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IMF's New European Chief Shakes Up Department Amid Euro Crisis

By Sandrine Rastello - Dec 2, 2011

Reza Moghadam, who took over European operations at the [International Monetary Fund](#) last month, shook up the department by appointing three new deputies as the fund prepares for deeper involvement in the euro region's debt crisis.

Mahmood Pradhan, Aasim Husain, and Rodrigo Valdes will all join from other departments as deputy directors, according to an internal announcement dated Nov. 28 and obtained by Bloomberg News. None of them is a citizen of a country of the 17-nation euro region, where the IMF is co-financing bailouts to Greece, Portugal and Ireland and is preparing to send a team to Italy to audit the country's efforts to reduce its debt.

"They are all of course superb economists, but they bring much more to us at these trying times for the department," Moghadam, a U.K. citizen, said in an e-mail to some IMF staff members. "They have all been intellectual leaders within and outside the Fund, with enormous depth and expertise."

Moghadam on Nov. 16 was named to replace Portuguese national [Antonio Borges](#), who resigned for "personal reasons" less than a year into the job. European finance ministers said this week they would seek a greater role for the IMF alongside their own bailout fund in their bid to tame the euro region's sovereign-debt turmoil.

"These three people had not worked on [Europe](#) before," said [Eswar Prasad](#), a senior fellow at the [Brookings Institution](#) in Washington and a former IMF economist. "They don't bring any baggage with them so they are in a sense free to think newly about how the IMF ought to be engaging with Europe in these difficult moments."

IMF spokesman [William Murray](#) had no immediate comment.

The new deputy directors are expected to start in mid- December, according to Moghadam's e-mail.

Deputy Directors

Moghadam's e-mail didn't say whether the current three deputy directors in the European department would be replaced. An IMF employee from the strategy department was assigned to the department for three months to "help with the transition process and human resource issues," according to the e-mail.

Pradhan, a U.K. citizen born in [Uganda](#), is currently mission chief to Japan and Singapore, according to the announcement. He joined the IMF in 1993 after four years at the [Bank of England](#), worked for more than 10 years in financial markets including for hedge fund Tudor Investment Corp. and came back to the IMF in 2007.

Husain, who is from Pakistan, spent most of his career at the IMF, with positions ranging from assistant to the chief economist to mission chief to Jordan. He most recently worked in the strategy department, where he has supervised the IMF's new guidelines on [capital controls](#).

Valdes, a Chilean national working in the Western Hemisphere department, oversees the work on countries including the U.S. He joined the IMF in 2009 and previously worked as chief Latin America economist for Barclays Capital Inc. and as chief economist at the Chilean central bank.

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