

## IMF Austerity for Western Ukraine Defended as 'Price of Independence'

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*Now that resource scarce western Ukraine has become an American vassal and slave to Western Banking interests, it can look forward to a taste of American democracy characterised by corrupt politicians, yawning inequality, double (legal) standards, police oppression, genital groping at airports, indefinite detention without charge or trial on suspicion and extra-judicial assassinations all in order to keep Ukrainian 'democracy' safe -- Stalin is laughing in his grave!*



The new [*illegitimate and unrepresentative*] government in Kiev, currently led by interim Prime Minister Arseny Yatseniuk, continues to tell its people that the only path forward for the country is to submit to the demands of the international financial powers—specifically the International Monetary Fund—by meeting their demands to implement draconian cuts to social funding, pensions, and otherwise "liberalizing" the economy in exchange for billions of dollars in bailout loans. [*Suckers.*]

Noting full-well the unpopularity of and crushing impact that ending fuel subsidies and cutting both wages and pensions will have on regular Ukrainians, Yatseniuk told [Reuters](#) in an interview published Friday that these measures—which are set conditions for a \$14-\$18 billion loan package from the IMF—are simply the "price of independence."

He called the plan being structured in Kiev at the behest of the western economic powers as "tremendous step forward" even as economists and researchers have repeatedly and [consistently](#) shown that austerity measures like the ones now under consideration have a destructive, long-term impact on national economies, especially those suffering from a debt crisis.

"We will regain trust and credibility from foreign investors," said Yatseniuk, defending the plan. "This is the roadmap for Ukraine."

That may be so. But as Jack Rasmus, a professor of economics at St. Mary's College, [pointed](#) out following the announcement of IMF conditions now being pushed in Kiev, this roadmap might lift the street credibility of Yatseniuk among the world's powerful financial elite (the Reuters report says western leaders are impressed by what they term his "clear-sightedness" on economic matters), but it's the nation's regular citizens and workers who will ultimately pay the price for these short-sighted policies.

"Those who will pay will not be the bankers and multinational businessmen, but the Ukrainian people," argued Rasmus. "That is the essential and repeated history and legacy of IMF deals globally for the last three decades."

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