



2018/2019 Research Topic 2

THBT the International Monetary Fund (IMF) is a failure



Topic 2: THBT the International Monetary Fund (IMF) is a failure

Helpful research links:

<http://www.imf.org/external/>

<https://www.britannica.com/topic/International-Monetary-Fund>

<http://www.economicdiscussion.net/international-monetary-fund/achievements-international-monetary-fund/15-major-achievements-of-international-monetary-fund/13183>

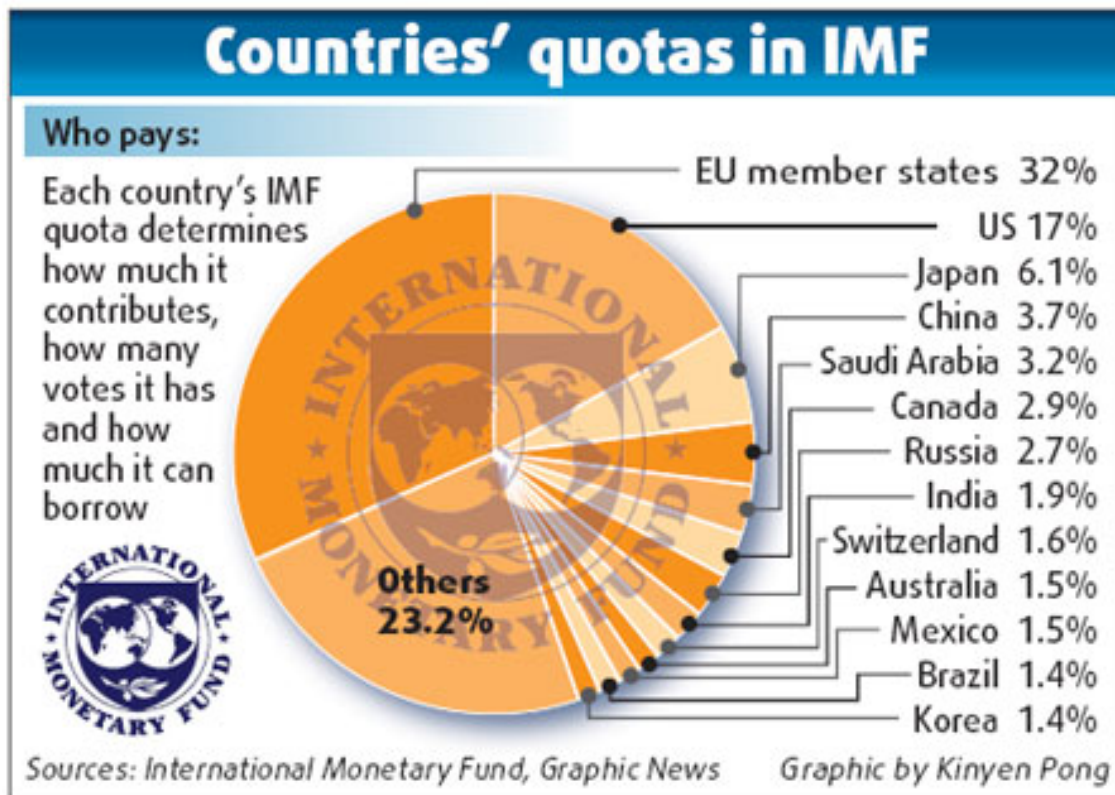
This research booklet is intended as a starting point for senior high students. Debaters are expected to conduct their own additional research. Ideas presented are intended to inspire greater inquiry, and debaters should broaden the scope of the debate to other topics beyond those presented here.

Model and Definition

Proposition team should create fair and balanced definitions for the debate.

A clear set of metrics to measure “failure” may clarify to the judges how each team will approach the debate and can provide valuable structure to the round. If proposition team would like to implement criteria, they may want to consider questions such as what the original mandate of the IMF was, any latent effects that it may have had, and its track record.

The International Monetary Fund (IMF) seeks to maintain the stability of the international monetary system through loans, monitoring of participant nation economies, and providing technical expertise for developing economies. Member nations all have a quota of how much money they must contribute towards the IMF. Headquartered in Washington, IMF management is based upon the relative economic importance of the different member nations.



Potential Proposition Points

1. The IMF is largely driven by Western nations

Based on the organization of the IMF, the United States and Europe have a large amount of influence. As a result, the organization can leverage smaller, developing economies into adopting economic policies that aid Western nations. Similarly, provision of loans and aid can be viewed as strategic choices based on the needs of these nations, as opposed to actions designed to benefit poorer countries.

2. IMF conditions are inappropriate

The conditions attached to IMF loans are often harsh austerity measures coupled with privatization, slashing of public services/welfare, and an increase in costs for consumers. Not only do these conditions often inappropriately interfere with sensitive domestic policies and situations, but they are rarely specifically tailored towards the economic conditions of the country at hand.

3. The IMF has failed to adequately support economies

Temporary loans have resulted in countries spiralling even deeper into debt, leading to more economic harm than the loan actually solved (meaning many of the nations who use IMF funds are repeat borrowers). IMF predictions and surveillance can also be inaccurate, reducing the validity of their recommendations and conclusions.



Potential Opposition Points

1. The IMF has contributed to the expansion of world trade

The IMF has made it easier for countries to trade among one another by facilitating multilateral payments as well as helping with financing and adjusting payment deficits. Overall, the IMF has significantly impacted international trade.

2. The IMF has been very supportive to developing countries

The IMF has assisted in financial matters and helped to developing countries to create a structure for fiscal, exchange, and trade policies. It has played a key role in helping these countries also strengthen their current systems. By actively aiding these developing countries, IMF has given them a starting point for growth.

3. The IMF does not interfere in domestic affairs

Although the IMF provides guidance to countries, it has never imposed its power on the governing bodies of these countries and their internal economic policies. This means that the IMF has not directly been involved in a country's decisions. Therefore, this supports the point that IMF is a helpful organization for guidance and failures of a specific country cannot be attributed to them.