

BOOKS

The Genocidal ‘Washington Consensus’

The great European republican philosopher and scientist Gottfried Wilhelm Leibniz wrote that this is the best of all possible worlds. Those thoughts came to my mind several weeks back when a colleague, John Hoefle, while using the Internet for research, came upon an interview that author John Perkins had given to “Democracy Now’s” Amy Goodman. The interview text and audio-voice stream were shared with Lyndon LaRouche, who immediately concluded that the remarks by Perkins were of remarkable strategic significance—particularly in the wake of the events of Nov. 2-3, 2004, pointing towards the prospect of four more years of the Bush-Cheney abomination in the White House.

The subject of the Perkins-Goodman interview was the author’s latest non-fiction work, an autobiographical account of his several-decades-long stint as what he called “an economic hit man.” In that interview, and in far greater detail in his book, *Confessions of an Economic Hit Man*, Perkins presented his own bird’s-eye view of the inner workings of what professional economists call “the Washington Consensus”—the post-Bretton Woods system of top-down arrangements among the International Monetary Fund, the World Bank, the world’s leading central banks, and an interlocking combine of several thousand multinational banks and industrial and raw-materials-extraction corporations, that control upwards of 80% of the world economy, including the lion’s share of the strategic raw-materials wealth of the planet.

These forces have no allegiance to any particular nation-state. Indeed, they are above the law of nations, and seek a one-world, “globalized” empire, under their top-down, vise-like-grip control. They constitute what Perkins describes as the most sophisticated global imperial apparatus the world has ever known. Their power rests in their ability to

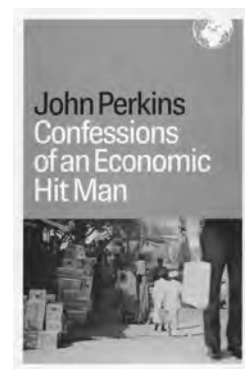
enslave entire nations through the mechanisms of the I.M.F., World Bank, private debt, and corruption.

Bringing in the ‘Jackals’

As Perkins wrote, the global debt-masters employ “economic hit men” like himself, to trap targetted nations in bankruptcy, and then force them to turn over their national patrimony of raw-materials wealth and labor power. If a particular nationalist head of state resists, then the debt-masters bring in the “jackals,” the professional assassins, to arrange an airplane crash “accident,” or some other convenient “tragedy” to eliminate the misguided leader, and serve notice to his successors that such behavior is not going to be tolerated. In the exceedingly rare case in which the jackals fail in their mission, pretexts are arranged and imperial wars of conquest and occupation—like the 1989 invasion of Panama, or the 1991 and 2003 invasions of Iraq—take place.

Perkins’ autobiographical account of how he was spotted, profiled, recruited, and trained to be an “economic hit man”—and how he found the personal courage to escape from a very lucrative, seductive, but murderous life—is a gripping tale. It is told with a flair for the details, great and small, which make it a very convincing story. Perkins speaks, in personal terms, about his own dealings with Panama’s leader Omar Torrijos and Ecuador’s President Jaime Roldos. Both men resisted the bribes and threats of the “economic hit men,” and instead fought for programs that would benefit all of their people. They were both killed in 1981, and Perkins’ account leaves no doubt that they were assassinated by the jackals because they dared to resist.

Among the “crimes” of Torrijos was his negotiating with the Japanese government to build a sea-level, second canal through Panama. Indeed, Lyndon LaRouche was working in close concert with the Mitsubishi Global Infrastructure Fund (GIF) people on that effort, as well



Confessions of an Economic Hit Man: How the U.S. Uses Globalization To Cheat Poor Countries Out of Trillions
by John Perkins
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as on the proposed Kra Canal in Thailand. These were truly “Great Projects,” which would have created the preconditions for a revolutionary transformation of the world economy and the world trading system, benefitting all of mankind.

Indeed, the list of leading political and economic figures who were given the jackal treatment during the period of Perkins’ tenure as an “economic hit man” extends far beyond the tragic cases of Torrijos and Roldos. Among the most notable, after the advent of the post-Bretton Woods System in August 1971: German bankers Jürgen Ponto and Hans-Martin Schleyer, and, later, Alfred Herrhausen and Detlev Rohwedder; Italian Prime Minister Aldo Moro; Indian Prime Ministers Indira Gandhi and Rajiv Gandhi; Pakistani President Zulfikar Ali Bhutto; Mexican Presidential candidate Donaldo Colosio and Colombian Presidential candidate Luis Carlos Galan.

McNamara and Shultz

Perkins’ book is an effective blend of his own personal experiences over his several-decades career as an economic hit man, and a lively account of larger strategic events in the countries he visit-

ed. He struck a bull's-eye, when, in his analytical account, he identified George Shultz, former president of Bechtel and former Treasury Secretary (under Richard Nixon) and Secretary of State (under Ronald Reagan), as the heir to Robert Strange McNamara, as one of the top figures in the new imperial pyramid of power.

George Shultz is truly one of the most nefarious figures in political life in our time. It was Shultz who took personal responsibility for the final destruction of Franklin Roosevelt's Bretton Woods System of fixed exchange rates, first in his infamous diktat to Nixon's Treasury Secretary John Connally, whom he soon replaced; next, at the Azores international monetary conference; and finally, at the 1975 Rambouillet conference, where European nations attempted, unsuccessfully, to reconstitute a stable monetary system to include the integration of the Soviet bloc. Shultz later orchestrated the Plaza Accords of 1985 between the United States and Japan, which, in effect, ended Japan's efforts, over the prior decade, to play the role of sponsor and creditor of a series of great economic development projects. He would later, in effect, "create" the present George W. Bush Administration, through his sponsorship of the "Vulcan" team of top policy aides, who



Bundesbildstelle



Victims of the economic hit men and their "jackals" (clockwise from top left): Panamanian chief of state Gen. Omar Torrijos Herrera, German banker Alfred Herrhausen, Indian Prime Minister Indira Gandhi.

became key Cabinet officials.

But Shultz in other respects merely personifies the system of economic hit men exposed by the Perkins book. Shultz is not a "Lord of the Rings." He is, ultimately, an underling, who has made the Faustian

deal, and cares nothing about the fact that his policies have directly led to the deaths of millions, and will kill countless more millions in the future if not stopped.

It was the weight of this legacy of genocide-by-debt-trap that prompted John Perkins to break. His decision to write his confession is of monumental importance, at this moment of existen-



EIRNS/Stuart Lewis

tial world crisis, and his book provides a vital flank against the economic hit men of the new imperium.

The appearance of the Perkins book offers this flank against the global financial oligarchy at a moment when their power arrangements of the past 33 years are on the verge of disintegration. Placing the spotlight on the methods of the "I.M.F.-World Bank Washington Consensus," affords a unique opportunity that cannot be passed up. It is in this respect that the Perkins book provides much-needed ammunition to those who are dedicated to bringing a better world into being, and why its timely appearance brought Leibniz's assertion immediately to mind.

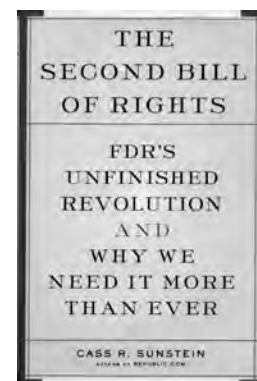
—Jeffrey Steinberg

FDR's 'General Welfare'

There are several reasons for recommending this new book by University of Chicago law professor Cass Sunstein. The first, and most important, is, that it will be the first introduction most Americans will get to a remarkable speech, and conception, by President Franklin Delano Roosevelt, called the "Second Bill of Rights." The second is the brilliant way in which Sunstein pulls the legal rug out from under the "don't tax me" zealots of *laissez faire*. The third is the historical review which Sunstein provides of the influence which FDR's "Second Bill" had, especially internationally.

For dealing with all these questions in a readable manner, Professor Sun-

stein deserves our appreciation. What is disappointing is, that he chooses to treat the "Second Bill" as a list of positive law demands, rather than acknowledging that they flow coherently from the *principled* commitment of the U.S. Constitution (in its Preamble and elsewhere) to the idea of the *General Welfare*. Thus, where he could be arguing effectively for the mandate which Congress has to implement this Constitutional commitment, he is instead trying to figure out whether and how the courts could enforce the economic rights which FDR enumerates, ending up with something less than a clarion call for providing these urgently needed rights today.



The Second Bill of Rights:
FDR's Unfinished Revolution
and Why We Need It
More Than Ever

by Cass R. Sunstein
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