

Supplement 10 Notes: “First, Reform the I.M.F.”

workload =

drastically =

loan portfolio =

plummeted =

work past retirement age =

track record =

ignored =

contagion =

lexicon =

roundly (criticized) =

What were the criticisms directed at the IMF during the Asian financial crisis in 1997-1998?

1.

2.

prop up =

accountable =

(an) *unsustainable* (exchange rate) =

What did many middle-income countries do as a result of the bad experiences of some countries with the IMF during the Asian crisis?

What were the economic pains experienced by some countries due to the mistakes made by the IMF that it didn't have to account for?

1.

2.

3.

Who were the rich member countries with a solid voting majority in the IMF?

1.

2.

3.

overseer =

Who is the IMF's principal overseer?

standby arrangement = the basic short-term loan agreement between the IMF and its member-country borrowers

What is the most important component of this “standby arrangement” that a borrowing country has to follow?

avowed (commitment) =

expansionary fiscal policy =

Does the author believe when the IMF says it has “changed?”

spending cut =

public debt =

negative demand shocks =

Which two countries are named as examples of IMF borrowers who argue with the Fund over the spending cut requirement?

1.

2.

balance-of-payment problem =

What kind of sacrifices does the author claim the IMF asks a borrowing country?

in pursuit (of a goal) =

According to the author, what should be the main purpose of the IMF lending in the current economic crisis?