



Written by [William F. Jasper](#) on February 2, 2012

## International Monetary Fund (IMF) Leader Calls for Trillion-dollar “Firewall”

“We need a larger firewall.” So declared Christine Lagarde (left), Managing Director of the International Monetary Fund (IMF) during a speech in Berlin on January 23, in which she called on taxpayers of the world to chip in \$1 trillion to the IMF to stave off a global crisis. “We need to act quickly or else we could easily slide into a 1930s moment,” Lagarde warned, in an obvious reference to the Great Depression.



Suddenly, talk of “firewalls” was everywhere. Australian Treasurer Wayne Swan backed Ms. Lagarde, [saying](#) that without “larger firewalls” to protect embattled European nations the global economy was at risk. On January 27, U.S. Treasury Secretary Timothy Geithner, speaking at the annual billionaire confab known as the World Economic Forum, in Davos, Switzerland, [said](#) that “building a stronger, more credible firewall,” is key to resolving the eurozone sovereign debt crisis.

But the IMF is not the only institution calling for expensive new fire protection. On January 30 CNN [reported](#) that European leaders meeting in Brussels had just concluded an agreement “to strengthen a financial firewall and most members of the 27-nation group will sign a new fiscal compact.” The centerpiece of that pact is €500 billion (\$650 billion) to implement the European Stability Mechanism, or ESM, for bailing out Greece, Spain, Portugal, Italy and other troubled European economies.

### **Arsonists-R-Us Preaching Fire Protection? Time to Beware!**

European Council president Herman Van Rompuy [declared](#): “The early entry into force of this permanent firewall will prevent contagion in the euro area and further restore confidence.”

The German audience that IMF chief Lagarde selected to pitch the new \$1 trillion IMF firewall was carefully chosen: the German Council on Foreign Relations, or GCFR (in German, it is the Deutsche Gesellschaft für Auswärtige Politik, or DGAP). Like its interlocking counterparts in the United States (the [Council on Foreign Relations, CFR](#)), Britain (the [Royal Institute of International Affairs, RIIA](#)), and other countries, the GCFR represents the globalist elites of corporate, banking, political, and academic circles that are promoting convergence toward world government. Selling the German public on the massive new funding for the ESM and IMF “firewalls” will be critical, and the influential voices represented by the GCFR will be key to accomplishing that. It remains to be seen whether the GCFR members and their counterparts throughout the Eurozone will succeed in duping their fellow



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Europeans into giving even more matches and gasoline to the arsonists who have already burned through trillions of dollars in “quantitative easing” and “stimulus” funds.

Secretary Geithner, a CFR member, was only too happy to assist his fellow arsonists in throwing more gasoline on the global “liquidity” and “stimulus” fire. He was [interviewed](#) on the main stage at the WEF palaver before a packed audience by Fareed Zakaria, editor-at-large of Time magazine, as well as a host and commentator at CNN, and — a member and director of the Council on Foreign Relations.

### **More Cash, More Power = Rosy Prognosis**

Here is how the DGAP (GCFR) [described](#) Madame Lagarde’s speech in the opening paragraph of its report on January 23, on the DGAP web site:

In a cautiously optimistic address at the DGAP, IMF Managing Director Christine Lagarde said that 2012 could be a “year of healing.” But overcoming the crisis will require quick and coordinated action. The eurozone must introduce measures that will lead to more growth and integration – and increases to the euro bailout fund. This is the only way to build trust in the financial system. Lagarde also envisages a massive increase in the IMF’s crisis funds.

“2011 was not a successful year because many measures were not thought through, were half-heartedly implemented, or were not coordinated with other countries,” reports the DGAP, “But the IMF head sees a positive turnaround coming in 2012.”

“We know what needs to be done,” said Lagarde. “It is now up to governments to show the necessary political will.”

The DGAP agrees and predicts a rosy economic picture — if producers and taxpayers will only stop being so miserly and agree to give the IMF, the European Central Bank and other central banks the “tools” they desperately need to solve the problem. After all the wise wizards at the IMF, ECB, and the Fed have sterling track record already, right?

According to the DGAP:

Eurozone countries have already taken important steps, including the establishment of the temporary European System of Financial Supervisors (ESFS) and the permanent European Stability Mechanism (ESM). But these are only “parts of a more extensive solution.”

But what kind of “more extensive solution” would these new creations bring? The kind of solution only the central bankers and their politically connected corporate cronies could love. As The New American’s [Bob Adelman](#) and [Alex Newman](#) point out, the ESFS and ESM are “the tools of international fiscal dictatorship.”

The EFSM and ESM are integral parts of the scheme to destroy the dollar and “Supersize” the IMF into a global Federal Reserve that [this magazine has been exposing](#) for the past several years.

The European Central Bank (ECB) admits that the ESFS and ESM are designed to fit into the IMF’s new globalized architecture, stating in the [ECB Monthly Bulletin](#) for July, 2011: “These design features of the European crisis management framework purposely resemble the main design features of the IMF-supported adjustment programmes.”

### **“Global crises call for global solutions” — GCFR**

The German Council on Foreign Relations goes on to offer these points in favor of Lagarde’s arguments for supersizing the ECB and IMF (the enlarged, bold headings are their own):

**Comprehensively Solving the Crisis**

What would such a comprehensive solution look like? Lagarde thinks Europe needs stronger growth, higher financial firewalls, and more fiscal integration. Eurozone states now have a duty to expand financial firewalls to tackle the debt crisis: by increasing funds for the ESM, with further monetary easing through the European Central Bank, or through eurobonds (an idea that contradicts the German government's present course)....

**More Money to Avoid a Credit Crunch**

Additionally, the eurozone bailout fund must be endowed with more than the planned 500 billion euros. "We need a larger firewall," claimed Lagarde. The permanent bailout fund ESM should be expanded to include all funds set aside for the temporary EFSF... Lagarde thus sees stronger fiscal integration within the eurozone as a third essential task. "We cannot have seventeen completely independent fiscal systems and one common monetary policy." Risks must be more strongly distributed beyond national borders....

**Bulking Up the IMF**

Lagarde envisions a massive increase in the IMF's crisis reserves. This will allow the organization to help not only Europeans, but countries around the world that have been gripped by the crisis - even those without substantial debts of their own. "It is not about saving individual states or regions. Rather, it is about preventing a worldwide downward spiral." Global crises call for global solutions. Lagarde estimates that 1 trillion dollars will be needed to fight the crisis in the coming years. A 500 billion dollar increase will be needed for the IMF ...

**What Kind of Firewall?**

"More fiscal integration," "more money," "bulking up the IMF," "global solutions," "higher financial firewalls." But what do the IMF and ECB mean when they talk about firewalls? Wikipedia offers this for its first definition of "firewall":

"a barrier inside a building or vehicle, designed to limit the spread of fire, heat and structural collapse."

Christine Lagarde and the other Insiders at the IMF, the ECB, the Fed and the other central banks and Treasury departments obviously intend that definition and the image it evokes to win the support they need to pull off this enormous swindle. However, the firewall metaphor in this case not only is completely inappropriate, but ludicrous. Firewalls are made of noncombustible, "fireproof" materials, but the arsonists at the IMF and ECB are calling for throwing more paper and gasoline — more money and credit created out of thin air — onto the global inferno.

However, Wikipedia offers a second definition for "firewall" that is entirely apropos to the IMF/ECB proposals:

"a technological barrier designed to prevent unauthorized or unwanted communications between computer networks or hosts."

The IMF, ECB, and the Fed do indeed intend to "prevent unauthorized or unwanted" inspection of their activities by citizens or national legislators. The so-called firewall they are constructing is, as Alex Newman puts it, "a massive, perpetual bailout machine." It is a machine that they intend to be completely unlimited, unaccountable and untouchable.

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