

Fragmentation in the International Monetary System and The Pursuit of Chinese Macroeconomic Autonomy

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Abstract

In 2022, Russia saw vast amounts of its reserves being frozen and its banks being denied access to essential financial services. This showed what the dollar system had become: a network that could be turned on or off whenever its host so pleased. China took note of this. The country had already placed a tremendous effort in its RMB internationalisation. It built the infrastructure of an international currency, a cross-border payment system, swap lines, direct currency trading and the largest live central bank digital currency experiment. Today, however, its currency only accounts for roughly two per cent of global reserves, which is comparable to the Australian dollar. Some scholars read this as a failed challenge to the dollar blocked by China's closed capital account. This dissertation asks a different question: how does renminbi internationalisation provide China with macroeconomic autonomy rather than hegemony? The analysis conceptualises macroeconomic autonomy in three parts. It combines Cohen's powers to delay and to deflect the costs of balance-of-payments adjustment with a third component, coercive resilience, defined as the ability to conduct essential international transactions without passing through infrastructure a potential adversary controls. Descriptive statistics and literature analysis assess six instruments against these components: reserve and gold accumulation, swap lines, CFETS, clearing hubs, CIPS and the e-CNY with mBridge. The result is the pursuit of a thin, settlement-focused internationalisation, which provides only for macroeconomic autonomy rather than hegemony, since there is no talk of store-of-value at scale, systemic liquidity provision or chokepoint authority.

Samenvatting (Dutch)

In 2022 werden grote delen van de Russische reserves bevroren en werd Russische banken de toegang tot essentiële financiële diensten ontzegd. Daarmee werd zichtbaar wat het dollarsysteem was geworden: een netwerk dat de staat die het huisvest naar believen kan aan- of uitzetten. Dat ontging China niet. Het land had toen al aanzienlijk geïnvesteerd in de internationalisering van de renminbi. Het bouwde de infrastructuur van een internationale munt: een grensoverschrijdend betalingssysteem, swaplijnen en het grootste lopende experiment met een digitale munt van een centrale bank. Toch is die munt vandaag goed voor slechts ongeveer twee procent van de mondiale reserves. Sommige auteurs lezen dit als een mislukte uitdaging van de dollar, geblokkeerd door de gesloten Chinese kapitaalrekening. Deze wetenschappelijke verhandeling stelt een andere vraag: hoe verschaft de internationalisering van de renminbi China macro-economische autonomie in plaats van hegemonie? De analyse conceptualiseert macro-economische autonomie in drie componenten. Zij combineert Cohens macht tot uitstel en macht tot afwenteling van de kosten van betalingsbalansaanpassing met een derde component, coërcitieve weerbaarheid, gedefinieerd als het vermogen om essentiële internationale transacties uit te voeren zonder infrastructuur te passeren die een mogelijke tegenstander beheerst. Beschrijvende statistiek en literatuuranalyse toetsen zes instrumenten aan deze componenten: de accumulatie van reserves en goud, swaplijnen, CFETS, clearingcentra, CIPS en de e-CNY met mBridge. Het resultaat is het nastreven van een dunne, op afwikkeling gerichte internationalisering, die enkel macro-economische autonomie oplevert en geen hegemonie, aangezien er geen sprake is van waarde opslag op grote schaal, systemische liquiditeitsvoorziening of gezag over knelpunten.

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Abbreviations

ACI = Aizenman-Chinn-Ito Monetary Independence Index
AFC = Asian Financial Crisis
AREAER = Annual Report on Exchange Arrangements and Exchange Restrictions
AML = Anti-Money Laundering
BIS = Bank for International Settlements
BRI = Belt and Road Initiative
BRICS = intergovernmental grouping named after its founding members Brazil, Russia, India, China and South Africa, enlarged since 2024
CBDC = Central Bank Digital Currency
CCP = Chinese Communist Party
CFETS = China Foreign Exchange Trade System
CHIPS = Clearing House Interbank Payments System
CIPS = Cross-Border Interbank Payment System
DCP = Dominant Currency Paradigm
e-CNY = Digital China Yuan (Digital Renminbi)
ESRI = map projection identifier, ESRI:54030
EU = European Union
Fed = Federal Reserve
FX = Foreign Exchange
GDP = Gross Domestic Product
GFC = Global Financial Crisis
HST = Hegemonic Stability Theory
IMF = International Monetary Fund
IMS = International Monetary System
KAOPEN = Chinn-Ito capital account openness index
LPR = Loan Prime Rate
MVP = Minimum Viable Product
PBoC = People's Bank of China
PRC = People's Republic of China
rCBDC = Retail Central Bank Digital Currency
RMB = Renminbi
SAFE = State Administration of Foreign Exchange
SDN = Specially Designated Nationals
SDR = Special Drawing Rights
SPFS = System for Transfer of Financial Messages
SWIFT = Society for Worldwide Interbank Financial Telecommunication
TIC = Treasury International Capital
UAE = United Arab Emirates
US = United States
USD = United States Dollar
wCBDC = Wholesale Central Bank Digital Currency

Introduction

In February 2022, Western countries took about 300 billion dollars of Russia's Foreign Exchange (FX) reserves in a weekend (Reuters, 2026). The funds were accumulated over two decades just to defend Russia from outside pressure. It ended up being the pressure point. No government studied this lesson more closely than China's, which holds the largest reserve stockpile in the world and holds most of it in the currency of its principal geopolitical rival (Farrell & Newman, 2023). It witnessed the *Underground Empire* the United States of America had constructed and weaponised, with itself as the only projector of power. That situation is the point of departure for this dissertation. The Chinese government has been pushing the internationalisation of the yuan for over 15 years. It has created its own Cross-Border Interbank Payment System (CIPS), signed bilateral swap lines with dozens of central banks, established direct currency trading channels via China Foreign Exchange Trade System (CFETS), launched a central bank digital currency, and co-developed mBridge, the world's largest live experiment in cross-border settlement between central banks. All this work has yielded a rather modest result by market-based measures of currency competition: the renminbi makes up about 2% of the world's currency reserves, well behind not only the dollar, but also the euro (International Monetary Fund, 2026a). Much of the literature and press therefore views the process of renminbi (RMB) internationalisation as a failed or stalled challenge to the hegemony of the dollar (Chey, 2021; Cohen, 2018). So much so that Subacchi back in 2017 declared the RMB to be a *dwarf currency*. They claim this is so, in particular, due to China's refusal to open its capital market (Balmas & Howarth, 2024; Otero-Iglesias & Vermeiren, 2015).

This dissertation proposes that the scoreboard is flawed. The question is not so much why China's currency challenge has failed, but rather why China so purposefully declines to do the one thing, capital account liberalisation, that every account of currency hegemony says a challenger must do. The answer presented for defence here is that China is not vying for hegemony, but is rather content with autonomy. Its strategy to achieve this is a *selective thin internationalisation*, concentrated in the settlement and medium-of-exchange functions of money. This form of internationalisation explicitly excludes the store-of-value function that would require open capital markets. The main research question is therefore: **how does China's renminbi internationalisation strategy provide it with macroeconomic autonomy rather than hegemony?** The question explicitly contains the main contrast of the argument. It does not ask whether the renminbi will displace the dollar, a question the literature has asked and answered. It asks how a strategy that looks incoherent as a hegemony bid becomes coherent once its goal is read as what it should be: autonomy. Three sub-questions structure the analysis. What does macroeconomic autonomy as an idea capture about a state not at the top of the currency hierarchy? Through which mechanisms and infrastructures does China pursue it, and how successful are these? How does the concept differ from hegemony, and what marks this difference?

These questions need to be answered with a conceptual apparatus, and Chapter 1 brings together such apparatus from the literature on international currencies and monetary power. In the light of Cohen (2005, 2015) and Vermeiren's (2013) interpretation, macroeconomic autonomy is defined as the ability to avoid the costs of balance-of-payments adjustment by the power to delay and the power to deflect. To make the concept fit for the post-2022 juncture (Russia's sanctioning) that initiated an era of new financial sanctions, a third component is added: coercive resilience, or the ability to conduct essential international transactions without

depending on infrastructure controlled by a potential adversary (Farrell & Newman, 2019; 2023; Hilpert, 2024; McDowell, 2023). This three-part concept is the analytical part of the dissertation. The question that is asked of every aspect of China's internationalisation strategy is: what does it contribute to delay, deflect, and/or resilience? The distinction between autonomy and hegemony is treated qualitatively rather than through formal operationalisation, since the two differ in kind, in what a strategy is built to do, rather than in degree. In addition, the scope of an analysis like this one is better grasped under a qualitative microscope rather than a mere strict operationalisation of a theoretical concept such as *autonomy*.

Fragmentation of the payment system is one of the most important monetary trends of the past decade, while financial sanctions have emerged as the United States' (US) preferred tool of statecraft. Whether China's alternatives amount to a group of states sanction-proofing themselves in the making or an insurance policy against US and European Union (EU) coercion is a question for policymakers in both regions. The same goes for how far the financial sanctions weapon can be stretched before it ultimately overstretches. The dissertation's scientific content addresses a literature that has pondered 'can the renminbi rival the dollar?', and then answered 'no'. Reframing the question around autonomy takes seriously Cohen's (2015) observation that states may internationalise their currencies for goals other than hegemony, using different types of *internationalised* currencies (Strange, 1971), and follows recent work on payment infrastructure as a site of monetary power (Hofman & Petry, 2025; Zucker-Marques, 2025). Chapter 1 reviews the conditions for the internationalisation of the dollar, its structural power and weaponisation, conceptualises macroeconomic autonomy, contrary to hegemony, and provides the methodology. Chapter 2 turns to China's reserve accumulation that produced the dollar trap, and the contours of the internationalisation strategy that followed. The two groundbreaking infrastructures that truly embody the strategy are the Digital China Yuan (e-CNY) and adjacent mBridge platform, and the more traditional CIPS. Both are explored in chapters 3 and 4, respectively. The three elements of autonomy evaluate all, and all prove to bolster the defensive elements, with little contribution to the coercive leverage a hegemon would require. The conclusion brings these results together.

Chapter 1: Dollar Dominance - Causes and Effects

1.1 Position: The Determinants of International Currency Status

The literature is clear on what constitutes an international currency, including three core functions: a store of value, a medium of exchange and a unit of account (Cohen, 2018). Helleiner and Kirshner (2009) differentiated three traditions in the literature that explain how a currency attains this status: market-based, instrumentalist, and geopolitical. The academic community has been lingering over which tradition holds the most explanatory value for analysing the dollar's status and has yet to reach consensus on this debate.

1.1.1 The Market-Based Tradition

The market-based tradition is known as the oldest and most dominant one in the literature, the benchmark against which the renminbi is usually judged. It argues that structural economic fundamentals of the issuing country remain the most important overarching factor for a currency's international status. Scholars like Chinn and Frankel (2005; 2008) and Bergsten (1997) have argued for this strand that sees currency internationalisation as an almost purely market-driven outcome. This strand of literature is divided into four subparts in which authors

claim different determinants as essential. These are economic size, financial markets, confidence and monetary stability, and convertibility and capital account openness.

Economic Size

Cohen (2015) and Frankel (2012) argue that economic size creates a natural gravitational pull, saying that ‘no money has ever risen to a position of international pre-eminence that was not initially backed by a leading economy’ (Cohen, 2015, p. 12). Cui et al. (2024) add to this that international competitiveness is a related determinant. They argue that every major currency transition in history has been associated with a shift in international economic competitiveness.

Financial Markets

The development of financial markets, and the level thereof, is understood as a factor holding even more weight in the literature. Even Cipolla (1967, as cited in Cohen, 2015) already referred to the historical importance of financial markets, claiming that high unitary value and intrinsic stability were essential conditions for any dominant international money throughout history. As such, it was also included in Bergsten’s (1997) famous five criteria. Cohen (2018) argues that competitiveness in financial development is about exchange convenience and capital certainty, both of which the dollar does not lack in the slightest. Chinn and Frankel (2005) included financial market development as a core determinant in their empirical models, which turned out to be very influential. It is known that financial market depth, bond market development in particular, is a major constraint on the RMB’s internationalisation, as the size of China’s fixed income markets remains underdeveloped relative to the US (He & Yu, 2016). Deep, open and liquid financial markets are needed for a currency to be a store of value (Balmas & Howarth, 2024; He & Yu, 2016; Otero-Iglesias & Vermeiren, 2015).

Confidence and Monetary Stability

A third factor constitutes the level of confidence and monetary stability a currency enjoys. States would voluntarily choose to transact cross-border with a currency if only its purchasing power is assured to remain somewhat stable (Cohen, 2015). This requirement concretely translates into a desire for low inflation, exchange rate stability, and central bank credibility. Walter (2006, p. 1) argues that ‘currency leadership requires a relatively conservative monetary policy from the leader that is credibly embedded in its domestic political and economic institutions’. Both macroeconomic stability (low inflation) and political stability are concepts used to complement the purely economic ones (Otero-Iglesias & Vermeiren, 2015). They encompass an independent central bank and the rule of law.

Convertibility and Capital Account Openness

Convertibility determines whether the other three determinants reach foreign holders at all. This camp holds that full currency convertibility and the dismantling of capital controls are indispensable prerequisites for any currency to achieve true international status (Eichengreen & Kawai, 2014). According to them, private and official actors will not hold or use a currency at scale unless they can freely move capital across borders, liquidate assets without administrative delay, and hedge currency risk in unrestricted markets (Genberg, 2011). Without this crucial convertibility, transaction costs and political exit risks remain high, placing a ceiling on global adoption. The renminbi is restricted on the capital account, which by this criterion places it outside the top tier (Gao & Yu, 2011).

1.1.2 The Instrumentalist Tradition

According to Helleiner and Kirshner (2009), the instrumental notion assumes that states will play a key role in determining the dollar's future as an international currency. This second school is closely related but analytically different in that it focuses on the dynamic properties of currency use (Gopinath & Stein, 2021). Scholars in this tradition argue that self-reinforcing feedback loops create large first-mover advantages, generating a huge advantage for the dollar, which cannot be overlooked when it comes to currency status (Gopinath & Stein, 2021; He & Yu, 2016; Rosa & Larsen, 2025). This means that replacing the dominant currency becomes more difficult due to the network it has in place, surrounding the currency itself. Katz and Shapiro (1985) were the first to conceptualise this under network externalities. They argue that the value of a good or standard to any individual user rises with the number of other users. This, then, produces multiple possible equilibria, some of which are dominated by historical accident rather than inherent superiority. In currency terms, network externalities explain why the dollar is hard to challenge today, while the path dependency Arthur (1989) identified explains why it became dominant in the first place.

Gopinath et al. (2020) find this reasoning of dollar dominance in their Dominant Currency Paradigm (DCP), with three components. Their logic demonstrates that dollar dominance in trade invoicing generates structural demand for dollar-denominated financial assets, which deepens US financial markets and lowers dollar borrowing costs, making it even more attractive for exporters to invoice in this money. To show the effect of this paradigm: an appreciation of the dollar of just 1% (against all other currencies) would result in a staggering 0.6% decline within a year in the volume of total trade between countries in the rest of the world. Each of these three reinforces the others, meaning that a true challenger currency would need to break into all three simultaneously rather than sequentially. However, to generate more macroeconomic autonomy, just dropping the share of imports invoiced in a foreign currency, as this has consequences for a country's inflation insularity to exchange rate shocks, is already sufficient (Gopinath, 2015). Matsuyama et al. (1993) further deepened the theory, saying that once a currency establishes network dominance, individual actors have no incentive to deviate even when collective deviation would be beneficial. Seeing this theory in action: individual firms have no incentive to deviate from the dollar standard because doing so would mean higher transaction costs and greater exchange rate risk, placing them at a competitive disadvantage (McDowell, 2023). The exact effect of network externalities is hard to estimate, but Liu et al. (2024) find them statistically significant.

1.1.3 The Geopolitical Tradition

This third tradition argues that the premise that currency status is determined primarily by market forces or network externalities is wrong. Instead, its core claim is that the international monetary system is an expression of the underlying political order (Helleiner's (2008) direct channel), and that a currency's global standing is inseparable from the issuing state's broader power position in world politics (Helleiner & Kirshner, 2009; Liao & McDowell, 2016). To fully understand this tradition, one has to understand its origins in Kindleberger's (1973) Hegemonic Stability Theory (HST). He argued that the world economy is unstable unless one state supplies the public goods that stabilise it: an open market for distress exports, counter-cyclical long-term lending, and a lender of last resort. The interwar depression, in this account, followed from Britain vacating that role with no successor, and the hegemon was understood to act for the benefit of the system rather than its own. The theory was later given a more explicitly

realist foundation by Gilpin (1981; 1987) and Krasner (1976). They argued that a liberal international economy requires a dominant power to stabilise it, and that the hegemon's relative decline sows instability. Gilpin (1987, p. 119) provided the macro-political foundation, arguing that 'every international monetary regime rests on a particular political order'. From his perspective, the dollar's dominance is not merely a reflection of efficient market outcomes but of American hegemony. The dollar's primacy also became a functional necessity: without it, the system drifts toward fragmentation and crisis. Nye (2017) later coined *the Kindleberger Trap*: the danger that during a transition of leadership, the rising power fails to provide global public goods. He applied it directly to China's contemporary rise.

Already before this, Strange (1971) claimed that the pound's long reign as an international currency owed less to market confidence than to Britain's political domination over its colonies and its security relationships. She developed a typology that sorts currencies by what drives their international use rather than by how much standing they hold. A *Top Currency* rises through market attractiveness, a *Master Currency* is imposed coercively through imperial or hegemonic power (*entrapment* by Kirshner (1995)), a *Negotiated Currency* is sustained through political bargains, where foreign governments support the currency in exchange for security guarantees or other geopolitical benefits, and lastly a *Neutral Currency* which is whose international use comes from an issuer that is economically strong but not dominant and has no interest in promoting internationalisation. She recognised that one currency could take on multiple roles at once. Helleiner (2008) and Helleiner and Kirshner (2009) later looked at this and viewed the current United States Dollar (USD)-dominated monetary system through the Top Currency and Negotiated Currency perspectives. The numbers point in this direction as well, with over 75% of US assets held by allied foreign governments in 2021 (Weiss, 2022). Norrlof (2010) contributes to the tradition by adding the notion of a *security premium*. This refers to states that benefit from American military primacy having an incentive to support the dollar because it finances US defence spending and sustains the broader hegemonic order. Cohen (2015, p. 239) tops it by arguing that foreign-policy ties and military reach are just as important to an international currency's standing as its economic fundamentals. He claims that no single capability is decisive on its own but that most, or all, appear necessary for a currency to rise to the peak of the currency hierarchy. Eichengreen et al. (2019) frame the geopolitical tradition as the *Mars hypothesis*. They found that military alliances alone boost the share of a currency in the partner's foreign reserve holdings by thirty percentage points.

To synthesise this strand, Peruffo et al. (2023, p. 887) say that currency internationalisation cannot be understood by looking only at individual states' economic competencies, but must account for their position in the interstate hierarchy and the asymmetric distribution of power in inter-state politics. It has to be understood, however, that the currency hierarchy is non-linear and has different currencies excelling in different roles. Cohen (2015) complements Strange (1971)'s non-hierarchical approach by saying that, depending on the mix of capabilities the issuer possesses, different currencies may excel in different roles (store of value, unit of account or medium of exchange). Cohen (2015) himself argued for the existence of an international *currency pyramid*, which is broad at the bottom and narrow at the top, and influences what a state can do in terms of its own monetary policies. However, since a state's goals could differ from achieving the top of this hierarchy, its methods of currency internationalisation could differ as well, which is what this dissertation argues for.

1.2. US Structural Monetary Power

‘The US is the world’s largest economy and issuer of a major international currency. Hence the heavy spillover effect of its fiscal conditions and policy choices on the world economy’ – Wang Wenbin, Foreign Ministry Spokesperson of China, in 2023.

To understand US structural monetary power, one first has to understand the dollar’s position in this currency pyramid or *currency hierarchy* (Cohen, 2015). It was the Latin American structuralist economists (the *Campinas school*) who built a theory of power as a structural property of the monetary system itself, with a centre and a periphery (Andrade & Prates, 2013; Prebisch, 1950). Currencies, they claimed, are de facto not equal and exist within a pyramidal hierarchy (Castañeda, 2026). The hierarchy is determined by what Keynes (1964) called *liquidity-premiums*: deep financial markets, stable store-of-value properties, and political backing from a strong state (Castañeda, 2026; Fritz et al., 2018). Looking at this outcome, we deduce that the hierarchy is not merely a reflection of an issuer’s material capability and willingness, nor is it neutral and market-driven. Rather, it is an expression of asymmetric power between states, of which the US holds the most structural monetary power, that drives financial cycles globally (Cohen, 2015). The authors of these works view monetary power as positional rather than as a fixed amount. A currency’s standing follows from its position in the hierarchy rather than from the quality of its domestic institutions alone, and so does the policy space available to its issuer. Autonomy at the bottom and structural power at the top are not two parts of a whole; and a state that expands its defensive policy space does not take away from the one that issues it on top (De Conti & Prates, 2018; Palludeto & Abouchedid, 2016).

Cohen (2015) said the *monetary geography* of the world is where only the strong survive, and therefore a direct reflection of the distribution of geopolitical power. According to Fritz et al. (2018), this type of power is penetrating ever more into the global financial system. They argue that financial globalisation did not flatten the playing field, but rather it transmits US monetary policy globally. Concretely, this amplifies pro-cyclical capital flows to and from the periphery, and makes exchange rates in peripheral economies more volatile, which in turn reinforces the liquidity premium differential between centre and peripheral currencies. Therefore, these states cannot execute a successful Keynesian policy and do not become macroeconomically autonomous. This notion of transmitting US monetary policy globally came to be known as *global financial cycles* (Miranda-Agrippino & Rey, 2022). At the foundation of dollar dominance lies the status of US Treasury bonds as the world’s primary safe asset (McDowell, 2023). Investors and central banks globally seek treasuries as a reliable store of value, creating immense and sustained demand for dollars. This status is self-reinforcing, and the depth and liquidity of US bond markets mean that even during global crises, capital flows into dollars rather than away from them (Vermeiren, 2019). This structural demand for dollar assets is necessary for US economic growth. The dollar is ‘more convenient and less risky to use than other currencies’ precisely because its widespread use makes it liquid, and its liquidity makes it widely used (Chorzempa & Spielberger, 2025, p. 2). Even China’s Belt and Road Initiative (BRI) (mostly framed as an initiative to project Chinese power) often relies on dollar-denominated lending rather than RMB.

1.2.1 American Privilege or Burden?

When looking at the aforementioned hierarchical currency structure, two views are distinguished: one claiming that the US still has agency and reaps massive benefits, and another

claiming that the US has lost this agency and finds itself stuck (Cohen, 2015; Klein & Pettis, 2020). The first one argues that currencies at the top have advantages, referring to the *exorbitant privilege* of the US dollar (Cohen, 2015). The term was first coined by French Finance Minister Valéry Giscard d'Estaing in the 1960s to describe America's unique ability to pay for foreign goods and services with its own currency (Cohen, 2015). By being able to borrow in its own currency, the US can run external deficits without adjustment pressure, generating massive macroeconomic power ¹. The privilege links back to the fact that the US accounts for roughly 25% of global Gross Domestic Product (GDP) and 10-13% of global trade, but the dollar is 57% of reserves, is on one side of 89% of FX trades, and 54% of export invoicing (World Bank, n.d.; Yin & de Kruijf, 2026). Even though the US' relative share of global GDP or its share of global trade have dropped, the role of the dollar has remained stable (Wei, 2025). This disproportionality in the numbers is exactly what the concept grasps, and why there is only one country holding this privilege.

Namely, this disconnect is the hallmark of a global vehicle currency: the dollar is used to invoice trade between third countries that have no direct commercial link to the United States (European Central Bank, 2025). The privilege arises from the ability to issue liabilities denominated in the US' domestic currency at low interest rates, which can be utilised to fund investments abroad that yield higher returns (Smaghi, 2008). As Eichengreen (2011, p.4) summarised it: 'It costs only a few cents for the Bureau of Engraving and Printing to produce a \$100 bill, but other countries had to pony up \$100 of actual goods in order to obtain one'. This privilege is part of the reason why even as America's trade footprint has shrunk, its monetary footprint has barely. It has direct macroeconomic consequences. The US can run expansionary fiscal policies to stabilise its economy during negative shocks without triggering an adverse reaction from foreign lenders. This capacity has actually strengthened over time as global dollar reserves have accumulated (Mayer, 2024).

The second view presents a different story. The *Triffin dilemma* represents the fundamental structural contradiction at the heart of any international monetary system that relies on a single national currency as its primary global reserve asset (Triffin, 1960). He identified the specific form this took under Bretton Woods: the deficits required to supply the world with dollars would eventually undermine confidence in their convertibility into gold. He was proven right later on when Nixon closed the gold window in 1971 (Chinn & Frankel, 2008). After Bretton Woods, the dilemma did not disappear; it simply mutated. Nowadays, the dilemma manifests as a tension between providing sufficient global liquidity and maintaining confidence in the dollar's long-term value (Mayer, 2024). The *exorbitant burden* states that the US must run current account deficits to supply the world (and especially trade-oriented surplus economies) with dollars, but persistent deficits raise questions about the sustainability of US external debt (Ghymsers, 2024; Pettis, 2011; Zhang et al., 2026). The spillover effects of US monetary policy have become increasingly pronounced, transmitting financial cycles globally. They trigger capital outflows, exchange rate depreciation, decline in equity prices, and rising bond yields, underscoring the risks of over-reliance on the dollar (Gupta, Masetti & Rosenblatt, 2017). Importantly, the 2008 crisis demonstrated that the Triffin Dilemma did not pose risks the way advocates of the dilemma anticipated (Vermeiren, 2019). Despite the crisis originating in the US financial system, the dollar did not crash. Instead, it strengthened as investors fled to the

¹ Macroeconomic power is used here as *influence* (as distinguished by Cohen (2008)) to differentiate it from currency issuers lower in the hierarchy, which can merely attain *autonomy*.

safety of Treasuries (at the expense of the periphery). The dollar's safe-asset status proved resilient precisely because no credible alternative existed at sufficient scale.

1.2.2 Weaponisation of Dollar Dominance

Two foundational figures in this literature are Keohane and Nye (1977), who described relationships of dependence as present in international affairs and the International Monetary System (IMS), with their respective levels of asymmetry. They were also the first to call out the United States for exploiting this asymmetrical interdependence as a deliberate instrument of coercion. *Weaponized Interdependence* as a notion was first launched as an idea by Farrell and Newman in 2019. It describes how states that control key hubs in global networks gain coercive power by cutting adversaries off from those hubs. After all, global finance and communication networks have a small number of nodes that concentrate traffic tightly. It is the US and, to a lesser extent, the EU that hold jurisdictional authority over these critical hubs: Society for Worldwide Interbank Financial Telecommunication (SWIFT) for financial messaging, Clearing House Interbank Payments System (CHIPS) and Fedwire for dollar clearing, and the major internet exchange points. It is by using the existing interdependence that states are coerced to move in a certain direction unwillingly. The authors identified two specific mechanisms used in this context. Firstly, there is the *panopticon effect*, whereby information is extracted from international networks by privileged states, which can yield knowledge about hostile groups. This effect became apparent in practice following the attacks of 11 September 2001, when the United States used it to find out which terrorist groups were receiving funds and from where. Secondly, there is the *chokepoint effect*, which claims that privileged states penalise or restrict the use of the network for third parties. Concerning contemporary Russia, the chokepoint effect is of particular interest, since here it is being used as a sanction against the regime through SWIFT exclusion and asset freezes (McDowell, 2023; Reuters, 2026). After their paper, Farrell and Newman (2023) wrote about the sheer scale at which the US now weaponises this interdependence and called it the country's underground Empire.

Dollar dominance is also weaponised through another crucial means: *secondary sanctions*. Bouguelli and De Conti (2026) explain how secondary sanctions work in practice by first demonstrating how primary sanctions function. The Office of Foreign Assets Control at the US Treasury maintains a list of entities (individuals, firms, etc.) that are blacklisted by the US. These are the so-called Specially Designated Nationals (SDN). Primary sanctions prohibit banks with US operations from conducting business on behalf of any SDN (McDowell, 2023, as cited in Bouguelli & De Conti, 2026). Consequently, the targeted entity cannot carry out any transaction with a bank that has US operations. The SDN can then still circumvent those sanctions by routing the transactions through an intermediary, which act on behalf of SDN. Secondary sanctions that carry a much heavier weight. Because of these, banks with US operations are barred from engaging in transactions with SDN, and with any non-US bank acting on behalf of an SDN. Consequently, any financial entity associating with SDN runs the risk of being excluded from the US financial system. To mitigate this risk, banks across the globe frequently opt to terminate all affiliations with the targeted entities. In practice, banks tend to overcomply with secondary sanctions so as not to run any risks (e.g. sanctions against Iran leading to a drop in medicine exports, even though these were completely legal) because even the most valuable client relationship does not come close to access to the US financial system.

Farrell and Newman (2019) argue that these powers are not reducible to dollar hegemony or economic size. The US can sanction a foreign bank that has no US operations and no dollar-denominated assets, simply because that bank processes dollar transactions through a US correspondent. This creates extraterritorial reach that depends on network position, not on market share. Crucially, the theory also specifies the limits of weaponised interdependence. It works only where networks are asymmetric (one or a few hubs), where the hub state has the institutional capacity to monitor and enforce, and where targets are sufficiently integrated into the network to be vulnerable.

1.3. US currency But The World's Problem

The US monetary dominance carries with it extremely destabilising effects on other countries, which became abruptly visible during the Global Financial Crisis (GFC). As Raghuram Rajan, Governor of the Reserve Bank of India, noted in 2014, ‘the current non-system in international monetary policy is, in my view, a source of substantial risk.’ Network effects have profound implications for countries’ macroeconomic autonomy. Worldwide, but specifically in China, non-US central banks must hold large dollar reserves to intervene in foreign exchange markets if their currencies come under pressure. Yet, despite the aforementioned phenomena, path-dependent lock-in can be overcome when an alternative accumulates a critical mass of users in a sufficiently large sub-network (Arthur, 1989). Network effects, thus, set the *baseline difficulty* for RMB internationalisation, but they do not determine its ceiling.

Currency issuers at the bottom, against the backdrop of the exorbitant privilege, suffer from what Eichengreen and Hausmann (1999) coined the *original sin*. This shows in their inability to borrow abroad in their own denomination and in facing the disciplinary power of international markets more severely than issuers at the top. These countries must borrow in foreign currencies (mostly dollars), exposing themselves to currency mismatch risk and forcing them to accumulate costly reserve buffers (Mayer, 2024). The result is an asymmetric international monetary system where the centre enjoys policy autonomy at the expense of the periphery's macroeconomic flexibility, and thus macroeconomic autonomy. The GFC is an illustration of what these concepts mean in practice (Vermeiren, 2019). Back then, investors inevitably dumped peripheral currencies and fled to the safety of the dollar, greatly damaging the periphery's economies and policy autonomy in doing so. In addition, the Federal Reserve (Fed) started quantitative easing, which wiped out the value of vast amounts of dollar reserves held overseas (Leonard, 2022). The Latin American structuralist authors argue accordingly that power is embedded in the structure of the system itself (Castañeda, 2026; Fritz et al., 2018). A peripheral state, therefore, cannot escape the hierarchy through domestic (monetary) policy alone. It has a position that is determined externally, by the liquidity preferences of global markets and the power asymmetries of the state system. Searching for macroeconomic autonomy thus becomes a quest for changing one's status within the broader power structure, and currency internationalisation in any of the functions of an international money is one way to do this.

1.4 Macroeconomic Autonomy

Against this backdrop of hierarchy and weaponisation in the international monetary system that macroeconomic autonomy becomes a fundamental concept. Hence, it will have to be framed well, with solid backing from the literature. As Nelson et al. (2008, p. 326) note, autonomy for a state is about providing domestic authorities the policy space to minimise economic damage

or seize opportunities during international shifts. This policy space is the freedom to choose the best policy mix for domestic development and stabilisation given a country's specific conditions. Their formulation covers both the avoidance of damage and the seizing of opportunity, but for a state below the apex of the hierarchy it is the first that is at stake. The second, the opportunity, belongs to what Cohen (2008) separates as influence, and is precisely the capacity this dissertation argues China is not building. Therefore, its conceptualisation will be a state's (or group of states') capacity to pursue domestic policy objectives without external constraint, rather than just existing in isolation (Cohen, 2015; Germain & Schwartz, 2017). Macroeconomic autonomy thus brings about a very broad term, incorporating both *monetary autonomy* in a broad structuralist sense (comprising the powers to delay and deflect) and *coercive resilience*.

The concept is closely related to monetary sovereignty in the Westphalian notion of the term, but it involves more than just this. It is about the ability of a state to issue its currency and actually regulate its use (van 't Klooster, 2023). Cohen (2005) explains this difference more in-depth. While sovereignty refers to formal authority, macroeconomic autonomy refers to the effective capacity to use that authority under conditions of interdependence, financial globalisation, and balance-of-payments pressure, he says. The difference with monetary autonomy is important as well. Monetary autonomy is a part of what macroeconomic autonomy constitutes (Aizenman et al., 2008). In the narrow sense, it has a specific definition, referring to a central bank's ability to set interest rates according to domestic needs without being forced to mirror a base country. Its standard empirical measure is the Aizenman-Chinn-Ito Monetary Independence Index (ACI), defined as $MI = 1 - \frac{\text{corr}(i_i, i_j) + 1}{2}$, where $\text{corr}(i_i, i_j)$ captures the correlation between domestic and base-country (US) interest rates. Monetary autonomy, according to them, is essentially equivalent to monetary policy independence and is a question of central bank freedom, which they link to the capacity to desynchronize domestic short-term interest rates from those of the global hegemon (the US). Therefore, the concept does not genuinely include a broader context, including banking and credit markets and only frames part of what the concept of monetary autonomy tries to grasp.

Cohen (2003), according to Vermeiren (2013, p. 732), claims that the ultimate foundation of monetary power is macroeconomic autonomy, which effectively functions as *the power to delay and deflect*. When excessive imbalances occur, countries face pressure to fix them, which often obstructs their domestic macroeconomic plans. Having this macroeconomic autonomy means, in short, that a nation can circumvent this burden of domestic adjustment costs associated with the international monetary system, and successfully secure its own economic interests by either delaying or deflecting (Cohen, 2005; 2015; 2018; Germain & Schwartz, 2017). The power to delay is the capacity to postpone adjustment, typically by financing an imbalance in one's own currency rather than correcting it (Cohen, 2005). It is composed of a country's relative international liquidity position, which comprises both reserves and borrowing capacity. The power to deflect, on the other hand, is the capacity to shift the costs of adjustment elsewhere. It depends more on structural variables such as the relative degree of openness and adaptability of the national economy. Through either power, macroeconomic autonomy prevents the nation from being forced to compromise on domestic goals such as employment or social spending to satisfy external markets (Cohen, 2015). Consequently, this also means that a dominant currency issuer (which is higher on the currency hierarchy) can delay painful adjustments (e.g. by financing deficits in its own currency) and deflect costs onto others. Say the United Kingdom

decides to finance a deficit caused by an international financial crisis; it then has a better capacity to do so than Sudan, since it has more monetary autonomy than the latter. The framing of autonomy is institutional for one state, but to a large degree positionally, above all in the power to deflect, since it depends on one's rank relative to others (Palludeto & Abouchedid, 2016). Countries lower in this hierarchy de facto face tighter constraints regardless of their domestic institutional quality, and thus have less monetary autonomy. With that, this capacity is the essence of the exorbitant privilege attributed to the US dollar specifically (Cohen, 2015).

The power to deflect in particular needs careful handling here, because shifting costs onto others sounds like coercion, and for the issuer at the apex it partly is. The distinction turns on direction and on capability. A hegemon's deflection is offensive: with the systemic weight to do so, the US can push the costs of its own imbalances onto the periphery. This offensive form is unavailable to a state without comparable structural weight. What remains available lower in the hierarchy is a defensive form of deflection, which works not by exporting costs but by reducing one's own exposure to them. A state that settles and invoices its trade in its own currency lowers the share of its economy exposed to exchange-rate pass-through, and shields its domestic prices from shocks originating in a currency it does not control (Gopinath, 2015). The effect stops at that state's own border and changes no foreign party's conduct. Two tests keep this defensive form apart from a hegemon's coercion. The first is whether a channel of compulsion exists: coercion requires a chokepoint the coercer can threaten to close, such as exclusion from dollar clearing (Farrell & Newman, 2019), whereas a counterparty invited to invoice in another currency loses nothing by declining, and frequently does. The second is whether the counterparty acts freely: coercion is defined by the target's lack of any real choice, while trade settled in a non-dominant currency is taken up by partners who expect to gain from it. Defensive deflection is therefore not a weaker version of the hegemon's coercion but something different in kind.

Figure 1
Mundellian Trilemma



Note. Adapted from "Trilemma Versus Dilemma: Monetary Autonomy and Long-Term Interest Rate Independence" by S. Kim and J. Kim, 2024, *Review of International Economics*, 32(5), p. 3 (<https://doi.org/10.1111/roie.12751>). Copyright 2024 by Kim & Kim.

Monetary autonomy specifically relates to the *Mundellian trilemma*, an empirically backed debate that concerns the policy options for any given state. It sees monetary autonomy as a

choice alongside exchange rate stability and free capital mobility (the latter is needed for currency internationalisation). Out of these three, it would only be possible to achieve just two of them in a meaningful way (Chey et al., 2019). It is known in the literature as the *impossible trinity*, *unholy trinity*, or simply *Trilemma debate*. Oueghlissi et al. (2025) find that flexible exchange rates (and thus less stable ones) generate more monetary and thus macroeconomic autonomy. Interestingly, Rey (2015) argues that the trilemma today has basically become a dilemma between capital openness and autonomy, disregarding the role of exchange rates completely. This argument states that global financial cycles, massive surges of capital driven by US monetary policy, inflate asset bubbles and credit globally, and that a floating exchange rate no longer protects domestic autonomy. The author claims that regardless of the exchange rate, if the capital account is open, the issuer will lose monetary autonomy. The only way of securing autonomy then becomes capital control or capital flow management, both of which are in the international capital mobility corner. The aforementioned currency hierarchy tradition sees this dilemma differently. They claim that the structurally asymmetrical relationship for currencies generates permanently constrained autonomy for peripheral issuers (Palludeto & Abouchdid, 2016; Peruffo et al., 2023). It limits these regions' development, their policy space, and thus reinforces this inequality. It also means that even trying to manage a balanced budget, an open capital account, and a floating exchange rate might not be enough to get rid of external vulnerabilities, sudden stops in capital flows or the inability to borrow in their own currency. Reaching true monetary or macroeconomic autonomy is thus very hard for most states, they claim. Having a peripheral currency means that financial integration is more painful compared to developed currencies. This results in a currency that is harder to obtain for non-residents, which tends to jeopardise currency internationalisation (Peruffo et al., 2023).

To complement Cohen's notion of the concept and make it fit for 2026, the concept needs to change beyond the powers to delay and deflect and monetary autonomy. Therefore, against the backdrop of geopolitical coercion through weaponised interdependence, *coercive resilience* is added to make the tripartite complete. In an era of sanctions and financial weaponisation, autonomy means having some control over the infrastructure and monetary means to conduct essential international transactions without having to rely on possible adversaries for their systems (Hilpert, 2024; Hofman & Petry, 2025). Taylor (2025) even goes so far as to view this reason as the main one for China in their quest to achieve true macroeconomic autonomy, rather than Cohen's more narrowly defined conceptualisation.

1.5 China in the Pursuit of Macroeconomic Hegemony or Autonomy?

Subramanian (2011) and Subramanian and Kessler (2012) argue that China's massive share of global GDP and trade will inevitably push the RMB to rival or surpass the US Dollar as the dominant international currency. Liao and McDowell (2016) demonstrate that central bank adoption of the RMB is a deliberate political endorsement of China's expanding international power. Hilpert (2024) claims that not only is China desiring reduced dependence on the US, but it wants to establish effective leverage vis-à-vis third countries. Jiang (2014) argues that many in China want an international currency because it would be a symbol of great-power status, above the rest. Cohen (2018) most notably argues that 21st-century monetary relations are a duel between the US's greenback and the PRC's RMB. He views China as aggressively deploying statecraft to climb the higher strata of the global monetary hierarchy. All of these arguments point toward the same *US versus China* hegemonic battle logic.

This is not to say that the autonomy perspective offers a weak standing. Hofman and Petry (2025) claim it is better to think about RMB internationalisation in terms of autonomy rather than influence. Taylor (2025, p.440) notices that the preference for control takes precedence over the necessary liberalisation to make the RMB a fully competitive global reserve currency. The author claims that today's development points more toward 'selective diversification and hedging strategies'. This thin internationalisation is exactly what this thesis argues for, seeing through the perspective of China in the pursuit of autonomy rather than hegemony. RMB internationalisation is, according to Bowles and Wang (2013), a protective, risk-averse strategy to shield Chinese trade from dollar volatility while preserving domestic financial repression. Goghie (2024) argues that China is trying to lift itself out of the original sin (as identified by Eichengreen and Hausmann (1999)). Both Bowles and Wang (2013) and Goghie (2024) come to the defence of Cohen's notion of monetary autonomy (2005), which is what China is actually trying to achieve, they claim, rather than hegemony or bipolarity.

The two readings are harder to separate than the disagreement suggests, because they basically predict the same observations. A state building the infrastructure to defend itself would maybe act the same way as a state striving for hegemony, but under binding constraints. What distinguishes the two is not what China builds but what it declines to build. This dissertation therefore asks of each instrument not only what it contributes to delay, deflection and resilience, but whether China has taken the leverage it could have taken.

1.6 Methodology

Delay, deflection and resilience are all defensive capacities, and that is what separates autonomy from hegemony. Hegemony in the monetary domain is not autonomy at scale but the capacity and willingness to constrain others, which is what Cohen (2008) separates as influence. The two are not points on one scale: a state can accumulate a great deal of the former while making no bid for the latter. Each infrastructure examined in the chapters that follow is therefore assessed twice over: for what it adds to delay, deflection and resilience, and for whether the same capability could be turned outward against the states that use it. The question of why China might adopt these mechanisms, for reasons other than macroeconomic autonomy, is thus also examined. This is a single-case study of China, built on literature analysis and descriptive statistics. The single case follows from the question, which concerns the internal logic of one state's behaviour rather than variation across states. Chapter 1 reviews the literature to build the concept; from Chapter 2 onward, that same body of work supplies the evidence, and I selected sources for what they say about delay, deflection or resilience rather than by topic. The descriptive statistics establish magnitude and direction. They do not identify causal effects, and I construct no composite index of autonomy. That is deliberate. Autonomy in Cohen's sense is a capacity (even when coercive resilience is added in). In contrast, the ACI records an outcome: realised co-movement with the Fed, which for China depends on capital controls rather than internationalisation.

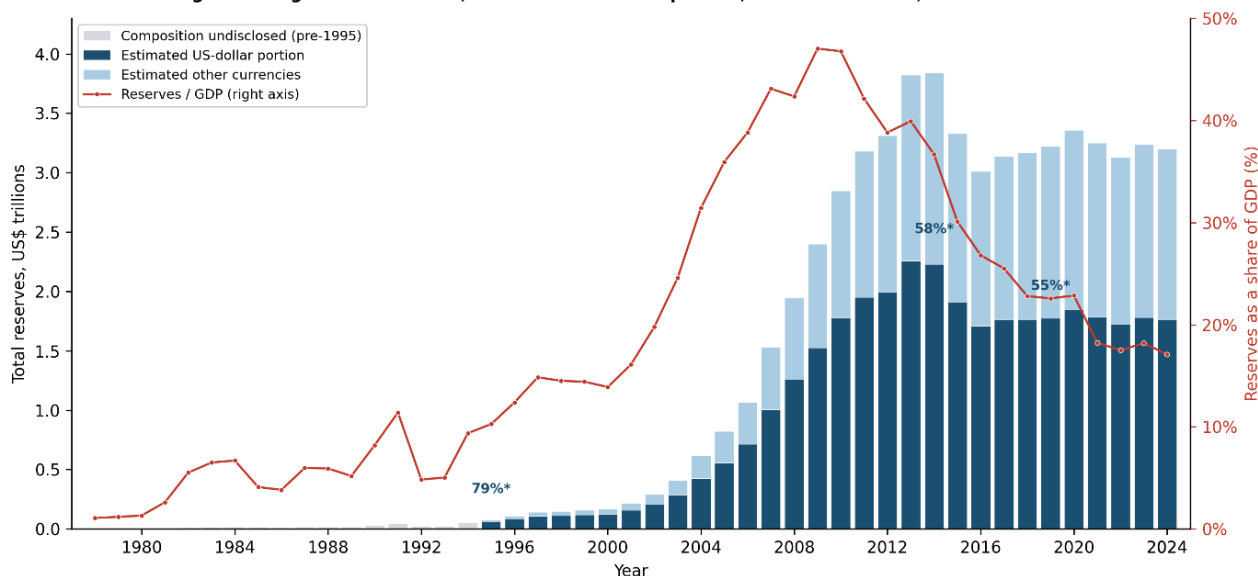
Chapter 2: China's Dollar Trap

2.1 Accumulation of USD Reserves and Imposition of Capital Controls

Over the last three decades, China has been accumulating a staggering amount of foreign

Figure 2

China's foreign exchange reserves: total, estimated US-dollar portion, and share of GDP, 1978-2024



Note. Bar heights are total reserves excluding gold and are observed for every year shown. Only the currency split is estimated: the US-dollar share is interpolated between five composition disclosures and held at the last disclosed value of 55% from 2020 onward. Composition was not disclosed before 1995, so no split is shown for those years. Reserve data from International Monetary Fund (2026b), GDP from World Bank (2026), composition disclosures from SAFE (2019, 2022, 2023, 2024); compiled by the author. Full derivation in Appendix A.

exchange reserves, most notably including the USD-denominated assets (see Figure 2). The initial accumulation of reserves in 1994 was subject to debate within China, in which the PBoC positioned itself as an opponent of export-oriented industries and their political patrons (Helleiner & Kirshner, 2014). The PBoC raised concerns over the reserves' suitability due to rising inflation, the low rate of return, and, most importantly, the decline in macroeconomic autonomy this constituted. The exporters, on the other hand, raised the challenge that RMB appreciation would bring about for the future of Chinese competitiveness. Keeping the yuan undervalued required a central bank that accumulated reserves, which meant purchasing dollar-denominated assets such as US Treasuries.

Eventually, the latter got their way, but not only due to the policy's export-stimulating ramifications. Senior technocratic officials pushed for reserve accumulation as self-insurance against financial crisis. Vice Premier Zhu Rongji pointed to the 1995 Mexican peso crisis and argued that China faced similar risks. Zhu was 'firmly convinced that the Renminbi exchange rate would need to be kept stable' and that reserves had to be 'beefed up' (Helleiner & Kirshner, 2014, p. 88). Officials also justified large reserves as necessary to safeguard Hong Kong's financial stability ahead of its handover. The rise continued following the Asian Financial Crisis (AFC) (1997–98), when senior technocrats pushed for reserve accumulation as a buffer against speculative attacks and currency crises. They had witnessed the IMF imposing harsh conditions on several Asian states, and drew the lesson that large reserves were essential to *financial security* and *regime stability*.

Importantly, during the 2003-2008 period, export-oriented industries and their political patrons (the Ministry of Commerce) pushed hardest for a mercantilist exchange rate policy, so much so that they were, in fact, the only group within China still advocating for reserve accumulation. This coalition did not care for the amount of reserves at all, as long as the exchange rate did not appreciate, which becomes oddly clear when looking at the numbers. In practice, this worked by the PBoC buying up all the incoming dollars gained from consistent trade surpluses (Klein & Pettis, 2020). Ultimately, this policy reflected China's authoritarian system, which concentrates power in the hands of export-linked elites while disenfranchising the rest of the population that bears the costs (Helleiner & Kirshner, 2014). Namely, consumers face weaker purchasing power, taxpayers bear the valuation losses, and commercial banks experience punitive domestic monetary policies.

China's large accumulated reserves position allowed the country to postpone externally requested policy adjustments when it so wished, thereby increasing its power to delay (Helleiner & Kirshner, 2014). This delay capacity was visible in China's ability to resist sustained US pressure for renminbi appreciation throughout the 2000s and after the August 2015 devaluation and the capital outflows that followed (McDowell, 2023). However, simply because China can delay exogenous pressure does not mean it is generating macroeconomic autonomy. In fact, Cohen (2008) argues, reserves bought China a defensive, passive monetary autonomy, which cannot be used to exert influence. This is therefore a clear example of China functioning within the confines of the IMS, without vying for hegemony. At the price of deep structural dependence on the dollar, however, this accumulation constitutes a net *erosion* of genuine macroeconomic autonomy because of decreased coercive resilience (it can be frozen). This deep paradox is called *the dollar trap*.

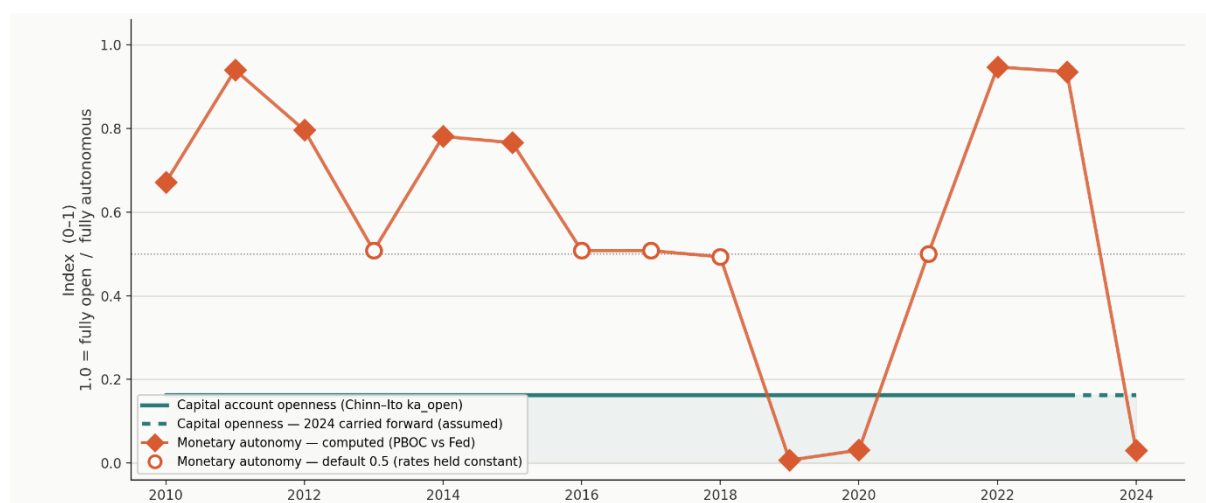
It means that Chinese policy remains highly exposed to US monetary and fiscal decisions (Gao & Yu, 2011, p. 105). The Federal Reserve's quantitative easing after 2008, for instance, directly eroded the real value of China's holdings (Leonard, 2022). In this fashion, it was only really after the GFC that the PBoC started contesting the notion of dollar dominance (Cohen, 2015; Petry, 2025). The central bank governor at the time had some interesting alternative ideas; he suggested creating a supranational reserve currency, in which the US obviously had no interest. He then, foundationally, launched China's RMB internationalisation bid (Liao & McDowell, 2016). From this point onward, Chinese officials recognised the dollar trap and viewed their dollar investments as inefficient, loss-making, and politically humiliating. However, to this day, they cannot easily exit without triggering a dollar collapse that would hurt them more than any other country (Chey, 2021, p. 38; Hilpert, 2024). Because of this, China has been actively de-dollarizing its foreign exchange reserves compared to other currencies, but it still holds a majority in USD (Setser (2026) estimates this to be 50-55% of its reserve portfolio as of 2026).

Despite this dollar trap, measured by the narrower ACI (see Figure 3), China's monetary autonomy remained high. The ACI metric only grasps a sliver of Cohen's notion of monetary autonomy. However, it is reasonable to assume China's autonomy scored high because it used its power to delay gains from its reserves. Rey's (2015) dilemma expects the ACI to remain high for a different reason: capital controls, which is why it is plotted as well. Either way, Figure 3 shows that the PBoC is not always following the Fed's easing or tightening cycles, which is enough to demonstrate its capacity to act autonomously interest rate-wise. The dollar trap may therefore be a win for monetary autonomy in the narrow sense, but not for macroeconomic

autonomy in the broader sense, due to a loss of coercive resilience on the Chinese side, something that cannot be shown on a graph.

Figure 3

China's capital account openness and monetary independence (ACI), 2010–2024



Note. Both series run on a 0–1 scale on which 1.0 denotes complete capital account openness or complete monetary independence. Capital account openness is the normalised Chinn-Ito KAOPEN index, which has been constant for China since 1993; the 2024 value is carried forward from 2023 pending the IMF Annual Report on Exchange Arrangements and Exchange Restrictions (AREAER) update. Monetary independence author-computed, following Aizenman et al. (2008) from the correlation between Chinese and US interest rates. Open circles mark years in which that correlation is undefined because the Chinese rate was unchanged throughout the year, which the index's authors treat as zero and therefore as 0.5. The measure records realised co-movement of interest rates and not autonomy as a capacity, so it cannot separate years in which the PBoC followed the Federal Reserve from years in which both responded to a common shock. Data from Chinn and Ito (2006), PBoC (2026a), and Board of Governors of the Federal Reserve System (2026); compiled by the author. Full derivation in Appendix.

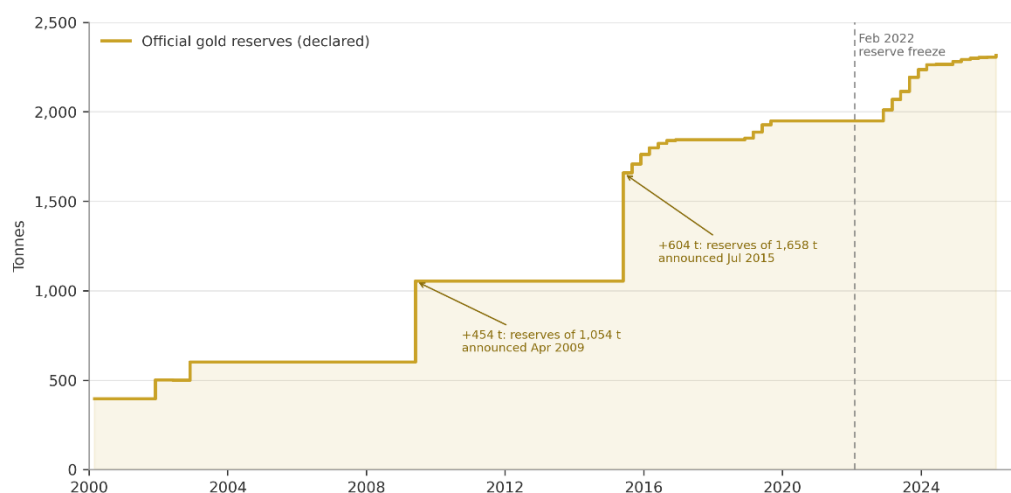
2.2 China's RMB-Internationalisation Strategy

China's RMB internationalisation is precise and concentrated where it yields the best outcomes for China's macroeconomic autonomy. As such, the country is not focusing on all traditional market-based fundamentals equally. With only 2% of worldwide central bank reserves denominated in RMB, a similar share to that of the Canadian and Australian dollars, the store-of-value function is clearly not prioritised (International Monetary Fund, 2026a). When saying China is pushing RMB internationalisation, this primarily refers to money's medium-of-exchange function, which is useful for settlement purposes, as overwhelmingly mentioned by PBoC (2025b) in its RMB Annual Internationalisation Report. The RMB's unit-of-account function gets only limited attention as well.

2.2.1 Gold Accumulation

Figure 4

China's Official Gold Reserves in Tonnes, 2000-2026



Note. China reports its gold reserves in discrete steps rather than continuously; the reported level is held flat between changes, so the vertical jumps mark disclosure events, not gradual accumulation. Data from Ray (2026) and World Gold Council (2026); compiled by the author.

China's official gold reserves have grown from roughly 600 tonnes in 2008 to 2346 tonnes by June 2026, as seen in Figure 4 (Ray, 2026; World Gold Council, 2026). However, China's officially disclosed holdings almost certainly understate its true position. Independent analysts claim its 2025 position might have been a staggering 5,411 tonnes, though this number remains contested and unverifiable (Nieuwenhuijs, 2025). Even at the reported level, gold has grown to represent 8.90% of China's total foreign exchange reserves (totalling 3416.3 billion dollars) (SAFE, 2026). This is still far below the global central bank average of about 21% (Lequillerier, 2026). As seen in Figure 5, China has been accumulating gold, so much so that its valuation compared to that of US treasuries had gone from 7% in 2018 to 52% as of May 2026².

Their primary motive in de-dollarising and accumulating gold is sanctions-proofing and, thus, coercive resilience (Arslanalp et al., 2023; Mayer, 2024). The timing is very telling here: China ceased adding to its Treasury holdings around 2014, following the first round of US sanctions on Russia over Crimea, and reduced them sharply after February 2022. The post-2022 movement is even clearer evidence, occurring against a stable reserve total and immediately after the freezing of Russia's dollar assets. Gold, provided it is vaulted domestically, cannot be frozen, sanctioned or seized (Arslanalp et al., 2023). It is the only major reserve asset that is not simultaneously another state's liability and does not settle through infrastructure that state controls. In Farrell and Newman's (2023) terms, it sits outside the underground empire altogether, meaning there is no hub through which a transaction record passes, and no node that can be closed. This has been proven to result in emerging-market central banks buying up the metal (Arslanalp et al., 2023). The market infrastructure must be distinguished from the stockpile, however, because it is the former that generates internationalisation (Petry, 2025). Already in 2016, China launched renminbi-denominated gold futures on the Shanghai and Hong

² A large part of this staggering increase has to do with a rise in the price of gold. The data from the US Department of the Treasury measures only the Treasuries held by the Chinese mainland, which could have been easily manipulated by China by holding Treasuries in Hong Kong, Belgium, Canada, or via its own commercial and policy banks. Figure 5 only plots US Treasuries, instead of looking at the entirety of its USD assets, following Mayer's (2024, p. 8) methodology.

Kong gold exchanges, intended to persuade oil-exporting states to sell in renminbi convertible into gold rather than accept dollars alone (Chey, 2021). An exporter that distrusts the RMB is thereby given an additional settlement option. In 2025 the Shanghai Gold Exchange opened its first international vault in Hong Kong, alongside offshore renminbi-denominated contracts settled in cash or by physical delivery (Petry, 2025). These give private holders of offshore renminbi a market route into gold, and to that extent lend the currency something of the quasi-safe-haven function that reserve managers look for. The PBoC's own holdings do no such thing; they confer no claim on anyone.

Figure 5

China's Official Reserve Holdings: The Market Value of Gold and US Treasuries, 2000–2026



Note. Gold reserves reported in Special Drawing Rights (SDR) are converted to USD at the end-of-period SDR/USD rate. The Treasury series is a residence-of-custody measure, so Mainland-owned Treasuries held through offshore custodians (e.g., Hong Kong, Belgium or Canada) are attributed elsewhere and understate true Chinese holdings. Data from International Monetary Fund (2026b, 2026c), U.S. Department of the Treasury and Board of Governors of the Federal Reserve System (2026), and World Gold Council (2026); compiled by the author.

Gold's contribution to the power to delay is real but state-contingent. Cohen (2005) grounds delay in the liquidity position, which encompasses owned reserves alongside borrowing capacity, meaning gold qualifies in principle. The delay China actually exercised in section 2.1, resisting sustained American pressure for appreciation through the 2000s, rested on the sheer scale of the foreign exchange position, and gold adds nothing to that. Its distinct contribution is, in fact, narrower: it is the portion of the reserve stock that remains available in the scenario in which its USD assets become neutralised. That capacity is bounded. At 8.90% of total reserves, and in a market considerably thinner than that for Treasuries, gold could substitute for only a fraction of what a freeze would immobilise. As mentioned previously, China selling off its dollar reserves quickly would be a financial stupidity, even though it would push up the price of gold (meaning one day the calculation might drive the country in this direction). What the metal buys in the meantime is optionality: room to manoeuvre should the monetary system be reconfigured, whether through alternative settlement arrangements among BRICS³ or a broader reordering of the reserve system. On the power to deflect the finding is negative. Gold thus inverts the bargain of section 2.1. There, reserve accumulation purchased the power to delay at the cost of coercive resilience; here, gold purchases coercive resilience at the cost of yield,

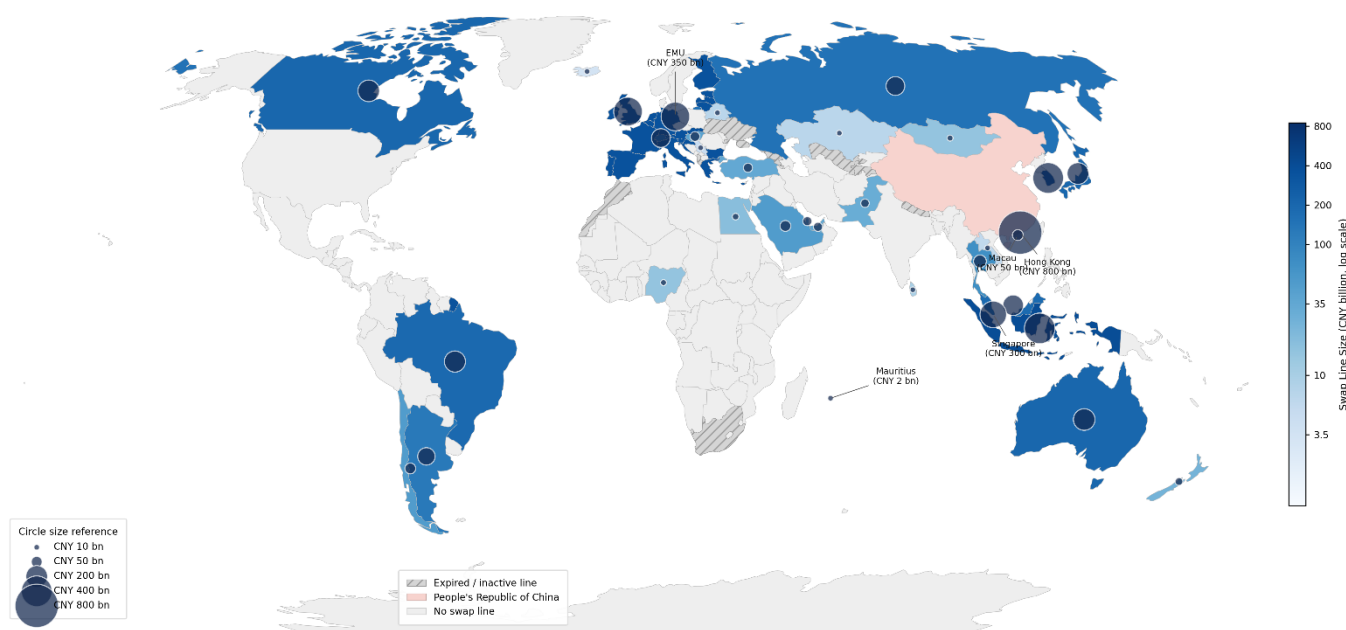
³ As of 2026, the grouping comprises eleven full members: the original five plus Egypt, Ethiopia, Iran, Saudi Arabia and the United Arab Emirates, which joined in January 2024, and Indonesia, which joined in January 2025. A separate partner-country tier was created at the 2024 Kazan summit.

adding to delay only in the contingency where the rest of the portfolio has been immobilised, and adding nothing to deflection at all. It enhances autonomy at the margin without resolving the dollar trap. Moreover, China's strategy shows a willingness to remain connected to the global system while depending on it less (Hofman & Petry, 2025).

2.2.2 Clearing Centres and Swap lines

Swap lines have been an integral part of China's strategy of RMB internationalisation ever since 2008, when the PBoC opened its first bilateral swap line with the Bank of Korea (Chorzempa & Spielberger, 2025, p. 4). China's bilateral swap line network expanded by primarily focusing on emerging markets, whereas US and EU networks focused more on each other. These swap agreements were signed with central banks of 42 countries (regions) (see Figure 6) and had an overall size of over 660 billion USD⁴ as of June 2025 (PBoC, 2025b, p. 21).

Figure 6
Bilateral Currency Swap Lines Held with China as of May 2026



Note. The eurozone holds a single collective line through the European Central Bank; Malta is included although not individually visible at this scale. Map projection: Robinson (ESRI:54030). Data from PBoC (2025a) and The State Council of the People's Republic of China (n.d.); compiled by the author.

PBoC swap lines serve a distinct dual purpose, contrary to Federal Reserve swap lines, which primarily target advanced economy central banks to alleviate USD liquidity shortages (Petry, 2025). Firstly, they supply routine RMB liquidity to foreign central banks, which can then be channelled to local commercial banks and importers to settle bilateral trade without converting through US Dollars (Chey, 2021, p. 40). This mechanism eliminates double FX conversion costs and thus encourages cross-border RMB transactions. Secondly, China provides RMB liquidity for states facing balance of payments crises or sovereign default (Horn et al., 2023). In fact, these overseas bailouts correspond to more than 20% of total IMF lending over the past decade. Distressed sovereign borrowers have drawn on PBoC swap facilities specifically to bolster foreign exchange reserves, service external debt, and settle critical imports (Hofman &

⁴ Conversion at the PBoC central parity rate of 7.2983 CNY/USD, 30 July 2026 (<https://www.chinamoney.com.cn>).

Petry, 2025). By aiding states without sufficient access to US Federal Reserve or European Central Bank liquidity arrangements, China acts as an alternative international lender of last resort (Chorzempa & Spielberger, 2025). This creates bilateral financial dependencies and shields recipient states from Western macroeconomic conditionality.

To protect the PBoC from credit default, swap operations use a two-tiered structure. China's central bank provides RMB funds directly to the partner central bank, which assumes domestic credit risk when distributing those funds to local commercial entities. This framework transfers commercial counterparty risk to the partner central bank while securing China's position as a senior creditor. Jiang (2014) claims that there are three purposes for China in establishing these swap lines: bringing RMB usage into formal channels where it was previously only informal, or promoting it where it had not been used much, as payment for energy and raw materials, and for symbolic value.

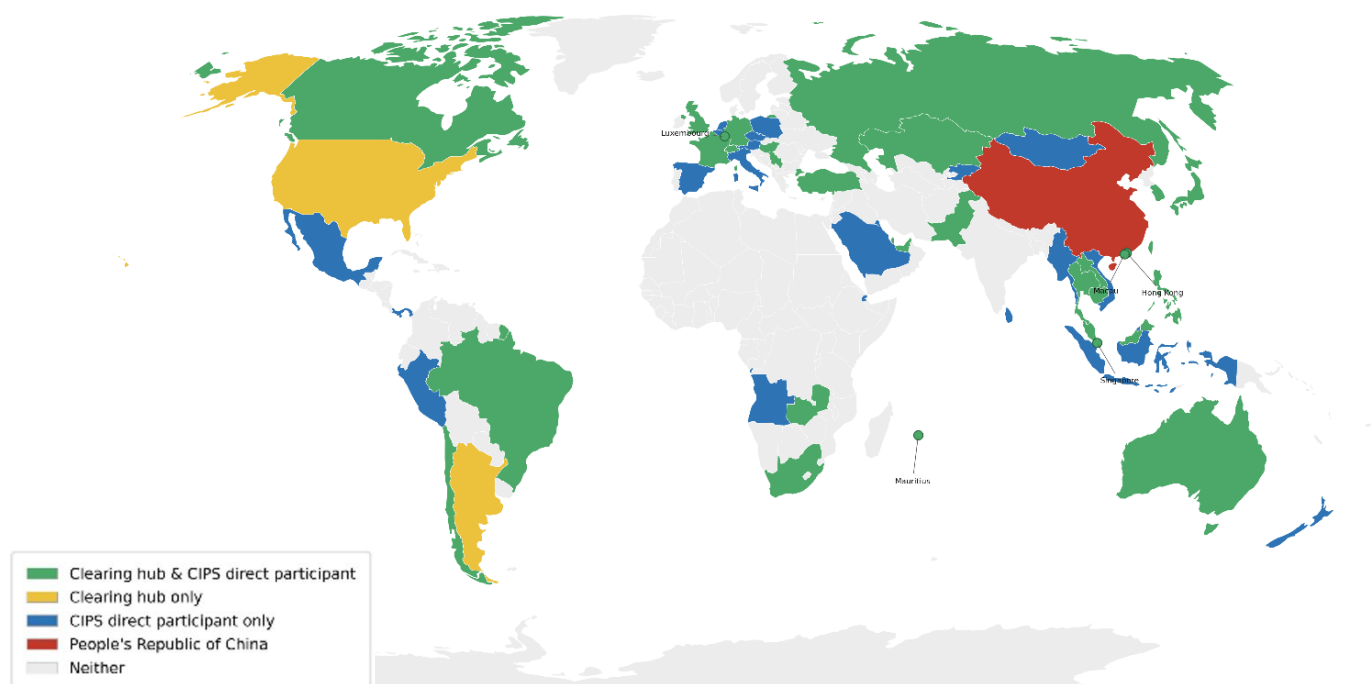
As for its macroeconomic autonomy, China acts as a supplier of delay capacity to other states, but does not receive anything itself. A good reader might point out that Kindleberger's three stabiliser functions include counter-cyclical long-term lending and a lender-of-last-resort role. China, however, does not really perform these functions, since the hegemon should supply a public good to the system, which does not happen here. First of all, the provision is not systemic; it is bilateral and discretionary. China itself selects counterparties, sets terms individually, and can decline. Secondly, China offloads the risk rather than absorbing it, because of the two-tiered structure. China has designed the instrument to capture the leverage while ditching the cost, which is precisely the Kindleberger Trap described by Nye (2017). Lastly, headline capacity might be \$660 billion, but actual drawbacks are only a small fraction (Horn et al., 2023). Fed lines, on the contrary, were drawn at an enormous scale in 2008 and 2020 (Du & Schreger, 2022).

China does, on the other hand, boost its power to deflect. A partner will only accept renminbi pricing if it can obtain renminbi. The swap line makes RMB invoicing credible, shifting exchange-rate risk onto the counterparty and, with it, part of the transitional cost of adjustment. As for coercive resilience, this is strengthened less directly. The immediate beneficiary of this component is the recipient; Argentina, for instance, used its PBoC facility to service foreign debts, and Ukraine used it to shore up its foreign exchange reserves after Russia's initial invasion in 2015 (Chorzempa & Spielberger, 2025). China's own gain runs through the trade relationship. Its exposure to financial coercion is partly indirect: a commodity supplier or export market cut off from dollar clearing stops trading with China too, and the damage arrives through the corridor rather than through any measure aimed at the PRC itself. A partner that can settle in renminbi through a PBoC facility keeps trading under conditions that would otherwise halt the exchange. What the network protects is the relationship. This also explains the shape it has taken. The Fed extends its lines to advanced economy central banks short of dollar funding. At the same time, the PBoC has built its network along the corridors its own supply chains run

through, which is why the concentration sits in emerging markets and commodity exporters rather than among its peers.

Figure 7

Countries with official RMB clearing centres as of May 2026



Note. Countries are classified by whether they host an official offshore RMB clearing hub, are a CIPS direct participant, or both. CIPS direct participants are assigned by entity location following the CIPS direct-participant list. Using this methodology the United States and Argentina are viewed as clearing hubs only, because their RMB clearing banks reach CIPS through entities incorporated in mainland China rather than through locally incorporated direct participants. The eurozone is not consolidated, as clearing-hub and CIPS participation are national rather than collective. No clearing hub or CIPS direct participant is known to have been discontinued. Map projection: Robinson (ESRI:54030). Data from CIPS (n.d.), Bank of China (2026), and Zucker-Marques (2025); compiled by the author.

An offshore RMB clearing bank, on the other hand, is an institution designated by the PBoC to provide RMB clearing and settlement services within a foreign jurisdiction (Chey, 2021, p. 41). These are commercial banks, but operate as de facto offshore branches of the Chinese central bank (according to Chey et al., 2019) and provide RMB liquidity, since they maintain direct accounts within the PBoC's onshore payment and settlement systems. This scheme started already in 2003, at first including only branches of Chinese banks, but over time it grew to include foreign banks like JP Morgan as well (Hofman & Petry, 2025, p. 31). However, the network is nonetheless still dominated by state-owned banks. As of 2026, the network encompasses 38 clearing banks across 33 countries and regions (as seen in Figure 7) (Wang, 2026). China introduced this mechanism to avoid foreign financial institutions processing cross-border RMB transactions through traditional correspondent banking chains. By replacing these (mostly US-controlled) correspondent banking networks with direct clearing hubs, participating foreign banks can settle RMB payments locally, eliminating intermediary delays and lowering processing costs. To support these clearing centres, the Ministry of Finance regularly issues RMB treasury bonds and central bank bills in offshore markets (PBoC, 2025b, p. 43). This regular issuance builds a benchmark yield curve and provides high-quality liquid assets for foreign financial institutions operating in these hubs. It is the combination of these clearing hubs and swap lines that forms an integrated financial plumbing system, which extends its reach even further when adding in CIPS. Swap lines guarantee that foreign central banks and commercial entities can access RMB liquidity under stress, while clearing centres and CIPS

provide the settlement pathway that a dollar-denominated transaction would have had to route through US correspondent banks and, ultimately, CHIPS.

Macroeconomic autonomy gets yet another boost from these. Clearing hubs relate to the three components differently from the swap network. For coercive resilience, the contribution is direct. Correspondent banking is one of the easiest ways for the US to weaponise its hold on chokepoints, and thus circumventing it in a meaningful way generates a good amount of resilience (Farrell & Newman, 2023). The Chinese clearing banks are subject to Chinese regulatory oversight, thus granting China panopticon visibility over cross-border RMB transactions and potential chokepoint authority over foreign banks' access to RMB liquidity. Deflection gains as well, because invoicing in one's own currency shifts exchange rate risk onto the counterparty, and delay capacity is not furthered.

2.2.3 China Foreign Exchange Trade System (CFETS)

CFETS has operated as the PBoC's foreign-exchange and fixed-income trading platform since 1994, but its relevance to internationalisation dates from 2010, when the renminbi began trading directly against currencies beyond the small set of majors, starting with the Malaysian ringgit and the Russian rouble (Hofman & Petry, 2025). Historically (before 2010), all FX trading involving the RMB had to route through the US dollar as an intermediary currency. This meant that even if a Chinese exporter wanted to pay a Thai importer in RMB, the transaction had to be converted to USD first, then to the Thai currency, adding cost and friction. CFETS changed China's need to use the dollar as a vehicle currency, as is the case for most of the world. This was, obviously, a watershed moment for RMB internationalisation. Forthcoming, it continued to grow until 2024, when 28 currency pairs were directly tradable on CFETS (as seen in Figure 8). This constituted a major change in Chinese macroeconomic autonomy. For context, however, the USD is directly tradable against more than 80 currencies globally, making its network vastly more widespread.

Figure 8

Direct RMB Currency Trading at CFETS, 2024 (Hofman & Petry, 2025, p. 36)

Country/region	Currency	Date	Country/region	Currency	Date
Unites States	USD	July 2005	UAE	AED	Sep 2016
Malaysia	MYR	Aug 2010	Saudi-Arabia	SAR	Sep 2016
Russia	RUB	Nov 2010	Canada	CAD	Nov 2016
Thailand	THB	Dec 2011	Hungary	HUF	Dec 2016
Japan	JPY	June 2012	Poland	PLN	Dec 2016
Australia	AUD	Apr 2013	Denmark	DKK	Dec 2016
New Zealand	NZD	Mar 2014	Sweden	SEK	Dec 2016
United Kingdom	GBP	Jun 2014	Norway	NOK	Dec 2016
Eurozone	EUR	Sep 2014	Turkey	TRY	Dec 2016
Singapore	SGD	Oct 2014	Mexico	MXN	Dec 2016
Kazakhstan	KZT	Dec 2014	Mongolia	MNT	Aug 2017
Switzerland	CHF	Nov 2015	Cambodia	KHR	Sep 2017
South Africa	ZAR	June 2016	Indonesia	IDR	Sep 2021
South Korea	KRW	June 2016	Macau	MOP	Jan 2024

Note. Adapted from “Internationalization of the RMB: Status, Options and Risks” by B. Hofman and J. Petry, 2025, p. 36 (<https://www.chinakemmisnetwork.nl/publications/37-internationalization-rmb-status-options-and-risks>). Copyright 2025 by Hofman & Petry.

CFETS was initially a domestic platform, but from 2014 onwards, the PBoC gradually opened it to foreign institutions, first to foreign central banks and later to offshore RMB clearing banks and offshore participating banks, which were permitted to participate in CFETS FX trading (Hofman & Petry, 2025). Access remained tiered, however. This means that RMB clearing banks are subject to full Chinese regulatory scrutiny and can engage in a wide range of activities. Meanwhile, offshore participating banks can only facilitate client transactions and have to access CFETS through clearing banks or onshore correspondent banks. Consequently, the PBoC preserved oversight over its capital accounts (and thus monetary independence in the Mundellian trilemma) while enabling selective foreign participation. A state building a hub in order to project leverage would want the opposite. They would desire as much participation in their network as possible to break with the USD network effects. This, again, proves China’s wish for autonomy rather than hegemony. Yet still, the platform grew to host 68 foreign central banks, 74 offshore participating banks and 28 offshore RMB clearing banks (CFETS, 2026). In addition, it is due to CFETS and schemes it runs, like ‘Bond Connect’, that foreign entities can actually buy yielding onshore Chinese government bonds, a necessary step for further RMB internationalisation (Chen & Pan, 2021). CFETS bears unevenly on the three components of autonomy. The most obvious contribution, it provides, is deflective capacity. This way, China breaks with the DCP, and accordingly it is able to invoice trade in its own currency using a direct quotation⁵. In doing this, China shifts exchange-rate risk, and with it part of the cost of adjustment, onto a foreign counterparty. Chinese power to deflect therefore increases with this thin currency internationalisation in the medium-of-exchange function in particular. Coercive resilience also receives a boost. Each currency pair removes a dollar leg from the transaction,

⁵ A direct quotation in foreign exchange (forex) is an exchange rate that shows how much local (domestic) currency you need to buy one unit of a foreign currency (Chen, 2026).

and with it a chokepoint at which a correspondent bank in New York could be instructed by the US government to stop. CFETS should be seen as working in tandem with swap lines. CFETS provides the price, the swap line provides the liquidity behind it, meaning they function as two halves of one deflection mechanism.

Chapter 3: The Digital Disruption: The e-CNY and mBridge

3.1 What is a Central Bank Digital Currency (CBDC)?

A Central Bank Digital Currency (CBDC) is a digital form of a country's fiat currency, with no physical counterpart, that is a direct liability of the central bank (Bibi & Canelli, 2025). It should be thought of as a digital banknote or coin, issued and guaranteed by the highest monetary authority, which would have legal tender status⁶ (Quaglia & Verdun, 2025; Rosa & Larsen, 2025). Unlike the electronic money in your bank account, which is a liability of a commercial bank, a CBDC would represent a direct claim on the central bank, just like cash, making it the safest form of digital money available to the public (Bitter, 2025; Sanz Bayón, 2025). This form, designed for the general public, is a retail CBDC (rCBDC). Its main purposes are increasing financial inclusion for unbanked populations and providing a strategic alternative to physical money in economies where cash is reduced (Pham & Tran, 2025; Sanz Bayón, 2025).

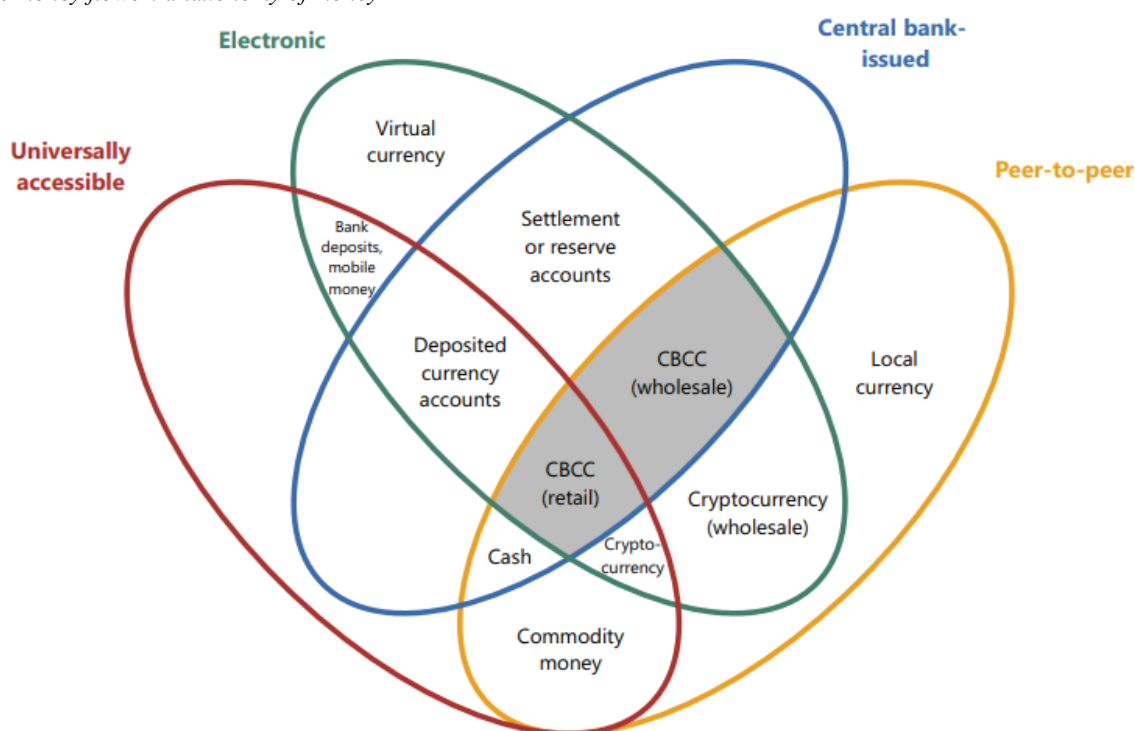
The centralised structure of traditional fiat money is also maintained, as is not the case for cryptocurrencies such as Bitcoin and Ethereum (Li, 2025). In fact, the rise of cryptocurrencies is one of the reasons CBDCs are being developed, so the central bank can oversee the ledger and control issuance. Combine this trend with the introduction of *stablecoins*, private digital tokens issued on a blockchain designed to maintain a stable value relative to a specific reference asset, and one could see why states are searching for alternatives quickly (Sanz Bayón, 2025). When looking at CBDCs' timeline, it becomes ever more clear that CBDCs were only announced after Meta launched its own digital currency, known as *Diem* (formerly called *Libra*) in 2019 (Farrell & Newman, 2023). Issuing a CBDC is thus understood as a pre-emptive defensive measure by states. Interestingly, countries with strong but non-dominant currencies face the highest pressure to act first, as they are most vulnerable to private digital substitution and the spillover effects of foreign-issued CBDCs (Lane, 2025). This means that the strategic incentive for a country to choose a CBDC is not uniform across the currency hierarchy.

Additionally, CBDCs are programmable by design. They can have functions or rules embedded into them that allow for automatic execution. Rosa and Larsen (2025) exemplify this with automated payments, which would enable smart contracts. This way, funds could be transferred at a specific moment in the future without any human intervention, leaving no room for error. The programmability of CBDC transactions further enables automatic compliance with regulatory requirements such as *anti-money laundering* (AML) thresholds, sanctions lists, or geographic restrictions (Rosa & Larsen, 2025). Digital currencies could give governments better visibility over financial flows, stronger tools against illicit finance, and potentially new channels for monetary or fiscal policy (Hilpert, 2024). This would enhance financial integrity and efficiency. These potential benefits have not gone unnoticed by authorities, and as of 2026, 146 countries or currency unions, representing 98% of global GDP, are in various stages of exploring or developing a CBDC (Atlantic Council, 2026).

⁶ This means it must be accepted as a form of payment.

A wholesale CBDC (wCBDC), other than a rCBDC (see Figure 9), is restricted to financial institutions that hold reserve deposits with a central bank (such as commercial banks), for interbank payments and the settlement of high-value financial transactions (Sanz Bayón, 2025). wCBDCs came into existence to improve the speed, cost, and transparency of large-value payments, especially across borders, by reducing reliance on complex chains of correspondent banks (Li, 2025; Mayer, 2024). Traditional cross-border payments are costly, time-consuming, and inefficient due to multiple intermediaries, like SWIFT and CHIPS. Finishing such a transaction requires the payee and payer to pay extra for domestic and foreign bank institutions, which simply would not be the case using wCBDCs. Despite all of the above, CBDCs do not come without substantial risks accompanying them. They could be prone to cyberattacks, may trigger a digital bank run, or could be subject to state surveillance (Rosa & Larsen, 2025).

Figure 9
The money flower: a taxonomy of money



Note. Adapted from “Central bank cryptocurrencies” by B. Bech and M. Garratt, R., 2017, p. 60 (https://www.bis.org/publ/qtrpdf/r_qt1709f.pdf). Copyright 2017 by Bech & Garratt.

3.2 The e-CNY and mBridge

China noticed these trends and began piloting the e-CNY in 2019, having processed about \$2.3 trillion by late 2025 (Chhangani, 2026a). This represents an increase of a staggering 800% from 2023, making it the world's largest live central bank digital currency experiment. These numbers are nothing; in fact, China got these numbers by proving the e-CNY is both practical and reliable in terms of what it can do business-wise and in the realms of technology (Atlantic Council, 2026; Chin, 2025). The PBoC hopes that its digital currency will bring enhanced financial inclusion for the elderly and marginalised groups, and in sectors like retail, catering, education, healthcare, and tourism. Officially, China is pursuing CBDCs for three purely technical reasons (Hilpert, 2024). They are the provision of cash in digital form, the guarantee of secure

infrastructure for payment transactions and their use for cross-border payments. For the scope of this paper, the last one is most interesting. In 2025, the establishment of a new international operation centre in Shanghai was announced by PBoC governor Pan Gongsheng (Atlantic Council, 2026). Its goal is to promote the internationalisation of the e-CNY. As such, on January 1, 2026, a new management and measurement framework for the e-CNY took effect (Chhangani, 2026a). It shifted the focus from digital cash toward deeper integration with the regulated financial system. One unofficial argument in favour of CBDCs is enhanced surveillance and repression (Rosa & Larsen, 2025). This is because it allows the Chinese Communist Party (CCP) to track all payments made by all of its 1.41 billion people. This data provides the party with an unmatched holistic view of an individual's behaviour and all economic activities in the country, never before seen in history. Combining this with China's famous social credit score system would further transform the country into what Chin and Lin (2022) call the *Surveillance State*.

To achieve its official goal, China resorted to the mBridge project. This project is a multilateral cross-border payment platform using a CBDC that will enable the participating central banks to settle cross-border transactions directly in digital currency (Bouguelli & De Conti, 2026; Hofman & Petry, 2025). The novel aspect of it is that it does not depend on the traditional correspondent-banking chain. It uses distributed ledger technology (the mBridge ledger). Using this technology, central banks can issue and exchange their own respective CBDCs. The idea here is to make cross-border settlement faster, cheaper, and more transparent. The project was only launched in 2021 as a collaboration between the Hong Kong Monetary Authority and the Bank of Thailand, and then extended to include the PBoC, the Central Bank of the United Arab Emirates (UAE) and the BIS Innovation Hub (BIS, 2024; Bouguelli & De Conti, 2026).

From the outset, it was a wholesale CBDC project, not a retail one, and thus intended for interbank and large-value settlement, not for use in everyday consumer payments (Chu et al., 2025). The goal China is pursuing with this project is to replace the slow, layered, dollar-centred infrastructure of cross-border payments with a direct CBDC rail connecting central banks and commercial banks on a common platform (Chu et al., 2025). Since CBDCs would be used, central banks would be directly mobilising their own legal tender instead of passing a US dollar-based medium of exchange. If it is to achieve this at scale, not only would this be a major blow to the international financial system and US hegemony, it would also be an exceptional experiment in monetary infrastructure and jurisdictional control. Meanwhile, the PBoC has indicated that the mBridge project could connect to traditional payment systems, including real-time gross settlement systems and faster payment systems, expressing anticipation for cooperation with SWIFT and potential integration into existing international payment infrastructure (Atlantic Council, 2026).

The promise of mBridge is real: real-time settlement, lower costs, and greater transparency in cross-border payments (Eshgi, 2025). Since foreign exchange efficiency would be augmented, it is reasonable to assume that trade settlement would grow as well. To illustrate how this platform would work, imagine a company in China and one in Thailand doing business. Through conventional channels, a transaction between the two would take days. However, using mBridge, the duration would be reduced to mere seconds, and the transaction would be conducted in what are essentially one's own currencies, instead of exchanging to the dollar first. In numbers, mBridge reportedly processed more than 4000 cross-border transactions worth approximately \$55.49 billion, with e-CNY accounting for about 95.3% of total settlement

volume, by late 2025 (Atlantic Council, 2026). In November 2025, the UAE executed the first government financial transaction on mBridge, testing direct government-payment integration and settlement without intermediaries. Although mBridge's current deployment has surpassed the prototype stage, it is not yet a fully scaled global payment system (Srivastava, 2024). It has been noted that the *Minimum Viable Product* (MVP) stage has been reached.

BIS (2024) clarified that each of the four founding central banks put up a validating node, commercial banks made real-value transactions, and the steering committee created a tailored governance and legal framework. By November 2024, nearly 30 central banks had already joined as observers (Chu et al., 2025). In October 2024, however, the BIS withdrew from active coordination, saying that the project had reached the MVP stage and that management would be transferred to the participating central banks. The timing was not coincidental, however, since this was announced just days after the BRICS Summit, where the development of a *BRICS Bridge payments platform* modelled on mBridge had been discussed (Hofman & Petry, 2025). The platform included the ability to circumvent financial sanctions, which was particularly interesting for Russia and Iran. Even though the official explanation had been given, BIS General Manager Carstens later clarified in an interview that 'mBridge is not the BRICS Bridge' and 'was not created to cater to the needs of BRICS' such as cooperation with countries subject to sanctions (Carstens, 2024). This withdrawal mattered, since it signalled a transition for the project, becoming more geopolitically sensitive (Quaglia & Verdun, 2025). This sensitivity could cause problems in its later development (Bouguelli & De Conti, 2026). Still, even though the payment platform has the potential for sanctions workaround, this would not necessarily be the case in practice. For starters, banks using the platform still have to comply with their own sanctions regimes, and sanctions checks remain necessary off-bridge. Secondary sanctions would probably remain effective as well. If we suppose that a sanctioned entity wants to do business with a non-sanctioned one, the latter would still face these sanctions once they operate conventionally, through the US banking system. Knowing this, it is reasonable to assume that unless mBridge and futuristic infrastructure like this take over completely, sanctions, especially secondary ones, would still hold entities in check. Another caveat is that participating jurisdictions do not share the same legal and regulatory framework. In practice, this refers to conflicts around AML, counter-terrorism financing, sanctions, data protection, and data localisation rules. Scaling the platform would thus require immense international cooperation to harmonise regulatory frameworks, amend national laws, and establish much more detailed governance arrangements.

3.3 mBridge and Macroeconomic Autonomy

As previously mentioned, states with strong but non-dominant currencies, like China, face the most pressure to act first. *Cryptomercantilism* describes the current US strategy of promoting dollar-backed stablecoins (privately issued and supported by US Treasury debt) to reinforce dollar dominance worldwide (van 't Klooster et al., 2025). China does not wish to fall into another dollar trap and has prohibited the use of stablecoins pegged to its own or foreign currencies, and cryptocurrencies altogether (PBoC, 2026b). This regulation, and the entirety of China's strategy, is meant to ensure macroeconomic autonomy, again by strengthening coercive resilience. Apart from the other major benefits CBDCs could bring the CCP, they also provide for cross-border mBridge transactions. Obviously, this is a major way in which China could circumvent traditional banking and clearing systems and process cross-border payments with blockchain (Hilpert, 2024). Even though the potential is there, as of today, mBridge and the e-

CNY account for only a fraction of China's own trade settlement, let alone that of the world. Therefore, as of writing, they do not provide sufficient resilience or autonomy yet. As for whether or not China is building an alternative hegemony using these, is a question for the future to answer.

Intelligence and financial officials warn already today that a foreign CBDC could allow hostile states to spy on domestic transactions, misuse confidential data, and exercise control over the financial network (Chia & Helleiner, 2024). One has to imagine the true scale at which the government would be able to monitor monetary flows: every soda, streaming subscription or the exact amount you save every month would be tracked. In addition, policymakers fear the ease with which their own citizens could switch towards a highly functional foreign CBDC, which could displace their domestic currency. This would compromise a state's entire domestic ability to control its own monetary system. Lastly, since CBDCs leave electronic traces and can be programmed with specific conditions, states can use them to enforce capital controls automatically. This could allow governments to cooperate internationally, prevent capital flight, track illicit finance, and maintain global financial stability. One thing is for sure: the transition to digital money will reshape the architecture of the IMS, which could very well be weaponised even more than today's.

Following the instrumentalist school, being a prime mover in today's cross-border CBDC landscape might translate into larger network effects in the future, which is exactly what China is doing. The development of CBDCs does not, de facto, constitute currency internationalisation in the store-of-value realm. Globally, they account for 0% of central bank reserves (International Monetary Fund, 2026a). Increasingly, however, states find them useful in transferring value to each other through means such as mBridge.

Chapter 4: CIPS

4.1 What is it?

To supersede offshore clearing banks, in 2015, China launched CIPS, its own cross-border payment and settlement system for RMB transactions under the supervision and guidance of the PBoC (Hilpert, 2024). It has two tiers of membership, direct and indirect members, and the difference between them could not be more pronounced for China's macroeconomic autonomy (McDowell, 2023). The direct users are elite clearing hubs, comparable to CHIPS banks. They hold a settlement account inside the onshore system and clear payments through it immediately. The PBoC requires them to be legally established in China, placing them under Chinese law and regulatory oversight, but they can send payment instructions over CIPS's dedicated messaging lines or SWIFT's. The number of direct participants has grown from just 9 in 2016 to 210 as of June 2026, and among them are several major US banks as well (visible in Figure 7) (CIPS, 2026; McDowell, 2023). The difference between them and offshore clearing banks is that the latter operate outside mainland China to pool local yuan liquidity, while the former maintain a direct technical and financial account inside the onshore system to settle transactions immediately (Chey et al., 2019; McDowell, 2023). The two add layers to China's financial infrastructure, they are no alternatives. A large share of foreign direct participants are, in fact, the offshore clearing banks themselves (Hofman & Petry, 2025). As of 2026, as seen in Figure 7, most states' banks prefer the CIPS direct participant route rather than an offshore clearing

hub, except for Argentina and the US. When provided with the advantages CIPS has over traditional offshore clearing, this makes good sense.

Additionally, there are indirect participants, of which there are 1619 as of June 2026 (CIPS, 2026). These participating banks connect to the system via accounts held with direct participants and rely on SWIFT for their messaging (McDowell, 2023). This reliance on SWIFT is seen as a major constraint when it comes to circumventing US financial sanctions and data espionage. Using CIPS, even as an indirect user, does bring the benefit of sanction-proofing a transaction that would have otherwise passed through CHIPS. As mentioned by Farrell and Newman (2023), CHIPS is one way in which the US' underground empire manifests itself. Foreign central banks have to maintain clearing accounts in US financial institutions if they are to trade dollars and participate in global finance, which makes them vulnerable to American jurisdiction that threatens to, or in effect, cut off their access (Tzouvala, 2024).

CIPS' genius is the fact that it collapses both SWIFT and CHIPS into one (Zucker-Marques, 2025). While SWIFT only handles messages and leaves settlement to correspondent banking, CIPS can directly process payment clearing and settlement for RMB transactions on a single centralised platform (Lee & Lim, 2024). This makes it more user-friendly than the conventional SWIFT. McDowell (2023) links participating in CIPS to unilateral financial sanctions imposed by the US and the EU. For instance, the author links the accession of four Turkish banks in 2018 to US financial sanctions targeting a group of Turkish government officials. He sees yet another example in the accession of Iranian banks in 2019, a year after the US withdrew from the Joint Comprehensive Plan of Action. Similarly, Belarus decided to connect its state to CIPS following the EU's decision to exclude three Belarusian banks from SWIFT in 2022 (Interfax, 2022; SWIFT, 2022). Interestingly, China, as of February 1, 2026, revised CIPS business rules to support RMB-versus-foreign-currency payment-versus-payment services (Xinhua, 2025; Zhou, 2026). This means that both legs of an exchange settle simultaneously rather than one side paying before the other. Ju Jiandong, of the Tsinghua PBC School of Finance, is expecting a lower barrier to entry for institutions that have yet to join (Zhou, 2026). Whether it actually attracts more banks is an open question, but the direction of the change remains clear: CIPS is becoming something more like a platform that can be used across the board.

It is worth mentioning that other states have also tried to create their own alternatives to SWIFT, with varying degrees of success, though none of them comes even close to what CIPS has been able to achieve (McDowell, 2023). India developed its own *Structured Financial Messaging System* (Tokarski, 2024), Iran created its own indigenous *System for Electronic Payments Messaging* (Motamedi, 2023), and Russia made the *System for Transfer of Financial Messages* (SPFS) (McDowell, 2023). Out of these three, the most developed effort came from Russia, starting in 2014 after its annexation of Crimea triggered SWIFT exclusion threats coming from the West. As such, SPFS was designed as a closed financial messaging system that could operate independently of Western oversight. Domestically, the system does the job, running nearly 100% of domestic Russian financial operations through SPFS, according to the Governor of the Bank of Russia, Elvira Nabiullina (Rodeheffer, 2025). Even though 177 foreign financial institutions have joined from 24 countries (Interfax, 2025), the system, just like the other two variants, still lacks interoperability with other messaging networks and has not achieved the scale to fundamentally challenge SWIFT (Sharaf et al., 2026). Although not competitive with SWIFT, the goal of these countries often is not to compete, but rather to develop

macroeconomic autonomy. So these systems should be seen more as insurance policies rather than actual competition.

4.2 CIPS and Macroeconomic Autonomy

Officially, China frames its creation in terms of economic efficiency, market demand, and currency internationalisation, not at all as a tool for sanctions evasion and strengthening coercive resilience. This makes sense, given the fact that in real terms CIPS seems to be a promising alternative to SWIFT, just for these reasons already. By allowing direct onshore settlement, bypassing the clearing bank model that previously routed all transactions through offshore hubs like Hong Kong, CIPS increases the speed of transaction settlement and reduces costs for companies invoicing in RMB (Hofman & Petry, 2025). Tang (2025) claims that since 76% of new direct CIPS members in 2024 were overseas banks, this indicates growing organic demand, not just Chinese government pressure. China itself extends this claim to 2025, saying this year ‘marks the first time that the CIPS has successfully connected to core foreign banks in the offshore RMB markets’ (PBoC, 2025b, p. 87). Even though this sounds promising, there is a highly concentrated grouping of indirect participants, geographically, in Asia (CIPS, n.d.). In fact, three-fourths of them come from this region alone, meaning their system cannot credibly claim to be genuinely global.

CIPS' contribution to China's macroeconomic autonomy rests mainly in the sphere of coercive resilience. By clearing and settling RMB transactions outside of the dollar system, it erodes the exclusivity of the US chokepoint (Farrell & Newman, 2023; Petry, 2025). Chinese policymakers do not actively hide this. They accelerated CIPS' build-out after sanctions on Hong Kong officials and on Russia (McDowell, 2023), of which especially the latter was important, since it contributed to a temporary increase in CIPS' use. Following the same logic, in 2026 its daily transaction volume rose again sharply, from \$85–105 billion to \$130 billion due to the context of the Iran war (Chhangani, 2026b). This change is worth mentioning, even though it does not prove that it is resulting from an increase in Iran-linked flows. What it does prove is that states fearing they might be targeted next are sanction-proofing their transactions. This is particularly useful for Belt and Road Initiative (BRI) and BRICS states, as most trade on the platform is still settled in RMB (Mayer, 2024). It also allows countries that have active swap lines to settle bilateral trade in a currency they can later on swap for their own. The size of CIPS (especially among direct participants), of course, matters for its results in coercive resilience, as enough states have to make use of it to provide China with a viable alternative, countering current US network effects.

Additionally, CIPS should be seen as working in tandem with CFETS in generating this resilience (Hofman & Petry, 2025). Where CIPS handles payment messages and settlement, CFETS provides the FX trading and hedging layer⁷ that allows participants to convert currencies in the first place. In conclusion, CIPS makes real gains in this regard. However, one has to be careful not to overstate them, since close to 87% of the platform's members are indirect ones, needing to route financial messages through SWIFT, and even the direct users still have this option (CIPS, 2026). Reading this against Chapter 2, this newfound coercive resilience is not a new gain but more a partial repair of what was lost due to the dollar trap. China's gains in

⁷ Say a European importer has a massive RMB-denominated contract due in six months, they need to hedge against this currency appreciating. This is why the bank will execute a forward contract on the CFETS platform (Bank of China, 2026).

power to delay are small and indirect, but real. A partner will only hold RMB if they can do something with it, and CIPS makes sure of this, resulting in more RMB use in China's own trade. A higher share of renminbi settlement in China's own trade, namely, reduces the need to keep a high volume of foreign exchange reserves. This means that their need for a delay capacity is smaller, and therefore, a real gain can be achieved. Lastly, on deflection, a defensive variant can be spotted. Settling more trade in RMB shields domestic prices from shocks originating in a currency China does not control, such as the global financial cycles. Shocks coming from the RMB itself, on the other hand, do get deflected onto others. In this manner, China cannot exert monetary influence (offensive deflection) like the US can, and is therefore not striving towards hegemony (since leaving CIPS or not settling in RMB does not come with severe consequences).

4.3 CIPS and the Inevitable Hegemony Question

Although CIPS' growth over the last decade is real and should be taken seriously, it is still a relatively small platform compared to SWIFT. To put its size into perspective, CIPS processed a transaction volume of RMB 180 trillion (around 25 trillion dollars) in 2025 with around 34,190 daily payment transactions, whereas SWIFT remains orders of magnitude higher (CIPS, n.d.; SWIFT, n.d.). Another way to look at it is to measure the number of connected institutions, which for SWIFT is 11,500+ and sits at about 1800 for CIPS in 2026, making the former around 6.4 times larger. Lastly, using Hofman and Petry's (2025) comparison methodology, CIPS processed around 100 billion USD daily, compared to CHIPS' 2 trillion USD (PBoC, 2026a; The Clearing House, 2026). Therefore, both CHIPS and SWIFT still dwarf CIPS in absolute terms.

Looking at these numbers through a specific China-desiring-hegemony lens hence brings very negative results for the country. However, if the comparison is grounded in the country's past and present, its own macroeconomic autonomy has seen tremendous achievements. Evidently, this does not mean that since China's alternatives are smaller, they will not or cannot be weaponised in the future, as the CCP holds great interest in the development of CIPS (Hofman & Petry, 2025). The best argument in the defence of this thesis is that China is de facto not creating chokepoints like we currently know them, but creating alternatives to what a hegemon already has in place, de facto eroding the concept of financial chokepoints as we know it. Being a direct user of CIPS, not transmitting through SWIFT or USD whatsoever, does constitute enhanced macroeconomic autonomy for a third country, since it now has both options, it can effectively choose between US- or China-centred infrastructure (CIPS, 2026).

Secondly, as previously mentioned, Iran, India and Russia provide other examples of financial architectures being developed side-by-side, albeit less pronounced than China's version (hence the title 'Fragmentation in the IMS'). These could, once further developed, also be used even though they might be more extensive, less secure or slower compared to Western or Chinese alternatives. Lastly, since direct Participants have to be established in China, they are subject to Chinese law. This limits CIPS' attractiveness for non-China-centred trade corridors, limiting network effects in its favour.

Conclusion

There is a long list of authors in academic literature and global media who seem to think in dual-rivalry terms of *US versus China*, some of whom carry this line of thought when it comes

to international currencies. Many of these authors point out how badly China is doing in this regard, despite all their effort. They refer to the low amount of central bank reserves that are globally denominated in RMB (only 2%) or massive discrepancies between SWIFT and CHIPS, and the Chinese alternative CIPS, and Subacchi (2017) famously characterised the renminbi as a dwarf currency. This dissertation argues against that stale comparison, claiming a better comparison is China today versus the China from its recent past, which was significantly worse off. Firstly, the paper establishes that for China the goal is not financial hegemony, or even bipolarity, it is macroeconomic autonomy. The concept gets its theoretical basis in being foundational monetary autonomy. It therefore encompasses not only Cohen's (2005) bifurcation into power to delay and power to deflect (his notion of monetary autonomy), but gets adjusted to a world of weaponised interdependence (Farrell & Newman, 2019). In this fashion, coercive resilience gets added in as a third variable that measures the ability to conduct essential international transactions without passing through infrastructure a potential adversary controls. To reach this macroeconomic autonomy, this paper argues, China needs to internationalise its currency only thinly, in the medium-of-exchange function, referring back to Strange's (1971) idea of different types of *internationalised* currencies. The Mundellian trilemma, and Rey's (2015) consequent dilemma, argue that full internationalisation requires capital openness, which (per Rey) destroys autonomy. Thin settlement-function internationalisation through controlled infrastructure, however, does not, this paper argues.

Each instrument was tested against these three components, and the results form a logical pattern. The dollar reserves bought delay at the cost of resilience: they financed resistance to RMB appreciation pressure while deepening exposure via the dollar trap. Gold effectively inverted this exchange. Vaulted at home, it cannot be frozen or seized, so it purchased resilience at the price of yield and scale. Since it constitutes 8.9% of reserves officially, it could replace only a fraction of what a freeze would immobilise, buying only little power to delay. The swap network and CFETS operate as two halves of one deflection mechanism: the platform provides the price, the line provides the liquidity behind it, and together they make renminbi invoicing credible enough to shift exchange-rate risk onto the counterparty. The clearing hubs and CIPS carry the resilience gains. Every transaction settled outside the correspondent-banking chain removes a New York node at which a payment could be stopped, though with at least 87% of CIPS participants still routing messages through SWIFT, the repair remains partial. The digital track holds the largest promise and the smallest present contribution: the e-CNY and mBridge together account for a fragment of China's own trade settlement, and their autonomy value is prospective. Their instrumental value, regarding path-dependent lock-in and subsequent network effects, will likely provide a great deal of autonomy to China in the future. What this entire architecture already allows for was visible in 2022, when the PBoC diverged heavily in interest rate policy from the Fed. A state whose monetary conditions are set abroad cannot produce a divergence of that sign and size.

Whether this amounts to autonomy rather than a stalled hegemony bid is answered by applying the same evidence against certain thresholds. On the necessary prerequisite, store-of-value at scale, the verdict is unambiguous. A hegemon's currency is held, which requires necessary market-based aspects of a top currency: an open capital account, deep secondary markets and a large stock of safe assets. In Gopinath et al.'s DCP (2020) terms, dominance must run through invoicing, bank funding and reserves at once. The RMB cannot become dominant in the DCP's terms because of the closed capital account, and as of yet no reserve manager holds the e-CNY. It will thus not gain the exorbitant privilege. The fact alone that China is stuck so deep in the

dollar trap means it has a large stake in the world's current hegemon remaining on top for some more time. On systemic provision, the verdict is the same. Kindleberger's stabiliser lends counter-cyclically and acts as lender of last resort; the Fed drew its lines at enormous scale in 2008 and 2020. The PBoC's network is bilateral, discretionary and two-tiered, structured so that the partner central bank absorbs the credit risk, and actual drawings are a small fraction of headline capacity. China captures the leverage of provision while declining its cost, which is the shortage Nye (2017) named the Kindleberger trap. On chokepoint authority, the finding is the most telling. The infrastructure exists: clearing banks under Chinese oversight, a settlement system the PBoC supervises, panopticon visibility over cross-border renminbi flows. What is missing is the closure that makes a chokepoint bind. CIPS has remained interoperable with SWIFT, access has never been withheld, CFETS keeps foreign participation tiered rather than maximised, and mBridge has been kept multilateral. Not only is China barely creating any real chokepoints for itself to own, the alternatives it does create run parallel to the already existing US- and EU- controlled ones.

This analysis contributes to the literature strand of authors claiming China desires monetary or macroeconomic autonomy rather than hegemony. It is novel in its approach to what this autonomy constitutes, and in its consistent measurement of the concept using various instruments of the PRC's internationalisation strategy. Lastly, this research demonstrates why China is not desiring hegemony so much as autonomy. The answer to the research question is therefore that renminbi internationalisation provides China with genuine macroeconomic autonomy precisely through what it does not become. Thin internationalisation adds deflective capacity through CFETS and the swap network, repairs coercive resilience through gold, clearing hubs, CIPS and mBridge, and reduces the need for delay capacity in the long term, as more of China's own trade settles in its own currency. The hegemonic conditions would demand the opposite: exposure in exchange for being held (capital account), cost absorption in exchange for constituency (systemic provision), openness in exchange for others' dependence (chokepoint authority). China's strategy looks incoherent as a challenge to the dollar, but coherent as an insurance policy against it.

Due to the limited word count, the scope of this extensive subject could not be fully covered. Many of China's other (less significant) strategies are not covered at all, such as the Chiang Mai Initiative, the BRICS Cross-Border Payment Initiative, or the China Interbank Bond Market. Furthermore, since this is a paper written from an international political economy perspective, the technicalities of some of China's initiatives are omitted as well. Additionally, there was incomplete data for certain aspects, such as the USD-denominated share of China's total FX reserves, its gold holdings and its Treasuries. While this lack of up-to-date data likely does not hurt the conclusions of this paper, having the real numbers might shed a different light on some claims. Furthermore, the ACI limitation is real, but it is addressed thoroughly in the text itself. Lastly, this dissertation drew a bifurcation between autonomy and hegemony from the literature and argued for the first. A state building autonomy-searching capacity and a state building hegemonic capacity under binding constraints may share a track record. Therefore, hegemony could, of course, be a goal of China's in disguise, or for the long run. This I believe to be the biggest limitation of my research. To know what China wishes exactly, a discourse analysis of what policymakers or Chinese academics have to say about this would be riveting.

Future research relating to the theoretical foundation of macroeconomic autonomy will be very important, as further fragmentation is expected in the IMS. The concepts, as envisioned in this

scientific treatise, can therefore be used to analyse different currency issuers trying to attain a similar or different outcome in their own way, such as the Eurozone, Russia, or India. The fact alone that some currency issuers opt for different strategies in accordance with their own needs is studied too little. As digitalisation and notions of CBDCs and their accompanying cross-border mechanisms further gain ground, these strategies could break conventional ways of thinking about chokepoints, market-based, instrumental or geopolitical determinants of currencies, or hegemony itself. Therefore, further analysis is needed in the future. Additionally, the geopolitical tradition of international currency status believes that military or non-military alliances contribute to internationalisation as well, which provides for an interesting perspective, when combined with macroeconomic autonomy, to assess the Chinese case. Lastly, since capital controls are the biggest burden to the potential pursuit of Chinese hegemony, the exact reasoning for them within the PRC's institutions would be interesting. Following the argumentation from Taylor (2025), this would be enhanced control, which the CCP wants to exert specifically. More research on clashes between China's own institutions and its relation to RMB internationalisation, such as Chey and Li's (2020) research, would also provide more explanatory value as to why certain strategies and specific instruments are used. This type of research could, of course be conducted on other states and their strategies, as well.

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Appendix

Data Sources and Construction for Figures 2 and 3

A.1 Scope

This appendix documents the construction of the two quantitative series presented in section 2.1. Both are descriptive. Neither is used to estimate a relationship, and the limitations set out in A.8 apply to how each is read in the body text.

A.2 Reserve Totals and Reserves-to-GDP

Total official foreign exchange reserves are taken from the IMF's International Liquidity dataset, series CHN.RXF11_REVS.USD.A, reserves excluding gold, in US dollars at end-year (International Monetary Fund, 2026b). Nominal GDP in current US dollars is from the World Bank's World Development Indicators, series NY.GDP.MKTP.CD (World Bank, 2026). The ratio is the author's calculation and divides an end-year stock by a full-year flow, so it is indicative rather than exact. Reserve totals exclude gold, which is presented separately in Figure 4, so the two series are not additive. The movement in 1992 reflects a break in IMF reserve reporting rather than an actual change in holdings.

A.3 Derivation of the Estimated US-Dollar Share

SAFE discloses the currency composition of China's reserves irregularly and with a lag. The disclosed US-dollar share is 79% for 1995, 58% for 2014 and 2017, 57% for 2018, and 55% for 2019 (SAFE, 2019, 2022, 2023, 2024). No composition has been disclosed for any year after 2019. Years between anchors are linearly interpolated. The interval between the 1995 and 2014 anchors spans nineteen years and assumes a constant annual rate of decline across the period in which most accumulation occurred, so those intermediate values are a trend line and not annual observations. The share is flat at 58% across 2014 to 2017, which is disclosed rather than interpolated. Composition before 1995 is undisclosed and the estimate therefore begins in that year. Values for 2020 to 2024 are held at the last disclosed share of 55% as an assumption and are marked in the figure.

A.4 Capital Account Openness

The openness series is the Chinn-Ito index (KAOPEN), which codes the binary restrictions on cross-border financial transactions reported in the IMF's Annual Report on Exchange Arrangements and Exchange Restrictions (AREAER) (Chinn & Ito, 2006). Figure 3 uses the normalised variable *ka_open*, which runs from zero to one rather than on the raw scale. China's value is 0.1624 in every year from 1993 onward, so the flat line is the series itself and not an artefact of plotting. The openness series ends in 2023; the 2024 observation repeats it and is drawn as a dashed segment to mark it as an assumption, which is supported by the absence of any change in China's AREAER coding across that year.

A.5 Monetary Independence

The independence series follows Aizenman et al. (2008): $MI = 1 - \frac{corr(i_i, i_j) + 1}{2}$, where i_i is the domestic interest rate and i_j that of the base country, here the United States. The correlation is computed on the twelve monthly rate levels within each calendar year, not on rate changes and not on a rolling multi-year window. The Chinese series is the PBoC one-year benchmark

lending rate to August 2019 and the one-year Loan Prime Rate thereafter, the switch reflecting the August 2019 reform that made the Loan Prime Rate (LPR) the operative pricing benchmark. Benchmark rates were taken from PBoC press releases and LPR values from the China Foreign Exchange Trade System. The US series is the monthly average effective federal funds rate. Because the two Chinese instruments are not identical, the series contains a break at 2019 and observations either side of it are not strictly comparable. The 2010 observation rests on nine monthly pairs rather than twelve and is correspondingly less reliable.

The computation departs from the published series in two respects. The published index uses money market rates, whereas this series uses benchmark and administered lending rates, on the reasoning that these are the rates through which the PBoC transmits policy to domestic borrowers and therefore the rates at which a divergence from US policy becomes visible to Chinese firms and households. Administered rates change in discrete steps and are held constant for long stretches, which is the source of the undefined correlations discussed in A.6. The published index is also smoothed, and this series is not, for the reasons given in A.7.

Those departures produce materially different values. Over the eleven years in which the two series overlap, they correlate at 0.26. The published series stays within a narrow band around the midpoint, while the computed series varies across almost the full range of the scale. Table A2 reports both.

Table A2. Published and computed monetary independence, China, 2010–2020

Year	Published	Computed
2010	0.491	0.67
2011	0.491	0.94
2012	0.500	0.80
2013	0.500	0.50
2014	0.607	0.78
2015	0.607	0.77
2016	0.607	0.50
2017	0.500	0.50
2018	0.500	0.50
2019	0.500	0.01
2020	0.500	0.03

Note. Published values from the trilemma index dataset, version updated 2020 (Aizenman et al., 2008). Computed values as described above.

The narrowness of the published range reflects the same feature that produces the undefined correlations. Where the underlying rate does not move within a year, the published series

records the 0.5 default, and the three-year average then carries that value into neighbouring years. The published series for China is therefore substantially a record of an administered rate being held constant rather than a measurement of policy divergence. The computed series is more responsive to the years in which rates did move, which is why it is used here, but it is more volatile for the same reason and should be read alongside the caveats in A.8.

A.6 Undefined Correlations

Where the Chinese rate did not change at any point in a calendar year the within-year variance is zero and the correlation is undefined. Aizenman et al. (2008) treat the undefined correlation as zero, which assigns the index a value of 0.5, and observe that a policy rate held constant irrespective of the base country's rate may itself indicate monetary independence. This computation follows that same convention. The affected years are marked with open circles in Figure 3.

A.7 Smoothing

The published index is smoothed with a three-year moving average across the preceding, concurrent and following years (Aizenman et al., 2008). That smoothing is not applied here. The values are annual, which preserves the individual years the analysis relies on, at the cost of greater year-to-year variation than the published series shows. Smoothing would blend the 2022 observation with 2021, a year whose value is imputed under the convention described above, and would obscure the divergence on which the argument in 2.1 rests.

A.8 Interpretation and Limitations

Neither the dollar share in Figure 2 nor the index in Figure 3 is a direct measurement of the concept it stands for, though for different reasons.

The dollar share in Figure 2 is interpolated between five disclosed anchors and extrapolated beyond the last of them. It measures what SAFE has reported about one portfolio. The reserve measure covers that portfolio alone, while dollar assets have also accumulated at the state commercial banks, the policy banks and China Investment Corporation according to Setser (2023, 2026). Total state dollar exposure is therefore probably different (and higher) than any composition ratio for reserves alone can show.

The index in Figure 3 measures the realised correlation between two interest rates. It does not measure the capacity to set rates independently. Two different situations produce the high correlation that the index records as low autonomy: the domestic central bank following the base country, and both central banks responding separately to a common shock. The readings for 2019, 2020 and 2024 fall in periods where the second reading is plausible, and the index cannot distinguish between them. The 2022 observation therefore carries the analytical weight in the body text. A divergence of that sign and size cannot be produced by an economy whose policy rate is set abroad, and one demonstration of capacity is sufficient, since capacity does not have to be exercised in every year to exist. The computed series also differs substantially from the published ACI values over the years in which both exist, as Table A2 shows. Neither is treated here as authoritative, since both rest on the same imputation convention for years in which Chinese rates did not move.

LUIK A: DATA MANAGEMENT EN ETHIEK

VOOR STUDENTENONDERZOEK AAN DE FACULTEIT POLITIEKE EN SOCIALE WETENSCHAPPEN

Titel van het onderzoeksproject en datering

Titel	Fragmentation in the International Monetary System and The Pursuit of Chinese Macroeconomic Autonomy
Datum van eerste versie	12/08/2026
Datum van laatste aanpassing (indien relevant), omschrijf de aanpassingen	n.v.t.

Naam van de onderzoeker(s)

Naam van de onderzoeker(s):	Jannes Bossaert
Naam van de begeleider(s):	Professor Mattias Vermeiren
Vakgroep:	Vakgroep Politieke Wetenschappen
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DATA MANAGEMENT PLAN

WAT

Een datamanagementplan (DMP) omvat alle acties die nodig zijn om ervoor te zorgen dat gegevens veilig, gemakkelijk te vinden, te begrijpen en te (her)gebruiken zijn; niet alleen tijdens een onderzoeksproject, maar ook op de langere termijn. In alle gevallen is het een uitstekend hulpmiddel om je onderzoeksproject te beheren.

Ook als je voor je Onderzoekspaper of Masterproef gebruik maakt van bestaande datasets, is het noodzakelijk om dit DMP in te vullen.

WAAROM

Onderzoeksgegevens vormen het bewijs dat nodig is om gepubliceerde beweringen te verifiëren en te valideren.

Alle onderzoekers, ook bachelor- en masterstudenten, moeten goed nadenken over hoe de gegevens georganiseerd en goed beheerd worden, niet alleen vóór, maar ook tijdens het onderzoeksproject en na afloop van het project. Dit gebeurt in een DMP.

Een DMP laat zien dat onderzoekers zich houden aan de principes van verantwoord onderzoek. Het maakt mogelijk dat:

- Je gegevens kunnen worden hergebruikt voor vervolgonderzoek of nieuw onderzoek
- Onderzoeksresultaten reproduceerbaar zijn (een fundamenteel principe van goed onderzoek)
- De onderzoeker(s) zijn/haar gegevens veilig opslaan en terugvinden (een DMP laat je nadenken over hoe je de gevolgen van onverwachte gebeurtenissen, zoals een gestolen laptop of beschadigde bestanden, kunt voorkomen)
- Onderzoekers voldoen aan wettelijke en ethische richtlijnen (om deze reden eisen de meeste organisaties en vrijwel alle financieringsinstanties een DMP voorafgaand aan goedkeuring of financiering)

Met andere woorden, een DMP helpt je om goed na te denken over je databeheer en de eraan verbonden processen. Daarom is het schrijven van een DMP een goede gewoonte.

Hieronder wordt gevraagd de tekstvakken in te vullen. Gebruik zoveel plaats als je nodig hebt.

1. Persoonsgegevens of niet

Geef eerst aan welk type gegevens je zal verzamelen of produceren:

- ☒ Geen persoonsgegevens, d.w.z. geen informatie over een geïdentificeerde of identificeerbare natuurlijke persoon)

- ☐ Persoonsgegevens (d.w.z. alle informatie over een geïdentificeerde of identificeerbare natuurlijke persoon)

Let op: Een natuurlijke persoon wordt als identificeerbaar beschouwd als hij of zij direct of indirect kan worden geïdentificeerd aan de hand van de verzamelde gegevens. Informatie die op het eerste gezicht niet tot een persoon herleidbaar lijkt, kan dus toch een persoonsgegeven zijn. Dit kan het geval zijn als de persoon in kwestie kan worden geïdentificeerd door de verzamelde gegevens te combineren met aanvullende informatie (cf. GDPR).

Als je persoonlijke gegevens zal verzamelen of produceren, geef dan aan welke persoonlijke gegevens je zal verzamelen (er kunnen meerdere opties van toepassing zijn)

- ☐ identificerende informatie (bv. naam, adres, e-mailadres, IP-adres, enz.)
- ☐ informatie waaruit de geslachtsidentiteit, etnische afkomst, politieke opvattingen of religieuze overtuigingen/praktijken blijken
- ☐ informatie over het seksuele gedrag of de seksuele geaardheid van een persoon
- ☐ informatie met betrekking tot strafrechtelijke veroordelingen en/of overtredingen (bv. forensische informatie of zelfgerapporteerde misdaad)
- ☐ genetische, biometrische of gezondheidsinformatie

2. Gegevensformaten, inhoud en verzamelmethoden

Welke gegevens worden verzameld of opnieuw gebruikt in je onderzoek, en hoe? Beschrijf:

- de inhoud (bv. houding ten opzichte van migranten, stemvoorkeuren, geestelijke gezondheid, enz.)
- de soorten (bv. numeriek, tekstueel, audiovisueel, multimedia, etc.)
- het formaat (bv. spreadsheets, databanken, afbeeldingen, audiobestanden, (on)gestructureerde teksten, enz.)
- de wijze(n) van gegevensverzameling (bv. enquêtes, interviews, experimenten, afgeleid/gecompileerd uit andere bronnen, enz.)

Wees in deze sectie voldoende **concreet en precies**. Over WIE of over WELKE organisatie verzamel je WELKE data?

Er werden voor dit onderzoek geen gegevens bij personen verzameld. Alle gebruikte gegevens zijn bestaande, publiek toegankelijke data en documenten, gepubliceerd door centrale banken, overheidsinstellingen, internationale organisaties en beheerders van financiële infrastructuur.

Inhoud

De gegevens betreffen macro-financiële en infrastructurele indicatoren op het niveau van staten, centrale banken en financiële instellingen.

Concreet houdt dit in: de officiële goudreserves van de Volksrepubliek China, in tonnen en in marktwaarde; de Chinese aanhoudingen van Amerikaans schatkistpapier (US Treasuries); de

omvang en samenstelling van de Chinese deviezenreserves; het aandeel van de renminbi in het mondiale betalingsverkeer, in de officiële reserves en in de valutahandel; gegevens over de grensoverschrijdende betalingsinfrastructuur CIPS: aantal en type deelnemende instellingen (direct dan wel indirect), hun vestigings- jurisdictie (China of erbuiten), en de gerapporteerde transactiewaarden en -volumes; de door de PBoC aangewezen RMB-clearingbanken en hun vestigingsplaats; de bilaterale swapovereenkomsten van de PBoC met buitenlandse centrale banken (tegenpartij, bedrag, datum); beleidsdocumenten, persmededelingen en officiële verklaringen over RMB-internationalisering, de e-CNY en Project mBridge; de kapitaalrekeningopenheid van China en de beleidsrentes van China en de Verenigde Staten, gebruikt voor de berekening van de index van monetaire onafhankelijkheid (ACI).

Soorten

Numerieke tijdreeksen (maandelijkse, kwartaal- en jaarreeksen), gestructureerde tabelgegevens (deelnemerslijsten, swapovereenkomsten), en tekstueel (wetenschappelijke literatuur, beleidsdocumenten, persberichten en mediaberichtgeving, waarvan 1 bron Chineestalg).

Formaat

Spreadsheets in Excel en CSV (World Gold Council, IMF, US Treasury TIC en Wereldbank) en ongestructureerde tekst (PBoC, SAFE, CIPS, BIS, SWIFT, academische publicaties). Al deze bronnen komen van online toegankelijke databanken en websites, ze worden samengevoegd tot eigen werkbestanden in Excel. Verwerking en visualisatie gebeuren met Python-scripts, waaruit figuren worden geëxporteerd.

Wijze van gegevensverzameling

Uitsluitend afgeleid en gecompileerd uit bestaande bronnen, er is met andere woorden geen primaire dataverzameling aan de orde. De numerieke reeksen worden handmatig gedownload van de officiële websites van de uitgevende instellingen: de World Gold Council (Gold Reserves by Country), het Treasury International Capital-systeem van het Amerikaanse ministerie van Financiën, de IMF International Financial Statistics en COFER, de SWIFT Global Currency Tracker, SAFE, de Wereldbank, de Chinn-Ito KAOPEN-index, de loan prime rate van de PBoC en de federal funds rate van het Federal Reserve System (via Federal Reserve Economic Data). Waar reeksen in verschillende eenheden zijn uitgedrukt (bijvoorbeeld SDR tegenover USD) gebeurt de omrekening op basis van de officiële wisselkoersreeksen. De gegevens worden met beschrijvende statistiek geanalyseerd en op grafieken gevisualiseerd. De kwalitatieve bronnen worden verzameld via systematisch zoekwerk in academische databanken (Web of Science en Google Scholar), boeken (Currency Statecraft, Currency Power, Bucking the Buck, the Lords of Easy Money, Underground Empire, etc.), en op de websites van de betrokken instellingen.

Over wie en welke organisaties

De onderzoekseenheden zijn staten en organisaties, geen individuen. In de eerste plaats de Volksrepubliek China en haar instellingen, daarnaast de Verenigde Staten, internationale organisaties en de financiële instellingen die als directe of indirecte deelnemer aan CIPS dan wel als RMB-clearingbank zijn aangewezen. Van die laatste worden uitsluitend publiek gepubliceerde bedrijfsgegevens gebruikt: naam van de instelling, jurisdictie en type deelname.

3. Hoe worden de gegevens gedocumenteerd?

- Beschrijf hoe je ervoor zorgt dat de gegevens begrijpelijk of interpreteerbaar blijven (na dataverzameling), hoe de gegevens - indien relevant - worden voorbereid voor hergebruik, en hoe je de resultaten van je onderzoek zelfstandig reproduceerbaar maakt voor anderen.
- Leg uit wie verantwoordelijk is voor de documentatie van de gegevens en hoe je het documenteren van deze gegevens aanpakt.
- Wees ook in deze sectie voldoende concreet. Vermijd passieve zinnen of onduidelijke formuleringen (bv. 'de opnames worden getranscribeerd') maar geef duidelijk aan wie verantwoordelijk is (bv. 'als student-onderzoeker zal ik de data zelf handmatig transcriberen').

Aangezien ik het onderzoek zelfstandig voerde is de documentatie ervan volledig mijn eigen verantwoordelijkheid. Ik houd geen apart metadatabestand bij, de documentatie zit in de scripts waarmee ik de figuren maak en in de scriptie zelf. De ruwe databestanden bewaar ik ongewijzigd in aparte mappen per onderwerp (bv. Chinese reserves accumulatie of goudreserves tegenover Amerikaanse obligaties in dollars), met de ophaaldatum in de bestandsnamen erbij. Die bestanden bewerk ik nooit. Daarnaast heb ik mijn eigen bestanden, zoals de lijst van landen die een swap overeenkomst sloten met China, de landen die leden zijn van CIPS, en degenen die een officiële renminbi-clearing bank op hun grondgebied hebben. Verschillende van de reeksen die ik gebruik veranderen achteraf nog op de websites van de uitgevers zelf. Een van de TIC-bestanden toont een voortschrijdend venster van recente maanden, waar oudere maanden vanzelf uit verdwijnen. Het historische TIC-bestand wordt retroactief herzien wanneer het Amerikaanse ministerie van Financiën zijn bewaarders rapportering bijstelt. De World Gold Council past daarnaast ook haar kwartaalcijfers aan zodra centrale banken laattijdig of gecorrigeerd rapporteren. Een lezer die de portalen over een jaar opnieuw bezoekt kan dus andere cijfers krijgen dan ik, zonder dat een van beide fout is. De gedateerde kopie op mijn schijf is daarom het eigenlijke bewijsstuk en geen reservekopie van iets dat permanent online staat.

Verder zit de documentatie in de scripts. Elk script leest rechtstreeks uit de map met ruwe bestanden en doet alle bewerkingen in code. Bovenaan elk script staat in commentaar welke figuur het produceert, uit welke bronbestanden het leest, en met welke Python- en pakketversies ik de figuur heb gemaakt. Omrekeningen staan als expliciete regels in de code, met de gebruikte reeks en referentiedatum erbij: de omzetting van SDR naar USD gebeurt op basis van de IMF-wisselkoers op einde periode, en dat is in het script te zien. De kaarten zijn gemaakt met de Robinsonprojectie. De keuzes die het cijferbeeld bepalen, staan in de scriptie zelf. Elke figuur draagt een bijschrift (en eventueel een uitleg in de appendix) met de volledige bronvermelding, en alle bronnen staan in de bibliografie volgens APA 7. Van het manuscript bewaar ik opeenvolgende gedateerde versies. Die scripts heb ik niet alleen geschreven. Ik heb ze opgesteld en gedebugd met hulp van een generatieve AI-assistent (Claude, Anthropic), en ik heb dezelfde assistent gebruikt om mijn figuren systematisch na te lopen op fouten in labels, assen en waarden. Wat ik wel zelf heb beslist, is welke reeksen

ik gebruik, in welke eenheden en in welke vorm, en de cijfers in de figuren heb ik gewogen ook vaak gewogen tegen het oorspronkelijke bronbestand ter controle. De code en de figuren blijven mijn verantwoordelijkheid.

Hergebruik ligt hier eenvoudig, omdat er geen persoonsgegevens en geen vertrouwelijke informatie in het onderzoek zitten. De ruwe bestanden en de scripts volstaan samen om elke figuur opnieuw te maken, en ik stel ze graag ter beschikking op vraag van mijn promotor, de leescommissaris of de faculteit. Een derde kan de figuren dan ook zelfstandig reconstrueren en, waar gewenst, uitbreiden met recentere gegevens.

4. Leg uit hoe en waar gegevens veilig worden opgeslagen en gekopieerd

Beschrijf hoe je ervoor gaat zorgen dat de toegang tot de gegevens wordt beperkt voor derden (bv. via wachtwoorden op documenten, ...) en hoe je verlies van gegevens wilt voorkomen (bv. door back-ups te maken en door (elektronische) documenten op verschillende plaatsen op te slaan). Identificeer wie of welke partijen toegang hebben tot de gegevens (d.w.z. naam en functie/positie).

Toegangsbeperking voor derden is niet aan de orde, omdat er geen persoonsgegevens en geen vertrouwelijke informatie in de gegevens is opgenomen. Bescherming tegen verlies is dat wel. De reeksen die ik gebruik worden op mijn schijf gedateerd, en kunnen achteraf worden herzien door de uitgevende instellingen, dus de gedateerde kopie op mijn schijf is het bewijsstuk, niet de originele. De ruwe bestanden, de scripts en de verschillende versies van het manuscript zijn daarom allemaal in één map op mijn eigen toestel, meer specifiek op mijn Onedrive. Als het toestel verloren gaat, dan is de complete set er dus nog steeds.

5. Plannen voor het delen of toegankelijk maken van gegevens

In de meeste gevallen worden de gegevens vernietigd nadat het onderzoeksproject is afgerond en geëvalueerd. Er kunnen echter redenen zijn om de gegevens langer te bewaren. Als dat het geval is, wat zijn dan de plannen voor het delen van de gegevens of het bieden van toegang op de lange termijn? Wordt de hele dataset bewaard en in welke vorm?

Welke gegevens moeten worden bewaard? Waarom en hoe lang? Besteed expliciet aandacht aan het bewaren van niet-anonieme gegevens. Wie is er in de toekomst verantwoordelijk voor het beheer en de bewaring van gegevens?

De ruwe bronbestanden, de Python-scripts en mijn eigen werkbestanden bewaar ik samen, omdat zij volstaan om elke figuur opnieuw te maken. Bewaren is hier zinvol precies omdat de oorspronkelijke reeksen achteraf worden herzien: wie de portalen later raadpleegt, krijgt

niet noodzakelijk dezelfde cijfers. Er zijn geen persoonsgegevens of vertrouwelijke gegevens bij, zodat er niets geanonimiseerd of vernietigd hoeft te worden. Ik bewaar de set ten minste vijf jaar na indiening en blijf er zelf verantwoordelijk voor. Op vraag stel ik de bestanden dan ook ter beschikking van mijn promotor, de leescommissaris en de faculteit.

ETHISCHE EN JURIDISCHE KWESTIES

WAAROM

Onderzoek moet voldoen aan de hoogste ethische principes. Zo moeten de rechten, de waardigheid en het welzijn van alle betrokkenen worden beschermd en moet het onderzoek op een transparante en onafhankelijke manier worden uitgevoerd. Onderzoekers spelen een actieve rol in het verzekeren van deelnemers (en de bredere samenleving) dat onderzoek op een verantwoorde manier wordt uitgevoerd. Merk op dat ethische kwesties betrekking hebben op zowel **wettelijke bescherming** (bv. anonimiteit, opslag en gebruik van gegevens) als op kwesties met betrekking tot een **professionele houding** (bv. duidelijk uitleggen van je onderzoeksintenties aan deelnemers, rekening houden met hoe het onderzoek deelnemers mogelijk beïnvloedt, enz.)

Dit houdt in dat onderzoekers, inclusief bachelor- en masterstudenten, zorgvuldig aan alle betrokkenen moeten uitleggen wat de onderzoeksdoelen zijn, hoe het onderzoek wordt uitgevoerd, hoe deelnemers aan het onderzoek worden beschermd en wat er met de gegevens gebeurt.

Als je **niet** met **persoonlijke gegevens** werkt, komen ethische kwesties neer op een grondige reflectie over hoe je het onderzoek op een transparante en onafhankelijke manier hebt uitgevoerd.

6. Toestemmingsformulier (verplicht wanneer je met persoonsgegevens werkt)

Als je met persoonsgegevens⁸ werkt, is het waarschijnlijk dat je een ‘informed consent’ formulier gebruikt bij het uitvoeren van een enquête, interviews, focusgroepen, participerende observaties, etc.

In dit formulier is het volgende noodzakelijk⁹:

- Leg de doelstellingen van je onderzoek begrijpelijk uit. Hanteer dus zeker een taalregister dat al je deelnemers begrijpen. Vermijd ambtelijk of academisch jargon!
- Leg uit wat je van de participanten verwacht, ook wat betreft geschatte tijdsbesteding (bv. hoe lang een interview zou duren).
- Recht op terugtrekking: leg uit dat ze het recht hebben om zich op elk moment uit het onderzoeksproject terug te trekken zonder dat ze daar een formele verklaring voor hoeven te geven.
- Recht op niet-beantwoorden van bepaalde (deel)vragen: leg uit dat ze het recht hebben om bepaalde vragen niet te beantwoorden, zonder dat ze daar een formele verklaring voor hoeven te geven.
- Leg uit wat je met de gegevens gaat doen

⁸ Let op: als je onderzoek uitvoert op participanten die niet de wettelijke leeftijd hebben om geïnformeerde beslissingen te nemen, heb je toestemming nodig van ouder(s) of voogd(en).

⁹ Houd er rekening mee dat dit een niet-uitputtende lijst is van elementen van een formulier voor geïnformeerde toestemming. Voel je vrij om zaken aan het formulier toe te voegen.

- Leg uit hoe persoonlijke informatie en gegevens worden beschermd (anonimisering, pseudonisering, ...)
- Leg uit - indien van toepassing - of deelname risico's (ongemak, angst) en voordelen (bv. eventuele compensatie voor deelname, delen van je eindverslag, ...) met zich mee kan brengen. Als er risico's zijn, geef de deelnemer dan contactgegevens waar hij/zij om ondersteuning kan vragen.
- Leg uit hoe de gegevens worden opgeslagen, hoe lang en wie verantwoordelijk is voor de opslag van de gegevens.
- Vermeld je naam en contactgegevens

Geef aan of je een toestemmingsformulier gebruikt:

- ☐ Ik maak gebruik van een informed consent formulier (voeg dat formulier toe aan dit document).
- ☒ Ik maak geen gebruik van een informed consent formulier. Leg uit waarom je geen informed consent formulier gebruikt.

Ik werkte niet met persoonsgegevens.

7. Overige kwesties

De voorgaande paragrafen behandelen waarschijnlijk 95% van de ethische kwesties die tijdens je onderzoeksactiviteiten naar voren komen, maar er kunnen nog andere ethische kwesties opduiken tijdens je project. Hier zijn twee voorbeelden.

Eerste voorbeeld: Je bent van plan om onderzoek te doen naar discriminatie op de woningmarkt en - als proefopzet - stuur je verhuurders brieven die ondertekend zijn met fictieve namen, sommige zijn duidelijk Vlaamse namen, andere suggereren dat de afzenders uit een ander land komen. In feite bedrieg je de verhuurders - maar mogelijk kan dit door de vingers worden gezien. Desalniettemin is het noodzakelijk om uit te leggen waarom je voor deze aanpak kiest.

Tweede voorbeeld: Je observeert jeugdbendes met als doel te begrijpen waarom jongeren lid worden. Tijdens je observatie ben je getuige van een criminele activiteit. Vanuit juridisch oogpunt moet je dit melden bij de politie. Vanuit ethisch perspectief zou je kunnen zeggen dat je wettelijke plicht zwaarder weegt dan het belang van je wetenschappelijke werk, maar wat als je vermoedt dat de politieagenten in kwestie corrupt zijn? Hoe verandert dit vermoeden je ethische beoordeling van de situatie?

Gebruik dit vak om al pro-actief na te denken over eventuele ethische kwesties die hierboven niet aan bod zijn gekomen.

Als tijdens je onderzoek ethische kwesties opduiken en je bent niet zeker hoe met deze kwestie om te gaan: bespreek dit zo spoedig mogelijk met je promotor. Hij/zij zal jou advies geven over de verdere stappen die al dan niet gezet kunnen of moeten worden.

Dit onderzoek kent geen menselijke deelnemers en geen verzameling van persoons- of vertrouwelijke gegevens, waardoor de ethische risico's die de voorbeelden hierboven

illustreren zich niet voordoen. Graag geef ik wel iets anders mee. Een deel van mijn cijfers en documenten afkomstig van de Chinese overheid zelf (PBoC, SAFE, CIPS) die een belang heeft bij het opwekken van een bepaald beeld van RMB-internationalisering en de-dollarisering. Ik behandel die bronnen als data, niet als analyse: ik verifieer hun cijfers tegen onafhankelijke bronnen waar mogelijk, maar ben me bewust van potentiële manipulatie.

LUIK B: VERKLARING GEBRUIK GENERATIEVE AI

In dit luik vragen we je om heel kort aan te geven of en hoe je generatieve AI-tools gebruikt hebt bij je OP of MP. Het al dan niet gebruiken van ChatGPT of andere tools (binnen de context van ‘verantwoord gebruik’) heeft geen gevolgen voor jouw punten. Wel vragen we je om dit luik **zo eerlijk en zo correct mogelijk** in te vullen, als vorm van transparantie en als reflectie op je leerproces.

1. Heb je voor je OP/MP generatieve AI gebruikt?

☐ Nee

☒ Ja, met name deze tool(s): Claude (<https://claude.ai/>) werd geraadpleegd tussen 01/03/2026 en 13/08/2026, en Anara (<https://anara.com>) werd geraadpleegd tussen 20/09/2025 en 13/08/2026

Opm.: vermeld de gebruikte generatieve AI-tools. Geef de naam van de tool (incl. de URL) en, indien mogelijk, de tijdsperiode van raadpleging (bv.: ‘ChatGPT (<https://chat.openai.com/auth/login>) werd geraadpleegd tussen XX/XX/XX en XX/XX/XX’):

2. Voor welke deelaspecten van je OP/MP heb je deze generatieve AI-tool(s) gebruikt?

☒ Vinden van nieuwe informatie, concepten en ideeën (e.g., brainstormen)

☒ Het laten samenvatten van bestaande informatiebronnen

☒ Herwerken van zelfgeschreven tekstonderdelen gericht op ...

☒ Controle van spelling, grammatica en andere taalaspecten

☒ (Her)structureren van zelfgeschreven tekstonderdelen

☒ Eigen ideeën helder formuleren

☒ Detecteren van problemen in de eigen tekst (i.e., als bron van feedback)

☒ Eigen tekstonderdelen omzetten in een academische schrijfstijl

☒ Methodologische inspiratie (bv. opstellen van interview guides of consent forms, genereren van afbeeldingen, ...)

☒ Andere, met name:

- Genereren van Python-scripts voor het zelf opmaken van figuren en kaarten op basis van eigen verzamelde data
- Ondersteuning bij het inlezen, opschonen en omrekenen van ruwe datareeksen uit officiële statistische bronnen (World Gold Council, IMF IFS, US Treasury TIC)
- Doorzoeken van mijn eigen, zelf verzamelde en zelf gelezen uitgebreide bronnenverzameling (Anara AI)
- Bibliografiecontrole op APA 7-conformiteit, volledigheid en werkende DOI's

3. Verklaring i.v.m. vertrouwelijke informatie

Met uitzondering van Copilot (en enkel en alleen indien ingelogd via je UGent-account) beschouwen we web-based AI-systemen als onveilig wat betreft privacy. Daarom vragen we je om het volgende aan te geven:

☒ Ik verklaar hierbij uitdrukkelijk dat ik geen vertrouwelijke informatie (bv. persoonsgegevens of niet-geanonimiseerde interviews) heb ingebracht in een web-based AI-systeem (m.u.v. Copilot)