

## Roundtable on IMF Surveillance: Promoting Global Economic and Financial Stability

April 26, 2010

The Brookings Institution, 1775 Massachusetts Ave, NW, Washington, DC

On April 26, 2010, the Global Economy and Development Program at Brookings and the International Monetary Fund (IMF) co-hosted a private half-day roundtable to discuss modernizing the fund's surveillance work. Approximately 40 leading international economists, academics, policymakers, private sector executives and civil society representatives from around the world gathered to discuss and debate, under Chatham House Rule, reforms to the IMF's mandate that would enable it to more effectively promote the stability of the global monetary and financial system.

The world has changed in important ways since the late 1970s when Fund surveillance started: capital flows now dwarf trade flows, many members are integrated into world capital markets, and the interconnectedness of financial sectors has increased, allowing rapid transmission of crises across the globe. Yet, the way the Fund undertakes surveillance has not changed very much and is pretty much the same for all members, systemic and non-systemic. The increasing financial interconnectedness of countries, as demonstrated by the recent crisis which originated in advanced systemic countries, has implications for surveillance—both substance (what surveillance should do) and modalities (how to do it).

The Brookings and IMF roundtable provided a sounding board for participants to discuss and debate new ideas for the fund's thinking on surveillance. The discussion focused on two themes: how to strengthen the Fund's surveillance and how to get more traction from the Fund's policy advice. More specifically, some of the key topics discussed included:

- how best to ramp up IMF surveillance of outward spillovers from the policies of systemically-important economies, and how to reflect the views of countries that will be affected by the spillovers;
- how Fund surveillance can complement and be leveraged in the context of existing regional surveillance mechanisms;
- what the trade-offs are in pursuing a change in the Fund's current legal framework for surveillance versus strengthening surveillance within the scope afforded by the existing legal framework;
- how to promote effective economic policy collaboration and surveillance in the interaction among the Fund, the G-20, and the Financial Stability Board;
- how to balance in the Fund's role of being a confidential advisor and promoting transparency;
- how to promote greater engagement of member countries in Fund surveillance, including by engaging more with the private sector and civil society;
- how the IMF can gain more traction and legitimacy in the current political economy.

For more detailed information about many of the topics discussed, please see IMF staff papers [Modernizing the Surveillance Mandate and Modalities](#), [The Fund's Mandate—The Legal Framework](#) and [Financial Sector Surveillance and the Mandate of the Fund](#).

View the [agenda and list of participants](#).