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Lean In Congress—It’s Time to Show Leadership and Support the IMF

by [Heidi Crebo-Rediker](#)

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Today we are please to have the following guest post written by Heidi Crebo-Rediker, a CFR Senior Fellow. Prior to joining CFR, Heidi served as the State Department’s first chief economist.

The urgent situation we now face to counter Russian aggression in Ukraine is a moment of truth for the United States. This where economic statecraft meets the cold hard power grab borne of an era we thought had passed. The world is looking for the United States to lead, to respond, and to take action. Russia clearly made the bet that the United States would not step up to this task.

There are many tools in the economic toolbox that the United States and partners can employ to make this exercise in power a more painful one for Russia and a less painful one for Ukraine. All of these are on the table. Some are bilateral, other multilateral. The United States, both Congress and the administration, has been remarkably impressive in its swift determination to come together and lead in this crisis, and to lead with economic tools.

But there is one big gap in our leadership at an institution sitting at the center of Ukraine’s lifeline to an economic future: The IMF.

A support package for Ukraine under consideration in the Senate includes funds for loan guarantees, support for stolen asset recovery, technical assistance, support for enhanced security cooperation assistance in the region, and allowance for additional sanctions. It also includes language necessary to pass IMF quota reforms agreed in 2010 that guarantee the Fund has the resources and governance structure necessary to support Ukraine and other economic crises that can threaten United States national security.

The strategic case to support IMF reform has not been adequately articulated by the foreign policy and national security community. But it is of critical importance to both those communities. Passing IMF quota reform is more than re-configuring shares and chairs or the transferring of funds from one account to another. Supporting this multilateral institution, an institution of our making for the purpose of being able to step up in situations just like this, is, in fact, strategic. It would demonstrate that the U.S. Congress understands this responsibility to lead at a time when many of our friends and allies are questioning our leadership in the world.

World leaders do not understand why the U.S. Congress does not “get it”—that international economic power matters—and the institutions that sit at the center of international economic policy need to be robust, representative and legitimate. The proposed reforms are ones that the United States pushed for and negotiated, specifically to address these three perceived inadequacies to ensure we have a strong IMF in the 21st century. Excuses, such as the IMF has “no constituency” in Congress or can be traded for another political priority, ring hollow abroad and feed fears that the United States does not understand its role in the world.

Leadership comes, and is expected, in many forms. The IMF is our core multilateral institution to support member countries in times of economic stress. Ukraine is now the poster child for this need. The United States remains the largest shareholder and retains the right of veto on the most important decisions, but this does not equal leadership. It’s time to lean in and get this done.

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