

SPECIAL DRAWING RIGHTS



Special Drawing Rights (SDRs) are a financial resource created and maintained by the International Monetary Fund (IMF). These resources are not loans to governments, do not come with conditions from the IMF, and have no cost to the American taxpayers.

The COVID-19 pandemic has exacerbated and exposed global inequalities and their considerable impact on people's lives. Global crises cannot be resolved only by high-income countries with low-income countries left to fend for themselves. **SDRs are an efficient way for countries to respond to their most pressing issues - be it climate, health, debt, or other.**

Securing a major issuance of SDRs is our top priority in our advocacy. **For the global economy to recover from the COVID-19 pandemic, and to prevent massive loss of life and suffering by individuals from the strain on health systems, 2 trillion worth of funds are needed.** The IMF has the ability to provide those funds through SDRs if authorized by the US Congress.



The full issuance of SDRs would not only benefit the IMF member countries that receive them but would also accelerate the US's own economic recovery. Global crises hurt trade partners, and US exports fall sharply in times of recession, supporting a global recovery will help the US economy. Additionally, Congress' approval of SDRs will restore the US's position as a global leader for humanitarian and economic efforts, without spending US money.



The US Treasury has the ability to authorize a release of SDRs, though a limited amount, without the approval of Congress. This was done in August 2021, when \$650 billion worth of SDRs were released to IMF member countries.

The issuance was a stop-gap measure to respond to the COVID-19 pandemic and nowhere near the full potential of SDRs. Within weeks, the majority of low-income countries had used their entire allotment of SDRs and are already calling for more.

Action Corps played a key role in advocating for and securing the August 2021 release of SDRs through leading a national coalition of organizations and through our members meeting with congressional offices, writing letters to the editor, op-eds, and targeted social media content across over twenty states and DC.

