

## Capital controls back in IMF toolkit

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*In 1942, when working to establish the International Monetary Fund, John Maynard Keynes said the “control of capital movements, both inward and outward, should be a permanent feature of the post-war system.”*

*In his new book [Capital Ideas: The IMF and the Rise of Financial Liberalization](#), Jeffrey Chwieroth argues that despite the fact that the economics profession largely maintained their support of Keynes’s position, by the late 1990s the [IMF](#) motioned to change its articles of agreement in order to outlaw capital controls across the world.*

The about-face in IMF thinking, according to Chwieroth, was due to a change of position among IMF staff. In yet another about-face, the IMF staff just released a position paper where they retract their rejection of Keynes ideas. Now it’s time to practise what they preach.

Yes, yes, yes!