

The Impact of IMF Economic Policies on Poverty Reduction in Low-Income Countries

(I M F 支援経済政策が低所得国の貧困削減に及ぼす効果の分析)

August 2, 2003

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Abstract

Over the last two decades, reducing poverty in low-income countries has been one of the important challenges for the world. Since the 1980s, the International Monetary Fund (IMF) began to tackle the poverty issue by providing highly concessional lending to these countries. In the early 1990s, it progressively integrated social spending needs into its adjustment programs. In 1996, the IMF and the World Bank introduced a Highly Indebted Poor Country (HIPC) Initiative to provide for official debt relief. Nevertheless, a world-wide prevalence of poverty in low-income developing countries have led to strong criticisms of international financial institutions, including the IMF. In response, the IMF introduced the Poverty Reduction and Growth Facility (PRGF) in 1999 to integrate the objectives of poverty reduction and growth more fully into its operations for low-income countries. This paper attempts to explore the issue of what factors have affected the level of poverty and whether IMF-supported programs have contributed to poverty reduction in low-income countries. It then identifies the areas of weakness of IMF-supported programs and attempts to provide the policy implications of their program designs.

ⁱ This paper was presented at the JBIC Institute. The author benefited from many insightful comments from Mr. Satoshi Iijima, Dr. Li-Gang Liu, Mr. Keisuke Orii, Dr. Naoko Shinkai, Dr. John Weiss, and Dr. Masaru Yoshitomi. This paper was written while I was a visiting scholar to the ADB Institute.