
U.S.' MNUCHIN SEES SOME 'VERY GOOD' EUROPEAN CANDIDATES TO LEAD IMF

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By David Lawder

CHANTILLY, France (Reuters) □ U.S. Treasury Secretary Steven Mnuchin said on Thursday that there are some very good European candidates to head the International Monetary Fund, but he is not taking for granted the tradition of European leadership at the institution.

In an interview on the sidelines of a G7 meeting of finance ministers and central bank governors, Mnuchin there was a consensus among participants that the IMF leadership decision be expedited.

French Finance Minister Bruno Le Maire said on Thursday that France will coordinate efforts to identify a European candidate to head the Fund by the end of July

Mnuchin declined to comment on individual candidates that he favours for the job.

I would hope that there are good European candidates for us to consider and by the way I think there are very good European candidates, he said.

Mnuchin holds strong sway over the choice of a new IMF leader because he oversees the United States 16.52% voting share on the Funds board, creating an effective U.S. veto over major decisions.

Lagarde tendered her resignation from the IMF on Tuesday, citing more clarity about her nomination to become president of the European Central Bank.

Since their creation at the end of World War II, the IMF has been led by a European and the World Bank by an American.

Mnuchins top international official at Treasury, David Malpass, was approved in April as president of the World Bank after his nomination by U.S. President Donald Trump, with unanimous support from European and emerging market countries.

Mnuchin said he is not making assumptions about the U.S.-European leadership duopoly for the institutions.

No matter what the historical norms, we never took it for granted that there was a U.S. person for

the World Bank and we dont take it as an absolute given that there has to be a European for the IMF, Mnuchin said.

Having said that, we appreciated the support for David Malpass and obviously were going to work with all of our counterparts on getting the best person for the job.

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On Thursday in Chantilly, senior European officials said that one potential candidate viewed as well qualified, Bank of England governor Mark Carney, appeared out of the running. Carney is a Canadian, but holds Irish and British passports, and some officials said they prefer a candidate who was born and raised in continental Europe.

The officials said European Union countries are discussing the candidacies of Jeroen Dijsselbloem, the Dutch former head of euro zone finance ministers; Nadia Calvino, the Spanish economy minister; Mario Centeno, the Portuguese chairman of euro zone finance ministers; and Olli Rehn, the Finnish central bank governor.

Mnuchin said the candidate must carry some leadership clout.

Its a very important leadership position. Someone needs both political and economic experience, he said.

Another name that has surfaced in recent weeks is Kristalina Georgieva, the chief executive officer at the World Bank, a Bulgarian national who has held several top EU positions.

Mnuchin said he has very high regard for the work shes done at the World Bank.

(Reporting by David Lawder; Editing by Susan Thomas)

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