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Concluding Remarks by **HORST KÖHLER**,  
Chairman of the Executive Board and  
Managing Director of the International Monetary Fund,  
at the Closing Joint Session

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Chairman of the Executive Board and  
Managing Director of the International Monetary Fund  
to the Board of Governors of the Fund  
Washington, D.C., September 29, 2002

1. Mr. Chairman, Governors, honored guests, this has been a very fruitful weekend, despite some unusual circumstances. We have worked to find common ground in responding to the challenges facing the global economy. I am grateful to our hosts, the District of Columbia and the US Government, and to our hard-working and dedicated staff, for making this possible. And I congratulate Minister Macki for his able chairmanship.

2. From today's discussion, it was clear that the current risks and fragilities in the global economy have been very much on your minds. But I also sensed an intention to find what Gordon Brown has called the right balance between complacency and excessive pessimism. Advanced countries have shown they recognize the need for vigilance against any further weakening in economic prospects, and for action to remove impediments to stronger growth. And Governors across our membership have demonstrated their awareness of the need to build confidence and safeguard and strengthen the world economic recovery:

- through better national policies,
- and through better international cooperation.
- Here most of you have referred to the need for action to strengthen the multilateral trading system and bring the Doha round to a successful conclusion.
- You have also welcomed and encouraged the process of reform that is underway in the IMF—of course with suggestions about what we can do better or differently.

3. I must thank you for the interest and support you have shown for an integrated concept for further reform of the IMF.

- You have asked for a clearer and more predictable policy on access to IMF resources. As some of you stressed, exceptional access must remain exceptional.
- There was also endorsement of our work to improve debt sustainability analysis, and to help develop better mechanisms for dealing with unsustainable sovereign debts. I was particularly encouraged at the agreement that the IMF should continue its work on collective action clauses that could be included in international debt instruments, and that it should come forward with a concrete proposal for a Sovereign Debt Restructuring Mechanism, for consideration by our membership by the time of the spring meetings.
- I understand that Governors are willing to look with an open mind at the concept of finding ways to provide a better safety net for countries pursuing sound policies. We intend to work on that.
- And while there is a range of views on issues relating to IMF quotas, there is universal acceptance of the principle that the IMF must have adequate resources to

fulfill its role in the global economy, and interest in revisiting the distribution of quotas.

4. It is clear from today's discussions that we have a lot of work ahead of us. And I want to tell you—you can count on the devotion and professionalism of the IMF's Executive Board, its Management, and in particular, its staff.

5. Mr. Chairman, ladies and gentlemen, these meetings have shown that there is broad agreement that globalization is a reality, and that even if we could turn back the clock, we should not try to do so. Integration into the global economy through trade, investment, and the spread of ideas and technology has the potential to bring about stronger economic growth and better standards of living for all this planet. But you have also made clear that it brings risks and social strains. And so you have stressed that we need to make a conscious effort to build a better globalization—one that is more inclusive, and leads to a better balancing of risks and opportunities. Your remarks have made it clear that all of us—member governments, international organizations, the private sector, and civil society—have to play their part. Our mandates and roles may differ, but we have common goals: strong economic growth; social and environmental sustainability; peace, justice, and fair play; and solidarity in the fight against world poverty, building on the spirit of Doha, Monterrey, and Johannesburg.

6. Mr. Chairman, ladies and gentlemen, I am convinced that a better world is possible, if we are willing to invest in better globalization. Let us work together to make it happen. I look forward to reviewing progress at our meetings next year in Dubai, under the chairmanship of Switzerland.