
The Renminbi internationalization: will China face its own Triffin Dilemma?

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Résumé

This paper seeks to analyze the relationship between China's growth model reorientation and the internationalization of the renminbi. It will be showed that China presents some symptoms of the so-called 'Triffin dilemma': the inability to simultaneously implement an expansionary monetary policy and to maintain the confidence in its currency. The gradual use of the renminbi in foreign markets eases the arrival of foreign capital to the Chinese economy; but this also results in record increases of foreign liabilities relative to the Chinese official reserve assets. Any potential threat of massive capital flight imperils the international role of the renminbi.

Mots-Clés: triffin dilemma, balance of payments, renminbi

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