

105TH CONGRESS
2D SESSION

H. R. 3305

To require the Secretary of the Treasury to report quarterly to the Congress on the programs led by the International Monetary Fund to financially stabilize East Asian countries.

IN THE HOUSE OF REPRESENTATIVES

MARCH 3, 1998

Mr. COOK introduced the following bill; which was referred to the Committee on Banking and Financial Services

A BILL

To require the Secretary of the Treasury to report quarterly to the Congress on the programs led by the International Monetary Fund to financially stabilize East Asian countries.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. QUARTERLY REPORTS ON EAST ASIAN FINAN-**
4 **CIAL STABILIZATION PROGRAMS LED BY THE**
5 **INTERNATIONAL MONETARY FUND.**

6 (a) IN GENERAL.—The Secretary of the Treasury
7 shall prepare reports on the implementation of financial
8 stabilization programs led by the International Monetary

1 Fund in East Asian countries, which shall include the fol-
2 lowing:

3 (1) A description of the current condition of the
4 economies of the East Asian countries requiring the
5 financial stabilization programs, including their
6 monetary, fiscal, and exchange rate policies.

7 (2) A description of the degree to which the
8 East Asian countries requiring the financial sta-
9 bilization programs have fully implemented financial
10 sector restructuring and reform measures, includ-
11 ing—

12 (A) ensuring full respect for the commer-
13 cial orientation of commercial bank lending;

14 (B) ensuring that governments will not in-
15 tervene in bank management and lending deci-
16 sions (except in regard to prudential super-
17 vision);

18 (C) the passage of appropriate financial re-
19 form legislation;

20 (D) strengthening the domestic financial
21 system, through financial sector restructuring,
22 as well as improved transparency and super-
23 vision; and

24 (E) the opening of domestic capital mar-
25 kets.

1 (3) A description of the degree to which the
2 East Asian countries requiring the financial sta-
3 bilization programs have fully implemented reforms
4 directed at corporate governance and corporate
5 structure, including making nontransparent con-
6 glomerate practices more transparent through the
7 application of internationally accepted accounting
8 practices, independent external audits, full disclo-
9 sure, and provision of consolidated statements, as
10 well as ensuring that no government subsidized sup-
11 port or tax privileges will be provided to bail out in-
12 dividual corporations, particularly in the semi-
13 conductor, steel, and paper industries.

14 (4) A description of the implementation of re-
15 form measures to deregulate and privatize economic
16 activity by ending domestic monopolies, undertaking
17 trade liberalization, and opening up restricted areas
18 of the economy to foreign investment and competi-
19 tion.

20 (5) A description of governmental efforts to
21 construct durable social safety nets, undertake labor
22 market reform, and strengthen environmental laws
23 and regulations.

24 (6) The amount, rate of interest, and repay-
25 ment schedule of any funds disbursed from the sta-

1 bilization fund established under section 5302 of
2 title 31, United States Code, in the form of loans,
3 credits, guarantees, or swaps in conjunction with
4 United States offers of conditional supplemental as-
5 sistance in conjunction with the November 5, 1997,
6 and December 4, 1997, International Monetary
7 Fund standby arrangements for Indonesia and
8 South Korea, respectively.

9 (7) The disbursement schedule of the Inter-
10 national Monetary Fund program funds for the East
11 Asian countries requiring the financial stabilization
12 programs, accompanying rates of interest, and re-
13 payment dates.

14 (b) TIMING.—The Secretary of the Treasury shall
15 submit to the Committees on Banking and Financial Serv-
16 ices and International Relations of the House of Rep-
17 resentatives and the Committees on Foreign Relations,
18 and Banking, Housing, and Urban Affairs of the Senate
19 quarterly reports on the matters described in subsection
20 (a), the first of which is due by April 30, 1998, and the
21 last of which is due by October 31, 1999.

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