



Written by [Daniel Sayani](#) on May 20, 2011

Dominique Strauss-Kahn Put on House Arrest, as IMF Eyes Replacement

Dominique Strauss-Kahn, former Managing Director of the International Monetary Fund (IMF), who resigned Wednesday after being arrested on allegations that he attempted to sexually assault a chambermaid at Manhattan's posh Sofitel Hotel, has been released from New York City's notorious Rikers Island jail on bail Friday afternoon.



Appearing in the Supreme Court of the State of New York, New York County, on Thursday, Strauss-Kahn, who was indicted on Wednesday on seven counts of attempted rape and sexual abuse, was released on the condition that he post \$1 Million in bail and \$5 Million in bond, the latter secured by the mortgaging of his home in Washington, D.C. State Supreme Court Justice Michael J. Obus received the bail and bond from Strauss-Kahn's legal counsel early Friday, and Obus indicated he was willing to sign off on the bond, but said, "I just want to be clear no one will be released until all the conditions have been satisfied."

Strauss-Kahn was expected to leave the city jail for an apartment in Manhattan, where he would be staying with his 26-year old daughter (from a previous marriage), Camille Strauss-Kahn, a graduate student of engineering and international development at the Ivy League Columbia University. However, after WNBC (the New York flagship station of the NBC network) released the address of the residence, resulting in a media crush outside the apartment building, other arrangements were made for his release.

This attention convinced the jailed bigwig's legal team to bail on that address and find another temporary home for Strauss-Kahn, according to a source close to the defense. The source said they were trying for privacy in the case that drew international attention — and added that the change in address shouldn't delay his Friday release. An apartment at the exclusive Bristol Plaza apartments on Manhattan's Upper East Side had initially been rented for him, but he was turned away by the management due to liability concerns. Either way, Strauss-Kahn's new home will come with armed guards monitoring his every move around the clock, and the embattled multi-millionaire will be fully paying for all costs associated with his house arrest, including security fees of up to \$200,000 per month to retain a prison-like scrutiny before he is sentenced. At least one of the guards will be armed at all times, and Strauss-Kahn will also wear an electronic bracelet — dubbed a "personal tracking unit" — on his ankle.



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Arrested on Sunday night, after being pulled off of an Air France flight ready for take off at New York's John F. Kennedy International Airport by NYPD officers, Strauss-Kahn was held almost five days behind bars and was not immediately granted a bail hearing because he had been kept in protective custody and on a suicide watch.

On Thursday, defense lawyer William W. Taylor called the bail decision "a great relief for the family" and said Strauss-Kahn's mindset was "much better now than before we started." Taylor had argued in court "that the prospect of Mr. Strauss-Kahn teleporting himself to France and living there as an accused sex offender, fugitive, is ludicrous on its face."

"He is an honorable man," Taylor told the judge. "He will appear in this court and anywhere else the court directs. He has only one interest at this time and that is to clear his name."

A different judge had ordered Strauss-Kahn be held without bail Monday; his lawyers subsequently added home confinement to their bail proposal. His wife, the French television journalist Anne Sinclair, has rented a Manhattan apartment for the couple, Taylor said.

Meanwhile, a French woman considering filing a complaint against Strauss-Kahn over an alleged 2002 sexual assault does not want to testify in the attempted rape case against him, her lawyer said.

In France, lawyer David Koubbi told Reuters on Friday that his client, writer Tristane Banon, would refuse to talk to U.S. investigators.

"The presumption of innocence does not exist in the United States. My client does not want her strategy included in that framework," Koubbi said.

French media did not pay much attention to the Banon case when an account of it first surfaced in 2007, but have returned to the matter, which was never the subject of a formal legal complaint, since Strauss-Kahn's arrest in New York. Under French law, sexual assault charges must be filed within three years, but attempted rape charges have a broader statute of limitations, and can be brought up to 10 years after the alleged attack. Many other women have come forward since Strauss-Kahn's arrest, alleging that they, too, have not only been victimized by Strauss-Kahn, but have also been victimized by what they perceive as a culture of institutional sexual harassment at multiple levels within I.M.F. leadership.

News of Strauss-Kahn being placed under house arrest on Friday was also accompanied by announcements that the IMF shareholders committee is looking at potential replacements for I. M. F. Managing Director. U.S. Treasury Secretary Timothy Geithner said on Friday that discussions were under way with IMF shareholders from emerging markets as well as advanced countries about a new IMF chief. Geithner also said that the United States will support a candidate to succeed Dominique Strauss-Kahn at the helm of the IMF who can command broad support at the institution.

"We are prepared to support a candidate with the requisite, deep experience and leadership qualities, and who can command broad support among the Fund's membership," Geithner said in a statement.

"It is important that this be an open process and one that moves quickly to select new leadership for the IMF."

Geithner said that U.S. officials were consulting "broadly" with the International Monetary Fund's shareholders, "from emerging markets, as well as advanced economies."

Under a gentleman's agreement, a European has held the post since 1946 and an American has been the president of the IMF's sister institution, the World Bank.



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French Finance Minister Christine Lagarde was emerging Friday as Europe's choice as the battle raged between advanced and emerging economic powers over who should be the next managing director.

Lagarde is "practically a shoo-in" as the European Union's candidate to succeed Dominique Strauss-Kahn as IMF managing director, an EU source said Friday. Seven EU directors hold 31.5 percent of the IMF votes on the board, while the United States is by far the largest stakeholder, with nearly 17 percent of the vote.

While Strauss-Kahn's replacement is currently being sought, the IMF also announced Friday that he will receive a one-off severance payment of \$250,000, but receive far less in future years from pension and related payments. "Former Managing Director Strauss-Kahn's annual pension and related entitlements have been grossly over-estimated in media reports this week, and appear based erroneously on a one-off separation payment of \$250,000," the IMF said in a statement.

"The annual payments would be far, far less than that amount in subsequent years," the statement said.

Under the terms of his employment, Strauss-Kahn is due both a severance payment, as well as pension payments and an annual "supplemental" retirement allowance that would be reduced if he were to draw income from "regular and continuous employment."

Dominique Strauss-Kahn will be formally answering charges on June 6, when he will be appearing in Manhattan Supreme Court.

Photo: Former International Monetary Fund leader Dominique Strauss-Kahn listens to proceedings in his case in New York state Supreme Court, Thursday, May 19, 2011: AP Images



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