

but every other regional multilateral development bank [MDB] in embracing needed reforms and has been resisting calls for more substantive change in the Asian Development Fund negotiations [ADF-8].

To be fair, the Bank under President Chino has embraced poverty reduction as its overarching mandate. But this occurred only after repeated calls from the United States and other major shareholders that a poverty reduction policy paper be presented to the board by the time the ADF-8 replenishment negotiation began in October 1999. The Bank remains far behind in turning this policy commitment into operational practice.

Most recently, President Chino is resisting the United States nominee for the Bank's American vice president. By tradition, there has always been a U.S. national as vice president, a European vice president, and a vice president representing a non-borrowing regional. The current U.S. vice president, Peter Sullivan, will retire this summer. Chino is mounting an unprecedented challenge to Treasury's candidate. Never before has a Japanese Bank president challenged the right of the United States to name its candidate for vice president. Why the resistance? I have no first hand knowledge, but would note that a recent issue of Emerging Markets speculates that if the strong-minded, experienced candidate were appointed to a vice-presidential slot at the Bank, "she could begin chipping away at the power exercised from 'behind the throne' by the small clique of Japanese 'advisors' to the president." Whatever the case, it is incumbent on the United States to support its nominee and insist that U.S. prerogatives be respected.

Moreover, I understand that President Chino has literally created a fourth vice president with wide-ranging powers without consulting the board. He disregarded concerns repeatedly raised by the U.S. Executive Director's office that the reorganization of the functions of the Strategic Policy Department should not be undertaken without consulting the board. The department director is a Japanese national.

More broadly, President Chino's pattern of stonewalling the United States and other member donors has been repeatedly in his non-responsiveness to the concerns of interested parties outside the Bank. It has been reported that he refused to receive representatives of student and NGO protesters at the annual meeting in Thailand. He may even have been less than courteous to his Thai hosts at an important official function involving members of the royal family.

In addition to numerous internal governance and the above personnel issues, there is also a growing concern that Bank management is trying to turn the ADB into a defacto secretariat for a future "Asian Monetary Fund." As Members may recall, Japan earlier proposed to create an "Asian IMF" during the worst of the global financial crisis of 1997-1998—an idea that had only tepid support within the region and which was opposed by the United States.

However, elements of this approach have begun to insinuate themselves into the organizational structure of the ADB. First, in March 1999 the Bank approved the "Asian Currency Crisis Support Facility." This \$3 billion fund, financed entirely by Japan but administered by the Bank, was established to provide guarantees to Asian crisis countries on sovereign bond issues, in conjunction with ADB loans. Among other issues, this mechanism inappropriately would allow obligations under the facilities to be accorded preferred creditor status.

In addition, the Finance Ministers of the Association of Southeast Asian Nations [ASEAN] asked in 1999 that the Bank temporarily house its economic monitoring secretariat. Over U.S. resistance, the ADB established and expanded this surveillance unit, in possible competition with the IMF. Contrary to view of some United States economists, like Stephen Roach of Morgan Stanley, I suspect few Asian countries would want to participate in a Japan-led regional monetary fund, in large measure because of what is perceived by many in the region as Japan's ongoing failure to confront and deal with its militarist past. On the other hand, many of these countries are borrowers from both the ADB and Japan. They may be persuaded to go along with Tokyo in a desire not to disadvantage themselves when they request the Japanese Government at the ADB for loans and to position themselves to receive additional foreign aid credits from Japan.

Mr. Speaker, it sadly appears that the Asian Development Bank is at a crossroads. Confidence is eroding in the capacity of the institution to pursue effective development strategies in a manner that is accountable, participatory, and transparent.

At the risk of presumption, it would appear high time that the administration make clear in no uncertain terms its deep concern over the present leadership at the Bank. As the chairman of the authorizing subcommittee with jurisdiction over the international financial institutions, I would simply note that both Treasury and the ADB should be on notice that an institution that pursues the narrow objectives of a few, adopts a haughty and intolerant management style, and now lags all other regional MDBs in key reforms is unlikely to command broad congressional support.

In conclusion, Mr. Speaker, wise leaders on both sides of the Pacific understand that, despite our occasional differences, the two major shareholders of the ADB—Japan and the United States—must work together if the Bank is to effectively address poverty reduction as well as help meet the many other needs and challenges of the Asia-Pacific region in the 21st century. I hope and expect our two great countries can work hand in hand at the ADB, as we have so often in the past, to uplift the lives of people throughout the region and reach our common goals to foster sustainable development.

A SPECIAL TRIBUTE TO WILLIAM N. MORGAN ON THE OCCASION OF HIS RETIREMENT FROM THE OHIO BANKERS ASSOCIATION AND IN CELEBRATION OF HIS PUBLIC SERVICE TO THE STATE OF OHIO

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 24, 2000

Mr. GILLMOR. Mr. Speaker, it is with great pleasure that I rise today to pay special tribute to an outstanding individual and a devoted public servant from the State of Ohio. Later this summer, William N. Morgan will retire from his position as senior vice president of the Ohio Bankers Association after more than 25 years of dedicated service.

Bill Morgan's call to duty and service began as he enlisted in the U.S. Army in 1957. After three years of work with the Military Police Criminal Investigation branch in Germany, Bill left the military and prepared for his future taking a position as chief deputy sheriff in Perry County. Bill also served as chief probation officer with the New Lexington Juvenile Court.

With a keen interest in government and politics, Bill was elected mayor of the city of Shawnee in 1966. Bill's commitment to public service continued when he was named deputy director of the Tax Collection Department within the Ohio Treasurer's Office. Four years later, in 1970, Bill assumed the role of director of public affairs for the Ohio Association of Insurance Agents. Then, in 1974, Bill began his distinguished tenure with the Ohio Bankers Association.

Mr. Speaker, I have known Bill Morgan for many years and have had the opportunity to work with Bill on a variety of issues during my tenure in the U.S. Congress and as president of the Ohio Senate. I am not alone in saying that Bill Morgan is a man of honor and integrity and has given freely of his time and talents to further public policy. Bill has been a good friend and his public service to the State of Ohio will be sorely missed.

At this point, Mr. Speaker, I would urge my colleagues in the 106th Congress to rise and join me in paying special tribute to Bill Morgan on the occasion of his retirement. We wish him, his wife, Virginia, and his entire family the very best now and in the future.

HONORING VELUPPILLAI
SIVAPALASINGAM

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 24, 2000

Mr. ENGEL. Mr. Speaker, I am joining Montefiore Medical Center, a keystone of health care for the Bronx community, in honoring Veluppillai Sivapalasingam for his quarter century of conscientious and compassionate service to the citizens of the Bronx, especially those from the Norwood neighborhood.

He joined Montefiore's Radiation Oncology Department 25 years ago and began a career