

CONFESSIONS OF AN ECONOMIC HIT MAN¹

REVIEWED BY MAJOR KAY K. WAKATAKE²

*Economic hit men (EHMs) are highly paid professionals who cheat countries around the globe out of trillions of dollars. They funnel money from the World Bank, the U.S. Agency for International Development (USAID), and other foreign “aid” organizations into the coffers of huge corporations and the pockets of a few wealthy families who control the planet’s natural resources. Their tools include fraudulent financial reports, rigged elections, payoffs, extortion, sex, and murder. They play a game as old as empire, but one that has taken on new and terrifying dimensions during this time of globalization. I should know; I was an EHM.*³

The attacks on 11 September 2001 affected scores of people around the nation. Americans were shocked by the horrific acts, and many took action.⁴ Some volunteered to assist in the recovery efforts of the World Trade Center and the Pentagon, while others signed up for military service.⁵ John Perkins, author of *Confessions of an Economic Hit Man*, decided to publish his tell-all autobiography about his regrettable work as an EHM. He believed that he and other EHMs helped create a global empire that spurred worldwide anti-American sentiment that ultimately resulted in the 9/11 attacks.

Confessions of an Economic Hit Man spins an entertaining tale of cloak-and-dagger storylines.⁶ Mr. Perkins not only writes about his own experiences and thoughts, but he provides necessary historical background and context to events occurring at the time. Although the background and context may be educational, Mr. Perkins’ role as an EHM may be more historical fiction than actual history. This is because there are serious issues with Perkins’ credibility, there is an absence of any corroborating witnesses or writings, and there are impeaching inconsistencies within the book itself and in Perkins’ life after writing it.

The book begins with Perkins’ childhood. He grew up in a working class family and attended a private high school where his father worked as a teacher, and most of his classmates were from the upper class.⁷ He then attended Middlebury College, which he considered an extension of the upper class snobbery he observed in high school.⁸ After college, he interviewed with the National Security Agency (NSA), but joined the Peace Corps instead and lived in the Ecuadorian Amazon.⁹ This was in 1970, during the height of the Vietnam War, and service in the Peace Corps allowed him to defer the draft.¹⁰ After the Peace Corps, he returned to Boston where he worked for consulting firm Chas. T. Main (Main).¹¹ Thus began his career as an EHM, traveling to strategically important countries such as Indonesia, Saudi Arabia, Iran, Panama, Colombia, and Ecuador.¹²

Under the guise of an economist, his job as an EHM was to create a bright forecast for an underdeveloped country should it become “modernized.”¹³ Perkins exaggerated the extent of the modernization, knowing that the country would not

¹ JOHN PERKINS, *CONFESSIONS OF AN ECONOMIC HIT MAN* (2006).

² U.S. Army. Written while assigned as a student, 55th Judge Advocate Officer Graduate Course, The Judge Advocate General’s Legal Center and School, U.S. Army, Charlottesville, Virginia.

³ PERKINS, *supra* note 1, at xi.

⁴ Sarah Kershaw, *Duty Calls. So Do Cats in Trees: Sept. 11 Inspires a Rush to City’s Volunteer Fire Squads*, N. Y. TIMES, July 4, 2002, at B1.

⁵ Bill Pennington, *Ex-N.F.L. Player Is Killed In Combat*, N. Y. TIMES, Apr. 24, 2004, at D1.

⁶ PERKINS, *supra* note 1.

⁷ *Id.* at 3-5. Perkins father taught languages at “Tilton School, a boys’ boarding school in rural New Hampshire. . . . The students were mostly scions of wealthy families from Buenos Aires, Caracas, Boston, and New York.” *Id.* at 3.

⁸ *Id.* at 5. “Middlebury was, in my perception, merely an inflated version of Tilton—albeit in rural Vermont instead of rural New Hampshire.” *Id.*

⁹ *Id.* at 8-10.

¹⁰ *Id.* at 9.

¹¹ *Id.* at 11.

¹² *Id.* at 12.

¹³ *Id.* at 17-18.

progress as forecasted.¹⁴ Unable to pay back loans borrowed for modernization, the country would thus become indebted to the lenders, the United States, and its corporations.¹⁵ Perkins sums up the process nicely:

We are an elite group of men and women who utilize international financial organizations to foment conditions that make other nations subservient to the corporatocracy running our biggest corporations, our government, and our banks. Like our counterparts in the Mafia, EHM's provide favors. These take the form of loans to develop infrastructure—electric generating plants, highways, ports, airports, or industrial parks. A condition of such loans is that engineering and construction companies from our own country must build all these projects. . . . If an EHM is completely successful, the loans are so large that the debtor is forced to default on its payments after a few years. When this happens, then like the Mafia we demand our pound of flesh. This often includes one or more of the following: control over United Nations votes, the installation of military bases, or access to precious resources such as oil or the Panama Canal. Of course, the debtor still owes us the money—and another country is added to our global empire.¹⁶

Despite luxurious accommodations in foreign countries, he describes his encounters with common citizens, people who would be negatively impacted by the nefarious modernization he is selling.¹⁷ Visiting the hidden parts of the country where tourists do not venture, he describes the slums, the poor, the prostitutes, the lepers, and the outcasts.¹⁸ Eventually, his affection for these people would work at his conscience and cause him to write his book.¹⁹ After each encounter with the downtrodden, he would retreat to his first-class accommodations and console himself “with a promise that someday [he] would expose the truth.”²⁰ Whatever he has exposed, Perkins’ internal struggle between “the good life” and his own guilt over hurting the impoverished citizens of underdeveloped nations permeates his tale.²¹

Perkins sees himself as a modern Paul Revere.²² While riding through New England towns warning “The British are coming!” Revere exposed the enemy and destroyed its element of surprise.²³ Perkins imagines himself exposing the United States as an expanding global and evil empire.²⁴ He writes, “This story *must be told*. We live in a time of terrible crisis—and tremendous opportunity. The story of this particular economic hit man is the story of how we got to where we are and why we currently face crises that seem insurmountable.”²⁵ He takes advantage of the shock of 9/11, as people try to understand why terrorists attacked the United States, by writing that the global empire brought this upon itself.²⁶ Perkins rationalizes:

Nothing in *Confessions* is seditious. I am a loyal American whose forefathers fought in most of our major wars including the Revolution. I wrote this book because I believe we are a great nation and that we can do much better than to continue building an empire that is hated by millions. I hoped I would inspire us to improve ourselves and the world our children will inherit.²⁷

¹⁴ *Id.* at xx.

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ *See, e.g., id.* at 48-53.

¹⁸ *Id.* at 29.

¹⁹ *Id.* at 255.

²⁰ *Id.* at 32.

²¹ *See, e.g., id.* at 31, 161, 254.

²² *Id.* at 259.

²³ *Id.* at 257.

²⁴ *Id.* at 256-57.

²⁵ *Id.* at 258.

²⁶ *Id.* at xiv, 224.

²⁷ *Id.* at 270.

Perkins' Credibility

Seditious or patriotic, Perkins creates a threshold problem for readers—his own credibility. Perkins was a liar by profession when he was employed as an EHM.²⁸ He admits to being quite skilled at exaggerating economic forecasts in order to make westernization appealing to underdeveloped countries.²⁹ Perkins suggests that his working class roots led him to succumb to the inducement of money, and therefore made him an ideal EHM.³⁰ In fact, he admits that he never even thought of himself as a bona fide economist, having graduated with a bachelor of science in businesses administration, with an emphasis on marketing.³¹ His studies of American literature explain where Perkins learned to embellish a story and make it more readable and glamorous.³² He also admits that he became “chief economist” at Main due to his willingness to fabricate favorable reports for his company.³³ It takes little imagination and only a modicum of critical thinking to conclude that in order to sell his book, Perkins may have fabricated and sensationalized much of it.

Not so, says Perkins.³⁴ His conscience made him tell the truth.³⁵ But the sheer length of time that he was an EHM belies the notion that his conscience got the better of him.³⁶ Had he been in the EHM business for only a year or two, his claim that his conscience got the better of him might be credible. However, the fact that he spent over a decade lying to client after client indicates he really bought into the EHM role.³⁷ The well-established theory of cognitive dissonance³⁸ suggests that even if Perkins may have found his work *initially* repugnant or unethical, the years he spent toiling in those tainted fields more likely eased than tortured his conscience. In other words, the longer Perkins worked as an EHM, the more *comfortable* he probably became with it.³⁹ Despite occasional bouts of guilt, the fact is that he never did anything about it. Indeed, one critic aptly commented, “For a man who had second thoughts about his work for 9 of the 10 years he was there, the evidence he presents is very sparse.”⁴⁰ As if in response, Perkins concedes that during ten years as an EHM, he often questioned his actions, sometimes feeling guilty about it, yet eventually rationalized staying in the system.⁴¹

After leaving Main in 1980 because his conscience allegedly got the better of him, Perkins sold out again and became “a highly paid expert witness – primarily for U.S. electric utility companies seeking to have new power plants approved for construction by public utilities commissions.”⁴² One of his jobs required him “to justify, under oath, the economic feasibility of the highly controversial Seabrook nuclear power plant.”⁴³ He tries to convince us that only after he became an expert witness did he begin to disagree with what he was to testify.⁴⁴ He explains that with more research into the field, he

²⁸ *Id.* at 18.

²⁹ *Id.* at 62-63.

³⁰ *Id.* at 8. The NSA “focused on my upbringing, my attitudes toward my parents, the emotions generated by the fact I grew up as a poor puritan among so many wealthy, hedonistic preppies.” *Id.*

³¹ *Id.* at 161.

³² *Id.*

³³ *Id.* “My status as chief economist and as manager of Economics and Regional Planning could not be attributed to my capabilities in either economics or planning; rather, it was a function of my willingness to provide the types of studies and conclusions my bosses and clients wanted, combined with a natural acumen for persuading others through the written word.” *Id.*

³⁴ *Id.* at xii-xiii.

³⁵ *Id.*

³⁶ *Id.* at 175.

³⁷ *Id.*

³⁸ Cognitive dissonance is the “psychological conflict resulting from incongruous beliefs and attitudes held simultaneously.” MERRIAM-WEBSTER’S COLLEGIATE DICTIONARY 240 (11th ed. 2003).

³⁹ The theory of cognitive dissonance was first introduced by psychologist Leon Festinger (1919-1989) in his 1957 publication *A Theory of Cognitive Dissonance*. An example Festinger used was the habitual smoker, who knows that smoking is bad for his health but continues to smoke. He experiences dissonance between his knowledge that smoking is bad and his behavior of smoking. He can reduce the dissonance by either stopping to smoke or to start to believe that smoking is not really harmful to his health. COGNITIVE DISSONANCE: PROGRESS ON A PIVOTAL THEORY IN SOCIAL PSYCHOLOGY (Eddie Harmon-Jones & Judson Mills eds. 1999).

⁴⁰ Saleh AA Younis, *The Problems with “Confessions of an Economic Hitman,”* Feb. 4, 2006, http://www.awate.com/artman/publish/article_4368.shtml (reviewing PERKINS, *supra* note 1).

⁴¹ PERKINS, *supra* note 1, at 145.

⁴² *Id.* at 180.

⁴³ *Id.*

⁴⁴ *Id.* at 190-91.

discovered that there were “many alternative forms of energy . . . technically superior and more economical than nuclear power” and he quit as an expert witness.⁴⁵ What an epiphany! Surely, an energy company would not hire an expert witness just so he could receive on-the-job training. No, he was hired because his opinions were consistent with his client, or at least he knew that for a sufficient fee, he would testify favorably for his client.

Without modesty Perkins confesses to his own fantastic imagination. He writes, “I visualized myself as a dashing secret agent, heading off to exotic lands, lounging beside hotel swimming pools, surrounded by gorgeous bikini-clad women, martini in hand. Although this was merely fantasy, I would discover that it held elements of truth.”⁴⁶ The line between fantasy and truth, however, remains blurred by Perkins’ poor credibility.⁴⁷

Lack of Corroboration

Perkins fails to present corroborating witnesses and documents to support his escapades around the world. He claims to have befriended people who are now (conveniently) dead.⁴⁸ For example, he says he was a close personal friend of the former President of Panama Omar Torrijos, who later died in a fiery plane crash.⁴⁹ Supposedly, Torrijos fell victim to a CIA assassination plot because he refused to give in to the United States’ wishes about control over the Panama Canal.⁵⁰ There are, of course, no letters, photographs, or other physical evidence of the alleged friendship with Torrijos, much less the assassination plot. Perkins only refers to unrecorded oral conversations.⁵¹ As another example, Perkins says one assignment required convincing a Saudi official, whom he called “Prince W,” to support “modernization” of Saudi Arabia.⁵² When Perkins discovered that Prince W had a weakness for blonde women, he funded several secret rendezvous for the prince to gain his support.⁵³ Who is Prince W, and if Perkins is writing a tell-all book, why protect him now? Perkins also describes a secret meeting with a mysterious, disguised man in Iran who predicted the overthrow of the Shah in 1978, but of course he does not identify this individual either.⁵⁴

What about documentation? Perkins alleges that he was recruited by the National Security Agency to work as an EHM.⁵⁵ Yet, he has no documentation showing that he was on their payroll, no letter welcoming him to the NSA, no correspondence of any kind. Naturally, he explains that because the work of EHMs was unethical, the government did not want any connection to be made to it.⁵⁶ Therefore, he was paid by his consulting firm Main, not the NSA.⁵⁷ But the allegation that the NSA recruited him as an EHM is most unlikely because “the NSA is a cryptological organization (codemaking and codebreaking), not an economic organization.”⁵⁸ The mission of the NSA has nothing to do with economic blackmail, but is as follows: “*The ability to understand the secret communications of our foreign adversaries while protecting our own communications -- a capability in which the United States leads the world -- gives our nation a unique advantage.*”⁵⁹

⁴⁵ *Id.* at 191.

⁴⁶ *Id.* at 12-13.

⁴⁷ Landon Thomas, Jr., *Confessing to the Converted*, N.Y. TIMES, Feb. 19, 2006, sec. 3, at 1 (reviewing PERKINS, *supra* note 1). “In the wake of the controversy over James Frey, who embellished aspects of his own best-selling tale of personal redemption, ‘A Million Little Pieces,’ one feels obliged to ask: Is it all true?” *Id.*

⁴⁸ PERKINS, *supra* note 1, at xi.

⁴⁹ *Id.*

⁵⁰ *Id.* at 186.

⁵¹ *Id.* at 186-89.

⁵² *Id.* at 105.

⁵³ *Id.*

⁵⁴ *Id.* at 133.

⁵⁵ *Id.* at 7-12.

⁵⁶ *Id.* at 22.

⁵⁷ *Id.*

⁵⁸ U.S. Dep’t of State, International Information Programs, *Confessions -- or Fantasies -- of an Economic Hitman?* <http://usinfo.state.gov/media/Archive/2006/Feb/02-767147.html> (last visited Sept. 18, 2007).

⁵⁹ National Security Agency, Central Security Service, *Mission Statement*, <http://www.nsa.gov/about/about00003.cfm> (last visited Sept. 18, 2007).

Internal and Subsequent Inconsistencies

Finally, Perkins effectively impeaches himself and his work with his book's own inconsistencies. First, he vilifies globalization for indebting a developing nation to the United States both politically and financially.⁶⁰ Globalization, however, brings electricity and running water to undeveloped nations, thus raising the standard of living. Perkins does not address these or any other benefits; he is less than even-handed in his description of the effects of globalization. On this point, Sebastian Mallaby observed:

Perkins likes to invoke Indonesia, the scene of his first hit-man assignment. The way he tells it, the development economists who persuade Indonesia to borrow money around 1970 were peddling a ludicrous idea – that Indonesia's economy could spring from the dark age to the modern age in a mere generation. Well, Indonesia's infant mortality and adult illiteracy rates each fell by two-thirds over the next three decades, and life expectancy shot up by 19 years. If the corporatocracy was trying to lay Indonesia low, this was a funny way of doing it.⁶¹

Perkins even contradicts himself within the book itself. He claims that threats and bribes prevented him from publishing it years earlier.⁶² For instance, in the chapter titled "I Take a Bribe," he teases the reader with a *noir* chapter title, but upon closer scrutiny we learn it was not a bribe at all.⁶³ He was hired on retainer by Stone & Webster Engineering Corporation (SWEC), and was simply told that they value their privacy.⁶⁴ While he initially labels his employment a "bribe," he retracts the characterization later and says he merely *understood* that his hiring was only to prevent him from writing the book.⁶⁵ The fact is he was hired by SWEC simply to be an expert witness, not to prevent him from writing a book. To allege SWEC had any interest in keeping secret the author's work for Main is to peer into the mind of this fanciful dramatist.

While he accuses the global empire of exploiting the citizens of underdeveloped nations and its resources, he himself began to exploit the Amazon in the past decade.⁶⁶ In 1991, he began offering the well-heeled tours through the Amazon, eventually creating his own organization to handle the profitable tours.⁶⁷ If turning an uninhabited location of primitive peoples into a commercialized vacation spot is not exploitation, what is? Paul Revere indeed.

In the movie *Forrest Gump*, the fictional title character experiences significant events firsthand and has an effect on history.⁶⁸ Likewise, Perkins places himself in significant historic events as if he had an impact on them. In the end, rather than warning us about real economic or foreign policy coming home to roost, Perkins has created *Confessions of an Economic Forrest Gump*.

This book is an easy read, but lacks leadership lessons for the military audience. If Perkins wanted to convey anything of substance, it would be to consider how one's actions could impact the local and global society. He wrote this book in order to have a positive impact on society's conscience.⁶⁹ Perkins took up his role as an EHM because it benefited him materially, but it had a negative impact on the global society. Likewise, military leaders should consider how their decisions impact not only their subordinates, but also the mission as a whole, and society's views of the military or the United States. The decision to strike a schoolhouse housing militants might be tactically wise, but the backlash from the local community and in the media could be more detrimental in the long run. Periodically, leaders should take a step back and look at the big picture to determine the best course of action.

⁶⁰ PERKINS, *supra* note 1, at 20-21.

⁶¹ Sebastian Mallaby, *The Facts Behind the 'Confessions,'* WASH. POST, Feb. 27, 2006, at A15 (criticizing author John Perkins, whom he recently met on a radio show).

⁶² PERKINS, *supra* note 1, at xii.

⁶³ *Id.* at 200-02.

⁶⁴ *Id.* at 202.

⁶⁵ *Id.* at 200-02.

⁶⁶ *Id.* at 219.

⁶⁷ *Id.*

⁶⁸ FORREST GUMP (Paramount Pictures 1994).

⁶⁹ PERKINS, *supra* note 1, at xvi.