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FINANCIAL SECTOR REFORM: LONGER-RUN POLICY RESPONSES TO THE ASIAN CRISIS

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ABSTRACT:

Section 1 of this paper briefly reviews a small part of the recent literature on the linkages between finance and growth, to identify possible lessons for financial reform policies. This is followed in Section 2 by a brief overview of the emerging international conventional wisdom on essential requirements for financial sector stability, reflected in codes and standards of best practice. Section 3 identifies a number of specific policy initiatives across a range of countries which have focused on developing parts of the financial sector which are seen as important for future growth. Given the range of activities, this is (at best) a cursory overview. Section 4 raises the question of how progress in financial reform agenda might be measured, identifying the need for further research in this area. Section 5 provides some concluding comments.