

IMF, World Bank must end colonial rule, says ActionAid

ActionAid has said the time is up for the International Monetary Fund (IMF) and the World Bank to stop perpetuating a colonial rule on the world. The call was made recently as the two global financial institutions conclude their spring meetings in Washington DC. ActionAid, in the statement said for the last 80 years the IMF and World Bank have been in existence, not much has changed as global South countries have been pushed further into debt and are reeling from the impacts of IMF-imposed austerity measures. In its 2023 report *Fifty Years of Failure*, ActionAid found that despite following the IMF's advice for decades, many African countries are

concerned about a 'gentleman's agreement' which has ensured that the IMF managing director has for 80 years been European and the World Bank president a US national. Country Director of ActionAid USA, Niranjali Amerasinghe, said: "Kristalina Georgieva's appointment is a continuation of the colonial era 'gentleman's agreement', where rich western powers have the most say. It is unacceptable that 80 years later we still have to call this out. The IMF must change its leadership selection process, its decision-making model, and the harmful practices that keep developing countries in a cycle of crisis.

"As the climate crisis wreaks havoc, global South



in debt distress or facing a high risk of debt distress. Austerity measures have blocked the recruitment of teachers, doctors and nurses, even in countries with severe shortages, and have squeezed public sector salaries at a time of a rising cost of living.

Global Lead on Economic Justice and Public Services at ActionAid International, Roos Saalbrink, said: "Countries in the global South have since the structural adjustment programmes been in perpetual austerity, eroding public health and education. At a time of unprecedented climate crisis and debt crisis in the global South, the Bretton Woods Institutions continue to oil the wheels of colonial exploitation and extraction. At the same time global South governments have very little say in the policies coming from these institutions at the centre of the international financial architecture. 80 years is enough." The statement said ActionAid is also

concerned about a 'gentleman's agreement' which has ensured that the IMF managing director has for 80 years been European and the World Bank president a US national. Country Director of ActionAid USA, Niranjali Amerasinghe, said: "Kristalina Georgieva's appointment is a continuation of the colonial era 'gentleman's agreement', where rich western powers have the most say. It is unacceptable that 80 years later we still have to call this out. The IMF must change its leadership selection process, its decision-making model, and the harmful practices that keep developing countries in a cycle of crisis.

ActionAid is a global federation working with more than 41 million people living in more than 71 of the world's poorest countries, the organisation wants to see a just, fair, and sustainable world, in which everybody enjoys the right to a life of dignity, and freedom from poverty and oppression. We work to achieve social justice and gender equality and to eradicate poverty.