

# The Eurozone In Crisis? New President of the European Central Bank (ECB) has a Criminal Record. Christine Lagarde

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**Update, November 2, 2019**

**Friday, November 1, "Regime Rotation" at the ECB.**

Ms. **Christine Lagarde**, former French finance minister and Managing Director of the IMF took over as president of the European Central Bank (ECB), replacing **Mario Draghi**.

"Lagarde takes office at a time when the ECB's governing council is divided as rarely before over its latest round of monetary stimulus".

The media applauds: she is lawyer and the first woman to head the ECB, with a commitment to supporting female staff appointments as well "climate action".

But there is something else regarding her appointment (including fraud and corruption at the highest levels) which has been withheld from public debate.

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France's president **Emmanuel Macron** acting on behalf of powerful banking interests was instrumental in Ms. Lagarde's nomination. Praised by the Western media, Lagarde was also endorsed by Wall Street and the US Federal Reserve.

What media reports fail to mention is that Lagarde is a corrupt official involved in financial fraud. She has a criminal record.

Is the Eurozone in danger? Financial fraud is embedded at the highest levels of political and economic decision-making. A senior official in high office with a criminal record can easily be manipulated. Indelibly this will affect the way she manages the ECB, with potential impacts on the very fabric of monetary policy.

Lagarde's appointment to head the ECB has not been a matter of debate or concern. EU citizens have not been informed.

She is an obedient instrument of the financial and banking establishment which controls

both the IMF and the European Central Bank. The European Parliament is silent.

On December 20, 2016, A French court found IMF Managing Director Christine Lagarde guilty of “negligence” in relation to a multimillion Euro fraud while she was France’s Finance Minister in 2008. She is said to have approved “an award of €404m (\$429m; £340m) transfer to businessman **Bernard Tapie**, [a crony of president Sarkozy] for the disputed sale of a firm.”

International Monetary Fund chief Christine Lagarde has been convicted over her role in a controversial €400m (£355m) payment to a businessman.

French judges found Ms Lagarde guilty of negligence for failing to challenge the state arbitration payout to the friend of former French President Nicolas Sarkozy [Bernard Tapie].

The 60-year-old, following a week-long trial in Paris, was not given any sentence and will not be punished.

The Court of Justice of the Republic, a special tribunal for ministers, **could have given [Ms Lagarde up to one-year in prison](#) and a €13,000 fine.** (The Independent, December 19, 2016, emphasis added)

## Christine Lagarde convicted: IMF head found guilty of criminal charges over massive government payout

But former French finance minister, who faced potentially one year in jail, will not face any punishment

Peter Walker | @petejohn\_walker | Monday 19 December 2016 15:15 |



Screenshot: The Independent, December 2016

Unusual in France? Lagarde was found “guilty” *without the enforcement of a one year jail*

*term* ordered by the Court: criminals in high office are given special treatment. She was accused of “negligence” rather than “complicity” in a multimillion euro fraud.

In a bitter irony, Lagarde was rewarded rather than penalized. Despite her criminal record, her career was in no ways impeded: she was appointed to lead both the IMF (2011-2019) and the ECB (2019- )

Of significance, this ‘negligence’ has cost French taxpayers more than 400 million Euro “in a payout to Mr Tapie”, a crony of Lagarde and Sarkozy.

While Lagarde’s management at the IMF (2011-2019) has been an absolute disaster, the IMF executive board confirmed that it retained “full confidence” in her leadership. (BBC, December 20, 2016).

What a nonsensical statement: The IMF Executive Board of 24 members was chaired by the IMF Managing Director Christine Lagarde during her entire mandate (2011-2019) (most probably with exception of the meeting held to express the IMF Executive Board’s “full confidence” in Christine Lagarde). **The French judges took the decision to withhold a one year prison sentence pertaining to the accused pursuant to a decision of the IMF Executive Board which is routinely chaired by the accused.**

Christine Lagarde is on record in [expressing here thanks to the IMF and the IMF Executive Board.](#)

The record of this IMF Executive board meeting in support of Christine Lagarde has not been made public.

## Christine Lagarde avoids jail, keeps job after guilty verdict in negligence trial

**Judges opt not to give any punishment to head of International Monetary Fund, who was given support of IMF board after the verdict**

No questions asked. Her nomination to head the ECB was confirmed by the European Council last July. Despite her criminal record, **she will be commencing her mandate as president of the European Central Bank (ECB) on November 1st, -i.e. a watershed date in the unstable evolution of currency markets coinciding with Boris Johnson’s Brexit deadline on October 31st.**

# EU shock: How Christine Lagarde was convicted for ‘negligence’ over sketchy French affair

CHRISTINE LAGARDE was this week nominated by the European Council to become the next president of the European Central Bank (ECB). The nomination seems to be a triumph for the Frenchwoman, whose career was recently under threat from a conviction for “negligence”.

[Daily Express, July 4, 2019](#)

There was a criminal indictment and conviction. While “negligence” is a gross understatement, her appointment to head the ECB spells disaster for millions of Europeans. It also coincides with the Brexit deadline (31 October 2019)

## **Ecuador: An IMF Model of Neoliberal Reform under the Helm of Christine Lagarde**

In January 2019, IMF Managing Director **Christine Lagarde** met up with Ecuador’s president **Lenin Moreno** at the Davos World Economic Forum. Two months later an IMF “package” of deadly economic reforms was finalized.



Image right: Lagarde and Moreno at Davos Economic Forum, January 2019

While Moreno’s predecessor **Rafael Correa** denounced the IMF and World Bank as “neo-colonialist vampires who want to suck little countries of their sovereignty”, Lenin Moreno fully embraced the IMF’s neoliberal agenda.

In March 2019, a 4.2 billion dollar “fake loan” agreement with the IMF was implemented, resulting in mass poverty through statutory wage reductions, dismissals of teachers and health workers, a spree of privatization of social services, a process of engineered inflation leading to a generalized collapse of purchasing power.

## **Extending the IMF Role to the EU**

The IMF has a longstanding record of triggering poverty and economic destruction under its so-called “Structural Adjustment Programme” (SAP). The latter consists in the imposition of

drastic macroeconomic reforms as a condition for debt relief on more than 100 developing countries.

Will this model of IMF macro-economic management (which has already been applied in several European countries) be extended to all the member states of the European Union?

What is the broader relevance of the Ecuador crisis? How does it affect the European Union? What will be Lagarde's role at the ECB?

The financial establishment (which supported her nomination both to the IMF and the ECB ) wants to replicate the IMF-style "economic medicine" imposed on developing countries throughout the European Union. No more double standards in favor of the so-called "developed countries". Brutal economic reforms to be applied Worldwide.

What can we we expect? A scenario of systematic and engineered impoverishment of the European Union through the imposition of the same brand of neoliberal reforms imposed on so-called developing countries.

### **The Eurozone in Crisis**

Moreover, the ECB under the helm of Christine Lagarde will facilitate the dollarization of the Euro not to mention the fraudulent manipulation of currency markets which also constitutes a means to impoverish millions of people.



**Eight years ago, Flashback to May-June 2011. Lagarde's Fraudulent Appointment to Head the IMF**

The **Dominique Strauss Khan (DSK)** Honey Trap Scandal was instrumental in Lagarde's accession to the IMF despite the fact that her role as France's Minister of Finance in the Euro 400 million financial fraud was already known and documented.

Media focus at the time centered on the story of the alleged victim, the hotel housemaid, rather than on who was pulling the strings behind the scenes in what visibly was a political frame-up.

**Regime Change: Dominique Strauss Khan (DSK), managing director of the IMF** was framed and Christine Lagarde was appointed to replace him.

There was no firm evidence against Strauss-Kahn. This was known to prosecutors at an early stage of the investigation. The framing of Strauss Kahn consisted in dropping the charges against Strauss Kahn only after the appointment of Lagarde to replace him as Managing Director of the IMF.

The report from the the prosecutor New York District Attorney **Cyrus Vance Junior** exonerating Strauss Kahn of all charges against him was released three days after Lagarde’s confirmation as Managing Director of the IMF.

If this information had been revealed a few days earlier, Lagarde’s candidacy to head the IMF would no doubt have been questioned. Regime change was implemented at the IMF.

It is worth noting that prosecutor Cyrus Vance Junior (son of former Secretary of State of **Cyrus Robert Vance**) is reported to be a friend of president Nicolas Sarkozy who allegedly played a behind the scenes role in the framing of Strauss Khan.

### **Concluding Remarks**

The European Central Bank as an instrument of economic and social development has been hijacked. Monetary policy has de facto been privatized. The president of the central bank is controlled and manipulated by financial interests. The European council was unduly pressured into ratifying the appointment of Christine Lagarde.

Citizens across Europe should take a firm stance. Mass mobilization against Christine Lagarde’s appointment should be envisaged.

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