

‘No IMF & World Bank Money For Zim Until There Are Reforms’

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The International Monetary Fund (IMF) cannot lend money to Zimbabwe unless the United States government allows it, an economist Berry Wood has said.

Wood was speaking during a recent policy debate on Zimbabwe at the CATO Institute, an American think-tank. Said Wood:

“The United States has a veto power to the IMF and the World Bank so no money can go from the IMF to Zimbabwe, the arrears have been cleared that’s not a problem, but the IMF can’t do anything unless the United States says okay.

Without IMF approval and Americans veto, there cannot be a restructuring of the debt and Mr Ncube’s agenda. There cannot be any private lending into Zimbabwe because they wait for IMF approval.

Whether there is money coming from the IMF is relatively unimportant at this stage, but those Zidera (Zimbabwe Democracy and Economic Recovery Act) measure prevents the USA from supporting any kind of lending to Zimbabwe beyond the Staff-Monitored Programme, which means no money, just advice and consultation.”

United States President, Donald Trump extended the targeted sanctions on Zimbabwe by another year as a result of the government’s failure to reform as shown by the brutal crackdown on protestors in August last year and January this year.

Wood also said that it was critical that the US sanctions be removed, a call that was echoed by another renowned economist, Steve Hanke during the same debate.