

**§ 5203. Enforcement****(a) Attorney General**

The Attorney General shall take the necessary steps and institute the necessary legal action to effectuate the policies and provisions of this chapter.

**(b) Relief**

Any district court of the United States for a district in which a violation of this chapter occurs shall have authority, upon petition of relief by the Attorney General, to grant injunctive and such other equitable relief as it shall deem necessary to enforce the provisions of this chapter.

(Pub. L. 100-204, title X, §1004, Dec. 22, 1987, 101 Stat. 1407.)

**CHAPTER 62—INTERNATIONAL FINANCIAL POLICY****SUBCHAPTER I—EXCHANGE RATES AND INTERNATIONAL ECONOMIC POLICY COORDINATION**

Sec.

- 5301. Short title.
- 5302. Findings.
- 5303. Statement of policy.
- 5304. International negotiations on exchange rate and economic policies.
- 5305. Reporting requirements.
- 5306. Definitions.

**SUBCHAPTER II—INTERNATIONAL DEBT****PART A—FINDINGS, PURPOSES, AND STATEMENT OF POLICY**

- 5321. Short title.
- 5322. Findings.
- 5323. Purposes.
- 5324. Statement of policy.

**PART B—INTERNATIONAL DEBT MANAGEMENT AUTHORITY**

- 5331. International initiative.
- 5332. Actions to facilitate creation of Authority.
- 5333. IMF-World Bank review.

**SUBCHAPTER III—PRIMARY DEALERS**

- 5341. Short title.
- 5342. Requirement of national treatment in underwriting government debt instruments.

**SUBCHAPTER IV—FINANCIAL REPORTS**

- 5351. Short title.
- 5352. Quadrennial reports on foreign treatment of United States financial institutions.
- 5353. Fair trade in financial services.
- 5354. Banks loan loss reserves.

**SUBCHAPTER I—EXCHANGE RATES AND INTERNATIONAL ECONOMIC POLICY COORDINATION****§ 5301. Short title**

This subchapter may be cited as the “Exchange Rates and International Economic Policy Coordination Act of 1988”.

(Pub. L. 100-418, title III, §3001, Aug. 23, 1988, 102 Stat. 1372.)

**Editorial Notes****REFERENCES IN TEXT**

This subchapter, referred to in text, was in the original “this subtitle”, meaning subtitle A (§§3001-3006) of

title III of Pub. L. 100-418, Aug. 23, 1988, 102 Stat. 1372, which is classified principally to this subchapter. For complete classification of subtitle A to the Code, see Tables.

**§ 5302. Findings**

The Congress finds that—

(1) the macroeconomic policies, including the exchange rate policies, of the leading industrialized nations require improved coordination and are not consistent with long-term economic growth and financial stability;

(2) currency values have a major role in determining the patterns of production and trade in the world economy;

(3) the rise in the value of the dollar in the early 1980's contributed substantially to our current trade deficit;

(4) exchange rates among major trading nations have become increasingly volatile and a pattern of exchange rates has at times developed which contribute to substantial and persistent imbalances in the flow of goods and services between nations, imposing serious strains on the world trading system and frustrating both business and government planning;

(5) capital flows between nations have become very large compared to trade flows, respond at times quickly and dramatically to policy and economic changes, and, for these reasons, contribute significantly to uncertainty in financial markets, the volatility of exchange rates, and the development of exchange rates which produce imbalances in the flow of goods and services between nations;

(6) policy initiatives by some major trading nations that manipulate the value of their currencies in relation to the United States dollar to gain competitive advantage continue to create serious competitive problems for United States industries;

(7) a more stable exchange rate for the dollar at a level consistent with a more appropriate and sustainable balance in the United States current account should be a major focus of national economic policy;

(8) procedures for improving the coordination of macroeconomic policy need to be strengthened considerably; and

(9) under appropriate circumstances, intervention by the United States in foreign exchange markets as part of a coordinated international strategic intervention effort could produce more orderly adjustment of foreign exchange markets and, in combination with necessary macroeconomic policy changes, assist adjustment toward a more appropriate and sustainable balance in current accounts.

(Pub. L. 100-418, title III, §3002, Aug. 23, 1988, 102 Stat. 1372.)

**§ 5303. Statement of policy**

It is the policy of the United States that—

(1) the United States and the other major industrialized countries should take steps to continue the process of coordinating monetary, fiscal, and structural policies initiated in the Plaza Agreement of September 1985;

(2) the goal of the United States in international economic negotiations should be to

achieve macroeconomic policies and exchange rates consistent with more appropriate and sustainable balances in trade and capital flows and to foster price stability in conjunction with economic growth;

(3) the United States, in close coordination with the other major industrialized countries should, where appropriate, participate in international currency markets with the objective of producing more orderly adjustment of foreign exchange markets and, in combination with necessary macroeconomic policy changes, assisting adjustment toward a more appropriate and sustainable balance in current accounts; and

(4) the accountability of the President for the impact of economic policies and exchange rates on trade competitiveness should be increased.

(Pub. L. 100-418, title III, § 3003, Aug. 23, 1988, 102 Stat. 1373.)

**§ 5304. International negotiations on exchange rate and economic policies**

**(a) Multilateral negotiations**

The President shall seek to confer and negotiate with other countries—

(1) to achieve—

(A) better coordination of macroeconomic policies of the major industrialized nations; and

(B) more appropriate and sustainable levels of trade and current account balances, and exchange rates of the dollar and other currencies consistent with such balances; and

(2) to develop a program for improving existing mechanisms for coordination and improving the functioning of the exchange rate system to provide for long-term exchange rate stability consistent with more appropriate and sustainable current account balances.

**(b) Bilateral negotiations**

The Secretary of the Treasury shall analyze on an annual basis the exchange rate policies of foreign countries, in consultation with the International Monetary Fund, and consider whether countries manipulate the rate of exchange between their currency and the United States dollar for purposes of preventing effective balance of payments adjustments or gaining unfair competitive advantage in international trade. If the Secretary considers that such manipulation is occurring with respect to countries that (1) have material global current account surpluses; and (2) have significant bilateral trade surpluses with the United States, the Secretary of the Treasury shall take action to initiate negotiations with such foreign countries on an expedited basis, in the International Monetary Fund or bilaterally, for the purpose of ensuring that such countries regularly and promptly adjust the rate of exchange between their currencies and the United States dollar to permit effective balance of payments adjustments and to eliminate the unfair advantage. The Secretary shall not be required to initiate negotiations in cases where such negotiations would have a serious detrimental impact on

vital national economic and security interests; in such cases, the Secretary shall inform the chairman and the ranking minority member of the Committee on Banking, Housing, and Urban Affairs of the Senate and of the Committee on Banking, Finance and Urban Affairs of the House of Representatives of his determination.

(Pub. L. 100-418, title III, § 3004, Aug. 23, 1988, 102 Stat. 1373.)

**Statutory Notes and Related Subsidiaries**

**CHANGE OF NAME**

Committee on Banking, Finance and Urban Affairs of House of Representatives treated as referring to Committee on Banking and Financial Services of House of Representatives by section 1(a) of Pub. L. 104-14, set out as a note preceding section 21 of Title 2, The Congress. Committee on Banking and Financial Services of House of Representatives abolished and replaced by Committee on Financial Services of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred from Committee on Energy and Commerce of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

**NEGOTIATIONS ON CURRENCY EXCHANGE RATES**

Pub. L. 100-418, title I, § 1124, Aug. 23, 1988, 102 Stat. 1146, provided that:

“(a) FINDINGS.—The Congress finds that—

“(1) the benefit of trade concessions can be adversely affected by misalignments in currency, and

“(2) misalignments in currency caused by government policies intended to maintain an unfair trade advantage tend to nullify and impair trade concessions.

“(b) NEGOTIATIONS.—Whenever, in the course of negotiating a trade agreement under this subtitle [subtitle A (§§ 1101 to 1125) of title I of Pub. L. 100-418, see Tables for classification], the President is advised by the Secretary of the Treasury that a foreign country that is a party to the negotiations satisfies the criteria for initiating bilateral currency negotiations listed in section 3004(b) of this Act [22 U.S.C. 5304(b)], the Secretary of the Treasury shall take action to initiate bilateral currency negotiations on an expedited basis with such foreign country.”

**§ 5305. Reporting requirements**

**(a) Reports required**

In furtherance of the purpose of this chapter, the Secretary, after consultation with the Chairman of the Board, shall submit to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, on or before October 15 of each year, a written report on international economic policy, including exchange rate policy. The Secretary shall provide a written update of developments six months after the initial report. In addition, the Secretary shall appear, if requested, before both committees to provide testimony on these reports.

**(b) Contents of report**

Each report submitted under subsection (a) shall contain—

(1) an analysis of currency market developments and the relationship between the United States dollar and the currencies of our major trade competitors;

(2) an evaluation of the factors in the United States and other economies that underlie con-