

BOOK SUMMARY
CONFESSIONS of an ECONOMIC HIT MAN
JOHN PERKINS
Published January 2006

This is a true story about greed, corruption and power. “Confessions of an EHM” reads like a James Bond novel. If Perkins had not made it abundantly clear that **this was the true story of his life**, the reader would find it hard to believe that our corporations, leaders and government act in this way. Perkins career as an EHM was from 1971 to 2005. It is evident through out the book that Perkins struggled with the guilt of doing these deals. For many years he struggled with his conscience to tell this story. He was faced with bribes, threats and intimidation to hold off writing of this book. Finally, in 2005, mainly because of his daughter, he decided that this story must be told.

What is the pecking order of an EHM?

1. **The Economic Hit Man (EHM)** is the first person in to visit the LDC (Less Developed Countries) He/she makes a proposal for an economic development project. Prepares an in-depth business plan and presents it to the World Bank or the IMF (International Monetary Fund) for financing. The LDC either accepts or rejects the proposal.
2. **The Jackal** – Let’s say that the LDC rejects the proposal. The Jackal comes in and will assassinate the LDC leader or leaders. Heads of state are overthrown or die in violent “accidents”. The new leader now accepts the economic proposal of the EHM.
3. **The US Military** – OK, the proposal route did not work and the Jackal plan did not work. I.e. The USA attacks Iraq, Panama etc and the rest is history. For those heroes that dare defy such might – Latin American history is littered with dead heroes. A system based on corrupting public figures, does not take kindly to public figures who refuse to be corrupted.

Does the plan for world economic domination by the USA or superpower always follow this process? The answer is no. It depends on how bad the super power wants the resources of the LDC, who the leader of the superpower and LDC is, world opinion and how cooperative the leader of the LDC is. Perkins names LDC's, leaders and victims in this book. The real question is – Why have “they” not assassinated Perkins to date? The answer appears the way Perkins carefully writes his book and the fact that if “they” did kill him, millions more books would be written on his behalf.

Who should read this book?

- Financial advisors & investors
- Bankers, International engineering & construction firms
- Politicians & corporate leaders that trade internationally
- Spy novel readers, travel agents

Why should you read this book?

- The world does not have to be run this way. When dealing with LDC's, if they have resources that we need such as oil, negotiate in good faith for the good of its citizens and the world. Let us not forget that when the EHM fails and the Jackal fails, it is our soldiers that have to clean up the mess with the blood of our nation.
- You can make a difference. If you wish to go down this path, visit www.johnperkins.org for guidelines.
- I believe that if this process to achieve world economic power by our leaders is exposed, and we speak out, we the people can make a difference.
- You may be investing in a major international brand name company directly or through a mutual fund. Take the time to write the CEO and ask if they are earning their profits mainly due to the efforts of an EHM. Send this book summary along with your letter.
- Once you have read this book and digested the message, you will never read a newspaper about international events or listen to a news story on TV or the radio the same. Your skepticism index will rise considerably and I trust you will make an effort to seek out the truth. The definition of skepticism is doubt in search for evidence of the truth.

What are the consequences of the world powers continuing on this path of greed and power? The citizens of LDC's are not just Arab terrorists. History has shown that when enough people are taken advantage of, they rise up and rebel:

- The American & French Revolution
- Viet Nam & India
- African, South American and Asian Colonies
- “No country or combination of countries can thrive in the long term by exploiting others”- Perkins.

I believe that the world we live in today is no different than history has shown. In today's world the DC's (Developed Countries) fight “economic wars” instead of the traditional military world wars. The military “solution” has proven to be just too risky. The end result however, can be the same to the “conquered” LDC. This means that without meaningful change, there are potentially billions of “terrorists” waiting to attack the DC's of the world. The countries with the greatest faith (Islamic Fundamentalists) will overcome the DC's with the greatest power. Chapter seven of this book makes a strong point to support this “threat”. The book also lays out a strategy to defuse this threat from the DC's of the world. The solution is common sense, but not common practice.

The following are points that I have gleaned from this book that are meant to be teasers so that you will read the entire book. Enjoy, be shocked and at the least be entertained.

1. When the EHM's proposal is accepted – The condition of the loan is that the winning country's engineering and construction companies do the work. If a two lane road is needed, the loan may be for four lanes just so they can lend more and build more.
2. The loan money never leaves the host country. I.e. it goes from the USA direct to the engineering company i.e. the Bechtel Group. The LDC country never sees the funds.
3. The goal many times is to lend the LDC so much money that the country goes bankrupt. When that happens, more concessions are wrung out of the LDC in the form of military bases, more infrastructure work, more votes in favour of the lender at the UN Security Council, etc.
4. LCD countries named in this book are:
 - Panama, Columbia, Venezuela, Ecuador

- Indonesia, Java
 - Iraq, Iran, Saudi Arabia, Afghanistan
5. **Building the data for a favourable business/financial plan.** – The bottom line is to make the numbers work. Bankers from the IMF and the World Bank will review the numbers in a very critical manner. However, if the “numbers” look good, the loan will be approved. The objective of the EHM is to “cook” the numbers and in many situations to justify the larger than necessary loan to the LDC country.
 6. The GNP – Gross National Product- This is not a reliable figure for the economy of LDC’s. As Perkins points out, “the GNP may result when the profit results from only one person”. In other words, when the EHM comes to town, the leader of the LDC country may be the main beneficiary of the economic development project. However, the rest of the country may not receive the same amount of economic benefit. Perkins makes a point that when the EHM closes the deal the citizens of that country are not always the beneficiaries of the economic “boom”. This fact is taken into consideration even before the Jackals and the Military come to town.
 7. One of the trainers of Perkins who was a seasoned EHM said this about Indonesia in 1971. “It’s the next domino after Vietnam”. We must come up with a very optimistic forecast of the economy. The economic development projects must be put in the most favourable light to justify the loans.
 8. Perkins trainer once stated that as a well paid EHM his role is to cheat countries around the world out of billions of dollars and to encourage world leaders to become part of a vast network that promotes U.S. commercial interests.
 9. EHM’s are not paid by the government they “serve”. They are paid by private companies. In the USA, this is very important because they are not governed by Congressional oversight or public scrutiny.
 10. By reading the book, you will be reminded and discover how many countries during Perkins “tour of duty” were manipulated, intimidated, encouraged to join the USA in their quest for world economic domination.
 11. When Perkins prepared economic development forecasts for LDC economies, he was encouraged many times to make the numbers work. If a 6% forecast was more realistic, but a 12% would make the loan happen, then the 12% business plan would be presented. Perkins relates a story of one of his colleagues that would not present

anything but the true economic forecast for a project in Indonesia. He was fired and Perkins would replace him if he presented the ideal forecast which was much higher. His colleague was fired and Perkins business plan was then presented for approval to the IMF and the World Bank for a master plan for up to 25 years for the oil industry, ports, pipelines, construction, and electricity for the entire duration of the plan. Greed and power made the brokers of these deals overlook the reality of the projects. Evidence has shown that the citizens of these LDC's were not the beneficiaries of these deals. Only a small % of the power brokers of the LDC's benefited. The book names countries and political leaders.

- 12. Imagine** – If the USA and its allies diverted all the monies that are now used to support the “Bush wars” around the world and used these funds for education, health care and eradicating world hunger. Imagine the economic power behind this concept.
- 13.** When a company wants more work to do in a LDC, they simply build the business plan to fit the project, not the need of the local economy. Inflate the size of the project – wider highways, bigger plants, deeper harbours etc.
- 14.** OPEC was formed in the 1960's to counter the power of the “Seven Sisters” who were the major international oil companies. The Seven Sisters were collaborating to hold down prices. A series of actions ended with the 1973 to 1974 oil embargo that caused much pain in the western world. This economic battle caused big corporations, international banks and government to bond as never before. That bond will endure.
- 15.** The goal of the EHM is to make the LDC dependant on the lending country. Ie; the Saudi Arabia USA deal. Build a massive infrastructure that requires USA technology and skills to maintain. Insist that their petrol dollars are reinvested back in the USA. Furthermore, make the condition that the Saudi's purchase US government securities. The interest earned would be spent by the US Department of the Treasury to pay US companies to build the infrastructure projects. Doing the deal this way meant that they did not have to get congressional approval. The Saudi family actually approved of this deal. No wonder Osama Bin Laden is upset.
- 16. The Markov method for econometric modeling** – Perkins needed to find a complex model to justify his projects in the LDC's so the bankers could approve the larger than necessary funding. **He found it.** The Markov method was a financial tool to “prove” that the loan

the LCD approved and could never be paid off and would be “justified”. Only a highly skilled econometrician with lots of time and money could possibly comprehend the intricacies of Markov or question its conclusions. The people, who will benefit the most from this proposal, are not likely to question too far, the validity of the proposal. Sadly, in my opinion, this is the case even in the DC countries. As individual investors, we owe it ourselves to question the “validity” of corporate financial figures. In Canada, a good example would be the Income Trust Sector. Just ask Al Rosen, the forensic accountant about this issue.

17. The EHM have to use different strategies for LDC’s who are cash rich such as Iran and Saudi Arabia. Instead of lending money, they entice them with rebuilding their nation using US engineering and technology.
18. Every major international company – from ones that marketed shoes and sporting goods to that manufactured heavy equipment – has its own EHM equivalents.
19. **It’s all about oil** – It is common knowledge that whoever controls Iraq holds the key to controlling the Middle East. By the late 1980’s it was apparent that Saddam was not buying into the EHM scenario. It appears that Saddam played into the hands of the USA by invading Saudi Arabia. The USA denounced this attack. However, a year before the USA illegally and unilaterally invaded Panama. Interesting. Iraq and Panama are examples of the EHM’s failing, the Jackals failing and the military sent in to “finish” the job off.
20. The USA currency is not backed by gold or any other asset of value. Therefore, they can print as much of the dollar as they see fit. How long can this go on? What if the LDC’s decided to back the Euro instead of the Dollar? If one or two of the USA’s major creditors insisted that the USA pay back the loans in Euro’s, the cause and effect to the world markets would not be pleasant.
21. Many international multi - media companies are owned by multi-national corporations. They are not likely to “blow the whistle” on their own kind and reveal the real story. Our own media are part of this Corporatocracy. A new term has been coined to describe the super rich nations of the world is Plutonomy. (Canada, the USA & Britain are among this group)

22. Be careful when you read about terms used by the power brokers – Trade liberalization, sound economics, good governance and debt “forgiveness” of LDC’s. They are very enticing but also very deceptive.
23. The new president of the World Bank is Paul Wolfowitz. This is not a “World” bank, it is a US bank. Why cannot the leaders of the LDC’s choose their own bank president?

Perkins states that there are more books on EHM on the way from other frustrated ex-EHM’s. If you find one before I do, please email me with the title.

Let us not lose site of the fact that many of the National and Multi-national professional service providing firms who do business with you and I, also do business with some of the most corrupt governments, corporations and people in the world. They earn very large fees for giving legal advice to these people and organizations. They have the distinct advantage of seeing the dark and light side of life in the international corporate world. In the April 2006 issue of Forbes magazine, they highlighted a story on Cyprus - Fantasy Island, Money laundering, gun-running, and sex slavery. “Mister Booster”: Timothy Osburne, a partner with Pricewaterhouse-coopers is trying to convince US companies to come to Cyprus. The following is a short list of some of the people who have benefited by this “Fantasy Island” tax shelter; Slobadan Milosevic – The **late** Serbian strongman from the former Yugoslavia, David Chalmers Jr., the oil-for-food program through the UN in Iraq, Saddam Hussein, and many more are listed in this Forbes article. It is comforting and entertaining to hear from people like Perkins who take the risk of exposing some these practices.

I trust you have enjoyed this summary. I highly recommend you read the book to get “the rest of the story”

Wayne Taylor, P.R.P.
Your Autodidactic Retirement Planner