IMF
INTERNATIONAL MONETARY FUND

The Creation of the IMF

- Created After World War II
- It is a cooperative of 185 member countries
- Their objective is to promote world economic stability and growth.
- Member countries and partners provide money
- Works with UN
  - But Independent

Mandate of the IMF

- Promote international monetary cooperation
- Allow for collaboration on international monetary problems
- Help the expansion of international trade
- Promote high levels of employment
- To promote exchange stability
- To maintain orderly exchange arrangements among members
- Allow for easier repayments
- Make funds available to members who need them

Roles of the IMF

- Surveillance (Doctor)
- Surveillance over Members' Economic Policies
- IMF is "the only organization that has a mandate to examine on a regular basis the economic circumstances of virtually every country in the world."

Roles of the IMF

- Technical Assistance (like a teacher)
- Strengthen human skills and build educational institutions
- Helps members strengthen legal framework of country

Roles of the IMF

- Financial Assistance (Banker)
- Lending to countries to support reform
- Development of standards and codes of good practice.
- Involvement of the private sector in crisis resolution

Governance of the IMF

- IMF is accountable to its member countries.
- Board of Governors: one governor from each member country. Meets once a year.
- Day to day affairs are guided by the Executive Board

Where does IMF Get its Money?

- Quota subscriptions generate most of the IMF's financial resources.
- Each member country of the IMF is assigned a quota, based broadly on its relative size in the world economy.

Who uses the IMF

- Countries facing financial crisis who may default without extra assistance
- Money is used for structural adjustments that will ensure country will be able to repay IMF
- Used as a last resort