

Confessions of an Economic Hit Man

John Perkins



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*To my mother and father, Ruth Moody and Jason Perkins, who taught me about love and living and
instilled in me the courage that enabled me to write this book.*

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PREFACE

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

I should know; I was an EHM.

I wrote that in 1982, as the beginning of a book with the working title, *Conscience of an Economic Hit Man*. The book was dedicated to the presidents of two countries, men who had been my clients, whom I respected and thought of as kindred spirits—Jaime Roldós, president of Ecuador, and Omar Torrijos, president of Panama. Both had just died in fiery crashes. Their deaths were not accidental. They were assassinated because they opposed that fraternity of corporate, government, and banking heads whose goal is global empire. We EHMs failed to bring Roldós and Torrijos around, and the other type of hit men, the CIA-sanctioned jackals who were always right behind us, stepped in.

I was persuaded to stop writing that book. I started it four more times during the next twenty years. On each occasion, my decision to begin again was influenced by current world events: the U.S. invasion of Panama in 1989, the first Gulf War, Somalia, the rise of Osama bin Laden. However, threats or bribes always convinced me to stop.

In 2003, the president of a major publishing house that is owned by a powerful international corporation read a draft of what had now become *Confessions of an Economic Hit Man*. He described it as “a riveting story that needs to be told.” Then he smiled sadly, shook his head, and told me that since the executives at world headquarters might object, he could not afford to risk publishing it. He advised me to fictionalize it. “We could market you in the mold of a novelist like John Le Carré or Graham Greene.”

But this is not fiction. It is the true story of my life. A more courageous publisher, one not owned by an international corporation, has agreed to help me tell it.

This story *must* be told. We live in a time of terrible crisis—and tremendous opportunity. The story of this particular economic hit man is the story of how we got to where we are and why we currently face crises that seem insurmountable. This story must be told because only by understanding our past mistakes will we be able to take advantage of future opportunities; because 9/11 happened and so did the second war in Iraq; because in addition to the three thousand people who died on September 11, 2001, at the hands of terrorists, another twenty-four thousand died from hunger and related causes. In fact, twenty-four thousand people die every single day because they are unable to obtain life-sustaining food.¹ Most importantly, this story must be told because today, for the first time in history, one nation has the ability, the money, and the power to change all this. It is the nation where I was born and the one I served as an EHM: the United States of America.

What finally convinced me to ignore the threats and bribes?

The short answer is that my only child, Jessica, graduated from college and went out into the world on her own. When I recently told her that I was considering publishing this book and shared my fears

with her, she said, “Don’t worry, dad. If they get you, I’ll take over where you left off. We need to do this for the grandchildren I hope to give you someday!” That is the short answer.

The longer version relates to my dedication to the country where I was raised, to my love of the ideals expressed by our Founding Fathers, to my deep commitment to the American republic that today promises “life, liberty, and the pursuit of happiness” for all people, everywhere, and to my determination after 9/11 not to sit idly by any longer while EHM’s turn that republic into a global empire. That is the skeleton version of the long answer; the flesh and blood are added in the chapters that follow.

This is a true story. I lived every minute of it. The sights, the people, the conversations, and the feelings I describe were all a part of my life. It is my personal story, and yet it happened within the larger context of world events that have shaped our history, have brought us to where we are today, and form the foundation of our children’s futures. I have made every effort to present these experiences, people, and conversations accurately. Whenever I discuss historical events or re-create conversations with other people, I do so with the help of several tools: published documents; personal records and notes; recollections—my own and those of others who participated; the five manuscripts I began previously; and historical accounts by other authors, most notably recently published ones that disclose information that formerly was classified or otherwise unavailable. References are provided in the endnotes, to allow interested readers to pursue these subjects in more depth. In some cases, I combine several dialogues I had with a person into one conversation to facilitate the flow of the narrative.

My publisher asked whether we actually referred to ourselves as economic hit men. I assured him that we did, although usually only by the initials. In fact, on the day in 1971 when I began working with my teacher Claudine, she informed me, “My assignment is to mold you into an economic hit man. No one can know about your involvement—not even your wife.” Then she turned serious. “Once you’re in, you’re in for life.”

Claudine’s role is a fascinating example of the manipulation that underlies the business I had entered. Beautiful and intelligent, she was highly effective; she understood my weaknesses and used them to her greatest advantage. Her job and the way she executed it exemplify the subtlety of the people behind this system.

Claudine pulled no punches when describing what I would be called upon to do. My job, she said, was “to encourage world leaders to become part of a vast network that promotes U.S. commercial interests. In the end, those leaders become ensnared in a web of debt that ensures their loyalty. We can draw on them whenever we desire—to satisfy our political, economic, or military needs. In turn, they bolster their political positions by bringing industrial parks, power plants, and airports to their people. The owners of U.S. engineering/construction companies become fabulously wealthy.”

Today we see the results of this system run amok. Executives at our most respected companies hire people at near-slave wages to toil under inhuman conditions in Asian sweatshops. Oil companies wantonly pump toxins into rain forest rivers, consciously killing people, animals, and plants, and committing genocide among ancient cultures. The pharmaceutical industry denies lifesaving medicines to millions of HIV-infected Africans. Twelve million families in our own United States worry about their next meal.² The energy industry creates an Enron. The accounting industry creates an Andersen. The income ratio of the one-fifth of the world’s population in the wealthiest countries to the one-fifth in the poorest went from 30 to 1 in 1960 to 74 to 1 in 1995.³ The United States spends over \$87 billion conducting a war in Iraq while the United Nations estimates that for less than half

that amount we could provide clean water, adequate diets, sanitation services, and basic education to every person on the planet.⁴

And we wonder why terrorists attack us?

Some would blame our current problems on an organized conspiracy. I wish it were so simple. Members of a conspiracy can be rooted out and brought to justice. This system, however, is fueled by something far more dangerous than conspiracy. It is driven not by a small band of men but by a concept that has become accepted as gospel: the idea that all economic growth benefits humankind and that the greater the growth, the more widespread the benefits. This belief also has a corollary: that those people who excel at stoking the fires of economic growth should be exalted and rewarded, while those born at the fringes are available for exploitation.

The concept is, of course, erroneous. We know that in many countries economic growth benefits only a small portion of the population and may in fact result in increasingly desperate circumstances for the majority. This effect is reinforced by the corollary belief that the captains of industry who drive this system should enjoy a special status, a belief that is the root of many of our current problems and is perhaps also the reason why conspiracy theories abound. When men and women are rewarded for greed, greed becomes a corrupting motivator. When we equate the gluttonous consumption of the earth's resources with a status approaching sainthood, when we teach our children to emulate people who live unbalanced lives, and when we define huge sections of the population as subservient to an elite minority, we ask for trouble. And we get it.

In their drive to advance the global empire, corporations, banks, and governments (collectively the *corporatocracy*) use their financial and political muscle to ensure that our schools, businesses, and media support both the fallacious concept and its corollary. They have brought us to a point where our global culture is a monstrous machine that requires exponentially increasing amounts of fuel and maintenance, so much so that in the end it will have consumed everything in sight and will be left with no choice but to devour itself.

The corporatocracy is not a conspiracy, but its members do endorse common values and goals. One of corporatocracy's most important functions is to perpetuate and continually expand and strengthen the system. The lives of those who "make it," and their accoutrements—their mansions, yachts, and private jets—are presented as models to inspire us all to consume, consume, consume. Every opportunity is taken to convince us that purchasing things is our civic duty, that pillaging the earth is good for the economy and therefore serves our higher interests. People like me are paid outrageously high salaries to do the system's bidding. If we falter, a more malicious form of hit man, the jackal, steps to the plate. And if the jackal fails, then the job falls to the military.

This book is the confession of a man who, back when I was an EHM, was part of a relatively small group. People who play similar roles are more abundant now. They have more euphemistic titles, and they walk the corridors of Monsanto, General Electric, Nike, General Motors, Wal-Mart, and nearly every other major corporation in the world. In a very real sense, *Confessions of an Economic Hit Man* is their story as well as mine.

It is your story too, the story of your world and mine, of the first truly global empire. History tells us that unless we modify this story, it is guaranteed to end tragically. Empires never last. Every one of them has failed terribly. They destroy many cultures as they race toward greater domination, and then they themselves fall. No country or combination of countries can thrive in the long term by exploiting others.

This book was written so that we may take heed and remold our story. I am certain that when enough of us become aware of how we are being exploited by the economic engine that creates an insatiable appetite for the world's resources, and results in systems that foster slavery, we will no longer tolerate it. We will reassess our role in a world where a few swim in riches and the majority drown in poverty, pollution, and violence. We will commit ourselves to navigating a course toward compassion, democracy, and social justice for all.

Admitting to a problem is the first step toward finding a solution. Confessing a sin is the beginning of redemption. Let this book, then, be the start of our salvation. Let it inspire us to new levels of dedication and drive us to realize our dream of balanced and honorable societies.



Without the many people whose lives I shared and who are described in the following pages, this book would not have been written. I am grateful for the experiences and the lessons.

Beyond them, I thank the people who encouraged me to go out on a limb and tell my story: Stepha Rechtschaffen, Bill and Lynne Twist, Ann Kemp, Art Roffey, so many of the people who participated in Dream Change trips and workshops, especially my cofacilitators, Eve Bruce, Lyn Roberts-Herrick and Mary Tendall, and my incredible wife and partner of twenty-five years, Winifred, and our daughter Jessica.

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Once the manuscript was written, Berrett-Koehler founder Steven Piersanti not only had the courage to take me in but also devoted endless hours as a brilliant editor, helping me to frame and reframe the book. My deepest thanks go to Steven, to Richard Perl, who introduced me to him, and also to Nova Brown, Randi Fiat, Allen Jones, Chris Lee, Jennifer Liss, Laurie Pellouchoud, and Jenny Williams, who read and critiqued the manuscript; to David Korten, who not only read and critiqued it but also made me jump through hoops to satisfy his high and excellent standards; to Paul Fedorko, my agent; to Valerie Brewster for crafting the book design; and to Todd Manza, my copy editor, a wordsmith and philosopher extraordinaire.

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I must thank all those men and women who worked with me at MAIN and were unaware of the roles they played in helping EHM shape the global empire; I especially thank the ones who worked for me and with whom I traveled to distant lands and shared so many precious moments. Also Ehud Sperling and his staff at Inner Traditions International, publisher of my earlier books on indigenous cultures and shamanism, and good friends who set me on this path as an author.

I am eternally grateful to the men and women who took me into their homes in the jungles, deserts, and mountains, in the cardboard shacks along the canals of Jakarta, and in the slums of countless cities around the world, who shared their food and their lives with me and who have been my greatest source

of inspiration.

John Perkins
August 2004

PROLOGUE

Quito, Ecuador's capital, stretches across a volcanic valley high in the Andes, at an altitude of nine thousand feet. Residents of this city, which was founded long before Columbus arrived in the Americas, are accustomed to seeing snow on the surrounding peaks, despite the fact that they live just a few miles south of the equator.

The city of Shell, a frontier outpost and military base hacked out of Ecuador's Amazon jungle to service the oil company whose name it bears, is nearly eight thousand feet lower than Quito. A steaming city, it is inhabited mostly by soldiers, oil workers, and the indigenous people from the Shuar and Kichwa tribes who work for them as prostitutes and laborers.

To journey from one city to the other, you must travel a road that is both tortuous and breathtaking. Local people will tell you that during the trip you experience all four seasons in a single day.

Although I have driven this road many times, I never tire of the spectacular scenery. Sheer cliffs, punctuated by cascading waterfalls and brilliant bromeliads, rise up one side. On the other side, the earth drops abruptly into a deep abyss where the Pastaza River, a head-water of the Amazon, snakes its way down the Andes. The Pastaza carries water from the glaciers of Cotopaxi, one of the world's highest active volcanoes and a deity in the time of the Incas, to the Atlantic Ocean over three thousand miles away.

In 2003, I departed Quito in a Subaru Outback and headed for Shell on a mission that was like no other I had ever accepted. I was hoping to end a war I had helped create. As is the case with so many things we EHM's must take responsibility for, it is a war that is virtually unknown anywhere outside the country where it is fought. I was on my way to meet with the Shuars, the Kichwas, and their neighbors the Achuars, the Zaparos, and the Shiwiars—tribes determined to prevent our oil companies from destroying their homes, families, and lands, even if it means they must die in the process. For them, this is a war about the survival of their children and cultures, while for us it is about power, money, and natural resources. It is one part of the struggle for world domination and the dream of a few greedy men, global empire.¹

That is what we EHM's do best: we build a global empire. We are an elite group of men and women who utilize international financial organizations to foment conditions that make other nations subservient to the corporatocracy running our biggest corporations, our government, and our banks. Like our counterparts in the Mafia, EHM's provide favors. These take the form of loans to develop infrastructure—electric generating plants, highways, ports, airports, or industrial parks. A condition of such loans is that engineering and construction companies from our own country must build all these projects. In essence, most of the money never leaves the United States; it is simply transferred from banking offices in Washington to engineering offices in New York, Houston, or San Francisco.

Despite the fact that the money is returned almost immediately to corporations that are members of the corporatocracy (the creditor), the recipient country is required to pay it all back, principal plus interest. If an EHM is completely successful, the loans are so large that the debtor is forced to default on its payments after a few years. When this happens, then like the Mafia we demand our pound of flesh. This often includes one or more of the following: control over United Nations votes, the installation of military bases, or access to precious resources such as oil or the Panama Canal. Of course, the debtor still owes us the money—and another country is added to our global empire.

Driving from Quito toward Shell on this sunny day in 2003, I thought back thirty-five years to the

first time I arrived in this part of the world. I had read that although Ecuador is only about the size of Nevada, it has more than thirty active volcanoes, over 15 percent of the world's bird species, and thousands of as-yet-unclassified plants, and that it is a land of diverse cultures where nearly as many people speak ancient indigenous languages as speak Spanish. I found it fascinating and certainly exotic; yet, the words that kept coming to mind back then were *pure*, *untouched*, and *innocent*.

Much has changed in thirty-five years.

At the time of my first visit in 1968, Texaco had only just discovered petroleum in Ecuador's Amazon region. Today, oil accounts for nearly half the country's exports. A trans-Andean pipeline built shortly after my first visit has since leaked over a half million barrels of oil into the fragile rain forest—more than twice the amount spilled by the Exxon *Valdez*.² Today, a new \$1.3 billion, three hundred-mile pipeline constructed by an EHM-organized consortium promises to make Ecuador one of the world's top ten suppliers of oil to the United States.³ Vast areas of rain forest have fallen, macaws and jaguars have all but vanished, three Ecuadorian indigenous cultures have been driven to the verge of collapse, and pristine rivers have been transformed into flaming cesspools.

During this same period, the indigenous cultures began fighting back. For instance, on May 7, 2003, a group of American lawyers representing more than thirty thousand indigenous Ecuadorian people filed a \$1 billion lawsuit against ChevronTexaco Corp. The suit asserts that between 1971 and 1992 the oil giant dumped into open holes and rivers over four million gallons per day of toxic wastewater contaminated with oil, heavy metals, and carcinogens, and that the company left behind nearly 350 uncovered waste pits that continue to kill both people and animals.⁴

Outside the window of my Outback, great clouds of mist rolled in from the forests and up the Pastaza's canyons. Sweat soaked my shirt, and my stomach began to churn, but not just from the intense tropical heat and the serpentine twists in the road. Knowing the part I had played in destroying this beautiful country was once again taking its toll. Because of my fellow EHMs and me, Ecuador is in far worse shape today than she was before we introduced her to the miracles of modern economics, banking, and engineering. Since 1970, during this period known euphemistically as the Oil Boom, the official poverty level grew from 50 to 70 percent, under- or unemployment increased from 15 to 70 percent, and public debt increased from \$240 million to \$16 billion. Meanwhile, the share of national resources allocated to the poorest segments of the population declined from 20 to 6 percent.⁵

Unfortunately, Ecuador is not the exception. Nearly every country we EHMs have brought under the global empire's umbrella has suffered a similar fate.⁶ Third world debt has grown to more than \$2.5 trillion, and the cost of servicing it—over \$375 billion per year as of 2004—is more than all third world spending on health and education, and twenty times what developing countries receive annually in foreign aid. Over half the people in the world survive on less than two dollars per day, which is roughly the same amount they received in the early 1970s. Meanwhile, the top 1 percent of third world households accounts for 70 to 90 percent of all private financial wealth and real estate ownership in their country; the actual percentage depends on the specific country.⁷

The Subaru slowed as it meandered through the streets of the beautiful resort town of Baños, famous for the hot baths created by underground volcanic rivers that flow from the highly active Mount Tungurahua. Children ran along beside us, waving and trying to sell us gum and cookies. Then we left Baños behind. The spectacular scenery ended abruptly as the Subaru sped out of paradise and into a modern vision of Dante's *Inferno*.

A gigantic monster reared up from the river, a mammoth gray wall. Its dripping concrete was

totally out of place, completely unnatural and incompatible with the landscape. Of course, seeing it there should not have surprised me. I knew all along that it would be waiting in ambush. I had—encountered it many times before and in the past had praised it as a symbol of EHM accomplishment. Even so, it made my skin crawl.

That hideous, incongruous wall is a dam that blocks the rushing Pastaza River, diverts its waters through huge tunnels bored into the mountain, and converts the energy to electricity. This is the 156-megawatt Agoyan hydroelectric project. It fuels the industries that make a handful of Ecuadorian families wealthy, and it has been the source of untold suffering for the farmers and indigenous people who live along the river. This hydroelectric plant is just one of many projects developed through my efforts and those of other EHMs. Such projects are the reason Ecuador is now a member of the global empire, and the reason why the Shuars and Kichwas and their neighbors threaten war against our oil companies.

Because of EHM projects, Ecuador is awash in foreign debt and must devote an inordinate share of its national budget to paying this off, instead of using its capital to help the millions of its citizens officially classified as dangerously impoverished. The only way Ecuador can buy down its foreign obligations is by selling its rain forests to the oil companies. Indeed, one of the reasons the EHMs set their sights on Ecuador in the first place was because the sea of oil beneath its Amazon region is believed to rival the oil fields of the Middle East.⁸ The global empire demands its pound of flesh in the form of oil concessions.

These demands became especially urgent after September 11, 2001, when Washington feared that Middle Eastern supplies might cease. On top of that, Venezuela, our third-largest oil supplier, had recently elected a populist president, Hugo Chávez, who took a strong stand against what he referred to as U.S. imperialism; he threatened to cut off oil sales to the United States. The EHMs had failed in Iraq and Venezuela, but we had succeeded in Ecuador; now we would milk it for all it is worth.

Ecuador is typical of countries around the world that EHMs have brought into the economic-political fold. For every \$100 of crude taken out of the Ecuadorian rain forests, the oil companies receive \$75. Of the remaining \$25, three-quarters must go to paying off the foreign debt. Most of the remainder covers military and other government expenses—which leaves about \$2.50 for health, education, and programs aimed at helping the poor.⁹ Thus, out of every \$100 worth of oil torn from the Amazon, less than \$3 goes to the people who need the money most, those whose lives have been so adversely impacted by the dams, the drilling, and the pipelines, and who are dying from lack of edible food and potable water.

All of those people—millions in Ecuador, billions around the planet—are potential terrorists. Not because they believe in communism or anarchism or are intrinsically evil, but simply because they are desperate. Looking at this dam, I wondered—as I have so often in so many places around the world—when these people would take action, like the Americans against England in the 1770s or Latin Americans against Spain in the early 1800s.

The subtlety of this modern empire building puts the Roman centurions, the Spanish conquistadors and the eighteenth- and nineteenth-century European colonial powers to shame. We EHMs are crafty; we learned from history. Today we do not carry swords. We do not wear armor or clothes that set us apart. In countries like Ecuador, Nigeria, and Indonesia, we dress like local schoolteachers and shop owners. In Washington and Paris, we look like government bureaucrats and bankers. We appear humble, normal. We visit project sites and stroll through impoverished villages. We profess altruism, talk with local papers about the wonderful humanitarian things we are doing. We cover the conference

tables of government committees with our spreadsheets and financial projections, and we lecture at the Harvard Business School about the miracles of macroeconomics. We are on the record, in the open. Or so we portray ourselves and so are we accepted. It is how the system works. We seldom resort to anything illegal because the system itself is built on subterfuge, and the system is by definition legitimate.

However—and this is a very large caveat—if we fail, an even more sinister breed steps in, ones whom EHM's refer to as the jackals, men who trace their heritage directly to those earlier empires. The jackals are always there, lurking in the shadows. When they emerge, heads of state are overthrown or die in violent “accidents.”¹⁰ And if by chance the jackals fail, as they failed in Afghanistan and Iraq, then the old models resurface. When the jackals fail, young Americans are sent in to kill and to die.

As I passed the monster, that hulking mammoth wall of gray concrete rising from the river, I was very conscious of the sweat that soaked my clothes and of the tightening in my intestines. I headed down into the jungle to meet with the indigenous people who are determined to fight to the last man in order to stop this empire I helped create, and I was overwhelmed with feelings of guilt.

How, I asked myself, did a nice kid from rural New Hampshire ever get into such a dirty business?

CHAPTER 1

An Economic Hit Man Is Born

It began innocently enough.

I was an only child, born into the middle class in 1945. Both my parents came from three centuries of New England Yankee stock; their strict, moralistic, staunchly Republican attitudes reflected generations of puritanical ancestors. They were the first in their families to attend college—on scholarships. My mother became a high school Latin teacher. My father joined World War II as a Navy lieutenant and was in charge of the armed guard gun crew on a highly flammable merchant marine tanker in the Atlantic. When I was born, in Hanover, New Hampshire, he was recuperating from a broken hip in a Texas hospital. I did not see him until I was a year old.

He took a job teaching languages at Tilton School, a boys' boarding school in rural New Hampshire. The campus stood high on a hill, proudly—some would say arrogantly—towering over the town of the same name. This exclusive institution limited its enrollment to about fifty students in each grade level, nine through twelve. The students were mostly the scions of wealthy families from Buenos Aires, Caracas, Boston, and New York.

My family was cash starved; however, we most certainly did not see ourselves as poor. Although the school's teachers received very little salary, all our needs were provided free: food, housing, heat, water, and the workers who mowed our lawn and shoveled our snow. Beginning on my fourth birthday I ate in the prep school dining room, shagged balls for the soccer teams my dad coached, and handed out towels in the locker room.

It is an understatement to say that the teachers and their wives felt superior to the locals. I used to hear my parents joking about being the lords of the manor, ruling over the lowly peasants—the townies. I knew it was more than a joke.

My elementary and middle school friends belonged to that peasant class; they were very poor. Their parents were dirt farmers, lumber-jacks, and mill workers. They resented “the preppies on the hill,” and in turn, my father and mother discouraged me from socializing with the townie girls, who they called “tarts” and “sluts.” I had shared schoolbooks and crayons with these girls since first grade and over the years, I fell in love with three of them: Ann, Priscilla, and Judy. I had a hard time understanding my parents' perspective; however, I deferred to their wishes.

Every year we spent the three months of my dad's summer vacation at a lake cottage built by my grandfather in 1921. It was surrounded by forests, and at night we could hear owls and mountain lions. We had no neighbors; I was the only child within walking distance. In the early years, I passed the days by pretending that the trees were knights of the Round Table and damsels in distress named Ann, Priscilla, or Judy (depending on the year). My passion was, I had no doubt, as strong as that of Lancelot for Guinevere—and even more secretive.

At fourteen, I received free tuition to Tilton School. With my parents' prodding, I rejected everything to do with the town and never saw my old friends again. When my new classmates went home to their mansions and penthouses for vacation, I remained alone on the hill. Their girlfriends were debutantes; I had no girlfriends. All the girls I knew were “sluts”; I had cast them off, and they had forgotten me. I was alone—and terribly frustrated.

My parents were masters at manipulation; they assured me that I was privileged to have such an

opportunity and that some day I would be grateful. I would find the perfect wife, one suited to our high moral standards. Inside, though, I seethed. I craved female companionship—sex; the idea of a slut was most alluring.

However, rather than rebelling, I repressed my rage and expressed my frustration by excelling. I was an honor student, captain of two varsity teams, editor of the school newspaper. I was determined to show up my rich classmates and to leave Tilton behind forever. During my senior year, I was awarded a full athletic scholarship to Brown and an academic scholarship to Middlebury. I chose Brown, mainly because I preferred being an athlete—and because it was located in a city. My mother had graduated from Middlebury and my father had received his master's degree there, so even though Brown was in the Ivy League, they preferred Middlebury.

“What if you break your leg?” my father asked. “Better to take the academic scholarship.” I buckled.

Middlebury was, in my perception, merely an inflated version of Tilton—albeit in rural Vermont instead of rural New Hampshire. True, it was coed, but I was poor and most everyone else was wealthy, and I had not attended school with a female in four years. I lacked confidence, felt outclassed, was miserable. I pleaded with my dad to let me drop out or take a year off. I wanted to move to Boston and learn about life and women. He would not hear of it. “How can I pretend to prepare other parents' kids for college if my own won't stay in one?” he asked.

I have come to understand that life is composed of a series of coincidences. How we react to these—how we exercise what some refer to as *free will*—is everything; the choices we make within the boundaries of the twists of fate determine who we are. Two major coincidences that shaped my life occurred at Middlebury. One came in the form of an Iranian, the son of a general who was a personal advisor to the shah; the other was a beautiful young woman named Ann, like my childhood sweetheart.

The first, whom I will call Farhad, had played professional soccer in Rome. He was endowed with an athletic physique, curly black hair, soft walnut eyes, and a background and charisma that made him irresistible to women. He was my opposite in many ways. I worked hard to win his friendship, and he taught me many things that would serve me well in the years to come. I also met Ann. Although she was seriously dating a young man who attended another college, she took me under her wing. Our platonic relationship was the first truly loving one I had ever experienced.

Farhad encouraged me to drink, party, and ignore my parents. I consciously chose to stop studying. I decided I would break my academic leg to get even with my father. My grades plummeted; I lost my scholarship. Halfway through my sophomore year, I elected to drop out. My father threatened to disown me; Farhad egged me on. I stormed into the dean's office and quit school. It was a pivotal moment in my life.

Farhad and I celebrated my last night in town together at a local bar. A drunken farmer, a giant of a man, accused me of flirting with his wife, picked me up off my feet, and hurled me against a wall. Farhad stepped between us, drew a knife, and slashed the farmer open at the cheek. Then he dragged me across the room and shoved me through a window, out onto a ledge high above Otter Creek. We jumped and made our way along the river and back to our dorm.

The next morning, when interrogated by the campus police, I lied and refused to admit any knowledge of the incident. Nevertheless, Farhad was expelled. We both moved to Boston and shared an apartment there. I landed a job at Hearst's *Record American/Sunday Advertiser* newspapers, as a personal assistant to the editor in chief of the *Sunday Advertiser*.

Later that year, 1965, several of my friends at the newspaper were drafted. To avoid a similar fate I entered Boston University's College of Business Administration. By then, Ann had broken up with her old boyfriend, and she often traveled down from Middlebury to visit. I welcomed her attention. She graduated in 1967, while I still had another year to complete at BU. She adamantly refused to move in with me until we were married. Although I joked about being blackmailed, and in fact did resent what I saw as a continuation of my parents' archaic and prudish set of moral standards, I enjoyed our time together and I wanted more. We married.

Ann's father, a brilliant engineer, had masterminded the navigational system for an important class of missile and was rewarded with a high-level position in the Department of the Navy. His best friend, a man Ann called Uncle Frank (not his real name), was employed as an executive at the highest echelons of the National Security Agency (NSA), the country's least-known—and by most accounts largest—spy organization.

Shortly after our marriage, the military summoned me for my physical. I passed and therefore faced the prospect of Vietnam upon graduation. The idea of fighting in Southeast Asia tore me apart emotionally, though war has always fascinated me. I was raised on tales about my colonial ancestors—who include Thomas Paine and Ethan Allen—and I had visited all the New England and upstate New York battle sites of both the French and Indian and the Revolutionary wars. I read every historical novel I could find. In fact, when Army Special Forces units first entered Southeast Asia, I was eager to sign up. But as the media exposed the atrocities and the inconsistencies of U.S. policy, I experienced a change of heart. I found myself wondering whose side Paine would have taken. I was sure he would have joined our Vietcong enemies.

Uncle Frank came to my rescue. He informed me that an NSA job made one eligible for draft deferment, and he arranged for a series of meetings at his agency, including a day of grueling polygraph-monitored interviews. I was told that these tests would determine whether I was suitable material for NSA recruitment and training, and if I was, would provide a profile of my strengths and weaknesses, which would be used to map out my career. Given my attitude toward the Vietnam War, I was convinced I would fail the tests.

Under examination, I admitted that as a loyal American I opposed the war, and I was surprised when the interviewers did not pursue this subject. Instead, they focused on my upbringing, my attitudes toward my parents, the emotions generated by the fact I grew up as a poor puritan among so many wealthy, hedonistic preppies. They also explored my frustration about the lack of women, sex, and money in my life, and the fantasy world that had evolved as a result. I was amazed by the attention they gave to my relationship with Farhad and by their interest in my willingness to lie to the campus police to protect him.

At first I assumed all these things that seemed so negative to me marked me as an NSA reject, but as the interviews continued, suggesting otherwise. It was not until several years later that I realized that from an NSA viewpoint these negatives actually are positive. Their assessment had less to do with issues of loyalty to my country than with the frustrations of my life. Anger at my parents, an obsession with women, and my ambition to live the good life gave them a hook; I was seducible. My determination to excel in school and in sports, my ultimate rebellion against my father, my ability to get along with foreigners, and my willingness to lie to the police were exactly the types of attributes they sought. I also discovered, later, that Farhad's father worked for the U.S. intelligence community in Iran; my friendship with Farhad was therefore a definite plus.

A few weeks after the NSA testing, I was offered a job to start training in the art of spying, to begin

after I received my degree from BU several months later. However, before I had officially accepted this offer, I impulsively attended a seminar given at BU by a Peace Corps recruiter. A major selling point was that, like the NSA, Peace Corps jobs made one eligible for draft deferments.

The decision to sit in on that seminar was one of those coincidences that seemed insignificant at the time but turned out to have life-changing implications. The recruiter described several places in the world that especially needed volunteers. One of these was the Amazon rain forest where, he pointed out, indigenous people lived very much as natives of North America had until the arrival of Europeans.

I had always dreamed of living like the Abnakis who inhabited New Hampshire when my ancestors first settled there. I knew I had Abnaki blood in my veins, and I wanted to learn the type of forest lore they understood so well. I approached the recruiter after his talk and asked about the possibility of being assigned to the Amazon. He assured me there was a great need for volunteers in that region and that my chances would be excellent. I called Uncle Frank.

To my surprise, Uncle Frank encouraged me to consider the Peace Corps. He confided that after the fall of Hanoi—which in those days was deemed a certainty by men in his position—the Amazon would become a hot spot.

“Loaded with oil,” he said. “We’ll need good agents there—people who understand the natives.” He assured me that the Peace Corps would be an excellent training ground, and he urged me to become proficient in Spanish as well as in local indigenous dialects. “You might,” he chuckled, “end up working for a private company instead of the government.”

I did not understand what he meant by that at the time. I was being upgraded from spy to EHM, although I had never heard the term and would not for a few more years. I had no idea that there were hundreds of men and women scattered around the world, working for consulting firms and other private companies, people who never received a penny of salary from any government agency and yet were serving the interests of empire. Nor could I have guessed that a new type, with more euphemistic titles, would number in the thousands by the end of the millennium, and that I would play a significant role in shaping this growing army.

Ann and I applied to the Peace Corps and requested an assignment in the Amazon. When our acceptance notification arrived, my first reaction was one of extreme disappointment. The letter stated that we would be sent to Ecuador.

Oh no, I thought. I requested the Amazon, not Africa.

I went to an atlas and looked up Ecuador. I was dismayed when I could not find it anywhere on the African continent. In the index, though, I discovered that it is indeed located in Latin America, and I saw on the map that the river systems flowing off its Andean glaciers form the headwaters to the mighty Amazon. Further reading assured me that Ecuador’s jungles were some of the world’s most diverse and formidable, and that the indigenous people still lived much as they had for millennia. We accepted.

Ann and I completed Peace Corps training in Southern California and headed for Ecuador in September 1968. We lived in the Amazon with the Shuar whose lifestyle did indeed resemble that of precolonial North American natives; we also worked in the Andes with descendants of the Incas. It was a side of the world I never dreamed still existed. Until then, the only Latin Americans I had met were the wealthy preppies at the school where my father taught. I found myself sympathizing with these indigenous people who subsisted on hunting and farming. I felt an odd sort of kinship with them.

Somehow, they reminded me of the townies I had left behind.

One day a man in a business suit, Einar Greve, landed at the airstrip in our community. He was a vice president at Chas. T. Main, Inc. (MAIN), an international consulting firm that kept a very low profile and that was in charge of studies to determine whether the World Bank should lend Ecuador and its neighboring countries billions of dollars to build hydroelectric dams and other infrastructure projects. Einar also was a colonel in the U.S. Army Reserve.

He started talking with me about the benefits of working for a company like MAIN. When I mentioned that I had been accepted by the NSA before joining the Peace Corps, and that I was considering going back to them, he informed me that he sometimes acted as an NSA liaison; he gave me a look that made me suspect that part of his assignment was to evaluate my capabilities. I now believe that he was updating my profile, and especially sizing up my abilities to survive in environments most North Americans would find hostile.

We spent a couple of days together in Ecuador, and afterward communicated by mail. He asked me to send him reports assessing Ecuador's economic prospects. I had a small portable typewriter, loved to write, and was quite happy to comply with this request. Over a period of about a year, I sent Einar at least fifteen long letters. In these letters, I speculated on Ecuador's economic and political future, and I appraised the growing frustration among the indigenous communities as they struggled to confront oil companies, international development agencies, and other attempts to draw them into the modern world.

When my Peace Corps tour was over, Einar invited me to a job interview at MAIN headquarters in Boston. During our private meeting, he emphasized that MAIN's primary business was engineering but that his biggest client, the World Bank, recently had begun insisting that he keep economists on staff to produce the critical economic forecasts used to determine the feasibility and magnitude of engineering projects. He confided that he had previously hired three highly qualified economists with impeccable credentials—two with master's degrees and one with a PhD. They had failed miserably.

"None of them," Einar said, "can handle the idea of producing economic forecasts in countries where reliable statistics aren't available." He went on to tell me that, in addition, all of them had found it impossible to fulfill the terms of their contracts, which required them to travel to remote places in countries like Ecuador, Indonesia, Iran, and Egypt, to interview local leaders, and to provide personal assessments about the prospects for economic development in those regions. One had suffered a nervous breakdown in an isolated Panamanian village; he was escorted by Panamanian police to the airport and put on a plane back to the United States.

"The letters you sent me indicate that you don't mind sticking your neck out, even when hard data isn't available. And given your living conditions in Ecuador, I'm confident you can survive almost anywhere." He told me that he already had fired one of those economists and was prepared to do the same with the other two, if I accepted the job.

So it was that in January 1971 I was offered a position as an economist with MAIN. I had turned twenty-six—the magical age when the draft board no longer wanted me. I consulted with Ann's family; they encouraged me to take the job, and I assumed this reflected Uncle Frank's attitude as well. I recalled him mentioning the possibility I would end up working for a private firm. Nothing was ever stated openly, but I had no doubt that my employment at MAIN was a consequence of the arrangements Uncle Frank had made three years earlier, in addition to my experiences in Ecuador and my willingness to write about that country's economic and political situation.

My head reeled for several weeks, and I had a very swollen ego. I had earned only a bachelor's degree from BU, which did not seem to warrant a position as an economist with such a lofty consulting company. I knew that many of my BU classmates who had been rejected by the draft and had gone on to earn MBAs and other graduate degrees would be overcome with jealousy. I visualized myself as a dashing secret agent, heading off to exotic lands, lounging beside hotel swimming pools, surrounded by gorgeous bikini-clad women, martini in hand.

Although this was merely fantasy, I would discover that it held elements of truth. Einar had hired me as an economist, but I was soon to learn that my real job went far beyond that, and that it was in fact closer to James Bond's than I ever could have guessed.

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