

The IMF Makes It Official: Save Banks, Kill the People

by Nancy Spannaus

July 16—The British Empire’s economic gestapo, which sometimes goes by the name International Monetary Fund (IMF), on July 8, released its semi-annual “World Economic Outlook” which makes the double Nazi policy proposal of demanding 1) that *all* countries submit to deadly austerity and cuts in living standards, along with 2) an unlimited hyperinflationary bailout of the banks. Or, as the British Empire is fond of stating, simply: “We live, you die.”

“The central challenge,” the IMF intones, “is to develop a credible fiscal strategy to ensure that public debt is put—and is seen to be put—on a sustainable path.” The IMF nervously warns that, without fascism, there could be “renewed financial turbulence.” In fact, the measures which they demand in this sanitized doublespeak will not save the bankrupt British financial system, which is already on the edge of bringing the world into total chaos and disintegration. Instead, they will further the British royal aim of bringing the world’s population down to under 2 billion people.

To the Third World, perhaps, such demands from the IMF will seem like nothing new. The difference today, is that the same murderous measures are being imposed on the countries of the North Atlantic region as well, including the United States, at a time when the whole system is imploding. For the first time, the IMF

has officially carried out a review of the U.S. economy, and determined that it has to slash its living standards, according to the very method which the British Tory government is applying to that country.

Bailouts and Blood

The IMF prescriptions are blunt and to the point:

- Europe must pump trillions into the banks, by “making the new European Stabilization Mechanism fully operational.” Already, the European Central Bank has been pumping out six-day loans to the banks, to keep them afloat because interbank lending, not to mention loans to productive investment, have frozen up. And the sky is the limit.

- All nations should make sure that the hyperinflationary spigots are wide open, guaranteeing that “monetary conditions remain highly accommodative for the foreseeable future,” and that central banks should “rely more strongly on using their balance sheets to further ease monetary conditions”—i.e., let money supply just rip. Previous proposals to reduce the danger of bubble-blowouts, such as the Basel accords to increase the ratio of capitalization, have been put by the wayside.

- Budgets have to be cut, especially health care, social security, pensions, and other entitlements: “Of utmost importance are firm commitments to ambitious

and credible strategies to lower fiscal deficits . . . reform pension entitlements and public health care systems.” Such “politically-difficult” measures not only have to be implemented, the gestapo ordered, but they have to be “frontloaded” in order to save their disintegrating system.

Exemplary of the budget-cutting mania are the conditions being imposed on Greece, Spain, and Portugal, which have led to large labor unrest, and even violence, as workers fight for their lives. And then there is Britain itself, where the Tory government of Prime Minister David Cameron has decided “voluntarily” to devastate its population.

Over the weekend of July 4, Danny Alexander, chief secretary to the British Treasury, delivered an “eye-watering demand” to all Cabinet ministers, ordering them to plan for cuts of up to 40% in their budgets, as reported by the July 3 *Guardian*. To prove their serious commitment to austerity, the new government’s plan will produce staggering results, including:

- Home Office cuts of 25% could mean a reduction in the number of police officers of almost 20,000.
- Cuts in housing benefits of 10% could increase the number of homeless by 200,000—from 140,000 today, to 340,000—an increase of nearly 150%. “Cutting housing benefits could have a catastrophic impact on the lives of thousands of people who—despite their best efforts—have failed to find work for 12 months,” said National Housing Federation head David Orr, who said, in typical British understatement: “The proposals are disturbing and unfair.”
- About 600,000 public service jobs are expected to be lost overall, and, adding insult to injury, the government is now planning to sharply reduce workers’ severance pay.



White House/Pete Souza

President Obama’s February appointment of Democrat Erskine Bowles (left) and Republican Alan Simpson (center), to head the National Commission on Fiscal Responsibility and Reform, was a blatant attempt to circumvent the Congress, and impose cuts in entitlements, such as Social Security. Thus Obama is trying to do today, by stealth, what President George Bush failed to do, in 2005.

The Message to the United States

The British people are not the only targets of the British austerity, however. As in the past, the British government is being used as a patsy by the financial oligarchs to induce the United States to carry out the same policy—as in the murderous British health-care model which Obama imported into the United States.

That Nazi health “model” has also been heartily praised by the IMF, which issued its recommendations for the U.S. economy in a June 21 report. The 13-page IMF report included praise for one of the key fascist instruments in the Obama health “reform,” i.e., the Independent Payments Advisory Board, which the IMF says “will play a key role in monitoring and remediating excess cost growth.”

While the IMF does not mention it directly, it clearly also supports the other “independent” (of Congress and the Constitution) taskforce that President Obama has set up to cut living standards, the one known as the Commission on Fiscal and Financial Stability. This commission, headed by Erskine Bowles and Alan Simpson, is already known as the “Catfood Commission,”



creative commons/Tony Hall

British Prime Minister David Cameron has declared a murderous budget-cutting spree, as among his first acts in office. Here, he is seen shaking hands with his sovereign, Queen Elizabeth II, soon after his accession to office in May.

because its mandate demands cuts in entitlements which will reduce the elderly to eating catfood. And British toady, Speaker Nancy Pelosi, has agreed to bring its recommendations before the House of Representatives' lame duck session following the November elections, in an attempt to ram them through.

Fiscal Commission leader Bowles praised the Cameron government's plan for drastically cutting the population's living standards, as the model for the United States.

Bowles, appointed by Obama as the Commission's Democratic co-chairman, told a July 14 New York forum of the U.S. Chamber of Commerce, "I'd like to see us do something the Brits just did, taking 75 percent out of spending and 25 percent out of revenue" to reduce the deficit. His Republican fellow Commission member, New Hampshire Sen. Judd Gregg, strongly agreed.

Chiming in, London's *Financial Times* ran a July 15 column titled "Obama Can Take a Leaf from Cameron's Book":

The City of London mouthpiece lectured, "It may be time for America to . . . follow the lead of the UK. . . . Within weeks of taking office, [Cameron] announced a plan to cut back the budget to fight the deficit. . . . Mr Obama would do well to watch closely the Cameron experiments because they are in areas in which the US could use strong and innovative action."

Genocide Already Underway

Of course, thanks to Obama's Nazi-modelled health-care "reform," British-style cuts are already underway. As Lyndon LaRouche warned, the ObamaCare means a death sentence for millions.

- A physician who works with a large nursing home/senior living center in New Jersey, reported to LaRouche PAC on a meeting that he held with a top official of the center, in which the official laid out the policy that is coming on line for Medicare patients. "They are planning on capitizing the Medicare expenditures," he said. That means that, "In the next ten years, they will give a certain amount of funding for Medicare for *all* the hospitals, doctors, nurses, visiting nurses, etc., in an area, and all the medical personnel will be in this one pool, by area. . . . That will be the money that can be spent on the elderly. It's capped."

"Do you know what that means?" he asked. Yes, we do: It means the application of Hitler's "lives unworthy of life" principle—genocide—against the elderly.

- The Centers for Medicare and Medicaid Services (CMS) has already ordered a cut of 2.9% in Medicare payments to hospitals, to begin Oct. 1 (the beginning of the Federal fiscal year 2011). This cut—coming on top of the 5.9% cut in payments from Medicare, which hospitals already lost in 2010—will lead rapidly toward bankrupting more hospitals, and pushing them to deny care to the elderly, and poor patients.

This cut, made *before* Obama's Nazi health bill goes into effect, will be augmented by a mandated cut of .25% by the Obama bill.

- Community cancer clinics are closing at a rapid rate around the country, due to severe cuts in reimbursements by Medicare for cancer care. Thirty-nine community cancer clinics in 15 states are currently closed, or in the process of closing. If the trend continues, according to the Community Oncology Alliance, this number could double by the end of this year.

The impact this will have on mortality is reflected in the fact that four out of five U.S. cancer patients are treated in a community setting, and approximately half of all U.S. cancer patients are Medicare patients.

In addition, Medicare has already decided on additional payment cuts in 2011, 2012, and 2013—on top of cuts in payment of 35% since 2004.