

《Lagarde: Credibility at stake in reform row》

The IMF Managing Director, Christine Lagarde, has addressed policymakers on the Post-2015 Development Agenda, at the fund's annual meeting in Peru. •

Lagarde criticized Washington's use of its de facto veto at the IMF to block reforms giving emerging countries a greater say. She says it's jeopardizing the IMF's credibility. The IMF has been caught up in a politically charged battle over such reforms.

The reforms are intended to reflect the changing global economy by giving emerging giants such as China more weight at the Fund. They were originally propelled by Washington. But for three years, the US Congress has refused to sign off on the deal.

Some legislators don't want to contribute more money to the IMF and others are concerned about eroding US dominance of the Fund. Lagarde called on the US to get on board with the reforms.

"The first best solution is the ratification of the 2010 reform, and I very much hope that the United States will ratify this quota reform in the not too distant future, and hopefully before the end of this year. In the meantime, we cannot just stand still and wait forever, so there is technical work which has been done. There are various interim steps which are no substitute to the 2010 reform," Lagarde said.