ASEM Finance Ministers to consider regional currencies

ASEM Senior Finance Ministry Officials who will be participating at the 10th ASEM Finance Ministers’ Meeting in Bangkok, Thailand, will heed recommendations to create a regional currency.

Given the rise and growth of Asian economies, and China in particular, a regional currency is needed to trade in Asia, emphasised Dr. Paschal Ncube, Research Director, International Economics, Chatham House. She stated: “The end of the dominance of the dollar in the next decades seems inevitable and the logical reflection of changing order in the world economy. There is wide consensus that a multiregional currency system is the endgame to such process.”

The recommendations were raised by the 6th Asia-Europe Editors’ Roundtable, ‘Multiple Currencies for a Multi-polar World’, which was moderated by Ncube. It was organised by the Asia-Europe Foundation (AEEF) and Chatham House.

“I strongly view that a multi-currency system would further enhance trade and investment as it helps eliminate several obstacles, such as transaction costs, exchange rate fluctuations, and reduces complexities in administration,” said Shafie Arman, deputy finance permanent secretary who was the Guest of Honour to the event.

The recommendations from this day-long session were presented by AEEF to the ASEM Senior Finance Officials on October 14.

“This is a great opportunity to present the outcomes of the 6th Asia-Europe Editors’ Roundtable immediately to the ASEM Senior Finance Officials. The discussions at the Roundtable highlighted key issues such as moving towards a multi-polar currency system and a more effective system of managing global financial stability. These are pertinent to discussions on reforming the existing international monetary system,” said Larsen Warnecke, deputy executive director, AEEF, who chaired the Roundtable in Bangkok on October 13.

The 6th Asia-Europe Editors’ Roundtable, gathered 26 financial experts and senior media commentators from 17 countries. Speakers of the sessions included Dr. Jey Ya Park (Asian Development Bank Institute), Jens Bondgaard (former Noruma International), Dr. Liu Qiyuan (Chinese Academy of Social Sciences), David King (Financial Times), Urmi Farooqi (Bangladesh Post), Pierre Rouxellet (La Figaro).

The outcomes of the Roundtable discussion will be later published on AEEF’s website for public dissemination. Currently, the recommendations are available at http://www.nationmultimedia.com/business/ASEM-Finance-Ministers-to-consider-regional-curren-30192291.html