

MONETARY COOPERATION IN THE EAST ASIAN CONTEXT: PROGRESS AND CHALLENGES

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ABSTRACT

In the evolutionary process of Asian monetary cooperation, the Asian Financial Crisis played a significant role. With a view to safeguarding themselves from another financial crisis without resorting to the IMF, East Asian countries have accumulated large amounts of foreign reserves and constructed a network of swap arrangements. This article aims to account for the recent development of monetary cooperation among East Asian countries. It focuses on the Chang Mai Initiative (“CMI”), movements toward multilateralisation, and the relationship among the Chang Mai Initiative Multilateralisation (“CMIM”), pre-existent bilateral swaps, and the International Monetary Fund (“IMF”). The article investigates to what extent the CMIM is legally consistent with the IMF Agreement, based on arguments advanced by scholars, and concludes by considering the future of Asian monetary

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cooperation.

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