

# **RESETTING THE INTERNATIONAL MONETARY (NON)SYSTEM**

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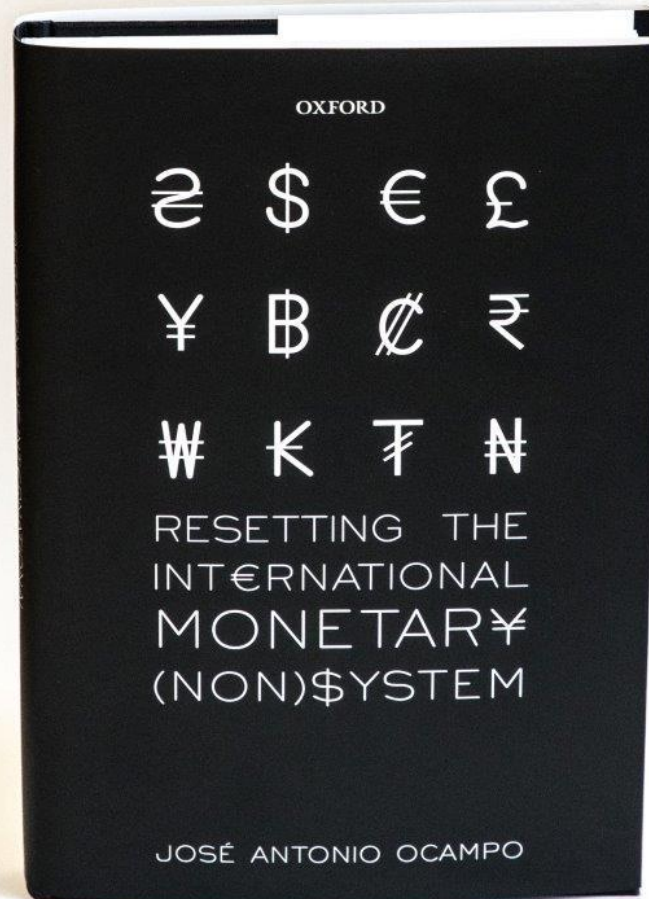
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# FOUR MAJOR AREAS OF REFORM

1. A global reserve system that contributes to the stability of the global economy and is considered as fair by all parties:
    - Mix a multi-currency currency standard with more active issues of SDR.
      - Use SDRs to finance IMF lending (considering SDRs not used as “deposits” in the IMF).
  2. Better macroeconomic policy cooperation (among major economies)
- + An exchange rate system that contributes the global balances, using “target zones” or “reference rates”.

# FOUR MAJOR AREAS OF REFORM

3. Improved crisis prevention and resolution:
  - Regulation of cross-border capital flows.
  - Larger emergency financing, particularly by expanding unconditional automatic facilities.
  - A formal international debt workout mechanism.
  
4. Improved governance:
  - Voice and representation in the IMF.
  - A representative apex institution (Global Economic Cooperation Council).
  - A multi-layered architecture: a network that includes the IMF together with regional, sub-regional and inter-regional institutions.



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