

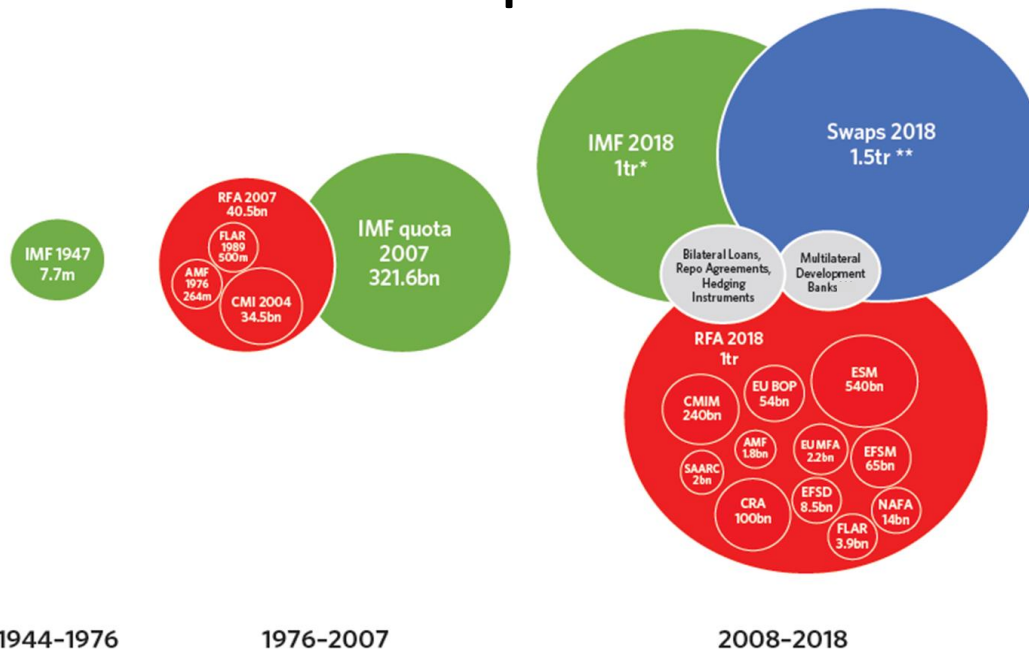
Inequalities in the Global Financial Safety Net under COVID-19

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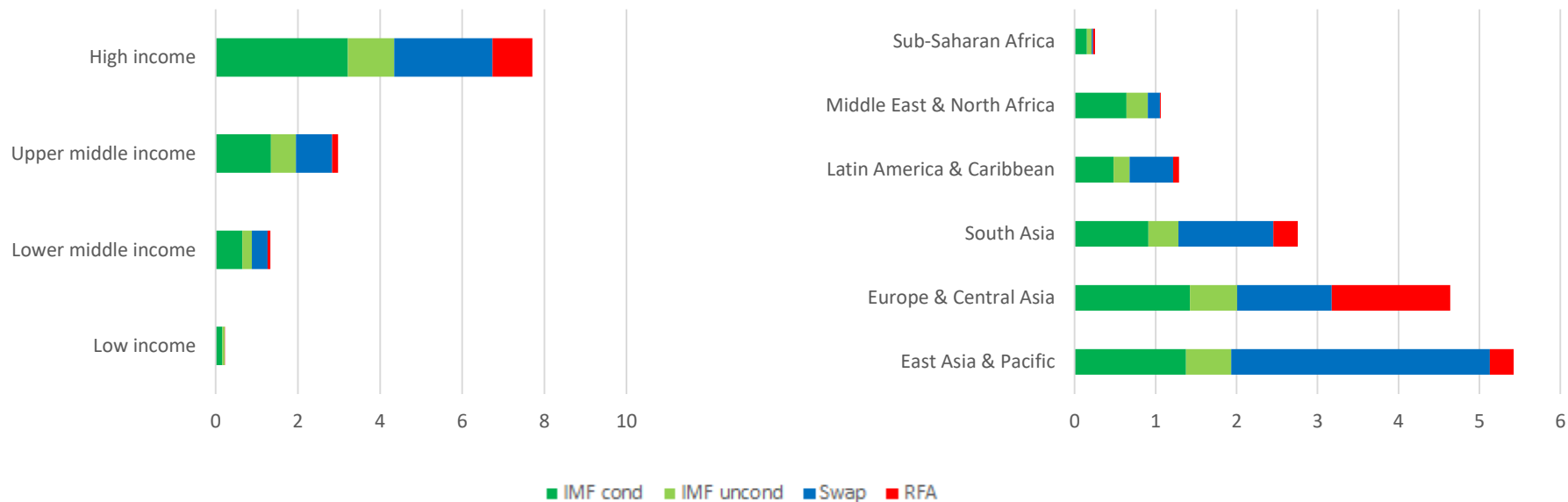
Global Financial Safety Net: IMF & RFAs & swaps



Source: Mühlich et al. 2020

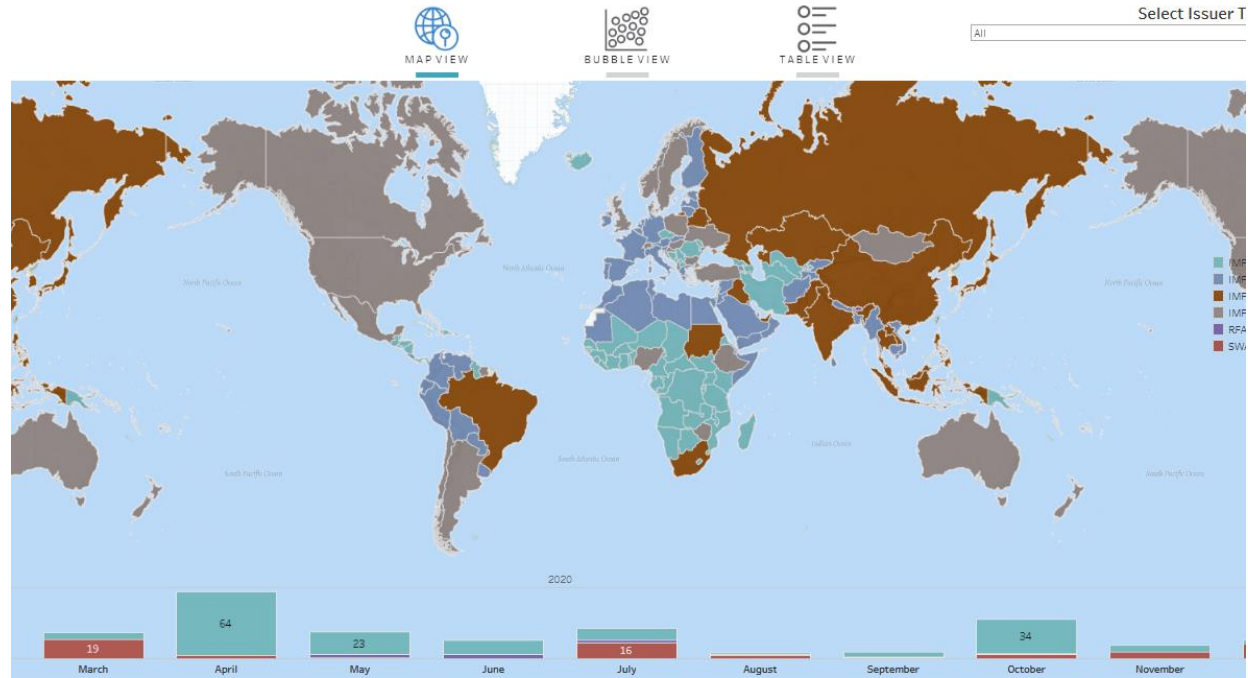
GFSN lending capacity 2020

(in % of GDP, weighted GDP share, by income group and by region)



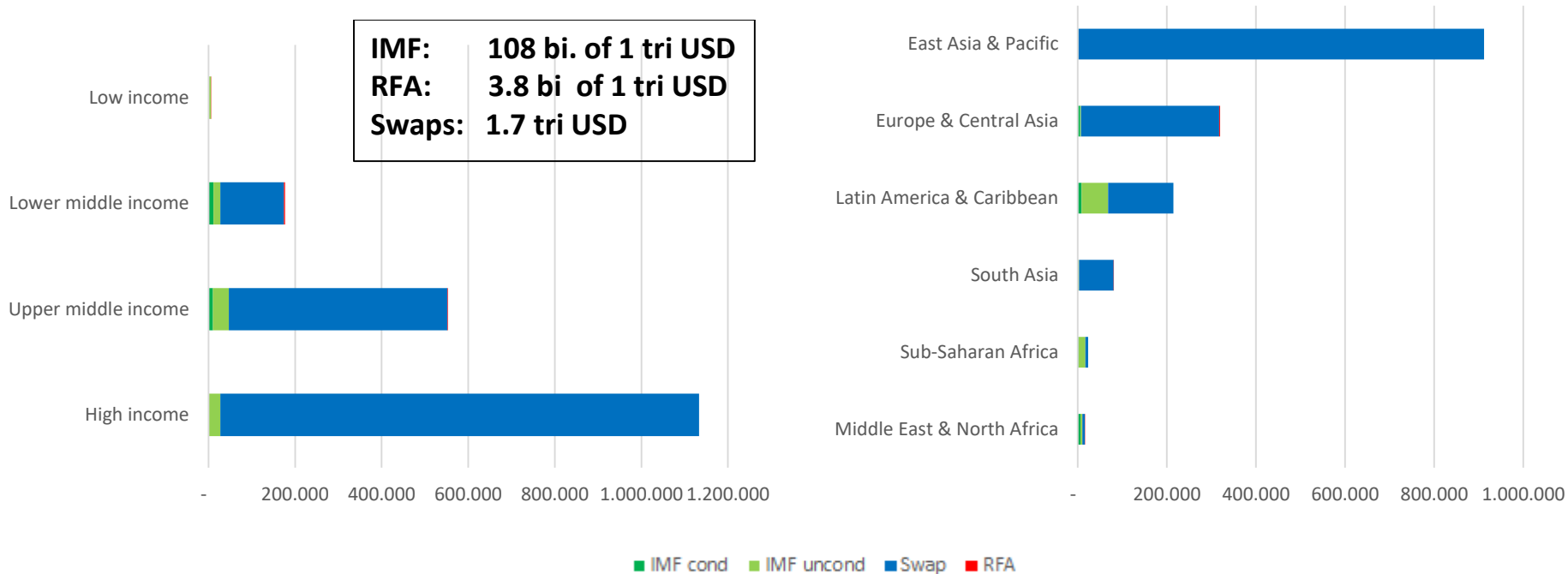
Notes: CMIM, CRA: only IMF-delinked portion; swaps: active in 2020; IMF conditional: SBA, CCR, EFF, ECF; IMF non-conditional: RCF, RFI, FCL, PLL, SLL

Financing Arrangements During the COVID-19 Pandemic (IMF, RFA, and SWAP agreements)



Lending under COVID-19

(from Feb. 2020 to March 2021, in USD mi, by income group and by region)



Notes: CMIM, CRA: only IMF-delinked portion; swaps: active in 2020; IMF conditional: SBA, CCR, EFF, ECF; IMF non-conditional: RCF, RFI, FCL, PLL, SLL

GFSN: Unequal, de-multilateralizing?

1. Multilateral institutions: IMF, RFAs in little use until now

- Calm before the storm?
- If demand grows, poorer countries / regions under-insured?

2. Shifting weights:

- Dominated by national interests, reliability?
- New „liquidity diplomacy“ of swaps crowding out IMF and RFA?

3. Make multilateral institutions more attractive!

- cooperation between IMF and RFAs
- Further reform of IMF: conditionality!



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