

Confessions of an Economic Hit Man Study Guide

Confessions of an Economic Hit Man by John Perkins

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Plot Summary

Confessions of an Economic Hit Man is the story of a man whose conscience was too strong to let him sleep at night. An economic hit man (EHH) is a man that works to convince foreign countries to accept large loans for engineering or construction projects, such as power plants, highways, electric systems etc..., knowing that the growth of the country will never be great enough to pay back the loan. Countries then default on the loan and are at the mercy of its creditors, usually the World Bank, USAID or the International Monetary Fund. These three creditors, which are not the only ones, are all owned by the United States, whose government can call on these companies to ask indebted nations for favors, such as a U.N. vote, a military base abroad or even oil. This is how the writer and narrator, John Perkins, states is the way the modern empire is conquering the world.

The first few chapters take us through John's beginnings as a young man, from attending an all-boys high school to turning down the Ivy League for his parents and trying to dodge the draft bullet by joining the Peace Corps. Throughout the book he talks about the coincidences that a person goes through that shapes one's life and how once he stepped foot in the corporatocracy, his life's coincidences were no more based on fate, than by the plans of the higher ups that fed off people with his personality traits. He was a hard worker, desensitized to his own feelings and could seal deals by convincing himself that he was the best at what he did. He is given a job at MAIN, a consulting and engineering group, and even though he lacks expertise to create foreign economic forecasts, he figures out a way to do them and do them the way the company needs them to be done—by showing vast economic growth, regardless of the country's situation.

He does this throughout his career, at first believing that he was helping people, but in the pit of his stomach knowing he was doing more harm than good. He spent years justifying his work, assuring himself he was just doing his job and that he wasn't the bad guy. But then, finally, his conscience catches up to him. He quits his job, writes a few books, then in the spirit of Thomas Paine and a few political leaders who weren't scared to go against the establishment, he writes this book, revealing the evil of the economic soldier. This "tell all" book takes the reader through the history of the modern-day empire and how it is shaping the world we live in and at the same time keeping people completely disconnected from reality.



Chapter 1

Chapter 1 Summary and Analysis

John Perkins was born into a middle class family in New Hampshire. His parents taught at the Tilton boarding school for boys. They were poor in comparison to the students, yet they had a superiority complex, and John was taught their brand of snobbery. He was offered a full athletic scholarship to Brown and an academic one to Middlebury, choosing the later. Middlebury is not the place for him and rebels. He drops out, gets a job as a reporter, and registers at Boston University to avoid the draft. To continue to avoid the draft, he applies for a job with NSA, but ultimately joins the Peace Corps. John is happy living among the natives of the Amazon.

Einar Greve, an employee of Chas. T. Main, Inc. (MAIN) talks to John about the benefits of working for a private corporation such as MAIN. When he goes back to the states, he accepts a job with MAIN as an economist. Most of MAIN's work was in developing countries. He was told that the employees with MAIN live very lavish lifestyles.



Chapter 2

Chapter 2 Summary and Analysis

The narrator had no clue what MAIN actually did. He is first assigned to Kuwait, so he thoroughly researches that country. He is approached by a beautiful woman in the Library, who gives him a book on Kuwait. She will train him to be an Economic Hit Man (EHM). The whole thing seemed "cloak-and-dagger" to him. She explained that EHMs have two objectives—to justify large loans for less-developed countries (LDC's) and to bankrupt those countries that took the loans, so they would be permanently indebted to their creditors. Because experienced technicians from the US are employed, the loan money goes back to the US. When the U.S. needs favors such as military bases, U.N. votes, or natural resources such as oil, the bankrupt countries are pressured to concede. The US used these policies to fight the Soviet Union economically. In using private corporations to ruin LDC's economically, the US government appeared "innocent." It was all legal, but immoral. John was eager to learn the process, gain from it and later expose it.



Chapter 3

Chapter 3 Summary and Analysis

John spent much time learning about Indonesia. After WWII, Indonesia sought and gained independence. Because of its ethnic diversity, it was difficult to unite, thus, giving communism a foothold into the islands.

The U.S. was determined to lure Indonesia away from communism. MAIN's electrification project was the key to ensure U.S. political dominance. In addition, Indonesia had oil. John believed he was preventing communism and increasing prosperity in LDC's. John was threatened if he ever revealed MAIN's policies.



Chapter 4

Chapter 4 Summary and Analysis

When John arrived in Jakarta, he saw beauty, but also lepers, young prostitutes and filthy water. He had never seen this level of desperation. Charlie Illingsworth, the project manager, said capitalism and democracy would be a result of their project. Charlie said John was to emphasize oil in his plan. John didn't know if he was helping or hurting the poor. MAIN increased U.S. prosperity, not helped the Indonesians. They were dominating the world behind a mask of private corporations and greed. It made sense that the president of the World Bank, Robert McNamara, had been the president of Ford Motor Company, then was the secretary of defense, and then headed the most powerful financial institution in the world. It did not seem like coincidence. He wondered why he was never taught about the true nature of macroeconomics. It made sense that big corporations fund colleges, because professors exposing these corporations would lose their jobs. It became hard for him to sleep at night, and he had to constantly remind himself that one day he would expose the truth.



Chapter 5

Chapter 5 Summary and Analysis

It took a few days to get registered in Jakarta. Once they were finished in Jakarta, everyone went to a mountain city called Bandung. They stayed in a government guest house, with servants, a cook, gardener and manager. They received numerous other perks, which gave them a lavish lifestyle. John had meetings with Charlie and a man named Howard Parker. Howard was responsible for forecasting the amount of energy Java would need over the next twenty-five years. Howard knew what he was doing. His job relied heavily on John's forecasts, too, since electric demand is directly correlated with economic growth. Charlie thus kept reminding John how important it was to create a positive economic study with high growth.

Howard was described to John as a "stubborn, mean, and vindictive" man. Howard was not comfortable with the goals of MAIN. One day, Howard took John aside in secret and told him not to believe the grand ideas that MAIN was promoting. He said "they'll try to convince you that the economy is going to skyrocket." John assured him that the economy would. Howard would make his forecast based on what Howard believed, not on John's economic study. The islands would never exceed 6%-9% of electric load growth per year—the 17% MAIN suggested was outrageous.

John had to convince himself that he was doing the right thing. A few days later, Howard got sick and went back to the U.S. Howard said he would not be part of the scam.

Chapter 6

Chapter 6 Summary and Analysis

It didn't take long for John to realize that he couldn't do his research in Bandung. John met a man, Rasy, who took him to places that the average American in Indonesia had never seen. John felt happy being with the native Indonesians. John wanted to spend less time with those in MAIN and started to resent the Americans in Indonesia. When John got to Jakarta, he experienced more resentment from the political and business leaders. Even though everyone was seemingly nice and always smiled, there was a shadow of resignation and rancor.



Chapter 7

Chapter 7 Summary and Analysis

In this chapter Rasy takes John to a see a dalang, which is an Indonesian puppetmaster. They sat to watch the dalang. He was entertaining at first, until he pulled out a puppet of President Nixon dressed as Uncle Sam. The play then became an exposition on American imperialism, both in Middle East and Indonesia. One puppet represented a popular Indonesian politician, who "saved" Indonesia from the United States. Everyone applauded, but John felt ashamed and confused. After the show John, Rasy and his friends went out to a coffeehouse where they met a group of Rasy's friends. They told him that the U.S. wants to take over the world and uses religion to legitimize its actions. If it shows that Islam is the devil religion, then the people will allow the U.S. to go to war. Rasy's woman friend said that religion is essential for battle, and that the Muslims are very devout. Right now the Muslims are silent, but "like a snake [they] will strike." The U.S. needs to stop being greedy and open their hearts to the millions of suffering people in the world before it's too late. The Indonesian politician represented in the puppet show was killed several days later.

Chapter 8

Chapter 8 Summary and Analysis

Though up to this point, John had rationalized his work, he couldn't shake the discussions with the Indonesians. He believed that developed countries (DC's) were helping less developed countries (LDC's) in the long run. John worked for a company which actively misinform its clients. Those countries who were ostensibly being "helped," would eventually rebel. During his last night in Indonesia, he dreamed he had seen Jesus Christ, who had dark curly hair and a dark complexion. He heaved up a car axle on his shoulder with a wheel protruding above his head so that it looked like a halo. Grease dripped from his eyes instead of tears and then he said "If i were to come now, you would see me differently. Because the world has changed." John knew that he, too, had changed, but he didn't yet know to what extent.



Chapter 9

Chapter 9 Summary and Analysis

Back in the States, John learns that Parker was being fired for his report in Indonesia, predicting only 8% growth. After John's new boss learns that John had predicted 17-20%, John was promoted to Chief Economist. He was es tactic and wanted to tell his mentor, Claudine, but found no evidence of her existence.

John doctored Parker's report and became determined to gain the contracts MAIN sought. He met with famous world leaders and began to think of himself as larger than life. He struggled with the ethics of his actions, but convinced himself that the countries were better off as capitalists in debt than communists. Eventually, John wonders whether this system is really good for anyone. It the short run, people can make their profits; however, in the long run, nobody wins. John believes that corporatocracy is responsible for making people believe that God wants just a few people at the top The U.S. is not the first nation to do this or to believe this way. Imperialism was part of the ancient empires of the Middle Ease, Rome, Persia, the Christian Crusades and into the pre-Columbian era. John thought long and hard about all these things, and tried convincing himself that he was not an EHM, but just an economist.

Chapter 10

Chapter 10 Summary and Analysis

John is sent to Panama and meets Omar Torrijos, the president, who did not want to be a puppet leader for the United States. His people loved him and he cared about the poor and dispossessed. Torrijos saw an independent Panama, free of both capitalist and communist intervention. He forbid the United States from having a branch of the School of the Americas because he thought the school taught the oppression of poor people. The biggest problem the United States had with Torrijos was his desire for Panama to control the Canal. John was in Panama to essentially talk the President into accepting development plans that would lead Panama into huge debt.



Chapter 11

Chapter 11 Summary and Analysis

The morning after arriving in Panama, a driver named Fidel was sent to pick up John. Fidel took him on a tour around the docks, through "new Panama," and they stopped to talk to an American family. The father, a third generation American in Panama, criticized Torrijos and his desire for independence. John disagreed and then left with Fidel, who thanked him for defending Torrijos. They drove through an average slum of wooden shacks and ditches of raw sewage. Children with malnutrition and graffiti on walls stated " Stop shitting in our canal" and "Uncle Sam, slave master" was abundant. When they approached the Canal Zone, there were huge ,white buildings with lawns, golf courses, and stores. Everything in the Zone was U.S. property meaning that all the money made and created there stayed there and could not be taxed by Panama or used to help the poor.



Chapter 12

Chapter 12 Summary and Analysis

Fidel advised John never to walk to the Canal Zone, even though it was in sight. Fidel told John that Panamanian women were prohibited from prostitution, though foreign women could sell their bodies. They walked into a bar where some U.S. military police (MP) and Panamanians were. Three naked women danced on the stage. The waitresses were Panamanian, but the naked women were all foreign. They heard a scream and saw a soldier grabbing one of the waitresses' wrist. Fidel tried getting up but was told to be calm by one of the other Panamanian men sitting next to them. A man grabbed the soldier by the throat and told him "the waitresses are off limits" and to not touch the other women until they had paid them. The MP's said they would take over, and the man threw the soldier at them and told them to take him out of his bar.



Chapter 13

Chapter 13 Summary and Analysis

One morning John met with Torrijos, who was very laid back and asked questions about John's time in Indonesia, Guatemala and Iran. Torrijos said he would fight to ensure Panama would not suffer the same as Guatemala, which was initiating land reforms to help the peasants. United Fruit Company, which was one of the most powerful forces in Central America and who owned most of the land that would be distributed manipulated the CIA into staging a coup. A puppet government run behind the scenes by United Fruit reverted things back to the status quo. Bechtel, the world's most powerful engineering firm and frequent partner to MAIN, was one of the backers of the coup.

Torrijos wants to build a bigger canal at sea level so bigger ships can pass easier. The Japanese are interested in financing the project, which would take the project away from U.S. contractors. John knew that if this happened that his company would be out in the cold. He asked Torrijos what he wanted with him. Torrijos said he knew what MAIN does to LDOs. Torrijos wants to be a modern country, but he wanted what would be best for his people, not just what MAIN wanted to push on him. In the end, MAIN got the contract for the master plan, and John had to make sure that he did Torrijos' bidding the way Torrijos wanted.



Chapter 14

Chapter 14 Summary and Analysis

John had to be knowledgeable of current economic and political trends. During the 1960's, OPEC formed, which is a cartel of oil producing nations. OPEC was created in order to prevent a cap on oil prices. In the 1970's, OPEC started an oil embargo that seriously hurt the industrial giants. Unemployment soared, the international monetary system suffered and the fixed exchange rates collapsed. OPEC were the "little guys" taking a stand against the developed world. John knew, however, that industry, with the help of EHM's and the corporatocracy, would never let the little guys win. What he didn't know was that the "stranglehold of global empire was growing stronger...with OPEC's help."

The New Deal's polices were to promote economic regulation, government financial manipulation and extensive application of fiscal policy, which created organizations like the IMF, GATT, and the World Bank. Robert McNamara used business models in government policy and created the "military-industrial complex," which set a precedent for the corporatocracy, which was fine tuned by his successors. The key to working in politics was to be business smart.



Chapter 15

Chapter 15 Summary and Analysis

In 1974, John met with a diplomat from Saudi Arabia and learned that Saudi society was puritanical idealism, and its leaders made sure that people followed the Koran very strictly. Their religion went hand in hand with their politics. Because the U.S. defended Israel in the October, 1973 Arab attack, the Saudis announced a seventy percent increase in oil prices. Other Arab countries took less radical steps to affect the oil supply. President Nixon didn't take this seriously and sent \$2.2 billion in aid to Israel, which led to a total embargo on oil to the U.S that lasted until March 18th, 1974. Protecting the U.S. oil supply moved from a priority to an obsession. Washington realized was that Saudi Arabia's good will was essential and also that it lacked the skills to manage the wealth it was getting. The U.S. decided to "help" Saudi Arabia by creating administrative and institutional frameworks for such wealth.

Just after the embargo, the U.S. gave the Saudis technical support, military equipment and training and help modernizing in exchange for petrodollars and the assurance that they would never have another embargo. The negotiations created the United States-Saudi Arabia Joint Economic Commission, or JECOR which "relied on Saudi money to hire American firms to build up Saudi Arabia." There was no U.S. funding involved in JECOR, but the U.S. managed the money and spent it as it saw fit. The Department of the Treasury called on MAIN to advise on the process. John was brought in and told that his job was highly confidential and he never knew the extent of his input in the laundering affair. He needed to develop the usual forecasts that justified investing billions into Saudi Arabia, but this time the goal was to find ways to make sure that petrodollars made their way back to the U.S., and making Saudi Arabia increasingly dependent and intertwined with the U.S. economy.

John ended up making two lists, one for the design and construction and the other for maintenance of the structures. He sent his project in to his superiors and they named it SAMA - the Saudi Arabian Money-laundering Affair. Everyone was excited about the prospects and John's proposal, which got more specific and extensive with time. Everything was moving along smoothly until it came time to convince the Saudis. Prince W, who was a good Wahhabi, didn't want to see his country fall to the pressures of Western commercialism. The Prince did have one weakness, though, and that was tall blondes.



Chapter 16

Chapter 16 Summary and Analysis

Prince W. expected a woman to be waiting for him whenever he visited Boston. John procured a woman named Sally who agreed to the plan. John had to find a way to pay for Sally's services that Sally without being caught and used his expense account. When Prince W. wanted a woman to stay with him in his palace, John made a few calls and Prince W. had his woman, and John had his vote. The deal transformed Saudi Arabia almost overnight. Eventually, though, Saudi Arabia then became the "epicenter of terrorist financing," funding the jihad movement that would soon attack the U.S.. Officials in the States had to look away because of the money that they were getting from the country through contracts, grants and salaries.



Chapter 17

Chapter 17 Summary and Analysis

By 1977, John had twenty people under him and was the youngest partner in the firm. He was named manager of Economics and Regional Planning and was lecturing at universities and solicited for news articles. John's dealings with Omar Torrijos remained secret, and John made sure that his studies were honest and that he always made recommendations that helped the poor. John wrote an Op-ed piece titled "Colonialism in Panama has No Place in 1975," which gave three reasons for transferring the Canal to Panama. He got a lot of negative responses, but Bruno told him it was a smart move and he should send a copy to Torrijos, which would ensure that projects kept rolling in. He was right, and while most of MAIN's competitors were losing jobs in Panama, MAIN's jobs were multiplying. Panama did get the canal back, but conservatives swore they would get revenge for the agreement.



Chapter 18

Chapter 18 Summary and Analysis

The narrator did a lot of business in Latin America, Indonesia and Iran. Iran was rich in oil, but its population was not Arabic. The U.S. and business community wanted to join forces to show Iran as a symbol of progress. A campaign was launched to show that a friend of the U.S. could accomplish great things and the Shah's influence as a world leader was increasing and Iran was developing one of the greatest military forces in the Middle East.

John finds a letter under his door written by a man named Yamin, who was labeled a subversive radical. Yamin wanted to meet with John; John agreed. Yamin asked John if he knew about the Flowering Desert Project. The shah believed the desert used to be lush forests and fertile plains and could be reclaimed. John told him that this was a plausible theory, and that it was supported by the Iranian people. Yamin said Iranians are part of the desert. Killing the desert would be killing the people. Yamin asked if John would meet a man who knew much about the Shah.



Chapter 19

Chapter 19 Summary and Analysis

Yamin took John to an oasis and into one of the mud shacks. The man inside had an American Ph.D., and that John should call him Doc. The man was completely covered. Doc told John that he had been very close to the shah and the shah had trusted him and he had somewhat trusted the Shah. Doc had believed that Iran was moving forward and would bring the rest of the Middle East into a new era. The man's nose had been cut off, Islamic punishment for people that have dishonored society or its leaders. Doc said that the shah was a true satanic and that he was doing much harm to the nation and that the U.S was supporting his endeavors only because Iran was the States' only ally in the Middle East, except Israel, which was actually a liability. Doc said the Flowering Desert Project would ruin Iran and the Middle East and it needed to be stopped. Doc stated that the Shah would not last and that the new government would not be sympathetic to "[John] and [his] kind." Doc got too weak to speak, and his message was already out and clear. Yamin told John that they chose to speak to him (John) because he knew he was a man "between two worlds, a man in the middle."



Chapter 20

Chapter 20 Summary and Analysis

John was sitting at a bar in Tehran when his old friend, Farhad, from Middlebury came up. Farhad tells John they need to leave the country because it was about to fall apart. Farhad and John left for Rome the following day to stay with Farhad's parents. His father, a retired general, used to be very close with the Shah. He was now completely disillusioned by the Shah's arrogance and greed. He blamed U.S. policy for the hatred that was spreading throughout the Middle East, stating that the U.S. "sowed the seed of [the]rebellion" when they had overthrown the Mossadegh. The U.S. was convinced the shah was popular enough to keep the Islamic underground at bay. Farhad and his father told John all about Ayatollah Ruhollah Khomeini, who was a fanatical Shiite that was urging Iranians to rise against the Shah to create a clerical state.

Two days later, riots and bombings broke out in Tehran led by Ayatollah Khomeini. The Shah fled the country and Iranians demanded him back. The Islamist seized the American embassy to hold hostages for the return Shah. With immense pressure, the U.S. ousted the Shah from the United States. Torrijos of Panama gave the Shah asylum. The U.S. accused Panama of corruption, collusion with the Shah and endangering American lives. Ironically, the U.S., who had set the Shah in power, pressed for his return to Iran. Doc's prediction that MAIN would lose millions came true. The U.S. tried to deny the role that it had in damaging the world. Even some people in MAIN didn't know what was really going on, and he was certain the NSA and CIA was intentionally encouraging everyone to keep their eyes closed.



Chapter 21 and Chapter 22

Chapter 21 and Chapter 22 Summary and Analysis

MAIN designed and built a massive hydroelectric project in Columbia, which was the keystone to South America. It was the perfect country for business and political gain. John met a Columbian woman named Paula, who convinced John to face the guilt of his job, the trauma of his marriage and divorce, and discover himself.

Paula tells John that his work is hurting a lot of people and that the Colombians don't want them there. She is compassionate towards the guerrillas, especially because her brother is fighting with them, a fact she didn't at first tell John because she didn't think it important, and she needed to protect her brother. John felt betrayed, but when he wanted to fall back on his crutch of personality traits that the NSA and MAIN had discovered and fed on, Paula helped him turn away from all of this. Being in Columbia showed him the difference between the old American republic that was all about hope for the world and the new global empire, which was greedy and based on deepening the pockets of a few leaders.

Men and women that worked for companies such as MAIN were oblivious to the harm they were doing. They thought that the sweatshops and factories they were creating were going to help the people make money to climb out of poverty. In fact it was cementing them into their current social status and ensuring they would be slaves their entire lives.



Chapter 23

Chapter 23 Summary and Analysis

John takes Paula's advice and reads his resume and was shocked at how deceptive it was. The thing that struck him the most was the list of previous clients. His last two were the U.S. Department of Treasury and the Kingdom of Saudi Arabia. It was odd to him how he had been working for both, but how his mission was to help destroy the Kingdom of Saudi Arabia. Nobody really knew what John did besides those on the inside. What upset John in one article was when he read that his "interest and support he [held] for his staff was evident and admirable." The fact was that he was nothing without them, since he was never that great at math or was even a trained economist. His real gift was that he could convince people with his words. He was training more and more EHM's that were making the world more economically unequal and dangerous. He thought a lot about the idea of integrity, ethics and about appearances versus reality. John tried to calm himself, but he knew he was aiding physical destruction abroad, as well as domestic moral destruction; it needed to stop.



Chapter 24 and Chapter 25

Chapter 24 and Chapter 25 Summary and Analysis

John made a few trips to his beloved Ecuador. The country had fallen victim to the corporatocracy, which exploited oil reserves. Jaime Roldos stood against the corporatocracy. He believed the poor were entitled to basic human rights and that leaders should use natural resources responsibly. He fought hard against the oil companies and its supporters such as the Summer Language Institute, which manipulated native peoples off their oil-rich lands. Roldos wanted to national oil, which threatened large oil companies. He was not anti-American, but his policies threatened American interests. Roldos used oil as a way to bring social reform to the disenfranchised. Texaco, an oil giant, worried that the Hydrocarbons policy would be a model for other countries in the region, which would disrupt business. Roldos continued with his policy. John decided he to would make a stand against the corporatocracy.

Mac Hall fired Bruno from MAIN. John was devastated that his mentor had been fired. He, too, was going to leave the game. He didn't want to be in the business of enslaving countries and their people anymore.



Chapter 26

Chapter 26 Summary and Analysis

When John quit, everyone thought he was crazy. He told Paul he would not reveal any of MAIN's inner workings. Paul asked if he would take a retainer position for the company as an expert witness on legal cases. John agreed if he was paid three times more than his previous salary. John continued to follow events in Latin America. Jaime Roldos was still going strong and launching an all-out political attack on the oil companies. Reagan was elected, which meant an even more imperialist United States. Roldos was getting ready to implement his Hydrocarbons law, and he expelled the SIL. He died in a plane crash before the hydrocarbons law was passed. The entire thing had "CIA" written all over it. The new president, Osvaldo Hurtado allowed both SIL to come back and oil companies to increase drilling. In a eulogy by Torrijos, he said that he, too, felt that his death was near.



Chapter 27 and Chapter 28

Chapter 27 and Chapter 28 Summary and Analysis

John knew that the CIA had to have been involved in Roldos' death. Two months later Omar Torrijos died in a plane crash. It was devastating because he was such a respected and honorable man that cared about his people, human rights and social justice. He was a liability to President Reagan and he had to be taken out for the sake of the corporatocracy. Torrijos was replaced by Manuel Noriega, who lacked wit, charm and intelligence and had no problem with corporatocracy leaders. If Torrijos would have lived, he would have served as a role model for other developing nations, which was something the CIA, NSA and EHM's would not countenance.

John was struggling with his job as an expert witness, especially on the Seabrook case, where he had to convince the New Hampshire Public Service Commission that nuclear power was not as bad as everyone portrayed it, even though he didn't agree. He was getting paid to lie under oath, and one day he told his bosses he couldn't do it anymore and quit. He started his own company that specializes in alternative energy technologies. The energy industry was changing drastically and deregulation was creating vast opportunities for people to take advantage of the situation. MAIN couldn't compete with the times. One company doing well was Enron. At the same time, G.W. Bush was given a position as board member for Harken Energy Corporation, which had just bought out his smaller company called Arbusto. Amoco was negotiating with Bahrain for oil drilling rights. Bush senior became president and a to everyone's surprise, Bahrain awarded Harken the rights. Many wondered whether President Bush was doing the right thing by helping his son's career in such a way. John knew that the Bush's were just part of the system.



Chapter 29 and Chapter 30

Chapter 29 and Chapter 30 Summary and Analysis

The world had just entered into a new era of economics that was set in motion by Robernt Mcnamara. The EHM concept was expanding and the new breed rose up to believe that "any means justified an end" and thus the "global empire was simply a pathway to increased profits." When PURPA (Public Utlitiy Regulatory Policy Act) was passed in 1978, deregulation took off. The emphasis of PURPA was really for small businesses and entrepreneurs and to find ways to get off oil dependence. However, power giants swept in, bought out smaller companies and created holding companies to maximize their profits. Everything was taking a back seat to greed, and private businesses were making the most money. They were ruthless and ensnared communities and whole countries by promising affluence, building schools and donating phones and medical services. Then in one fell swoop, they would find a better country, one that was more desperate, and abandon the people in the previous with no hope for their return. John decided it was time to write a book about what he had done. He was offered a very lucrative job, but only if he did not write a book. John sold out.

While living in Florida, John keep up to date with Central America. Noriega began not whistling to the United State's tune. The U.S. invaded Panama, though it wasn't a threat to the U.S.. Governments and politicians around the world denounced the U.S. as in violation of international law. The Arias family, which had been exiled in Columbia, was reinstated into Panama and once again the Canal was controlled by Washington. The U.S. was fighting with real soldiers, but secretly it was fighting with economic soldiers. The economic soldier never stops to think that by hurting the children of other people, he or she is jeopardizing the safety of his or her own.



Chapter 31

Chapter 31 Summary and Analysis

Iraq was a major interest in the 1980s and 1990s, though it wasn't on the public's radar screen. The corporatocracy wanted to deal with Iraq the same way they had dealt with Saudi Arabia. Iraq had geographic appeal as both the Tigris and Euphrates rivers run through it, so Iraq had most of the water supply in the Middle East. Water was important both politically and economically. Iraq is very strategic militarily and also within missile distance of Israel and the Soviet Union. "Whoever controls Iraq holds the key to controlling the Middle East." Saddam Hussein wasn't cooperating with the Western world. When he invaded Kuwait, the U.S. found its opportunity to attack. It was an expansion of the global empire led by the U.S. Firms that had been primarily U.S. firms were international corporations with stock holders from around the globe, and corporatocracy, not democracy, socialist, or capitalism, was the ideology to be spread.

In November 1990, John sold IPS after succumbing to the corporatocracy himself. He was still employed with SWEC, but they rarely called on him. In 1991, he started a small, nonprofit organization called Dream Change Coalition that led people into the Amazon to spend time with the Shuar, who were eager to show off their language, healing techniques and the way they cared for the environment. John started writing books about indigenous teachings and tried to avoid talking about his EHM work. One of his books, *The World is As You Dream It*, was very popular. He quit his job with SWEC and tried writing his EHM book again, but friends urged him to stop, fearing for his life. Then September 11, 2001 happened.



Chapter 32 and Chapter 33

Chapter 32 and Chapter 33 Summary and Analysis

On September 10th, John was in the Ecuadorian Amazon with Shakaim Chumpi, an indigenous Ecuadorian and coauthor of a book called Spirit of the Shuar. Shakaim was a soldier in the Ecuador-Peru conflict over the border. The Shuars really didn't care about the politics; they just fought because they were warriors and had to protect their land from foreign soldiers. Shakaim told John that they soon would be going to war with the oil companies. John heard about the terrorist attack on the twin towers on the radio and flew home to Florida. He visited Ground Zero and was in shock. John went to Wall Street and watched the silent people. An Afghani man sat next to him and they talked about how it was an attack in response to the economic wars more than anything. John felt depressed after revealing that he was an economic consultant and the man told him that it was the same as a soldier. John went back to Ground Zero and all he could see was Osama Bin Laden accepting a check from an EHM. He thought about all the other countries around the world that hated the global empire and the U.S. He heard a news boy shouting out "Venezuela on the brink of revolution!" in Spanish. He bought the paper and wondered "What about Venezuela?"

John had watched Venezuela for years. The country's economy rose overnight when it found out it had oil, and it became an EHM hot spot. During the 1973 oil embargo, petroleum prices went up, and Venezuela's national budget quadrupled sending the EHM's in to sell loans to pay for infrastructure and industrial projects. But then oil prices crashed, and Venezuela couldn't pay all the debt that it had incurred. When they were forced to pay, the Venezuelans were violent. Poverty increased and the middle class turned against the poor. The demographics of the country changed, which is how Chavez got his job as president. He immediately challenged the Bush administration, but Chavez was ignored because the U.S. already had Afghanistan and the Iraqi fronts open and couldn't afford another war so soon. But they couldn't keep ignoring Chavez for long. John met another EHM, who told him about an operation to bribe military officers and create worker strikes in Caracas, the capital of Venezuela. The strikes occurred, but Chavez was able to escape his military officers; when the dust settled, he came back in full force against the corporatocracy and Bush. Both the EHM's and the jackals failed this time around in Venezuela.



Chapter 34

Chapter 34 Summary and Analysis

John returned to Ecuador; the country he loved had changed drastically. The poor were even more desperate as a result of EHM work, and to date Ecuador had to give fifty percent of its annual budget to paying off its debts instead of helping its people. John marvels at the beautiful rain forests and dreads thinking about the day that they are will all be gone because of oil drilling. There are hundreds of places that are threatened everyday.

John is reminded of a prophecy called "The Prophecy of the Condor and Eagle," which he applies to the current world situation. It is a story that talks about indigenous thought and technology. It is like balancing yin and yang. It states that people can use these different ways of thinking and use them to spring a higher level of awareness of world issues and be a more "conscious species." John says that people need to wake up, especially those living in the U.S. and stop worrying about things that don't matter. People need to reevaluate who they are and where they want their children to be. The alternative, which would be to ignore the issues, is too high of a price to pay.

Chapter 35

Chapter 35 Summary and Analysis

In the final chapter, John talks more about how to change things by piercing through the veneer and taking the first step. The U.S. invaded Iraq because the EHM's and jackals had failed to get Iraq to comply. Would this invasion mean the end of OPEC and its control of Middle East oil? There is always the issue that the OPEC nations could raise prices to their highest, since they would have nothing to lose anymore if they were getting invaded. The price hike would be enough for the U.S. to implode on itself, since oil is based on U.S. currency. The U.S. is actually in extremely excessive debt. If these nations were to call in their debts, the U.S. would be in a lot of trouble. And if the Euro should rise to surpass the dollar and be used as the international currency, this would break the U.S., too.

There are many things wrong with the U.S., but how are people supposed to change the nation or even want to change it? John wonders why anyone who is able to buy a car, a house, enough food and clothes, electricity and health care ever want to rise up against the nation that makes it possible for them to get these things. Then he knew that the only thing that can make people rise up and challenge themselves and their people for a better life are words. Words can move people and cause them to act. Words are powerful on paper, and even more powerful when they are spoken. They have the power to change things, and that is why he wrote this book. He made the decision to stop procrastinating, to confess and "write the words in this book."



Characters

John Perkins - Writer

John Perkins is the writer and narrator of the book. He was born into a modest family that believed themselves superior to the rest of the common people living in their town. John attended the Tilton school for boys, where he grows up sexually and morally frustrated. His parents never allow him to date any of the girls in his town because they are "sluts," and so he harbors his frustration and uses it to succeed. He excels in school and sports and is offered a scholarship to Brown, though he turns it down to go to Middlebury college because his father wanted him to go there instead. He makes an Iranian friend, who later turns out to save his life and then rebels against his parents by dropping out of school. He dodges the draft for Vietnam and goes into the Peace Corps, where he learns how to live in a developing country among native people. He then joins MAIN, who feasts off his personality traits. His desire to be extremely wealthy and have any women he wants, causes him to ignore his gut feeling that something is wrong, and instead to excel, especially when things are not going well for him personally. These traits are essential for him to work as an EHM. He ignores his inner voice throughout his young adult life, loses his wife, meets both amazing and oppressive military and political leaders, travels the world and marries again before his conscience catches up to him, and he can no longer do the economic forecasting job he was hired to do. He admires heroes and secretly wants to be one, so he takes the step to go against the corporate empire and tries to be that hero by writing this book to reveal the truth about the work he was involved in as an EMH.

Farhad

Farhad is John's Iranian friend that he meets at Middlebury college. He is the son of an Iranian general, who is directly linked with the Shah. Farhad is a very important figure in John's life. They befriend each other while attending Middlebury college and both got into trouble. Farhad encourages John to rebel against his parents and stop going to classes and purposely failing. When the two get into a barfight, Farhad is kicked out of school, and John quits, moving to Boston, where he meets his first wife and makes his initial connections to become an EHM. Many years down the road, he encounters Farhad in Iran. Farhad convinces him to leave the country, and they meet with Farhad's parents in Rome where Farhad's father teaches John new things about the world he is altering.

Father and Mother

John's father is a retired military man and teacher at the Tilton school. His mother is also a teacher at the school. They teach John that he is superior to other people in the town, even though he neither feels it, nor sees it in comparison to the other boys at the



school. His father is very adamant that he go to Tilton school and both he and John's mother get him accepted. They are both portrayed as snobby people, who believe they are better than most. They even believed that their college, Middlebury, was better than any Ivy League school and convince John to turn down a full sports scholarship to Brown to attend Middlebury.

Ann

Ann is John's first wife. Though friends at first, she convinces him to marry her after moving to Boston. She introduces her to her Uncle Frank, who works for the NSA. They stay married for a few short years, then later divorce when his work consumes him, and he accuses her of forcing him into marriage.

Uncle Frank

Ann's Uncle works for the NSA and encourages John to join the Peace Corps to dodge the draft. He gets the ball rolling for John's EHM career, possibly by sending his NSA profile to private contractors such as MAIN.

Claudine

Claudine is the EHM who trains John. She is very attractive and seductive and knows how to play and work John. He is upset that a woman was sent to train him, but this was probably done deliberately to make sure that he would be trained correctly. She taught him all about being an EHM and was very stern about never revealing their secrets, since she would just deny them anyways. She gets into John's head, and he never forgets how lonely he feels whenever he thinks about her.

Einar

Vice President to MAIN when John was working with the Peace Corps. Einar had flown into Ecuador for a project and to size John up for the company. Einar was John's primary point of contact with MAIN and hired him as an economist immediately after he was finished with the Peace Corps.

Howard Parker

Howard is a man that John meets on his first trip to Indonesia. He is the electricity specialist and was hired to forecast the growth that would take place after implementing a new power system in Indonesia. He is an honest man, and doesn't even try to fudge the numbers the way MAIN wants him to. He quits and tells John that it isn't too late for him to get out, too. Howard tells John that everyone in MAIN is just out to make money, regardless of the lives they are hurting by indebting nations. He is the only honest man



that John ever meets in his line of work and the only one bold enough to stand up against MAIN.

Charlie Illingworth

Charlie was the project manager for the Indonesia project and believed MAIN was there to secure Indonesia against Communism. He was an expert on war and war history.

Rasmon - Rasy

Rasy is a young Indonesian man that John meets in a hotel. Rasy takes John under his wing and teaches him more about Indonesia than any of the officials can. He takes him to parts of the country that no other American would dare to go, mostly because they never leave the posh hotels.

Omar Torrijos

Omar Torrijos was the charismatic and compassionate president of Panama. He stood for the rights of his people and wanted the world to know that while he was pro-Panama, he was not anti-American—he simply wanted to make sure that Panama remained a sovereign nation, and that he could help the poor and oppressed of his nation rise up and be prosperous people. He was a controversial leader only because he wanted to gain control of the Panama Canal, which was rightfully Panama's, but controlled by the U.S. He also didn't allow the School of the Americas or other right-wing military training grounds to be housed in his country. He wanted to help the poor as much as he could. He stood for moral justice and was a role model for leaders around the world. He was killed in a plane crash in what many believe was a CIA operation.

Fidel

Fidel was John's driver in Panama. He takes John to the slums of the city, as well as the New Panama and the Canal Zone which is owned by the U.S. He gives John an insider's tour of the city.

Bruno Zambotti

Known as the silver fox because of his hair and his ability to outmaneuver anyone who challenged him, he was John's mentor and the vice president of MAIN's electrical power division and of most of the international projects. He was also likely to take over as president of the company but was fired when the president of MAIN got jealous that Bruno was doing better for MAIN than he was.



Graham Greene

Author of *The Power and the Glory*, *Our Man in Havana*, and an article titled *The Country with Five Frontiers* about how the U.S. might bribe Panama's military chiefs to sabotage treaty negotiations of the Panama Canal. He was close to President Torrijos and was writing a book about Panama. He encouraged John to write a book himself, a coincidence that changed John's life.

Yamin

An Iranian, educated in the British school system, described as a famous and subversive radical.

Ayatollah Ruhollah Khomeini

A fanatical Shiite who was urging Iranians to rise against the Shah to create a clerical state in Iran.

Jaime Roldos

This was the beloved leader of Ecuador who fought for the rights of his people, much like Omar Torrijos. He was democratically elected based on his opposition to the large oil companies and the desire to implement a hydrocarbons policy that would generate funds for social justice. He was killed in a plane crash just before Torrijos and it is suspected it was set up by the American CIA. Omar Torrijos called him a hero and his brother.

Paula

A Venezuelan woman who helps John listen to his conscience. She helps him see that what he is doing is wrong and gives him insight as to what the rest of the world sees and feels about the corporatocracy.



Objects/Places

Indonesia

A chain of Islands in the Pacific. This is where John's first project was.

Jakarta

The capital of Indonesia, where John was to get most of his official information on the country.

Bandung

A mountain city near Jakarta in Indonesia.

Wisma

The government house where the MAIN Indonesia team resided in while in Bandung.

Panama

The nation that housed the Panama Canal, governed by Omar Torrijos, where John was sent to strike a deal for an upgraded Canal.

Canal Zone

The U.S. owned part of Panama that the Panamanians wanted back. People that lived in the Zone used U.S. currency, only spoke English and never mixed outside the walls.

Iraq

The "key to the middle east," Iraq is a strategic landmark and holder of natural resources whose leader didn't give in to the corporatocracy.

Bechtel

One of MAINs leading competitors for international projects. It is a company highly notorious for indebting countries.



MAIN

The private consulting and engineering firm for which John worked.

Ecuador

One of John's favorite Latin American countries where he was in the Peace Corps. He later started a nonprofit organization that led people into the Ecuadorian Amazon to teach people about the Shuars.

IPS

John's energy company that focused on alternative and clean energy.

OPEC

The oil cartel of the Middle East.

Petroleos de Venezuela

The main oil company in Venezuela that provides eighty percent of export revenue. The company makes fifty billion dollars in sales each year.



Themes

Modern Day Slavery

The narrator makes it very clear towards the end of the book that the corporatocracy is merely an empire that controls the nations and people around it, using them for labor and resources in order to feed, clothe, and provide for its own. John Perkins states that this is simply another form of slavery, especially in the way that the empire almost forbids the "slaves" from ever rising up and improving their lives by making sure that their countries are indebted forever. This is very similar to the way an indentured slave would work, or the way an African slave was controlled in colonial America. What makes this type of slavery different is the complete disconnection from the slave and the slave owner. The modern-day slave owner never sees the slave, never hears him screaming for freedom and compassion when the whip of imperialism is slashed across its back. All that matters is that the work is done quickly, cleanly and efficiently. The mess of the slave and the exploitation of the land is left abroad, outside the walls of the empire.

Conscience

The idea of a conscience is brought up several times throughout the book. John has the ability to quiet his conscience several times throughout his life. Just when you think he is giving his conscience a chance to convince him that he is doing wrong, he quiets it again. The goal of the book is to allow people to let their consciences be heard. With the information presented in each chapter, there is a chance to think about what the U.S. is doing morally wrong, and a chance to make people think about how to help change that. It isn't easy, however, as the narrator has shown in his book. He fights his gut feeling, and when he does something good, it is usually backed by the corporate empire in order to keep him quiet. When he does something good, such as create IPS, but he is succeeding only because of his ties to the corporate world. It makes the reader wonder whether there really is a way to live a life with clean hands within the corporate empire, regardless of to what and whom we listen.

The Spread of Democracy.

The U.S has always been very passionate about spreading democracy, at least politically. There have been hundreds of speeches given by presidents about the need to make sure that every nation have presidents that are democratically elected, that people have basic rights and that everyone be happy and live in prosperous societies. However, this spread of democracy seems to be quite weak in Latin America. And while Latin America has been successful at voting for the people they want in office, the U.S. has been quick to oust someone who goes against an idea, value or resource that Washington believes, or is invested, in. The U.S. invasion of Iraq during the Gulf War was a fight for resources, while the invasion of Panama was a fight for the Canal. Even



though Panama didn't pose any threat whatsoever, and even though its president was beloved and democratically elected, the U.S. still invaded. The U.S. went against its democratic ideals, shook the nation of Panama to a core, took back the Canal, and gave them a puppet president. When the puppet didn't dance the way the U.S. wanted, he, too, was ousted. Thus the spread of democracy appears to be no more than a label with undertones of U.S. imperialism.

Style

Perspective

The entire book is written in the first person and is a narrative account of the life that John Perkins led as an economic hit man. He was molded into an EHM before he even knew what was happening. He fell into the job, and once in, found it hard to escape. He always wanted people to know about what he was doing, and, thus, throughout his career learned all he needed to know about the corporate empire and later exposed it in order to try to help people. The book is intended to be read by everyone, especially Americans who live in the U.S. and have the power to change things. He agrees that this is hard because most Americans, especially those that vote, are quite comfortable living their lives without knowing how others suffer in order for them to live well. The expected impact on the reader is for them to be shocked, take a look at themselves and want to change things. It is meant to move the reader and reveal the shocking truth of what John calls modern-day slavery.

Tone

The tone of the book is completely subjective to John's feelings, as it is a confession. His aim is to get the reader to understand the way the corporate empire is devouring smaller nations and essentially using the people within the countries as modern-day slaves. He wants people to feel guilty for indirectly enslaving people in third world countries. He wants them to stop using so much oil and to stop buying clothes and things made in third world countries in sweatshops. At first he is very revealing, and he aims at telling the reader that he fell into the trap of materialism. While he always had the intention of revealing his story, he led the life too long and it ended up killing him on the inside. His tone switches to regret, and then to a desire to take action. While he never apologizes for everything that he has done, he knows that it has affected millions of lives, and he understands that what he has done is make it easier for everyone else to continue the cycle. The corporate empire started with its economic soldiers, and the people behind them keep the empire alive. The reader is left to feel guilty, astonished and to want to change.

Structure

The book is divided in four major parts and thirty-five chapters. The first part is about John Perkins' life from 1963-1971, and is the beginning of his life to when he first realized he was selling his soul to the corporate empire. The second part is from 1971-1975, and is based on his role as an EHM. In Part three, 1975-1981, he writes about his ailing conscience and the need to reveal what he was doing to the world. He quits during this time and starts a new life. Part four is about his new life, which really isn't too different because he is still involved in the same line of work, though he is an indirect



contributor. He finishes with a long dialogue on listening to one's conscience and doing the right thing. This is a good structure for the book because it breaks up a series of events in the different stages of John Perkins' life. Each stage is a period of realization, reevaluation and action. He provides a lot of background when introducing pieces in world history and never leaves the reader in the historical dark. At the end, he gives insight to the current world situation and forecasts what could happen if things don't change.



Quotes

"This was Jakarta, where the enticing scent of cloves and orchid blossoms battled the miasma of open sewers for dominance." Chapter 4, Pg. 29

"Indeed, promoting capitalism often results in a system that resembles medieval feudal societies." Chapter 4, Pg. 32

"The loans of foreign aid will ensure that today's children and their grandchildren will be held hostage." Chapter 8, pg. 56

"If I don't pay [my soldiers] the CIA will." Chapter 17, pg. 121

"The desert is a symbol, Turning it green is about much more than agriculture." Chapter 13, pg. 129

"It was disturbing to understand that the unspoken details behind the written words of my resume and of that article defined a world of smoke and mirrors intended to keep us all shackled to a system that is orally repugnant and ultimately self destructive." Chapter 23, pg. 164

"The jackals were back...and they wanted everyone else who might consider joining an anti-corporatocracy crusade to know it." Chapter 27 pg. 185

"The alternative to stopping to ask ourselves the important questions is simply too dangerous." Chapter 34, pg. 248

"Omar Torrijos...saw himself dropping from from the sky in a gigantic fireball. It was prophetic." Chapter 26 pg. 184

"I knew that Bush, just like the Enron executives, was part of the network I and my EHM colleagues had created; they were the feudal lords and plantation masters." Chapter 29, pg 195

"The old fashioned slave trader told himself that he was dealing with a species that was not entirely human...The modern slave trader assures herself that the desperate people are better off earning one dollar a day than no dollars at all." Chapter 30, pg. 213

"He is no longer one of us, My son." Chapter 34, pg. 245

"I made my decision to stop procrastinating, to finish finally what I had started so many times over all those years, to come clean, to confess—to write the words in this book." Chapter 35, p. 259



Topics for Discussion

How can a person living in the U.S. refuse modern day slavery?

Can consumers be labeled as slave traders?

Is there a way to escape the inevitable defeat of a corporate empire? Can there ever be an end to the empire?

Throughout history, oppressed people have risen up against establishments to fight for their rights, usually when they had become so desperate that there was nothing else left to do. Can there ever be a successful uprising that will stop the corporate empire in its tracks?

Many people argue that the U.S. should ease its imperialistic goals justified through Manifest Destiny and turn around and help other nations. Can this be done, or is it too late in the game? Would the U.S. be accepted or denied based on its history with exploiting developing countries?

John's coincidental moments shaped his life forever. What events in our lives were facilitated and shaped by the corporatocracy?

Is the corporatocracy really as bad as John portrays? Without imperialism, there would never be great empires. Someone has to be at the top, so why is it bad to want and assume that position?

War has been present since the beginning of civilization. While there has been a drop in the number of wars, they haven't stopped altogether. Is the corporatocracy responsible for the decline of wars, or is it the the reason why they continue? Consider the economic soldier and its role in corporate empire.

A soldier is merely an actor that does what its leader and government tell him or her to do. John was an economic soldier, simply following orders. What made him such a successful soldier, and what eventually made him snap? How does he compare to typical military soldiers?