Conference Report

IMF spokesman discusses the death count

by Stanley Ezrol

In the course of a Feb. 9 seminar at Washington's Booker T. Washington Foundation, the International Monetary Fund's chief spokesman, Azizali Mohammed, boasted that the IMF kills children like "paint peeling off a wall." It was also revealed at the seminar, by an IMF collaborator currently employed by the Inter-American Development Bank, that Castro's Cuba had urged the Jamaican government of Michael Manley to accept the IMF austerity conditions which led to widespread social unrest in Jamaica and the electoral defeat of Manley.

In opening remarks, Azizali explained that the purpose of the IMF was to replace sovereign national authority in economic policies with an "international authority." He said that the most important purpose of the Fund is the "administration of a code of behaviour in international financial relations" and boasted that the IMF's original (since amended) regulations on exchange rates were "a rather remarkable surrender of sovereignty." He also observed that the IMF had managed to force member nations to deal in "Special Drawing Rights" (SDRs) against their national interest. He described SDRs as "fiat money," and bragged, "They're backed by nothing." He described the IMF agreement to accept this as "another high water mark of international cooperation."

Azizali proceeded to describe those who accuse the IMF of imposing harsh austerity as indulging in "journalese shorthand and a confusion between the messenger and the message that he brings." He enunciated the standard IMF argument that "It is not the policies of the Fund that have necessitated austerity, but the circumstance that has created the balance of payment difficulty." Challenged by Ravi Aulakh, an economist specializing in the development of the Sudan, with evidence proving that each of the IMF's policies for the Sudan had had "the exact opposite of the result presumably desired by the IMF," he protested that "In these cases, you can describe a before and an after, but not an if or an if not." He thus argued that no accumulation of evidence of economic disasters following the imposition of IMF conditionalities can prove that the conditionalities were responsible for the disasters.

Next, the IMF spokesman took a question from this correspondent. "This week's issue of *Executive Intelligence Re*view says that there are 40,000 infant mortalities per day in Africa alone attributable to economic conditions. . . . When the IMF proposes conditionalities, to what extent is the impact on mortality assessed, and do you care?" To this Azizali responded, for the public record, "We care, but there's not much we can do about it. We are in the position of firemen being called on to put out a fire. When we turn on the hoses, we cannot worry about the paint which peels off the walls."

This declaration was greeted in silence by the audience, about half of whom were diplomats representing African nations involved in or considering negotiations with the IMF.

Cuba and the IMF

Following Azizali, Richard Fletcher, currently employed by the IMF affiliated Inter-American Development Bank, discussed the IMF programs for Jamaica. Fletcher boasted that he had previously negotiated three IMF agreements as Jamaica's finance minister under Prime Minister Michael Manley. He defended the austerity measures which led to the downfall of the Manley government by claiming that the impoverished people of Jamaica "were living beyond our means from the early 1960s." The IMF measures, including a "25% reduction in the real wage," had been decided on by the Manley government with the recommendation of technical advisers from Castro's Cuba, he explained. He went on to describe how the socialist trade unions were organized to support this policy: "We had to mobilize the population for suffering," he said. Fletcher noted that the brunt of the livingstandard reductions fell on the poorest sections of the population saying, "The upper classes know how to protect themselves. They are internationally mobile like myself." After the fall of the Manley government as a result of the agreements he had negotiated with the Fund, Fletcher added, "I became an international bureaucrat, at a considerable increase in my own living standard." During the discussion period after the seminar presentations, Gideon Uku, the chargé d'affaires of the Embassy of Kenya to the United States, rose angrily to protest the allegation, made in the course of the presentations, that Kenya has a "cozy relationship" with the Fund. "We do not have a cozy relationship with the IMF," said Uku, "and the managers of the IMF know this very well. They know the kind of reception they get when they come to Kenya, and it is not flowers and champagne."