



CONGRESS OF THE UNITED STATES

JOINT ECONOMIC COMMITTEE

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PRESS RELEASE

For Immediate Release
July 8, 1998

Press Release #105-150
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IMF AGAIN FAILS TO RELEASE DOCUMENTS

Washington, D.C. – The International Monetary Fund (IMF) has failed to publicly release staff reviews of its recent assistance programs, **Joint Economic Committee (JEC) Chairman Jim Saxton** announced today. These staff appraisals are needed to enable Congress to make an informed decision on IMF funding and reform in consultation with outside specialists and experts. Saxton has been seeking the release of these documents since last winter.

“Declining to release this material while seeking \$18 billion from Congress is simply unacceptable,” Saxton said. “The IMF and the Treasury do not want to publicly disclose the contents of IMF’s appraisals of its policies. Failure to release these documents demonstrates the excessive secrecy and lack of accountability that pervades the IMF. This secrecy would be eliminated under the provisions of the IMF Transparency and Efficiency Act, H.R. 3331.

“As this episode demonstrates, the key problem with the IMF is that it is an unresponsive and insular bureaucracy,” Saxton said. “The IMF seeks additional funding, but does not want a serious public discussion of its operations. Its excessive bureaucratic approach is a concern, not because it facilitates economic internationalism, but because of the potential danger it poses to international economic stability.”

The recent statements of Martin Feldstein, Jeffrey Sachs, and Bundesbank President Hans Tietmeyer and many others demonstrate reasons for serious concern about the direction of recent IMF policies. Just last week Tietmeyer raised the moral hazard issue and said “it has become clear that an interventionist strategy for managing financial crises can easily lead to a dead end.”

The IMF’s failure to release the requested documents was reflected in a recent letter from IMF Managing Director Michel Camdessus to Chairman Saxton. Many other Members of Congress have joined Saxton’s effort to gain public release of these documents in recent months.

For much more additional information on the IMF, please visit the IMF reform site on the JEC home page (www.house.gov/jec). JEC staff studies, hearings, and other materials central to IMF reform also are available from the JEC publication office.

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