

# Contents

---

List of Figures	ix
List of Tables	xiii
Foreword	xv
Chapter 1 Overview	1
1. National Finance Theory Lags Behind Practice	5
2. Shortage of Talents in National Finance	9
3. The Finance Discipline Has to Be Broken Down	13
4. Object of National Finance Research	15
5. Presence and Future of National Finance	20
Exercises	21
References	21
Chapter 2 Top-Level Layout of National Finance	23
1. Positioning of National Finance	24
2. Policies of National Finance	32
3. Development of National Finance	46
4. Establishment of Top-level National Finance Management Institutions	51
Exercises	55
References	56

Chapter 3 Coordination of National Financial Regulation	57
1. The U.S. Financial Regulatory System	58
2. The U.K. Financial Regulatory System	63
3. The E.U. Financial Regulatory System	69
4. China's Financial Regulatory System	76
Exercises	84
References	84
Chapter 4 Hierarchy Development of National Finance	87
1. National and Local Financial Development	88
2. Financial Liberalization Leads to National Instability	95
3. Financial Repression Leads to Lack of Local Vitality	101
4. Competing under Regulation, Growing with Stability	110
Exercises	119
References	119
Chapter 5 Joint Development of Onshore and Offshore Financial Markets	121
1. Internationalization Evolution of the Modern Financial System	122
2. Case Study of the U.S. and Japan	131
3. Connection Modes of Offshore and Onshore Markets	136
4. China's Choice for Onshore and Offshore Connection	144
Exercises	167
References	168
Chapter 6 Corner Overtaking in National Finance	169
1. The Basic Path for a Country's Home Currency to Become an International Currency	170
2. Case One: Coal Trading—the British Pound Settlement	176
3. Case Two: Oil Trading—the U.S. Dollar Settlement	179
4. Exploring the Path of "Carbon Emissions Trading—RMB Settlement" in China	182
Exercises	208
References	209
Chapter 7 FinTech Innovation in National Finance	211
1. Overview of the Development of Online Finance	213
2. Overview of the Development of Digital Currency	222
3. FinTech's Impact over the Modern Financial System	236
4. Opportunities and Challenges of China's FinTech Development	247
Exercises	260
References	260

Chapter 8 Risk Prevention in National Finance	263
1. Traditional Categories of Financial Crises	264
2. A Review of Major Financial Crises in the World History	275
3. Prevention and Management of Financial Crises	286
4. Promoting National Financial Development on the Basis of Stability	307
Exercises	311
References	311
Chapter 9 International Participation of National Finance	313
1. The National Finance Discipline System	313
2. The International Finance Discipline System	316
3. Status Quo of the International Financial System	319
4. Reform and Development of the International Financial System	343
Exercises	349
References	350
Chapter 10 Conclusion: Creating the National Finance Discipline and Enhancing China's Financial Competitiveness	351
Exercises	354
References	354
Definitions	355
Postscript to First Edition of the Chinese Version	379
Postscript to Second Edition of the Chinese Version	381
Index	383