

ROUTLEDGE STUDIES IN THE MODERN WORLD ECONOMY

The International Monetary System, Energy and Sustainable Development

Edited by
Sung Jin Kang and Yung Chul Park



The International Monetary System, Energy and Sustainable Development

Korea was the first non-G7 member and Asian country to host the recent G20 Summit, acting as a bridge between advanced and developing nations. At the G20 Seoul Summit, green growth as well as development and a global financial safety net were on the agenda. Against this backdrop, the aim of this book is to comment on and suggest how to go about setting agendas and shaping further discussions of future summits.

The book consists of three major parts: the first part discusses the role of G20 in reforming the international monetary system, the status of the IMF since the European sovereign debt crisis, the use of the yuan as the world's reserve currency, and the establishment of a more resilient global financial system. The second part examines trade measures in times of volatile energy prices, the impact of merchandise price volatility on the G20 economies, the EU's pricing policies and the world's price volatility, high oil prices and Russia, and oil markets in South America. The third part reviews G20's financing for green growth, green growth and sustainable development within the G20 framework, and G20's role in addressing climate change and green growth.

This book offers an in-depth review of major issues discussed at the recent summits and will be of interest to policy makers.

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The International Monetary System, Energy and Sustainable Development

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and Yung Chul Park**

First published 2015
by Routledge
2 Park Square, Milton Park, Abingdon, Oxon OX14 4RN

and by Routledge
711 Third Avenue, New York, NY 10017

*Routledge is an imprint of the Taylor & Francis Group, an informa
business*

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British Library Cataloguing in Publication Data

A catalogue record for this book is available from the British Library

Library of Congress Cataloging-in-Publication Data

The international monetary system, energy and sustainable development /
[edited by] Sung Jin Kang and Yung Chul Park. — 1 Edition.
pages cm. — (Routledge studies in the modern world economy ; 138)

1. International finance. 2. Power resources. 3. Sustainable development. I. Kang, Song-jin, 1964- editor. II. Pak, Yong-ch'ol, 1939- editor.

HG3881.L576725 2015

332'.042—dc23

2014033031

ISBN: 978-0-415-74392-1 (hbk)

ISBN: 978-1-315-73227-5 (ebk)

Typeset in Times New Roman
by Apex CoVantage, LLC

Contents

<i>List of figures</i>	xv
<i>List of tables</i>	xix
<i>List of contributors</i>	xxiii
<i>Preface</i>	xxv
<i>Acknowledgments</i>	xxvii
<i>List of abbreviations</i>	xxix

An Overview

1 International monetary system, energy, and sustainable development: an overview	3
PATRICK A. MESSERLIN, YUNG CHUL PARK AND CHARLES WYPLOSZ	

PART I

International monetary system reform	19
2 The international monetary system after the Euro Area sovereign debt crisis	21
CHARLES WYPLOSZ	
3 Issues and prospects of international monetary reforms: East Asian perspectives	33
YUNG CHUL PARK AND CHARLES WYPLOSZ	
4 Reforming international monetary system and internationalization of RMB: a Chinese perspective	56
LIQING ZHANG	
5 The G20 agenda for a more resilient global financial system: stocktaking and remaining challenges	68
SUNGMIN KIM	

PART II

Increase in energy and commodity price and volatility 83

6 Food price volatility: what role for trade measures? 85

KYM ANDERSON

7 The effect of commodity price volatility on G20 economies 113

KYONGWOOK CHOI AND DONG HEON KIM

8 EU commodities policies and volatility of world prices 151

PATRICK A. MESSERLIN

9 The global oil market: an outlook from South America 173

ADILSON DE OLIVEIRA

PART III

Green growth and sustainable development 189

10 Russian economy as the hostage of high oil prices 191

MIKHAIL DMITRIEV AND SERGEY DROBYSHEVSKY

11 G20's roles in global green-growth financing 253

JISOON LEE

**12 Green growth and sustainable development in G20:
performance and prospects** 273

SUNG JIN KANG

Index 295

Figures

2.1	Shares of world exchange reserves	22
2.2	Global foreign exchange reserves and IMF resources	29
3.1	Debt Instruments of the United States and Germany	35
	(a) Marketable central government debt instruments	35
	(b) Average daily turnover of central government debt instruments	36
3.2	Foreign exchange reserves	45
3.3	The won-dollar exchange rate	48
4.1	RMB cross-border trade settlements	60
4.2	RMB deposit in Hong Kong market	61
4.3	Issuance of RMB-denominated bonds in Hong Kong, 2007–2012	62
6.1	Real international food and fossil fuel price indexes, 1960 to August 2013	86
	(a) Annual data	86
	(b) Monthly data	86
6.2	Nominal rates of assistance (NRAs) to farmers in high-income and developing countries	89
	(a) High-income countries, 1960 to 2010	89
	(b) Developing countries, 1960 to 2009	90
6.3	Nominal rate of assistance (NRA) to exporting, import-competing and all farmers and to producers of nonfarm tradable goods, developing countries	91
	(a) NRA for farmers and producers of non-farm tradables, and relative rate of assistance	91
	(b) NRA for farmers, by trade status	91
6.4	Relative rate of assistance to farmers (RRA), by country, 2005–2010	92
6.5	Rice and wheat NRAs and their international price, 82 countries, 1970 to 2011	93
	(a) Rice	93
	(b) Wheat	94
6.6	Effects of offsetting export barrier increases and import barrier reductions in the international market for food in response to an exogenous supply shock from ES_0 to ES_1	99

xvi *Figures*

7.1	IMF indices of primary commodity prices	114
7.2	Global commodity prices: S&P GSCI and its subindices	115
7.3	Agricultural commodity prices: total	116
7.4	Agricultural commodity prices: wheat, maize, soybean	116
7.5	Commodity price volatility	117
7.6	Commodity demand and supply	118
7.7	Reported climate changes: droughts, floods and extreme temperature	119
7.8	Policy interest rates	120
8.1	World Bank real international food price index, 1900–2008	153
8.2	EU CO ₂ prices	167
9.1	Regional world oil trade	176
9.2	World oil reserves	177
9.3	Outlook for the global supply and demand of oil	180
9.4	Crude oil prices 1861–2011	181
10.1	Dynamics of the commodities exports and the Fuel and Energy Complex share in 1994–2011	211
10.2	Russian trade balance and the world oil prices index in 1994–2011	211
10.3	Key components of the Russian Balance of Payments in 1994–2011	212
10.4	The average annual price level of Urals crude (dollars per barrel) and the federal budget revenues (billion rubles) in 2000–2011	214
10.5	The Stabilization Fund, the Reserve Fund, the National Welfare Fund in 2004–2011 and Q1 of 2012, % of GDP	219
10.6	Structural and cyclical components of the GDP growth rates in 1999–2009	229
10.7	Factors of competitiveness of oil-exporting countries	238
10.8	Russia's factors of competitiveness and the oil price dynamics	240
10.9	(Annex 2) Index of Economic Freedom	244
10.10	(Annex 2) Business freedom	244
10.11	(Annex 2) Trade freedom	244
10.12	(Annex 2) Fiscal freedom	244
10.13	(Annex 2) Government spending	245
10.14	(Annex 2) Monetary freedom	245
10.15	(Annex 2) Investment freedom	245
10.16	(Annex 2) Financial freedom	245
10.17	(Annex 2) Property rights	246
10.18	(Annex 2) Freedom from corruption	246
10.19	(Annex 2) Labor freedom	246
10.20	(Annex 3) Percentage of deviation of the oil price and the indexes of economic freedom from their average values in the course of oil price increase and oil price decrease periods on the world markets in 1995–2012	247

10.21	(Annex 4) Index of Economic Freedom	247
10.22	(Annex 4) Business freedom	248
10.23	(Annex 4) Trade freedom	248
10.24	(Annex 4) Budget freedom	248
10.25	(Annex 4) Government spending	248
10.26	(Annex 4) Monetary freedom	249
10.27	(Annex 4) Investment freedom	249
10.28	(Annex 4) Financial freedom	249
10.29	(Annex 4) Property rights	249
10.30	(Annex 4) Freedom from corruption	250
10.31	(Annex 4) Labor freedom	250
12.1	Green growth and sustainable development	279

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Tables

4.1	RMB bilateral currency swap agreements	63
5.1	Capital requirements and buffers	71
6.1	Deviation of national NRA around its trend value, key farm products, developing and high-income countries, 1965–1984 and 1985–2010	95
6.2	Global average short-run price transmission elasticities, key foods, 1985 to 2010	95
6.3	Contributions of policy-induced trade barrier changes to changes in the international prices of key agricultural products, 1972–1974 and 2006–2008	102
6.4	Contributions of high-income and developing countries and of importing and exporting countries to the proportion of the international price change that is due to policy-induced trade barrier changes, 1972–1974 and 2006–2008	103
6.5	Comparison of the domestic price rise with the rise in international grain prices net of the contribution of changed trade restrictions, rice, wheat and maize, 1972–1974 and 2006–2008	103
7.1	Unit root tests: industrial production	123
7.2	Unit root tests: percentage changes in industrial production	124
7.3	Unit root tests: CPI	125
7.4	Unit root tests: inflation rate	126
7.5	Unit root tests: commodity price	127
7.6	Estimation results of univariate model: Argentina	129
7.7	Estimation results of univariate model: Brazil	129
7.8	Estimation results of univariate model: Canada	130
7.9	Estimation results of univariate model: France	130
7.10	Estimation results of univariate model: Germany	131
7.11	Estimation results of univariate model: India	131
7.12	Estimation results of univariate model: Indonesia	132
7.13	Estimation results of univariate model: Italy	132
7.14	Estimation results of univariate model: Japan	133
7.15	Estimation results of univariate model: South Korea	133
7.16	Estimation results of univariate model: Mexico	134

7.17	Estimation results of univariate model: Russia	134
7.18	Estimation results of univariate model: Saudi Arabia	135
7.19	Estimation results of univariate model: South Africa	135
7.20	Estimation results of univariate model: Turkey	136
7.21	Estimation results of univariate model: UK	136
7.22	Estimation results of univariate model: United States	137
7.23	Coefficient estimates for the variance function of the bivariate GARCH-in-mean VAR: energy	139
7.24	Coefficient estimates for the variance function of the bivariate GARCH-in-mean VAR: nonenergy	141
7.25	Coefficient estimates for the variance function of the bivariate GARCH-in-mean VAR: commodity	143
7.26	Coefficient estimates on commodity price volatility: energy, nonenergy and aggregate commodity	145
8.1	Estimated subsidies to biofuels production	161
8.2	Estimated contribution of biofuel crops to world food price rises	162
8.3	Selected information on the EU gas markets	165
8.4	The Commission's list of the 14 most risky raw materials for the EU	169
9.1	Energy consumption	175
9.2	Energy consumption outlook	178
10.1	Oil production and refining in the Russian Federation in 1990–2011	192
10.2	Oil production structure in Russia in 2010–2011	193
10.3	Crude oil and refined oil products exports revenues in 1995–2011	194
10.4	Value and ratio of energy resources exports in 2005–2011	194
10.5	Proportions of oil production, consumption and export in 1990–2011	195
10.6	Structure of energy consumption of the world's largest consumers, 2010	197
10.7	Energy consumption per unit of GDP on PPP, 2008	197
10.8	Fuel consumption per capita in 2009	197
10.9	Average export prices for the basket of Russia's refined oil products and for the Urals	198
10.10	Structure of fuel production and domestic consumption in Russia	200
10.11	Ratio of diesel to motor gasoline consumption in Russian and European markets	200
10.12	Largest International pipeline construction projects with Russian participation	202
10.13	Net profits of major Russian oil producers	203
10.14	Tax payments of oil and gas companies	203

10.15	Forecast of annual production of oil and oil refined products in the energy strategy of the Russian Federation	206
10.16	Forecast of annual production of oil and oil refined products, CSR baseline scenario	206
10.17	Net imports to the EU	207
10.18	Projections for Russian oil exports to Asian and Pacific markets	208
10.19	Evaluation of the oil industry share in the Russian GDP	209
10.20	Cumulative allocation of petrodollars	213
10.21	Russian federal budget revenues and expenditures in 2000–2011	215
10.22	Russian federal budget revenues and expenditures in 2000–2011	217
10.23	Dynamics of the flow of financial resources of the Russian stabilization fund in 2004–2007	218
10.24	Dynamics of forming and using the oil and gas funds in 2009	223
10.25	Results of decomposition of the GDP growth rates in real terms	228
10.26	Correlation between components of the economic freedom index and the nominal average Brent crude price in 1995–2012 across the energy-exporting countries	232
10.27	Sensitivity of the economic freedom indexes to the oil price changes	235
10.28	Correlation between the indicators of governance quality and the nominal price of Brent crude, on average, for a group of oil-exporting countries	236
10.29	Sensitivity of indexes of governance quality to the oil price changes	237
10.30	Correlation between the indicators of government quality in Russia and the nominal price of Brent crude	239
10.31	Annex 1	243
12.1	Definitions of green growth	277

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Preface

Recently, the international movement for monetary reform and volatility and price increases for energy and raw materials have emerged as global challenges, as they affect national economies. Meanwhile, countries and international organizations have begun to show a strong interest in green growth and sustainable development as economic development strategies that take the environment, social development and future generations into account.

Economists across the globe made significant contributions to this publication by submitting articles based on their research. Chapter 1, International monetary system, energy, and sustainable development: an overview, is followed by three parts. Part I deals with international finance in the international monetary system, the current exchange-rate system, the future of the US dollar and the role of China's yuan. Part II discusses the causes of volatility and price increases for energy and raw material, their impact on the G20 economies, the relationship between raw material price increases and international trade and the correlation between commodity prices and free trade. Part III addresses green finance, the significance of and future directions for green growth in the international community, sustainable development and green energy.

Topics discussed throughout this book are popular research areas that are being studied. Expectations are high that this book will help further advance relevant discussions and draw policy alternatives with an aim to combat shared challenges by building research and policy networks among researchers, governments and international organizations.

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Acknowledgments

First of all, I would like to extend my deep gratitude to all the authors who contributed to the publication of this book. Also, I would like to express my sincere appreciation to the Korea Development Institute (KDI) and the Institute of Sustainable Development in Korea University for their effort to organize the conference in 2012, all the research assistants who participated in the work and the publishing company, Routledge, Taylor & Francis Group. Last, I gratefully acknowledge the financial support of KDI titled *A Collaborative Research for 2012 Mexico and 2013 Russia G20 Summit*.

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Abbreviations

ABMI	Asian Bond Markets Initiative
AICESIS	International Association of Economic and Social Councils and Similar Institutions
AMRO	ASEAN+3 Macroeconomic Research Office
ASEAN	Association of Southeast Asian Nations
BCBS	Basel Committee on Banking Supervision
BRICs	Brazil, Russia, India, China and South Africa
BSE	bovine spongiform encephalopathy
CAP	Common Agricultural Policy
CBDR	Common But Differentiated Responsibilities
CCPs	central counterparties
CDM	clean development mechanism
CMCG	Compensation Monitoring Contact Group
CMI	Chiang Mai Initiative
CMIA	Columbia Management Investment Advisers, LLC
CMIM	Chiang Mai Initiative Multilateralized
CMIM-PL	CMIM Precautionary Line
CMIM-SF	CMIM Stability Facility
COCOs	contingent convertibles
COP	Conference of the Parties
CPSS	Committee on Payment and Settlement Systems
CRA	credit rating agency
CTEs	consumer tax equivalents
DDA	Doha Development Agenda
D-SIFIs	domestic systemically important financial institutions
ECB	European Central Bank
EFSS	European Financial Stability Facility
EMEs	emerging market economies
ESM	European Stability Mechanism
ETS	Emissions Trading System
EUMS	EU Member States
FASB	Financial Accounting Standards Board
FCL	flexible credit line

FMI	financial market infrastructures
FOU	full ownership unbundling
FQD	Fuel Quality Directive
FSB	Financial Stability Board
FSU	former Soviet Union
FTA	free trade agreement
GATT	General Agreement on Tariffs and Trade
GCF	Green Climate Fund
GDP	gross domestic product
GGKP	Green Growth Knowledge Platform
GHG	greenhouse gas
GMEP	Global Marine Environment Protection
GMOs	genetically modified organisms
GMS	Greater Mekong Subregion
G-SIFIs	global systemically important financial institutions
G-SIIs	global systemically important insures
HAPA	High-Access Standby Arrangement
IAIS	International Association of Insurance Supervisors
IASB	International Accounting Standards Board
ICT	information and communication technology
IEA	International Energy Agency
IEF	International Energy Forum
IEO	Independent Evaluation Office
IFIs	international financial institutions
IGOs	intergovernment organizations
IMF	International Monetary Fund
IMFC	International Monetary and Financial Committee
IMS	international monetary system
IOCs	international oil companies
IOSCO	International Organization of Securities Commissions
ITO	independent transmission operator
JODI	Joint Organizations Data Initiative
LCR	liquidity coverage ratio
LEI	long-term economic impact
MAG	Macroeconomic Assessment Group
MAP	mutual assessment process
MMFs	money market funds
NAB	new arrangement for borrowing
NOCs	national oil companies
NRAs	nominal rates of assistance
NSFR	net stable funding ratio
NWF	National Welfare Fund
ODA	official development assistance
OECD	Organization for Economic Co-operation and Development
OPEC	Organization of the Petroleum Exporting Countries

OTC	over-the-counter
PAS	product-sharing agreements
PBOC	People's Bank of China
PCL	precautionary credit line
PLL	precautious and liquidity line
PRC	People's Republic of China
PRI	Principles for Responsible Investment
PTA	preferential trade agreement
QIS	quantitative impact study
RED	Renewable Energy Directive
RFIs	regional financial institutions
RMB	renminbi (Chinese yuan, CNY)
RRA	relative rate of farmer assistance
SBA	traditional stand-by
SDRs	special drawing rights
SICs	systemically important countries
SIFIs	systemically important financial institutions
TEP	Third Energy Package
TRs	trade repositories
UN	United Nations
UNEP	United Nations Environment Programme
UNESCAP	United Nations Economic and Social Commission for Asian and Pacific
UNFCCC	United Nations Framework Convention on Climate Change
URR	unremunerated reserve requirements
VSTO	East Siberia – Pacific Ocean
WCED	World Commission on Environment and Development
WTO	World Trade Organization

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An Overview