

IMF Head Lagarde Found Guilty of Criminal Negligence

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IMF operations make loan-sharking look respectable by comparison, debt-entrapping nations, obligating them to take new loans to service old ones.

The scheme assures rising indebtedness and structural adjustment harshness, including:

- privatization of state enterprises at fire sale prices;
- mass layoffs;
- deregulation;
- deep social spending cuts;
- wage freezes or cuts;
- unrestricted free market access for western corporations;
- corporate-friendly tax cuts;
- tax increases for working households;
- crushing trade unionism; and
- harsh repression against opposition to a system incompatible with social democracy, civil and human rights.

Nations are strip-mined of their material wealth and resources, sold off to private hands on the cheap. Democratic values are ignored, countries turned into debt-entrapped backwaters.

Middle class societies are destroyed. Workers lucky enough to be employed become wage slaves, entrapped in rotten jobs. Western monied interests benefit at the expense of ordinary people.

[Bloomberg News](#) reported Lagarde's negligence conviction "by a Paris court over her (mis)handling of a multimillion-euro dispute during her time as France's finance minister nearly a decade ago."

Earlier I explained her \$300 + million arbitration order benefitted tycoon Bernard Tapie, not the French government she was sworn to serve as finance minister, violating her fiduciary duty.

French Court of Cassation (its highest court of appeal) Attorney General Jean-Louis Nadal ordered the Tapie dossier made public, including allegations that "Lagarde had indeed acted in a way to defeat the law...to help Tapie gain a favourable decision, against an earlier" appeals court judgment for the state.

In pronouncing guilt on Monday, Judge Martine Ract-Madoux said Lagarde won't be fined or

imprisoned, the ruling against her little more than a slap on the wrist.

How it tarnishes her reputation remains to be seen. According to Bloomberg, “(t)he Washington-based (IMF) said it would meet shortly to consider the verdict.” In February, she was given a second five-year term as managing director, starting on July 5.

Given her service to Western monied interests, it’s unlikely she’ll be forced to resign. A February press release announcing her reappointment said “the Board praised Ms. Lagarde’s strong and wise leadership during her first term.” Why spoil a good thing by sacking her.

In July 2011, she replacing Dominique Strauss-Kahn, forced to step down over phony rape charges later dropped. He was targeted for backing more responsible IMF policies, and fear that one day he might become French president.

He called Troika Greek bailout terms “profoundly damaging...a “crippling situation,” adding:

In counting our billions instead of using them to build, in refusing to accept an albeit obvious loss by constantly postponing any commitment on reducing the debt, in preferring to humiliate a people because they are unable to reform, and putting resentments – however justified – before projects for the future, we are turning our backs on what Europe should be. We are turning our backs on...citizen solidarity.

“Lagarde...was cleared of another count related to her initial decision to enter into the arbitration agreement,” Bloomberg explained.

She’s a club member in good standing despite her Monday conviction, a neoliberal hardliner, chosen to serve Western monied interests at the expense of beneficial social and economic change.

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His new book as editor and contributor is titled “Flashpoint in Ukraine: How the US Drive for Hegemony Risks WW III.”

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