CONGRESS OF THE UNITED STATES

JOINT ECONOMIC COMMITTEE

JIM SAXTON, CHAIRMAN

CHRISTOPHER FRENZE
EXECUTIVE DIRECTOR

PRESS RELEASE

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GAO TO REMOVE VEIL OF SECRECY ON IMF FINANCES AT THURSDAY MORNING JEC HEARING

WASHINGTON, D.C. -- A top General Accounting Office (GAO) official will reveal the agency's analysis of public and classified International Monetary Fund (IMF) financial information for members of the **Joint Economic Committee (JEC)** at a 10 a.m., Thursday morning hearing, **JEC Chairman Jim Saxton (R-N.J.)** said today.

Harold J. Johnson, Jr., Associate Director of International Relations and Trade Issues for the GAO, will deliver the analysis of IMF finances and procedures requested by Saxton earlier this year. Saxton ordered a GAO inquiry after the IMF repeatedly failed to publicly disclose documents detailing the IMF’s finances, budget, and operations. Saxton first asked for more IMF transparency last year.

At the hearing, the GAO will present facts and figures from its review of IMF finances. “Mr. Johnson will not appear in support of any particular point of view,” Saxton said. “I believe, however, his testimony will reveal more about IMF finances than at any other time in history.”

The IMF has claimed its bailout of several Asian economies, combined with its just approved rescue of the Russian ruble, has severely depleted funds available for lending. Saxton, however, said information he had seen indicated the IMF was in much better financial condition than its officers publicly admitted.

“The impoverishment of the IMF is more than a bit exaggerated,” Saxton said. “The IMF and Treasury argument is that the IMF is financially strapped, and there is no alternative but a massive taxpayer-funded quota increase.” A JEC review of IMF assets indicates the IMF has about $43 billion in funds from member nations, $30 billion in gold, and $23 billion in its General Arrangements to Borrow (GAB) account, totaling $96 billion in resources. In addition, the IMF has the ability to borrow up to $60 to $70 billion in private financial markets.

HEARING TOPIC:	***Transparency and Financial Structure of the IMF***
TIME:	10 a.m.
DATE:	Thursday, July 23, 1998
ROOM:	2220 Rayburn House Office Building
WITNESS:	**Harold J. Johnson, Jr.** ***Associate Director of International Relations and Trade Issues*** ***General Accounting Office***

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