

Confessions of an Economic Hit Man

John Perkins

San Francisco: Berrett-Koehler Publishers, Inc., 2004. 250 pages.

Confessions of an Economic Hit Man is the story of why the so-called developing never seems to develop, as seen through the eyes of John Perkins, who was involved in “developing” several oil-rich nations. The opening chapters deal with his childhood, which was permeated with elitism and ideas of how only the “right people” really mattered, his subsequent rebellion by defying his parents’ plan for his life, his initial contacts (through his wife) with government employment, and a 2-year Peace Corps stint with an indigenous Indian tribe in Ecuador. While there, he was recruited by the National Security Agency. After his time was up, he was hired by Chas. T. Main, Inc. to devise a 25-year forecast of seriously inflated electricity needs for Indonesia so that it would agree to take out an enormous loan. He did so, albeit with some misgivings, and his career as an economic hit man (EMH) was launched.

Claudine, his handler, made his task perfectly clear:

We’re a small, exclusive club,” she said. “We’re paid – well paid – to cheat countries around the globe out of billions of dollars. A large part of your job is to encourage world leaders to become part of a vast network that promotes U.S. commercial interests. In the end, those leaders become ensnared in a web of debt that ensures their loyalty. We can draw on them whenever we desire – to satisfy our political, economic, or military needs. In turn, these leaders bolster their political positions by bringing industrial parks, power plants, and airports to their people. Meanwhile, the owners of U.S. engineering and construction companies become very wealthy. (p. 17)

Praised for his success, he was given “the opportunity, something few men ever receive, even at twice your age” (p. 57): to bring on board Panama’s popular president, Omar Torrijos, who wanted all Panamanians, instead of only the small elite, to benefit. Torrijos’ assertion that sovereign

Panama could pursue its own interests, just as the United States did, was considered unacceptable. Panama mattered not because it has oil, which it does not, but because it hosted vital sovereign American territory: the Panama Canal and the surrounding Canal Zone. Torrijos and Perkins worked out a deal whereby Torrijos would funnel contracts to American companies and, in exchange, would be allowed to keep his campaign promises.

Perkins claims that this all changed when Reagan became president, and that he was not surprised when Torrijos died in a plane crash within 3 months of the death of Jaime Roldós, the popular president of oil-rich Ecuador who had similar views and was trying to implement precedent-setting changes with Texaco, in a helicopter crash. According to Perkins, if the EHM's fail to bring such people into line, the "CIA-sanctioned jackals" (pp. ix, xxi) are summoned.

In the mid-1970s, as outlined in chapter 14, "Entering a New and Sinister Period in Economic History," a new issue arose: How could the oil-rich nations be captured? The test case was Saudi Arabia. According to Perkins, the deal was simple: Washington will bring Saudi Arabia into the modern age and guarantee Saudi rule, and Saudi Arabia will ensure that another oil embargo never occurs and that it will purchase American government securities, the interest on which will pay for Saudi Arabia's development. This approach was also devised for Iran, which was to be a showcase of how nations could benefit from American aid and expertise, and Iraq.

In 1980, citing growing unease, he quit and became a highly paid witness for electric utility companies that wanted to build new power plants. After that, he set up Independent Power Systems, an alternative energy company that he believes benefited from his past contacts, performance, and continued silence. Years later, he was hired by Stone & Weber Engineering Corporation with a clear understanding that he would never write a book about his real activities.

In chapter 31, "An EMH Failure in Iraq," the author analyzes what happened in Iraq. Besides the usual charge of Big Oil, he mentions water's increasing political and economic importance and the desire of multinationals to privatize it (as in South America); Iraq's common borders with several nations and ability to reach Israel and the former Soviet Union with its missiles; and a potentially vast new market, given that Iraq might have more oil than Saudi Arabia. But since Saddam did not play by the rules and Bush the Elder was suffering from the "wimp" factor, something had to be done. Saddam sealed his own fall from American favor by invading Kuwait.

Perkins also deals with Venezuela, the third largest supplier of oil to the United States. Washington welcomed democratically elected president Hugo Chávez's apparent overthrow in January 2003 coup, as was quite dismayed when he returned to power within 72 hours due to the military's loyalty to him. Perkins claims that this was a rerun of CIA agent Kermit Roosevelt's overthrow of Iranian prime minister Mossadegh in 1951. Moreover, he posits that Chávez remains in power only because Washington is busy with Afghanistan and Iraq. The book ends with his return to Ecuador, where the indigenous Indians are still threatening to go to war against Shell Oil Company if the status quo does not change.

Overall, this book is an easy read and quite interesting, for Perkins fills in the background needed to place events in their proper context. However, his constant self-analysis of how and why he is being led further and further away from his heroes (e.g., Tom Paine and Thomas Jefferson) and how his own weaknesses and needs continually convince him to stay in the game eventually get in the way. Also, given that he learned Spanish and quite a bit of Bahasa (Indonesian), became friends with disgruntled people in those countries and Iran who explained their views to him, and professed sympathy with them, one wonders why he always managed to find excuses for keeping his job for so long.

Given his background, an analysis of what is going on in the oil-rich states of Central Asia would have been very interesting. Also, his insights into several areas of current concern would have been helpful: the continued Halliburton and other scandals going on in Iraq, the desire of neo-cons to privatize Iraq's oil industry, the privatization of operating jails and of various previously official or military responsibilities so that Washington can claim plausible deniability, and laying Iraq's new economic foundation upon imported economic concepts without seeking any significant input on the part of the Iraqi people, would have been helpful.

In his "Epilogue," he launches into a sermon about the need for personal confession and redemption. It seems really out of place, as if by engaging in these activities we can somehow atone for this horrific and extremely destructive paradigm that Washington unleashed upon an unsuspecting world soon after the end of World War II and colonialism. However, these concerns are minor when compared to the first-hand information that he has provided to the reading public.

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