



Transcript of IMF podcast with Tristan Walker: “IMF iLab: New Space for Innovation”

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MR. EDWARDS: Hello. I’m Bruce Edwards and welcome to this podcast produced by the International Monetary Fund. In this program a new space at the IMF for innovation.

MR. WALKER: You know, if you see it as a means, I think it can be a means by which we can try and address some of these emerging themes, such as corruption, inequality, but more quickly, hopefully, with more collaboration, and become a bit more of an agile and sort of flexible organization in that sense.

MR. EDWARDS: The technological revolution is rapidly changing the way the world does business with far-reaching implications. But technology also offers the potential for finding solutions to some of the challenges facing the global economy. The IMF has decided to create a space for some creative thinking among its economists and recently opened an Innovation Lab. Tristan Walker is the first iLab chief and I began our conversation by asking him why now?

MR. WALKER: Well, I think there’s an opportunity at the moment which I believe the Fund is really trying to embrace in terms of making the most of the advancements, the changes, and sort of rapid progress I guess you could call it in both technology, but also social and other issues that is going on around us. And I think there’s an opportunity for the Fund to try and tap into this as much as possible and thereby, you know, stay relevant and stay ahead of some of these trends.

MR. EDWARDS: But we hear a lot about innovation, it seems. Just in the past year it seems everywhere you look there’s some effort towards innovation. Do you think we -- and I don’t mean we at the Fund, I mean we as people -- are trying harder to be innovative today than past generations were?

MR. WALKER: I think clearly it’s a buzzword and, you know, these things can come and go, but I think there are some important differences in some ways between now and before. Clearly, there were amazing innovators and pioneers in the past and, also, the IMF, if you look back -- I’ve looked a little bit at the history -- has evolved and changed over time significantly, actually. And I would also refer that to innovation in a sense. So whilst maintaining its mandate, the world has changed around the IMF and the IMF has adapted.

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Now, I think the difference today, both inside the Fund, but also outside, is that the rate of change I think is getting quicker. And also, I think it's affecting more people more quickly. And that, I think, is why it's talked a lot about outside. I think people realize that this rate of change, both technological change, but also social change, you know, change in how we communicate, change in how we work, is going to also affect economies and how we run economies. And I think this is why it's relevant to the IMF at that kind of larger level.

On a more sort of cultural level within the IMF, especially amongst newer generations, you know, I think there is a change in how people perceive work and how they contribute to work. And that's important to recognize and to make sure that we remain an attractive place for newer generations of talented people to come and work at the Fund and contribute to the Fund.

MR. EDWARDS: So macroeconomic policy, and that is what the Fund does a lot of, has very deep roots. How much room is there for innovation at the Fund? And do you worry how difficult it might be to get economists to think outside of the box?

MR. WALKER: You're right, the macroeconomic policy has deep roots and for good reasons, you know. It's well established, it's well tested in many ways. But my impression so far at the Fund is that people are very open to change and by nature of their let's say academic and research sort of leaning, which in some ways does require, if you're an economist, to constantly be thinking about what are the changes in policy and the changes and the new ideas that are coming up and you're reading papers.

So I think people may not realize this and innovation is a bit of a buzzword in that sense, as I mentioned. But, you know, there is a lot of innovative work happening in the Fund. We don't necessarily label it such, but the way that we work, there is a lot of it there already. So that's a positive thing.

And I certainly don't believe in terms of the work of the Innovation Lab that we're talking about going in and imposing on people suddenly you have to change everything or this is sort of essentially driven program. It's not. It's meant to be really more a way of supporting, catalyzing, bringing people together, and really helping be that kind of oil in the machine if it's where it's needed, to sort of enable innovation to perhaps happen a bit more rapidly or a bit more openly or in a bit more of a collaborative way.

MR. EDWARDS: And you mentioned oiling the machine. So I read somewhere that an innovation team should be run more like an ant colony rather than that well-oiled machine. And I'm not exactly sure of what's behind that, but I suspect it has a lot to do with the group dynamic. What's your approach? I mean, how do you motivate people to become more innovative?

MR. WALKER: Well, this is something that I'm focusing on very much at the moment, and I see it really as my primary role here within the Fund, which is to try and look at how we can support and enable a more innovative culture within the Fund and within the way that we support and work with our colleagues here at the Fund. So your analogy with an ant

hill versus machine is an an interesting one.

I certainly agree that flexibility and adaptability and sort of collaborative working are essential to fully embrace new ideas and sort of innovation within the work. So in that sense a machine is probably too rigid and too fixed and perhaps focused too much just one sort of constant output. So I think in that sense, and I see this happening already, you know, we the Fund, we are trying to look very much at the new emerging themes. If you look at inequality or gender or climate change or corruption, these are new themes and I think it does require us to think about our work and how we work with our member countries differently.

And I think that's how I would try to support innovative culture within the Fund is look at what some of our priorities are. Where do we require change? And then try and support people as much as the iLab can in sort of approaching that in a collaborative way, you know, slowly working with groups, finding people who are interested in making changes, bringing people together, both with people from inside the Fund, but also outside. So reaching out more to have people from different backgrounds, different experiences, different disciplines to help us think about some of these emerging themes or other issues.

So, you know, I'm keen that I and people around me can really help support and mentor people that are wanting to make a project happen.

MR. EDWARDS: Like what? Have you got any good ideas? I mean, you've only been here for a couple of months, but have you seen some good ideas already come out of this, of the iLab?

MR. WALKER: Well, I was going to say not -- I mean, the iLab, it's just starting, but what I was going to say is even before my time, you know, we've had various sort of, let's say, different ways of trying to collect, to encourage people to put forward ideas, including these innovation challenges or different groups organizing themselves, for instance, there's a Fintech group or interested people in artificial intelligence or these sort of agenda groups.

So I don't feel at the moment there is really an issue with people being -- the interest or the number of ideas. It's that sometimes I think it's a matter of how do you then make that actually happen, how do you make that change happen within an organization? And I think this is where I want the iLab to be able to help and support.

MR. EDWARDS: So you did mention, as well, issues that the Fund has taken on in recent years that were not traditionally Fund issues, like gender inequality. And they've done that because they can see the macroeconomic aspect of these issues. Does innovation also -- well, how will innovation really contribute to the work of the Fund at that level?

MR. WALKER: So, I mean, just to be clear, innovation in itself is not the end. It's a means to an end, in my opinion. And, therefore, it itself is not going to be -- innovation itself is not a macro critical theme. I see it as a supportive way of working, I guess, primarily and a way of thinking about things that can help us perhaps both embrace changes outside and new

ideas more quickly.

And, therefore, if you see it as a means, I think it can be a means by which we can try and address some of these emerging themes, such as corruption, inequality, a bit more quickly, hopefully, with more collaboration inside the organization and outside of the organization, and become a bit more of an agile and sort of flexible organization in that sense.

So I think some of that is where I think the iLab can help and be a sort of neutral ground for convening people, bringing people together, non-threatening. You know, allow people to take a bit of risk and be recognized for putting forward new ideas.

MR. EDWARDS: That was Tristan Walker, head of the IMF's Innovation Lab.

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