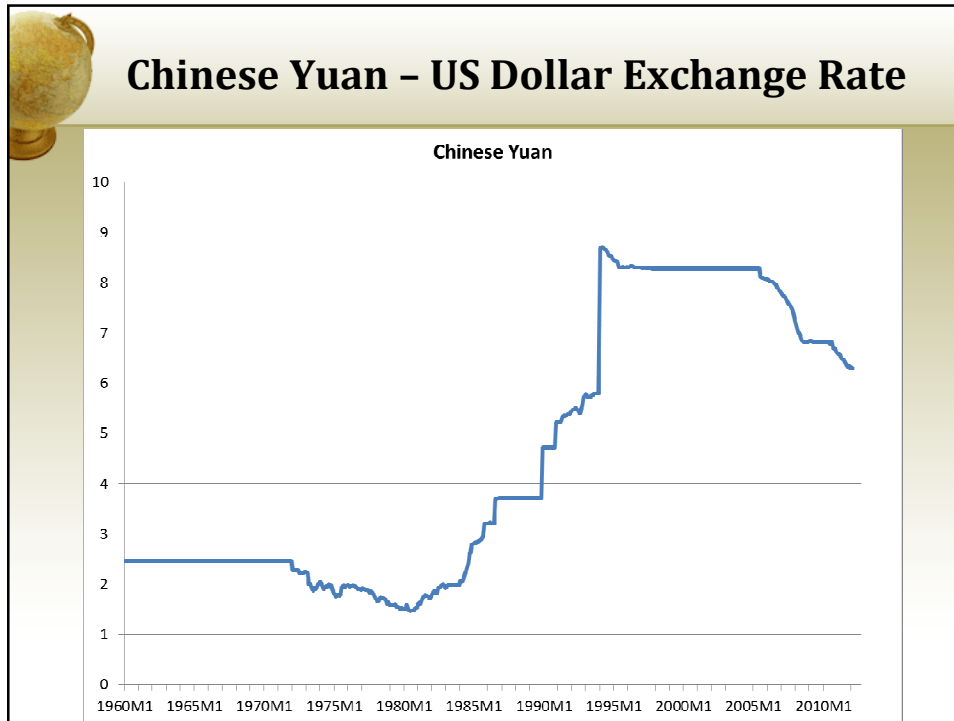
Asia and International Economics

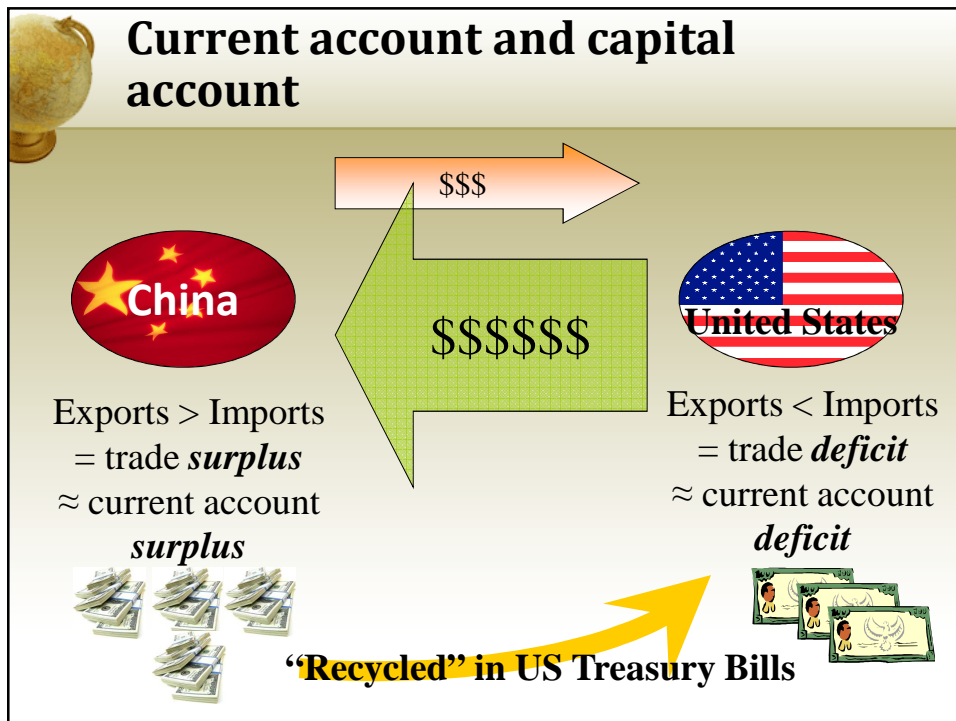
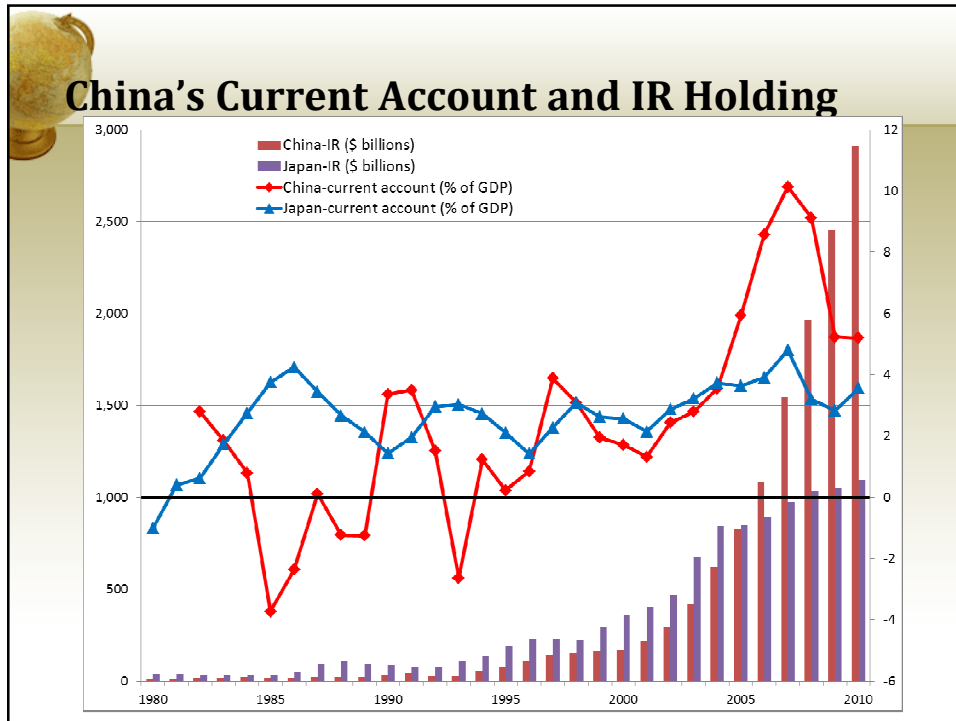
EC448/548: Asian Economic Development
Hiro Ito
Professor of Economics
Fall 2014

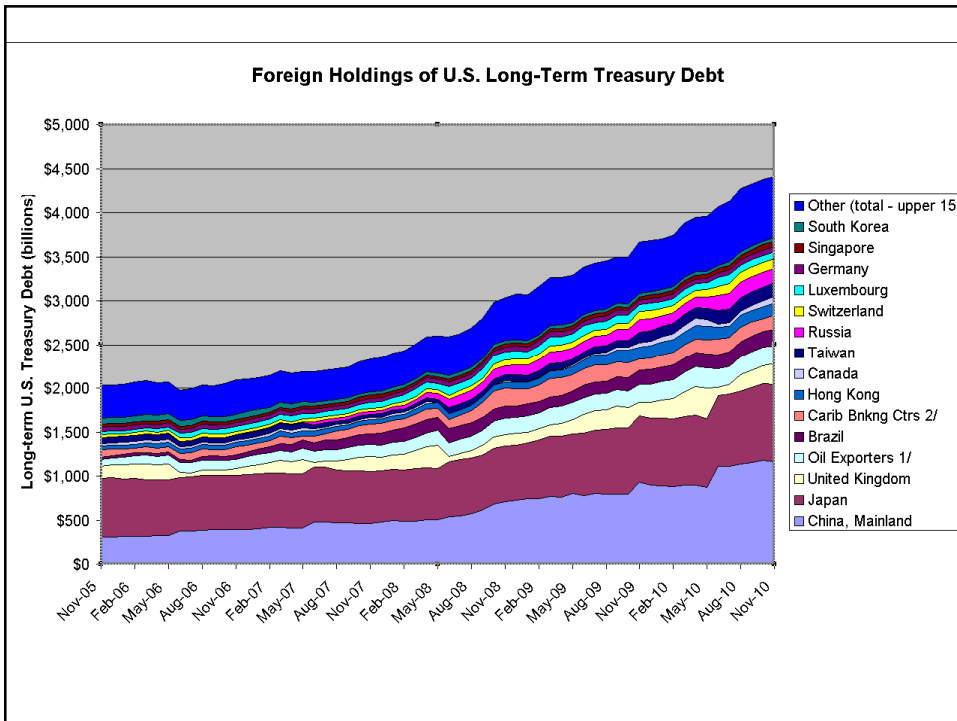
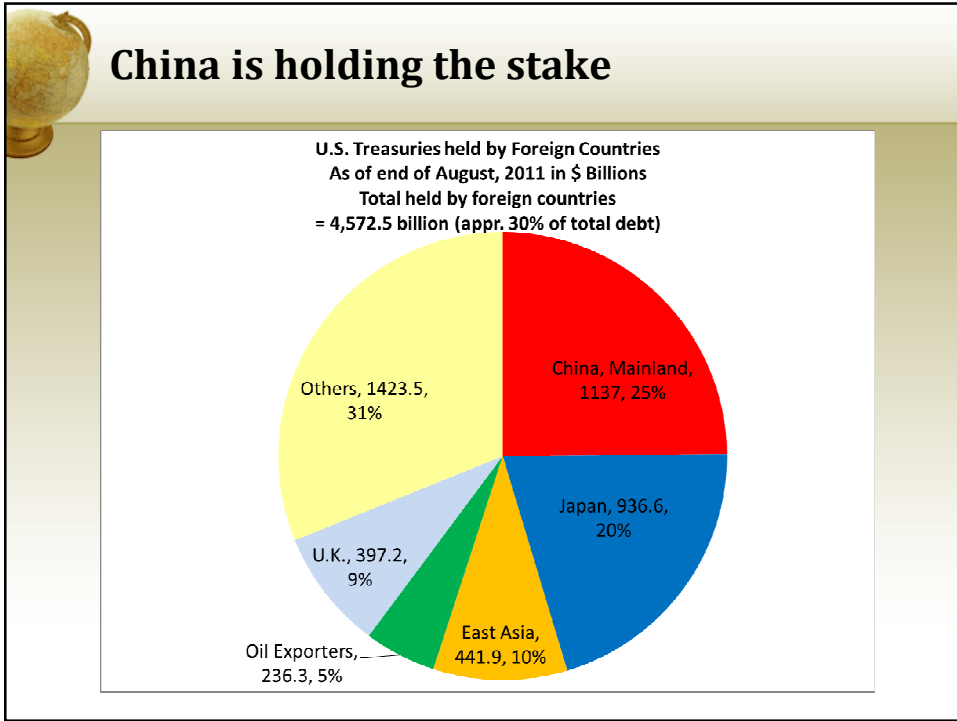


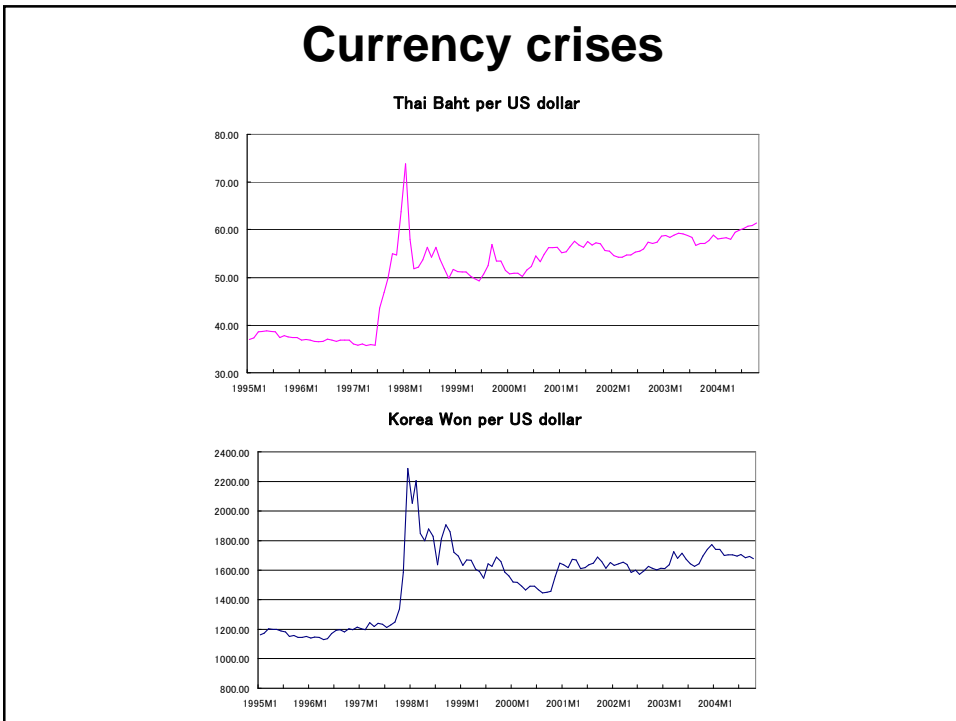
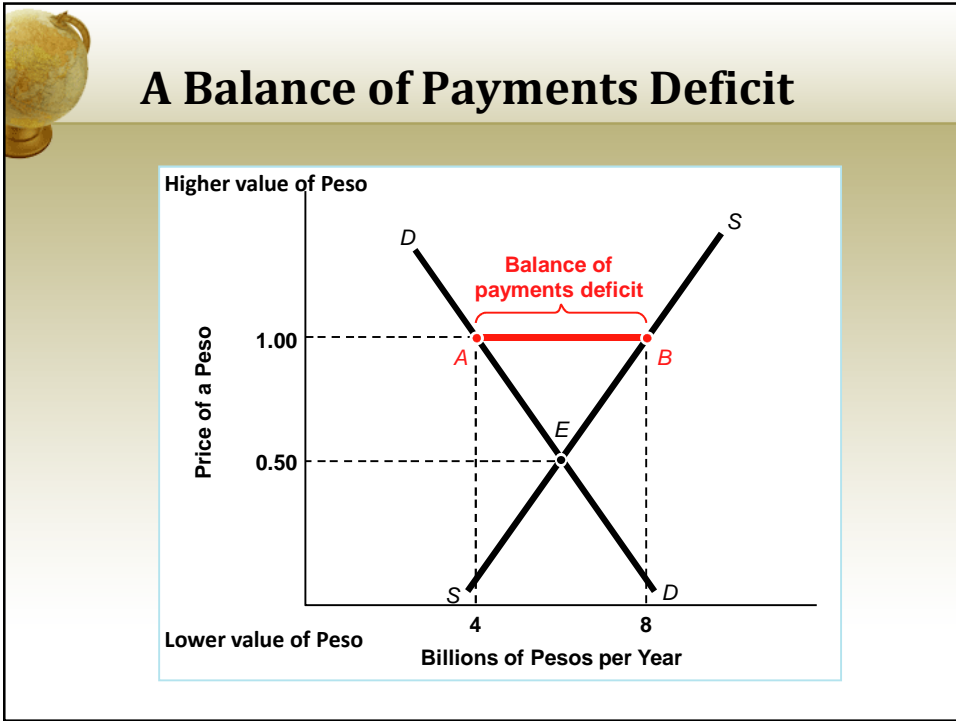


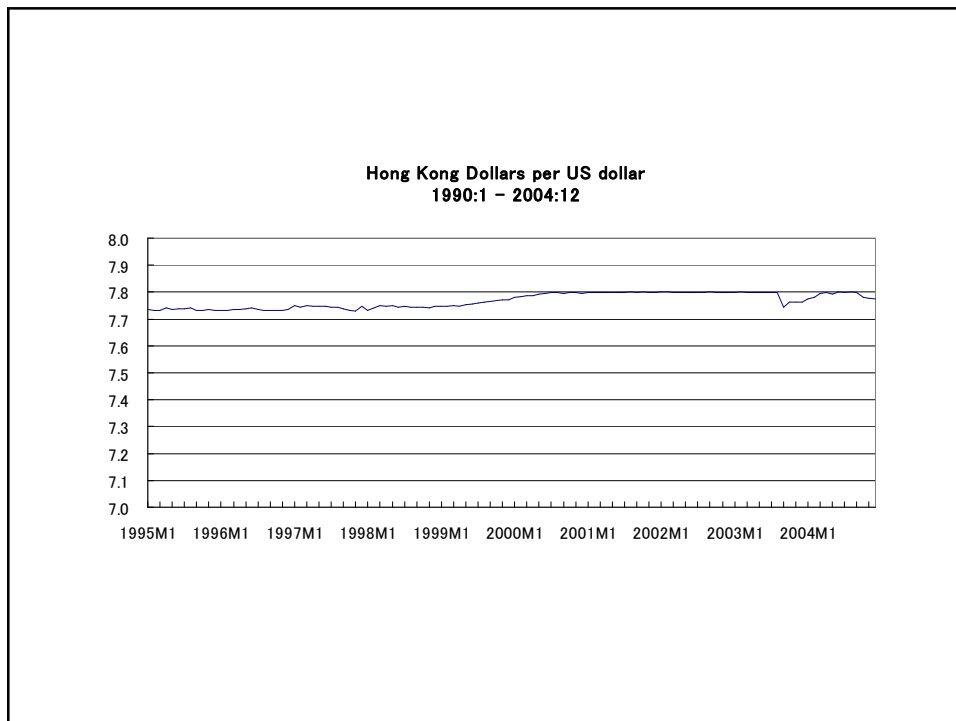
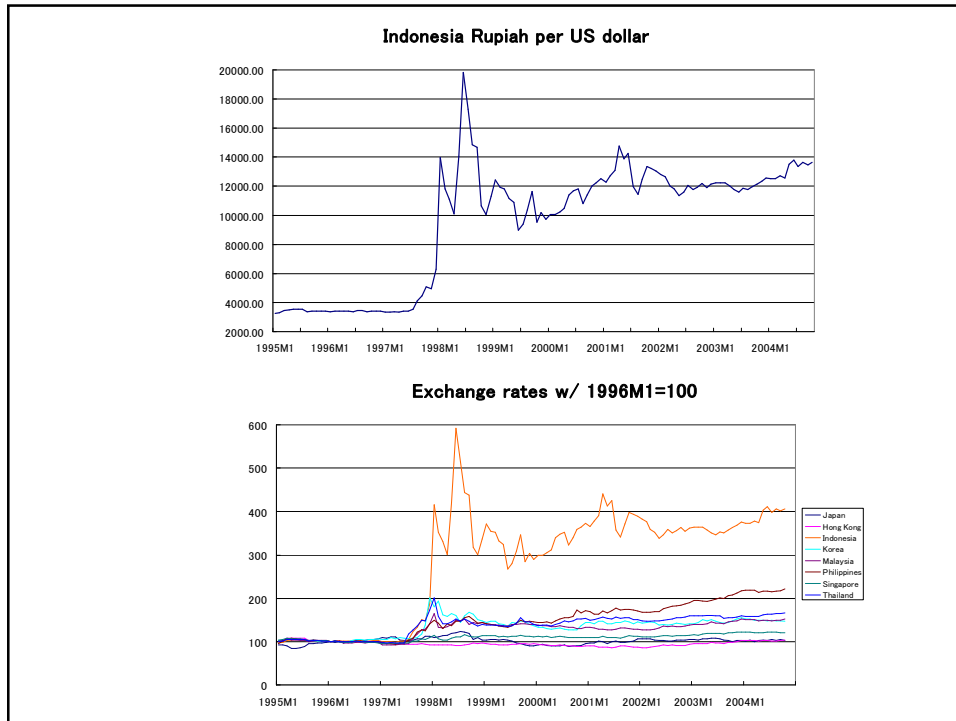


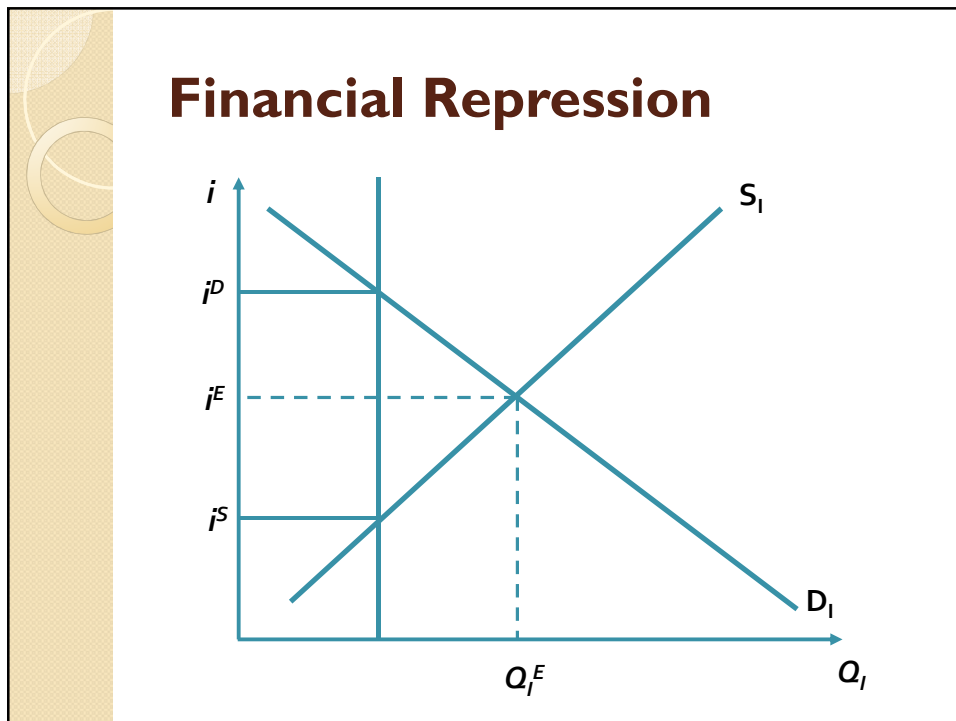
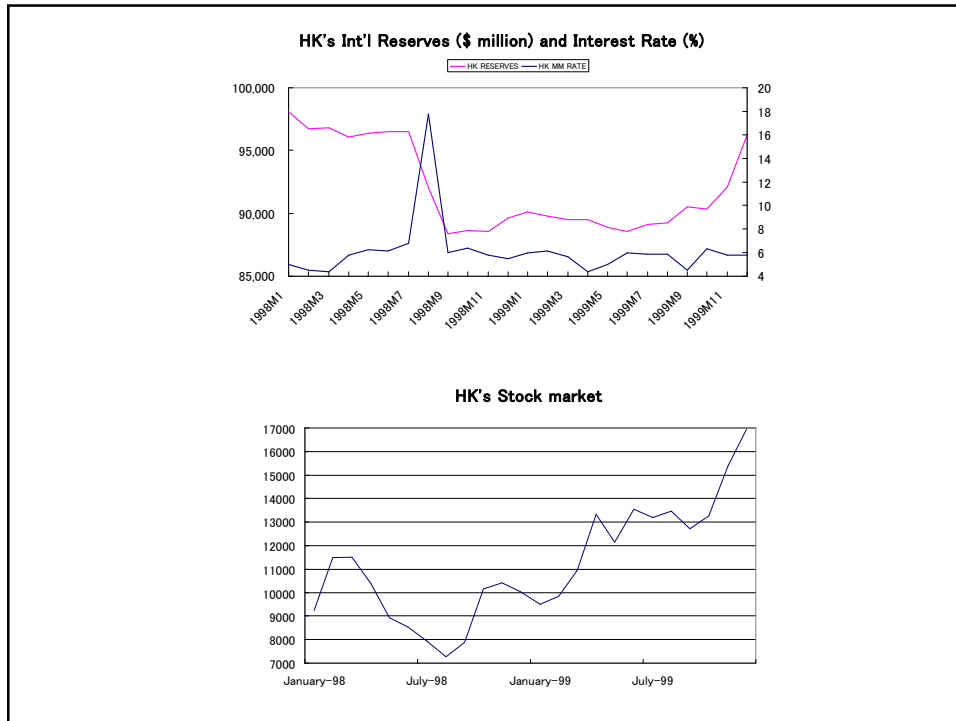


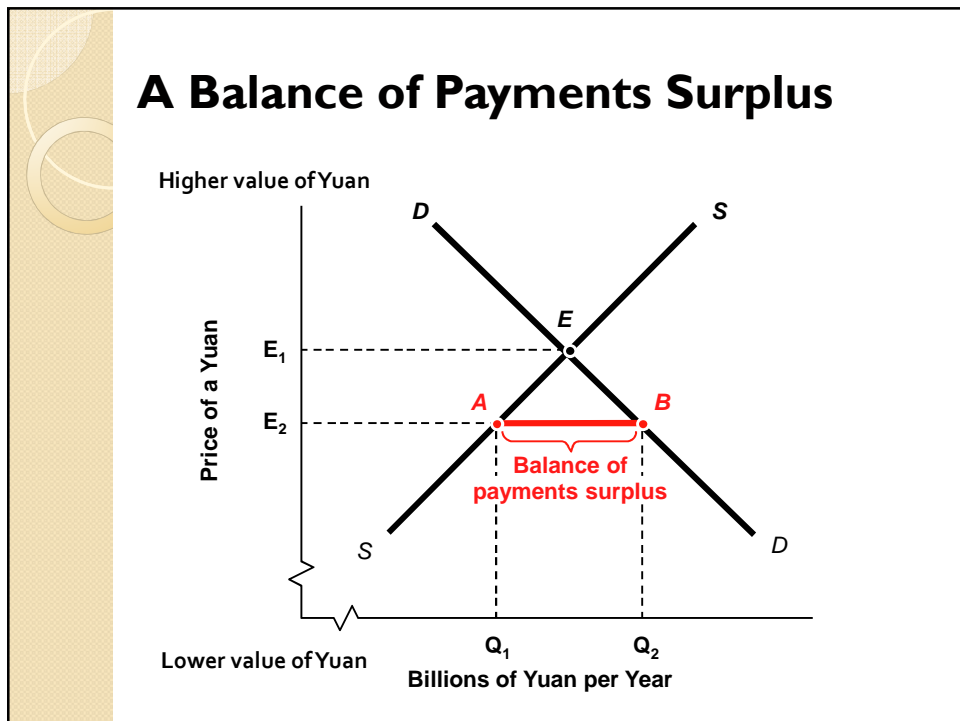
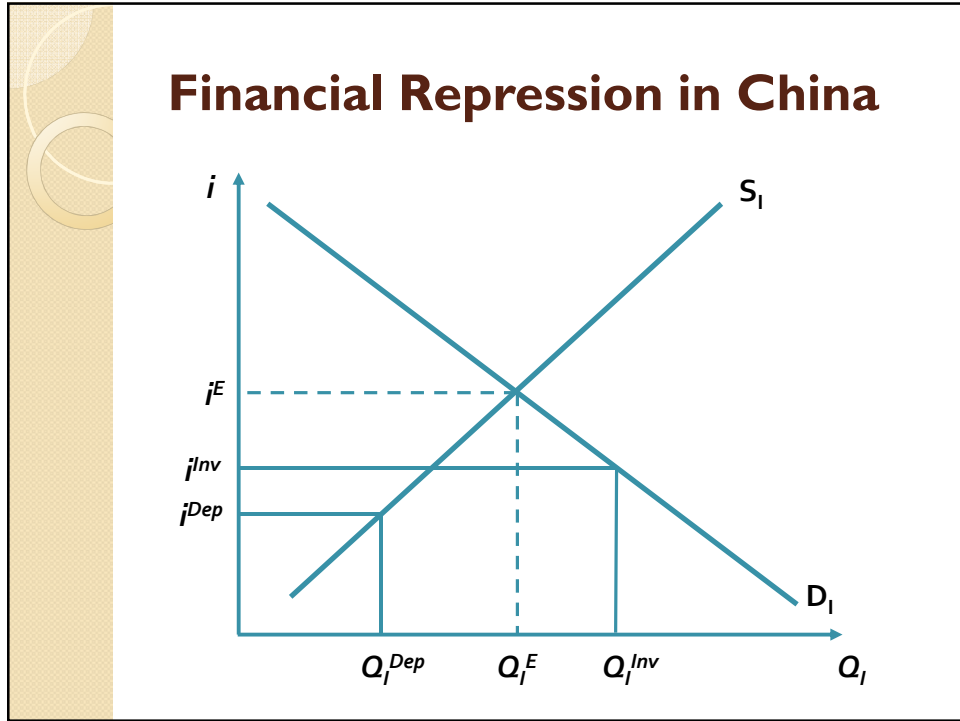














A new international monetary system?

- China: The world needs a new international monetary system that is not too reliant on the dollar
- China: The dollar based system yields negative or minimal rates of return!
- China: We should use SDR more, but SDR needs to include Yuan
- ROW: Well, before that, China should liberalize the financial markets!

A new international monetary system?

	Quota: millions of SDRs	Quota: % of the total	N. of votes	% out of total votes
USA	42,122.40	17.69	421,961	16.75
Japan	15,628.50	6.56	157,022	6.23
Germany	14,565.50	6.12	146,392	5.81
France	10,738.50	4.51	108,122	4.29
UK	10,738.50	4.51	108,122	4.29
China	9,525.90	4.00	81,151	3.65
Italy	7,055.50	3.24	95,996	3.81
Saudi Arabia	6,985.50	2.93	70,592	2.8
Canada	6,369.20	2.67	64,429	2.56
Russia	5,945.40	2.5	60,191	2.39
India	5,821.50	2.44	58,952	2.34
Netherlands	5,162.40	2.17	52,361	2.08
Belgium	4,605.20	1.93	46,789	1.86
Switzerland	3,458.50	1.45	35,322	1.4
Australia	3,236.40	1.36	33,101	1.31
Mexico	3,625.70	1.52	36,994	1.47
Spain	4,023.40	1.69	40,971	1.63
Brazil	4,250.50	1.79	43,242	1.72
South Korea	3,366.40	1.41	34,401	1.37
Venezuela	2,659.10	1.12	27,328	1.08
The rest of 166 countries	62,593.80	28.39	667,438	31.16

A Balance of Payments Deficit

