Former Chief Economist of the World Bank Slams the IMF for Writing Riots into their Plans to Force Nations to Accept IMF Conditions

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Former Chief Economist and Senior Vice President of the World Bank, ***Joseph Stiglitz****, slammed the IMF for callously unleashing riots on nations the IMF is dealing with; he pointed out that the riots are written into the IMF plan to force Nations to agree with the average 111 conditions laid down by the IMF, that destroys a country's democracy and independence.*

Having captured political power in Sri Lanka on the back of a CIA instigated jockstrap-insurrection that delivered the country to the jaws of the IMF, there are ominous signs that the Americans are now hatching the classic IMF-riot to consolidate their triumph and create a climate to induct Quad military forces into the island; American occupation of Sri Lanka would then be a fait accompli.

The IMF (one of the two global money lenders purposefully favoured with the monopoly and authority to lend to world governments, from Bretton Wood days) controls Sri Lanka's Executive, the Administration, and the Legislature.

The words attributed to **Amschel Rothschild** are perhaps relevant here; he reportedly said, I care not who makes a country's laws; any fool can do it. Give me control of that country's money supply and I shall rule that country."

To give context to these words in today's geopolitical situation, a watershed in history, during WW2, is briefly visited.

Completely overwhelmed by Heinz Guderian's "blitzkrieg" approach to warfare, a dispirited British Army, routed in battle, fled in disarray abandoning their armaments and deserting their French allies on the beaches of Dunkirk in 1940.

With no munition to fight with, with no money to re-equip a weaponless Army, with an army left with no stomach to do battle, Britain faced the stark reality of being overrun by an unstoppable Wehrmacht.

A desperate Allied high command sought a meeting with Roosevelt.

At that secret meeting held on the seas of the Atlantic, the Allied forces begged of the US, which had artfully kept out of the war, to join them in their fight against the Nazis.

Resorting to patent blackmail the US responded that it would do so, on condition that Britain and France agree to decolonize all their colonies and release them from their respective jurisdictions at the end of WW2.

Churchill and De Gaulle capitulated to American blackmail; this was the basis of the 'Atlantic Charter' of 1941 and of the New 'World Order' that emerged, with the US at the helm.

So much for the tommyrot of many leaders in the former colonies who boast that it was their valour which won independence for their countries.

With the colonies now unshackled from European colonialism, American imperialism had a carte blanch to prey and devour these former colonies in Africa and Asia, in a manner and time appropriate to the US; a major impediment to US hegemony and ambitions were the Soviet Union and subsequently the NAM (Non-Aligned Movement).

To lure the former European colonies into their net, Washington adopted a long-term strategy; they set-up the ingenious debt-trap that Rothschild had previously alluded to.

At the Bretton Woods conference of 1944 that followed the Atlantic Charter, two institutionalised money lenders, the IMF, and the World Bank, were granted a right to lend to World Governments.

The IMF and the World Bank are governed by member-nations whose voting rights are not based on 'one- country-one-vote,' but rather on monies that each country has invested in these two organisations.

The Americans have the largest share of votes in both the IMF and the World Bank; consequently, the IMF and the World Bank operate as extensions of Washington foreign policy.

Bretton Woods established America as the money-lender to the world with a virtual monopoly to lend to World governments.

The comments of Joseph Stiglitz on the IMF are indeed revealing.

This economist, prolific writer, and Nobel Prize winner, does not mince his words when in a series of scathing and damning critiques of this American money-lender, accuses it of causing great damage to countries through the economic policies it has prescribed countries to follow, to qualify for IMF loans.

In his analyses, Stiglitz justifies the intermix in the use of terminology relating to the IMF, the World Bank, and the WTO**; 'they are interchangeable masks of a single**

governance system.' (The IMF, the World Bank and the WTO are three of the five traps laid out by the Americans at Bretton Woods to re-ensnare the former European colonies, this time into the American pen. The two other snares laid by Washington were the **'United Nations,'** in its present format, and the **'non-governmental organisations**', a concept first propagated at Bretton Woods).

Stiglitz expressed grave concern that IMF plans, devised in secrecy and driven by an absolutist ideology, are never open for discourse or dissent. He confessed that the so-called 'Poverty-Reduction- programs' for the developing world, undermines democracy and the economy.

Often, IMF remedies made things worse for Nations" said a chastened **Stiglitz,** critically at odds with the IMF and who had the discernment only an insider could possess.

Stiglitz had the intestinal fortitude to rubbish the disinformation-line often parroted by Washington and their liegeman, when he said, It is not China, which has a large trade surplus, that makes "trade wars"; it is the United States, which has a large trade deficit."

Stiglitz let the world in on a secret when he revealed that the IMF adopts a single template to destroy the sovereignty of the Nation States established after Bretton Woods; he traced out the deadly 4-phase strategy.

The IMF's "Four Steps to Damnation"

Stiglitz states that the IMF process begins with an 'investigation' that usually takes place in a 5-star hotel where a mendicant finance minister is handed a pre drafted 'restructuring Agreement' for his 'voluntary' signature.

The IMF hands every minister the same exact four-step program.

*(In 2015, Sri Lanka's Finance Minister at the time – Karunanayake –responding to summons from Washington, just days prior to the **first bond-scam**, reported to IMF's Lagarde for a briefing. Following that briefing Karunanayake hurried back to Colombo and, on his tail, came a high-powered IMF team, led by Todd Schneider and Pacific Department Director, Changyong Rhee, charged with monitoring at first hand the goings-on at the Central Bank; the bond- scam was done virtually under the watchful eyes of the IMF monitoring team).*

Step one – In this phase, Privatisation of State assets is the aim; Stiglitz says that it is better described as **'Briberization' of State assets**. National leaders are bought off, to facilitate the sale of State assets

When a nation sells-off its national assets there is a discontinuation of revenues flowing into State coffers from that asset. It is one sure method of depleting a country's financial reserves as would, the exercise of slashing taxes, spurring multiple scams in the commodity market, engendering new imports by deliberately destroying entire sectors of the economy such as agriculture and peculating directly from the country's 'vault,' the Central Bank and Treasury.

With the promise of monies being deposited in off-shore bank accounts, leaders happily flog the National assets of the country.

Step two – The objective in this phase is to ultimately reduce a country's financial reserves to zero; to this end, the **'Capital Market Liberalization'** plan (popularly referred to as the Hot Money Cycle" plan) is often executed; capital is 'steered' into the country as speculative investments in real estate and currency; at the first whiff of trouble, an exodus of this investment takes place.

As was the experience in Indonesia and Brazil, the reserves were drained out within days. *(In Sri Lanka, described later in more detail, the modus-operandi of emptying the coffers differed a trifle).*

And when the investment flees, to seduce speculators into returning a nation's own capital funds, the IMF demands that high interest rates be set, rates ranging from 30% to 80%.

"The results are predictable; the higher interest rates demolish property values, savage industrial production and drains out national treasuries", said Stiglitz.

Simultaneously, the temperature of social unrest is brought closer to the boil.

Step Three – IMF initiated Riots.

Stiglitz says, without a degree of ambiguity, Riots are written into the IMF plan". The IMF drags the gasping nation to 'Market-Based Pricing;' **this, as Stiglitz explains, is a fancy term for raising prices of food, water, cooking gas, medicines, and all essentials necessary to sustain life.**

This leads to the painfully predictable IMF riots. New flights of capital, resulting from the IMF riots, lead to even more pronounced social unrest and government bankruptcies.

The food and fuel riots in Indonesia, the water riots in Bolivia and cooking gas riots in Ecuador are examples.

Step 4 – **"Poverty Reduction Strategy"**

When this phase is reached, the country put through the wringer is all but done. The IMF has the country eating out of its hand, be it postponing elections, rolling-up Constitutions, turning a blind eye to dictatorial tendencies, interfering in, and obstructing the judicial process or selling strategic ports or be it anything.

When IMF-riots cause capital to flee the country, it gives the money-lender a further opportunity to add more conditions.

The IMF holds the key to life and death of the people in a country reduced to this phase; it controls the 'money' supply that buys the 'essentials' needed by the people; the money for these essentials will be forthcoming, only if that country were to do the IMF's bidding.

Stiglitz states that on an average, the IMF imposes 111 conditions on National governments, dictating to the Executive, the Judiciary, and the Legislature in those countries the courses of action they should take, grossly violating in the process the sovereignty of the people, the essence of a democracy.

In this scenario, the IMF has replaced the National government as the sovereign authority; the sovereign power of a country is now vested with Washington.

When this phase is reached, America has successfully colonised that country.

When Stiglitz was asked whether any nation facing this dilemma was able to avoid this fate, he identified Botswana which had told the IMF To go packing."

In comparison, Sri Lanka has a decided advantage; it has a friendly nation, China, which had proffered – even at the time of the bizarre conduct of Nandasena and Sabry to declare the country bankrupt when it was not so – to underwrite all of Sri Lanka's external debts and gave the island nation the opportunity to negotiate with self-respect the repayment terms of the underwritten value, with no attached conditions.

This information is somehow deliberately kept out of the public domain.

And Sri Lanka has another friend too, India, which could match China's benevolence.

To go the path of the IMF is self-destructive with the 111 plus conditions that the country is required to comply with; it is diabolical that the people's transitory representatives refuse to divulge to the very people with whose sovereignty they reside in the legislature, the 111 conditions laid down by the IMF.

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