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“Trade Is Like Water”: IMF Chief Georgieva Says Global Trade Will Route Around Tariff Walls

The IMF chief says the world has swapped efficiency for security, but the Fund still sees no recession ahead.

By **Manasee Kurlekar** | October 13, 2026



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IMF chief Kristalina Georgieva said nations have moved from prizing economic efficiency to prioritising economic security. Even so, the IMF is not forecasting a recession despite the tariff war and the energy shock.

Speaking at the IMF – World Bank Annual Meetings in Bangkok, Georgieva said the global economy once valued economic efficiency above all else. That world has changed, she said, as governments put economic security first and pull back from open trade. The IMF remains cautiously optimistic and has not predicted a global recession, despite the tariff war and the energy shock. Her explanation was that trade adapts: “Trade is like water. You put an obstacle, it goes around it.” Rerouted supply chains and new trade corridors have so far softened the blow.

Key details: Shift in policy priorities from economic efficiency to economic security; IMF does not forecast a global recession despite tariffs and the energy shock; remarks delivered 13 Oct 2026, Bangkok

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