

# IMF: Confessing to the sin in order to repeat it

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You have read about the most recent [IMF confession over its immolation of Greece](#). The question is: Does it signal a change in policies? Do not hold your breath! **Recent history is pointing to a repetition of the crime-against-logic first committed in 2012 – an IMF tactic of confessing to the sin in order to repeat it with impunity!**

Back in June 2015, Olivier Blanchard, the then IMF Chief Economist, [wrote an article](#) that seemed reasonable: both sides (the troika and Athens) must make concessions, recognising that both sides bear the responsibility of Greece's Great Depression (the troika for having failed to grant debt relief and Athens for having failed to reform sufficiently). However, a closer look at the article revealed that Mr Blanchard's article was an early warning that the IMF was about to crush Greece. Again!

Bill Black replied to Blanchard with a stinging article entitled [The IMF "Defense" of its Actions against the Greeks is an Unintended Confession \(15th June 2015\)](#). The gist of Bill's point was that:

"[T]he troika's 2012 plan was designed to leave Greece in disastrous economic shape if the troika believed its own dogmas and its own wildly optimistic projections. It was only after forcing the Greek people into a pointless purgatory of a decade of disaster that the troika would consider providing debt relief... The only 'debt relief' they offer to discuss is a 'long rescheduling of debt payments at low interest rates.' This, under their own dogmas, will lock Greece into a long-term debt trap that will materially lower Greece's growth rate for decades and leave it constantly vulnerable to recurrent financial crises. That is a recipe for disaster for Greece, Italy, and Spain (collectively, 100 million citizens) and for the EU. It is financial madness – and that ignores the political instability it will cause to force an EU member nation to twist slowly in the wind for 50 years."

Remarkably, Bill Black's description of the troika's 2012 crime-against-logic applies perfectly today to describe the 3rd 'Bailout' agreement forced upon the Greek government a few weeks after Black's rejoinder to Blanchard. Just as in 2012, so again now the troika, with the IMF fully on board, are 'implementing' a program they know will

fail while promising Athens that, in 2018, Greece will get the same form of debt non-relief that was promised (but not delivered) for the end of 2014('long rescheduling of debt payments at low interest rates').

The only two differences between 2012 and 2015 are that: (A) In 2015/6 the Greek economy is ever more frail than it was in 2012, its people closer to the edge of desperation. And (2) In 2012 the troika's toxic, illogical 'program' was being implemented by a government representing the corrupt, oligarchic ancien regime responsible for the crisis. In 2015/6 the troika's 'new' toxic, illogical 'program' is being implemented by a government of the Left, thus denying the Greeks the hope that elections could stop the unnecessary pain.