

The Power Transition Model

<https://s3.amazonaws.com/khudes/Twitter12.19.14.pdf> Discussing the power transition model in the context of Chuck Hagel's forced resignation as Secretary of Defense. In 2008 I spoke to Chuck Hagel about the power transition model when he was Senator from Nebraska, and forwarded Julia Pierson, Director of the Secret Service, the email to Senator Grassley's aide concerning my meeting with then Senator Hagel and Senator Hagel's staffmember <https://s3.amazonaws.com/khudes/lss.pdf> "Playing cat and mouse with the serious governance issues at the World Bank is a security risk to the world order."

relevant excerpts from the power transition model:

<http://philosophyofmetrics.com/2014/02/18/sdrs-and-the-new-bretton-woods-part-six/comment-page-1/#comment-584>

links to the DOD Power Transition Model

http://citation.allacademic.com/meta/p_mla_apa_research_citation/0/7/4/2/7/pages74272/p74272-1.php

www.dtic.mil/cgi-bin/GetTRDoc?AD=ADA454175

Rule of Law at the World Bank in 2004 using the power transition model:

<http://kahudes.net/wp-content/uploads/2012/05/board-of-governors.pdf> (p16-23)

<http://www.larsschall.com/2013/05/08/governance-issues-at-the-world-bank-a-security-risk-to-the-world-order/> footnotes 7,8 and 10

the link to the Silverson article in footnote 7 discussing the model's accuracy (see p 62) was broken and the article is also here: <https://s3.amazonaws.com/khudes/silverson.pdf>

I met yesterday with Chad Kreikemeier, Senator Hagel's Foreign Policy Legislative Assistant. Chad asked me many good questions about the evidence to support my statements that the US has been acting like a hegemon at the World Bank and that the Europeans want to end the Gentleman's Agreement as a result.

I also stopped by to talk to Sherman Patrick at the Committee on Foreign Affairs, and I informed him verbally about the conflicts of interest in the latest mistake to separate out the function of Secretary General of ICSID from the General Counsel function at the World Bank. Tampering with the General Counsel function, and appointing Russell Reynolds, the Executive Search firm that advised the World Bank about the Sarbanes Oxley governance problems at the Bank when I was a candidate for General Counsel, to fill the ICSID Secretary General function is a frontal assault on rule of law at the World Bank.

The World Bank's Committee on Governance and Administrative Matters is required to be consulted whenever the General Counsel function is revised. This was not done.

Playing cat and mouse with these serious governance issues at the World Bank is also a security risk to the world order, as I informed Chuck Hagel when he autographed his book, "America Our Next Chapter," for me. When you get a chance for serious bedtime reading, in addition to Senator Hagel's book, take a look at "The War Presidency". This is by the group which predicted four years ago that the Gentleman's Agreement would end if the US did not stop its hegemony at the World Bank.

http://www.allacademic.com//meta/p_mla_apa_research_citation/07/4/27/pages74272/p74272-1.php

Best, Karen

From: kahudes@aol.com

To: thomas_caballero@senate.legal.gov

Cc: sherman_patrick@foreign.senate.gov

Sent: Fri, 8 Aug 2008 12:19 pm

Subject: Fwd: Re: Multilateralism and Governance at the World Bank

Dear Tom,

Thank you for taking my call. I will be in touch with Paul Clayman, Minority Chief Counsel, and Brian McKeon, Chief Counsel on the Senate Committee on Foreign Relations and see if they are prepared to help me with discovery. The Committee had previously written three times to the World Bank requesting this information, but the Bank stonewalled.

Best, Karen

Fwd: FW: Governance at the World Bank
From: kahudes@aol.com
To: amarcelis@worldbank.org
Date: Mon, 24 Nov 2008 12:16 pm
Attachment

[paper3.doc](#)

-----Original Message-----

From: Ryu, Rexon (Hagel) <Rexon.Ryu@hagel.senate.gov>
To: kahudes@aol.com
Cc: Kreikemeier, Chad (Hagel) <Chad.Kreikemeier@hagel.senate.gov>
Sent: Fri, 21 Nov 2008 10:45 am
Subject: FW: Governance at the World Bank

Karen - thank you for your emails to Chad. He has kept me well informed of your conversations, both over email and when you were in the office to discuss this matter with Chad personally. Please be assured that we are examining the information that you have provided and we are in touch with relevant SFRC staff. Also, just a reminder that Senator Hagel is retiring this year so our time here in the Senate is limited and coming to an end.

Regards,

Rexon

Rexon Y. Ryu
Deputy Chief of Staff and Senior Foreign Policy Advisor
Senator Chuck Hagel
224-4224

-----Original Message-----

From: kahudes@aol.com [<mailto:kahudes@aol.com>]

Sent: Friday, November 21, 2008 9:41 AM

To: Kreikemeier, Chad (Hagel)

Subject: Re: Governance at the World Bank

Chad,

I spoke yesterday to Joe Onek, who is Nancy Pelosi's senior adviser, and asked for stronger oversight by Congress of the World Bank to end the cover-up and US hegemony there. Senator Hagel's support will be critical in restoring the tarnished reputation of the US at the World Bank, and maintaining the the US' ties with our allies,

crucial more than ever for ending the current international financial turmoil.

Meanwhile, the current administration continues to assert that there is no crisis in governance at the World Bank. Next Tuesday the Appeals Committee intends to decide my case although this violates the Bank's Whistleblower Policy (no shifting the burden of proof to management, referral of my case to INT although it involves INT). It also violates 2005 appropriations legislation, which provides that it is the policy of the United States that Bank employees who challenge illegality and misconduct have access to independent adjudicative bodies, including external arbitration.

I believe the resolution of my case can help settle the governance crisis at the Bank and would be grateful for Senator Hagel's support and that of the Committee on Foreign Relations.

Best, Karen

-----Original Message-----

From: kahudes@aol.com

To: joe.onek@mail.house.gov; jonathan.stivers@mail.house.gov

Sent: Thu, 20 Nov 2008 9:06 am

Subject: Re: World Bank Internal Controls

Dear Joe and Jonathan,

Speaker Pelosi referred the corporate governance

irregularities I reported as a lawyer at the World Bank to my Congressman, Chris Van Hollen. I am asking Speaker Pelosi to take a hands' on approach during the transition because of recent decisions in a misguided attempt to entrench US hegemony at the World Bank.

Yesterday the committee assignments of the new Executive Directors at the World Bank were announced. Although the Dutch Executive Director, Herman Wijffels, served as Vice Chair of the Audit Committee, his successor, Ruud Treffers, was assigned to the Budget Committee instead. (Dutch representation on the Committee on Governance and Administrative Matters continued.)

The World Bank's shareholders have called for governance reform because US leadership has been ignoring the Board and taking unilateral decisions that fell under the Board's mandate. US leadership has also misused the Institutional Integrity Department to intimidate staff from reporting to the Board. The Board is acting to restore accountability and transparency. In October the World Bank's shareholders called for an end to the Gentleman's Agreement for appointment of the President by the US, and a high level commission for governance reform.

The Senate Committee on Foreign Relations held hearings on increasing transparency at the World Bank. The 2005 appropriations legislation [Foreign Operations, Export Financing, and Related Programs Appropriations Act, P.L. 109-102 Section 1505(a)(11)(2)] required that staff who report misconduct should have access to independent arbitration. But the whistleblower policy that was put into effect in June left staff recourse only to internal adjudication.

I tried to resolve the corporate governance irregularities as in-house lawyer, but was retaliated against and fired. Three months

before I was fired, I assisted the Senate Committee on Foreign Relations in confirmation hearings for the Executive Director. My case for reinstatement is now before the Appeals Committee, which referred my case to INT for review although cases involving INT are supposed to be referred to the President.

The Appeals Committee has informed me that it will decide my case on November 25th, without ending a corporate cover-up. The Bank also stonewalled and refused to provide this information to Senator Lugar when the Senate Committee on Foreign Relations requested it just before I was fired from the Bank illegally. I would like to request Speaker Pelosi's help in ending the cover-up.

Sincerely,

Karen Hudes

-----Original Message-----

From: kahudes@aol.com

To: hcfa@mail.house.gov

Sent: Tue, 23 Sep 2008 9:39 pm

Subject: Re: Cover Up at the World Bank

I am asking the House Committee on Foreign Affairs to meet with Speaker Pelosi's office and the Committee on Oversight to end a cover-up at the World Bank that alienated our allies and damaged the reputation of the United States.

The American people do not agree with hegemony, and yet we have threatened the diplomats appointed by our allies to serve as

Executive Directors at the World Bank and IMF. This abuse of authority needs to be rectified prior to the upcoming annual meetings of the World Bank and IMF in October.

The Europeans have called for an end to the Gentleman's Agreement for appointment by the US of the president of the World Bank.

Unfortunately, European allies have been further alienated by the unilateral decision to revise the mandate of the General Counsel and appoint a separate Executive Secretary of the International Center for the Settlement of Investment Disputes.

Aaron Broches, the longest serving General Counsel of the World Bank, and one of the authors of its Articles of Agreement, was my mentor. The European Union's anti-fraud unit, Office Lutte Anti Fraude, advised me that the members of the EU had a discussion about World Bank governance following the Volcker Panel report.

Staff members intrepid enough to inform the Board of information necessary for them to carry out their oversight function were being retaliated against by the World Bank's own Institutional Integrity Department. I have informed the US Congress of this unfortunate abuse of authority.

Governance reform will feature prominently at these Annual meetings.

The integrity of the entire United States stands indicted before the rest of the world. I would appreciate if the House Committee on Foreign Affairs helps by ending the cover-up on the Philippines Banking Sector Reform Loan and restoring rule of law.

Sincerely,

Sent from BlackBerry

From: Kahudes@aol.com

To: Armstrong, Chris (Finance-Rep)

Sent: Mon Aug 18 13:50:39 2008

Subject: Re: World Bank - GAO Control No. 52192

Chris,

I will be on the Hill today, and would like to stop by. Call me at 202 316 0684 if there is a convenient time. Thanks.

Best, Karen

-----Original Message-----

From: kahudes@aol.com (<mailto:kahudes@aol.com>)

Sent: Thursday, August 07, 2008 10:24 AM

To: Armstrong, Chris (Finance-Rep)

Subject: Fwd: Re: World Bank - Control No. 52192

Dear Chris,

I really appreciate your getting back to me. I told a friend in the World Bank's human resources department about the need to reinstate me at the World Bank before the Appeals Committee finishes botching my case, and she gave me the name of the person to contact. Can we meet soon?

Here are the developments: