

# US Military Uses IMF and World Bank to Launder 85% of Its Black Budget

By [Jake Anderson](#)

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*Though transparency was a cause he championed when campaigning for the presidency, President Obama has largely avoided making certain defense costs known to the public. However, when it comes to military appropriations for government spy agencies, we know from Freedom of Information Act requests that the so-called “black budget” is an increasingly massive expenditure subsidized by American taxpayers. The CIA and NSA alone garnered [\\$52.6 billion](#) in funding in 2013 while the Department of Defense black ops budget for secret military projects exceeds this number. It is estimated to be \$58.7 billion for the fiscal year 2015.*

What is the black budget? Officially, it is the military’s appropriations for “[spy satellites](#), *stealth bombers, next-missile-spotting radars, next-gen drones, and ultra-powerful eavesdropping gear.*”

However, of greater interest to some may be the clandestine nature and full scope of the black budget, which, according to analyst Catherine Austin Fitts, goes far beyond classified appropriations. Based on her research, some of which can be found in her piece “[What’s Up With the Black Budget?](#),” Fitts concludes that during the last decade, global financial elites have configured an elaborate system that makes most of the military budget unauditible. This is because the real black budget includes money acquired by intelligence groups via narcotics trafficking, predatory lending, and various kinds of other financial fraud.

The result of this vast, geopolitically-sanctioned money laundering scheme is that [Housing and Urban Development and other agencies](#) are used for drug trafficking and securities fraud. [According to Fitts](#), the scheme allows for at least 85 percent of the U.S. federal budget to remain unaudited.

Fitts has been researching this issue since 2001, when she began to believe that a financial coup d’état was underway. Specifically, she suspected that the banks, corporations, and investors acting in each global region were part of a “[global heist](#),” whereby capital was being sucked out of each country. She was right.

As Fitts asserts,

“[She] served as Assistant Secretary of Housing at the US Department of Housing and Urban Development (HUD) in the United States where I oversaw billions of government investment in US communities.....I later found out that the government contractor leading the War on Drugs strategy for U.S. aid to Peru, Colombia and Bolivia was the same contractor in charge of knowledge

management for HUD enforcement. This Washington-Wall Street game was a global game. The peasant women of Latin America were up against the same financial pirates and business model as the people in South Central Los Angeles, West Philadelphia, Baltimore and the South Bronx.”

This is part of an even larger financial scheme. It is fairly well-established by now that international financial institutions like the World Trade Organization, the World Bank, and the International Monetary Fund operate primarily as instruments of corporate power and nation-controlling infrastructure investment mechanisms. For example, the primary purpose of the World Bank is to bully developing countries into borrowing money for infrastructure investments that will fleece trillions of dollars while permanently indebting these “debtor” nations to West. But how exactly does the World Bank go about doing this?

John Perkins wrote about this paradigm in his book, [Confessions of an Economic Hitman](#). During the 1970s, Perkins worked for the international engineering consulting firm, Chas T. Main, as an “economic hitman.” He says the operations of the World Bank are nothing less than *“pure economic colonization on behalf of powerful corporations and banks that use the United States government as their tool.”*

In his book, Perkins discusses Joseph Stiglitz, the Chief Economist for the World Bank from 1997-2000, at length. Stiglitz described the [four-step plan](#) for bamboozling developing countries into becoming debtor nations:

Step One, according to Stiglitz, is to convince a nation to privatize its state industries. Step Two utilizes “capital market liberalization,” which refers to the sudden influx of speculative investment money that depletes national reserves and property values while triggering a large interest bump by the IMF. Step Three, Stiglitz says, is “Market-Based Pricing,” which means raising the prices on food, water and cooking gas. This leads to “Step Three and a Half: The IMF Riot.” Examples of this can be seen in Indonesia, Bolivia, Ecuador and many other countries where the IMF’s actions have caused financial turmoil and social strife.

Step 4, of course, is “free trade,” where all barriers to the exploitation of local produce are eliminated.

There is a connection between the U.S. black budget and the trillion dollar international investment fraud scheme. Our government and the banking cartels and corporatocracy running it have configured a complex screen to block our ability to audit their budget and the funds they use for various black op projects. However, they can not block our ability to uncover their actions and raise awareness.

*Jake Anderson joined Anti-Media as an independent journalist in April of 2015. His topics of interest include social justice, science, corporatocracy, and dystopian science fiction. He currently resides in Escondido, California. Learn more about Anderson [here](#)!*

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