The American public has a right to know the US may no longer nominate the President of the World Bank, but they are not being informed. I am a whistleblower and a lawyer who studied at Yale Law School with a doctoral degree in economics from the University of Amsterdam. I worked at the World Bank for 20 years. Think Enron and Think World Bank. In 2007 I warned the US Treasury Department and US Congress that the US would lose its right to nominate the President of the World Bank if the current American President of the World Bank did not play by the rules. The 66 year old Gentlemen's Agreement that Europe would nominate the Managing Director of the IMF and US would nominate the World Bank President ended in 2010 http://www.imf.org/external/pn/cnr/2010/042510.htm.

The World Bank is also covering up its role in the corrupt take-over of the second largest bank in the Philippines, a $500 million bail-out after depositors withdrew their money, cancellation of $200 million from a World Bank loan to the Philippines, and cancellation of $200 million from Japan. I was reassigned after asking the World Bank's Country Director in the Philippines to warn the Philippine government that the World Bank could not disburse its loan without approval from the Board of Executive Directors. I told Senator Lugar that Mr. Eckhard Deutscher, then German Executive Director at the World Bank and the Dean of its Board, had concluded from the cover-up that "the World Bank Board is treated like a mushroom, kept in the dark, and covered with fertilizer."

https://mail.google.com/mail/u/2?ik=31e3462309&view=pt&search=sent&sh=13484cc2cb972ba1
Two days after informing the Board's Audit Committee of the cover-up in the Philippines, I was reprimanded and placed on probation. The Dutch Ministry of Foreign Affairs requested the World Bank's Audit Committee to look into the cover-up. Instead, Mr. Pierre Duquesne, Chair of the World Bank's Audit Committee, requested an inquiry into the World Bank's Institutional Integrity Department. The Senate Committee on Foreign Relations followed up with three letters to the World Bank. The World Bank forged documents and fired me in contempt of Congress. The World Bank also fired the Staff Association's lawyer. The Staff Association stated that what had happened to me had damaged staff morale and prevented others from reporting misconduct. The World Bank's Ethics Officer left in frustration after her request for an investigation by the World Bank's Institutional Integrity Department was turned down.

Mr. Paul Volcker headed the 2007 inquiry into the Institutional Integrity Department. The Volcker Panel was discredited after sixteen staff employed in the Institutional Integrity Department received significant damage awards in compensation for abuses of authority to intimidate them during the Volcker Panel investigation. http://www.whistleblower.org/press/press-release-archive/484-bar-complaint-charges-former-world-bank-official-with-ethics-violations. Mr. Paul Lachal-Roberts, a staff-member of the EU's anti-fraud agency, Office Lutte Anti-Fraude, on the Volcker Panel wrote to me:

"My Director General and I met with a number of European Executive Directors of the World Bank a few weeks ago to discuss the Volcker Panel report. At the meeting there was also discussion about governance issues. My impression was that the European Executive Directors are well apprised of all relevant issues at the Bank and no further comment by OLAF is warranted even if it was within our legal competence."

I informed Senator Bayh, "[t]he ongoing cover-up is an indictment of the probity of US oversight at the Bank and I would encourage the Senate to request GAO to look into it." Senators Lugar, Bayh and Leahy requested GAO to investigate "Internal resistance to increased transparency and accountability at the World Bank." http://citizensolidarity.com/odtbrief.pdf. In 2008 my Congressman, Representative Chris Van Hollen, noted "that [my] claims and concerns have already been provided to the GAO... and to the relevant congressional committees." In 2009 GAO stated that it could not commence the inquiry "because of challenges we recently faced in gaining access to World Bank officials." Senator Lugar asked what was delaying the GAO review during hearings on the World Bank's capital increase.

Mr. Pieter Stek, then Executive Director for the Netherlands, and Chair of the Board Committee on Development Effectiveness, said:

"In a multilateral institution which should be governed by the rule of law and high standards of probity the charge of concealment from the Board of Executive Directors of information relevant to the exercise of its duty of supervising management and the prosecution of the person who bring this to light is extremely serious. If correct, which I believe, this poisonous cocktail undermines good governance and ultimately the effectiveness of the Bank in fulfilling its mandate. I shall continue to assist Ms. Hudes in her efforts to have due process brought to bear, preferably by the Bank itself, on these issues of governance."

David Brooks wrote:

"Then there are violations, when someone intentionally breaks the rules. Errors can be very hard for outsiders to detect. It was people inside the companies who were most likely to report fraud, because they have local knowledge. And yet 80 percent of those whistleblowers regret having reported the crimes because of the negative consequences they suffered. This is not the way to treat people who detect error." http://brooks.blogs.nytimes.com/2011/10/13/learning-with-mistakes/?comments#permid=54

Can you help get this story out?

Here is my story on YouTube:
http://www.youtube.com/watch?v=M4VGoX5iYg

Here are press releases:

Best,
Karen

Law Offices of Karen Hudes
202 316 9684

an online site

--- Forwarded message ---
From: Karen Hudes <k.hudes@gmail.com>
Date: Tue, Dec 20, 2011 at 6:59 AM
December 23, 2011

Mr. Ken Paulson, President
American Society of News Editors
11690B Sunrise Valley Drive
Reston, VA 20191

Dear Mr. Paulson,

I wanted to alert you to an opportunity to restore the bond of trust and respect between American journalists and the American people. The 2011 State of the First Amendment Survey showed an increasing number of Americans believed that there were biases in the media. In 2004, only 39% of Americans thought the media try to report without bias; in 2011 this number fell to an alarming 33%. Over the past few years Americans have come to more intensely agree that news media should act as a watchdog. Forty-eight percent strongly agreed with this statement in 2009 and this year 54% strongly agreed.

I am asking you as a fellow of the Society of Professional Journalists to support my request that the press report on its own role in the loss of the 66 year old Gentlemen’s Agreement that the US should nominate the President of the World Bank. The Board of Governors consisting of the 187 member countries of the World Bank revoked the Gentlemen’s Agreement in April 2010 because of failed US oversight of the World Bank. This could have been prevented if the media had only fulfilled its mandate.

I am a whistleblower who worked in the World Bank’s legal department for 20 years, and reported a cover-up of corruption to the Bank’s Board of Directors. In 2007 I warned the US Treasury Department and Congress that an accurate stakeholder analysis was predicting that the US would lose the Gentlemen’s Agreement to nominate the World Bank President if the US did not play by the rules. I testified on May 25, 2011 to the Committee on Budgetary Control of the European Parliament. I am now suing the World Bank in the US Court of Appeals for the DC Circuit to end the cover-up.

Sincerely,

Karen Hudes

Enclosures
From: Ken Paulson <kpmuseon@freedomforum.org>
Date: Fri, Jan 6, 2012 at 5:01 PM
Subject: FW: Restoring Bond of Trust between American Journalists and the American People
To: "h.k3511@gmail.com" <h.k3511@gmail.com>
Cc: Denise Philip <dphilp@freedomforum.org>

Ms. Hudes: I’m now based at Vanderbilt University and there’s no role for me in this matter. Thank you for your inquiry.

Ken Paulson

From: Denise Philip
Sent: Friday, January 06, 2012 9:12 AM
To: Ken Paulson
Subject: FW: Restoring Bond of Trust between American Journalists and the American People

From: Karen Hudes [mailto:h.k3511@gmail.com]
Sent: Friday, January 06, 2012 9:10 AM
To: Denise Philip
Subject: Fwd: Restoring Bond of Trust between American Journalists and the American People

Dear Denise,

Thank you for taking my call. As I mentioned, US exporters requested an end to the cover-up to the American people on the lawlessness at the World Bank. I informed counterparts in Europe that US exporters were being ignored, and they suggested that it is time to go to the bond rating agencies. I met yesterday with the SEC and the FBI. I am also asking the fourth estate to do its part.

Best,
Karen

From: Karen Hudes <h.k3511@gmail.com>
Date: Fri, Dec 23, 2011 at 11:05 AM
Subject: Re: Restoring Bond of Trust between American Journalists and the American People
To: info@fac.org, asne@asne.org

I am forwarding a letter asking Mr. Ken Paulson’s help in ending a cover-up at the Bretton


Woods institutions. Relevant correspondence with the PEW Research Center’s Project for Excellence in Journalism, the NY Times, and Yahoo is also attached.

Karen
Law Offices of Karen Hudes
202 316 0684
www.kahudes.net
an online file

-------- Forwarded message --------
From: Karen Hudes <h.k3511@gmail.com>
Date: Thu, Dec 22, 2011 at 5:29 AM
Subject: Fwd: Freedom of the Press American Style

ce: liptaka@nytimes.com, vega@yahoo-inc.com

-------- Forwarded message --------
From: Karen Hudes <h.k3511@gmail.com>
Date: Wed, Dec 21, 2011 at 3:17 PM
Subject: Fwd: Attention: Emma
To: public@nytimes.com

I spoke to Adam Liptak on the cover-up that the US lost the Gentlemen’s Agreement to nominate the World Bank President because the US broke the rules at the World Bank; I gave Adam documents on this at the Cato Institute on December 14, 2011.

This email is to a UK whistleblower who used to work at the International Finance Corporation. Elaine has documented how UK donor aid to the World Bank is misspent.

Best,
Karen
Law Offices of Karen Hudes
202 316 0684

The following email is to a staffmember in the European Parliament on the Committee on Budgetary Control. translation:
Although I have support from the Coalition for Employment through Exports, Inc., the US press still refuses to publish my story. Yesterday I reached Yahoo’s Editorial Director, Richard Vega, by phone. Vega warned me to pull out, despite my advice that we were headed straight to a currency war in that event.

I am now waiting to see whether the National Press Club will admit its own role in the cover-up.