UPDATE 1-Washington economists press Geithner on IMF reforms

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(Adds IMF's response in paragraphs 11-13)

By Lesley Wroughton

WASHINGTON, Jan 27 (Reuters) - More than a dozen high-profile economists on Tuesday called on the Obama administration to delay congressional approval of a proposal on changing voting power at the International Monetary Fund and negotiate more ambitious reforms.

In a letter to new U.S. Treasury Secretary Timothy Geithner, the Washington-based economists said the changes to IMF voting power approved in March were "inadequate in the light of the ongoing global economic and financial crisis."

The changes gave some large emerging economic powers like China and India a greater say in the IMF, despite misgivings among developing countries the move did not go far enough to significantly reform the IMF.

In some countries, including the United States, such changes require legislative approval.

The economists urged the Obama administration to take up the issue again at a meeting of Group of 20 leaders in early April, when IMF reforms will be discussed, and to push for a renegotiation of the package.

"We urge you to reopen the package starting in your discussions with other governments in advance of the meeting of G-20 heads of government in London on April 2," they wrote.

Among the economists is Ted Truman, a former senior U.S. Treasury official now at the Peterson Institute for International Economics; Nancy Birdsall, president of the Center for Global Development; Eswar Prasad, Joannes Linn, Homi Kharas, Colin Bradford and Ralph Bryant of The Brookings Institution; Jo Marie Griesgraber of New Rules for Global Finance Coalition, and John Sewell of the Woodrow Wilson International Center for Scholars.

The IMF's legitimacy and relevance must be strengthened through bold measures that will make it more representative of its 185 member countries, the economists said.

SEEKING GREATER RESOURCES AND MANDATE

Measures to increase the IMF's resources and to implement its mandate for exchange-rate surveillance are needed, and it must ensure its chief is selected on the basis of qualifications, not nationality, they added.

The letter to Geithner came days after he told U.S. lawmakers that President Barack Obama wants to reform the IMF to give developing nations a greater stake in the institution.

IMF spokesman William Murray said early approval of the reform legislation was important and includes proposals to put the Fund's finances on a sounder footing, including through the sale of a portion of IMF gold.

He said the changes were a first step to rebalancing members' voting power and included a commitment to additional vote adjustments.

"The IMF has been consulting closely with governments and non-governmental stakeholders on these and other issues central to the Fund's future role, and will continue to do so in the lead-up to the Group of 20 summit in April," he said.

But Domenico Lombardi, president of the Oxford Institute for Economic Policy and a former IMF board member, said the changes fell short of what was needed to make it an effective overseer of the global financial system.

"The kind of agreement that was reached a few months ago didn't deliver on the expectations in terms of a more drastic shake-up of the IMF governance framework," said Lombardi, who also signed the letter to Geithner.

"Given the current momentum for moving forward more aggressively, the idea would be to have a more courageous view in terms of reforming the Bretton Woods institutions," he added.

Lombardi said the new U.S. administration was widely expected to be more willing to pursue broader change at the IMF. And since Geithner had worked at the IMF, there was also a general recognition that he would be more understanding of the workings of the institution.

"While it was difficult to talk about IMF reform with the previous administration getting so close to the end of its mandate, there is a general sense of hope that the new administration will be more pro-active in terms of engaging more aggressively on the multilateral institutions," Lombardi said. (Reporting by Lesley Wroughton; Editing by Jan Paschal)