

## Liberalisation/Free market policies: The IMF and the World Bank

### Task 1

Use the interactive resource as an introduction to IMF and World Bank.

Further research the IMF and World Bank using the links below:

[https://www.youtube.com/watch?v=\\_xgxCf05Kmw](https://www.youtube.com/watch?v=_xgxCf05Kmw)

Details: <http://www.telegraph.co.uk/finance/financialcrisis/9162901/How-the-World-Bank-differs-from-the-IMF.html>

### Task 2

Analyse the Washington Consensus and Post-Washington Consensus sheet C and analyse how these policies might be intended to help a country.

Summarise key strands (colour coded) (Internal: reduced role of state/lower debt, privatisation and deregulation. External: Floating (generally devalued) currency and removal of protectionism by the country itself. Hence policies to stimulate investment by reducing crowding out, increasing competition and efficiency and hence growth.

### Task 3

Using the interactive resource identify what might go wrong with each of these four categories in an LEDC.

Then the following resources verify that point:

- Jamaica <https://www.youtube.com/watch?v=YolJPwfsbqg>
- Stiglitz transcript (separate sheet) Sheet D
- IMF criticised over Ebola: <https://www.youtube.com/watch?v=KmeWVzRYJvA>
- Luckiest nut: <https://vimeo.com/4557989> Mozambique and the IMF from 9 minutes and 37s.

### Task 4

Some claim that Turkey has had some success: <http://www.hurriyetdailynews.com/turkey-a-success-story-for-the-troubled-imf.aspx?pageID=238&nid=47180>

Looking at China, (<https://www.bloomberg.com/news/articles/2017-11-10/china-s-path-toward-opening-up-its-financial-system-a-timeline>) it is clear that it has liberalised economically, but over a much longer timescale and with more control by the state. Maybe the issue is therefore pace of implementation rather than necessarily the policies themselves.