



CONGRESS OF THE UNITED STATES

# JOINT ECONOMIC COMMITTEE

JIM SAXTON, CHAIRMAN

CHRISTOPHER FRENZE  
EXECUTIVE DIRECTOR

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## PRESS RELEASE

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For Immediate Release  
September 30, 1998

Press Release #105-177  
Contact: Daniel Guido  
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### **SAXTON ANNOUNCES HEARING ON IMF REFORM PLANS – IMF Reform Proposals Promote International Stabilization –**

WASHINGTON, D.C. – Proposals to redesign the International Monetary Fund (IMF) and reform the global financial architecture will be discussed at a 10 a.m. October 7 hearing, **Joint Economic Committee (JEC) Chairman Jim Saxton (R-N.J.)** announced today.

The hearing, “IMF Reform: Proposals to Stabilize the International Financial System,” will be held in Room 311 of the Cannon House Office Building.

“I am pleased to announce this hearing on long-term reform of the IMF,” Saxton said. “The secrecy, inefficiency and failures of the IMF raise a number of serious and troubling questions. There is now a widespread consensus that comprehensive and structural reform of the IMF is urgently needed. This hearing will focus on specific proposals for IMF reform, and we hope to stimulate a spirited debate about the future course of international economic policy.”

Proposals for reform include:

- Adoption of banking reforms required for IMF membership in order to limit moral hazard problems;
- Ending subsidized interest rates, which are currently below 4.5 percent;
- Limiting IMF loan maturity to several months;
- Requiring collateralization of IMF loans.
- Requiring IMF transparency and accountability to permit performance evaluations and to ensure proper use of funds;
- Developing alternative sources of IMF funding.

One highly regarded expert who has integrated such ideas into a comprehensive IMF reform proposal is Professor Charles Calomiris of Columbia University. Calomiris will be one of the witnesses presenting his proposal before the committee.

**TOPIC: IMF Reform: Proposals to Stabilize the International Financial System**

**TIME: 10 a.m.**

**DATE: Wednesday, October 7, 1998**

**WHERE: Room 311, Cannon House Office Building**

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