

sion of Lebanon, Israel's bombing of the Palestine Liberation Organization (PLO) in Tunisia, and its interception of an Egyptian airliner.

So, Shultz used an avowed advocate of Israel's fascist "Terror Against Terror"-style tactics, to cover up the extent of the Pollard espionage network. And, he rewarded Judge Sofaer by seeing that he became a Fellow at the Hoover Institution, along with Shultz.

Toward the end of the Reagan Administration, following then-Prime Minister Margaret Thatcher's advice that Soviet President Mikhail Gorbachov was a "man with whom you can do business," Shultz proposed what was then known as a "global condominium" or "New Yalta" arrangement with Gorbachov. Ironically, by 1989, Soviet hardliners, fearing an impending economic collapse, were preparing for a potential "global showdown," and Gorbachov was President in name only.

Exemplary of the "New Yalta," is the case of the Middle East, where Shultz rudely rejected Israeli and other suggestions that an economic development program for the region ought to be the key component of negotiating political solutions. Taking a page from Zbigniew Brzezinski's "Arc of Crisis," Shultz carried out secret diplomacy, offering Israel the West Bank (which had been part of Jordan), plus a part of southern Lebanon, if Israel would grant Syria, which was then a Soviet satrap, the remainder of northern Lebanon. Thus, the map of the Mideast would be redrawn into a "Greater Syria" and a "Greater Israel"—an arrangement which left the Palestinians, with whom Shultz refused to deal, nothing.

## The Post-Reagan Era

Since leaving office, Shultz has not changed his disregard for the general welfare. He teamed up with "British Golem" and mega-speculator George Soros to promote a series of referenda to legalize narcotics, making him truly the "Godfather" of the Vulcans. Thus, in an Oct. 7, 1989, speech to the Stanford Business School, Shultz said that the time had come "to make it possible for addicts to buy drugs at some regulated place at a price that approximates cost. . . . We need at least to consider and examine forms of controlled legalization of drugs." Shultz's program, in historical effect, has resulted in skyrocketing addiction wherever it has been implemented.

In semi-retirement in the Hoover Institution's ivory towers, Shultz has done very well indeed, giving economic advice to many companies gullible enough to accept it from the man who helped bring about their impending demise. He is a member of the board of directors of Bechtel Group, Fremont Group, Gilead Sciences, Unext.com, and Charles Schwab & Co. He is also chairman of the International Council of J.P. Morgan Chase, which *EIR* analysts believe may have been taken under protection of the Federal Reserve after it nearly went under in 2003.

Shultz is being well rewarded for his years of servitude to the Anglo-American Establishment.

*To be continued.*

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## Book Review

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### 'Washington Consensus' Indicted for Genocide

by Jeffrey Steinberg

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#### Confessions of an Economic Hit Man: How the U.S. Uses Globalization To Cheat Poor Countries Out of Trillions

by John Perkins

San Francisco: Berrett-Koehler, 2004

264 pages, hardbound, \$24.95

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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-decade-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 material extraction corporations, that control upwards of 80% of the world economy, including the lion's share of the strategic raw material 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 vice-grip control. They constitute what Perkins describes as the most sophisticated global imperial apparatus that the world has ever known. Their power rests in their ability to enslave entire nations through



*The paradigm of the economic hit men and the jackals: New York Stock Exchange President Richard Grasso embraces Raúl Reyes, the financial chieftain of Colombia's narco-terrorist FARC, in the Colombian jungles in 1999.*

the mechanisms of the IMF, World Bank, private debt, and corruption.

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 material wealth and labor power. When a particular nationalist head of state resists, the debt-masters next 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 on his successors that such behavior is not 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, and the 1991 and 2003 invasions of Iraq—take place. A thoroughly corrupt mass-media provides the soap opera rationalization for the military punishment of resisting nations, as in the Cheney-Bush “Big Lies” about Saddam Hussein’s make-believe arsenal of weapons of mass destruction, and his fractured-fairy-tale links to Osama bin Laden.

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. The archives of *EIR*, and the saga of Lyndon LaRouche’s lifetime quest for global economic justice, confirm that every basic feature of Perkins’ account is true to life.

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’ accounts leave no doubt that they were assassinated by the jackals because they dared to resist.

Among the “crimes” of Torrijos was his negotiations 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, along with the proposed Kra Canal in Thailand. These were truly “Great Projects” that 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 (see accompanying summary timeline). Among the most notable, since the advent of the post-Bretton Woods System in August 1971: German bankers Jürgen Ponto and Hanns-Martin Schleyer, and, later, Alfred Herrhausen and Detlev Rohwedder; Italian Prime Minister Aldo Moro; Indian Prime Ministers Indira Ghandi and Rajiv Ghandi; Pakistani President Zulfikar Ali Bhutto; Mexican Presidential candidate Donald Colosio and Colombian Presidential candidate Luis Carlos Galán.

One of the most flagrant depictions of the relationships between the economic hit men and the jackals appeared in the Colombian media several years ago, and was subsequently circulated worldwide by *EIR*. The picture showed Richard Grasso, then the chairman of the New York Stock Exchange, deep in the Colombian jungles, in a friendly embrace with the financial chief of the FARC, the Colombian narco-terrorist organization—affiliated with that country’s Communist Party—which is at the heart of the multi-billion narcotics trade, and which is behind many of the acts of political violence that have plagued Ibero-America in the recent several decades.

### **McNamara and Shultz**

Perkins’ book is an effective blend of his own personal experiences in his several-decade career as an economic hit