

## THE CARLYLE GROUP & ABUSE OF INFLUENCE

The Carlyle Group is one of the world's largest private investment management companies and the 11th largest U.S. defense contractor. It is also one of the most well-connected companies in Washington. The

company payroll includes George H.W. Bush, Frank Carlucci (Defense Secretary during the Reagan Administration), James Baker III (former president Bush's secretary of state), John Major (the former British prime minister), and former SEC chairman Arthur Levitt. Carlyle also employs former Philippines President Fidel Ramos and former World Bank treasurer Afsaneh Masheyekhi.

When President George W. Bush suggested North Korea couldn't be trusted, Bush Sr., who chairs the company's Asia Advisory Board, sent his son a memo urging the new Administration to ease its hard-line policies. Carlyle has an investment stake in South Korea worth over \$2 billion.

Even the president once got in on the lucrative action doled out to Carlyle cronies: In the early 1990s, Carlyle put Bush on the board of Caterair, an airline catering company that, like many Bush business ventures, flopped.

"Carlyle has brought political influence to a new level and created a twenty-first-century version of capitalism that blurs any line between politics and business. In a sense, Carlyle may be the ultimate in privatization: the use of a private company to nurture public policy - and then reap its benefits in the form of profit," explains investigative journalist Tim Shorrock in a "Profile of Carlyle" for *The Nation*.

The Carlyle Group owns 49.5% of Arlington, VA-based United Defense Industries. United Defense makes the much-criticized and ineptly-named "Crusader" mobile artillery system, one of the few weapons systems that current Secretary of Defense Donald Rumsfeld has been able to cancel. It also makes the Bradley Fighting Vehicle and other weapons systems. United Defense's board of directors includes former government heavyweights like John M. Shalikashvili of the Joint Chiefs.

After September 11 2001, the Wall Street Journal reported that the bin Laden family of Saudi Arabia had at least \$2 million invested in one of Carlyle's funds. (Carlyle quickly returned the money). Carlyle's long relationship with Saudi Arabia includes subsidiary contracts to train the Saudi National Guard. Bush Sr. has also led Carlyle delegations to Turkey.

As *Fortune* reported in 2002, "While most of the conspiracy theories are amusingly overblown, this is a firm that's been built on the backs of Bush and other big shots who have lent Carlyle their names, their golden networks of friends in high places, and their insights into how government works."

—Ralph Nader's *Citizen Works*, March 26, 2003  
<http://www.citizenworks.org/corp/carlyle.php>

## THE CARLYLE GROUP



JASPER THE FRIENDLY AMERICAN BY RUBEN BOLLING

Photo by Fred Asleaw, courtesy of NYC IMC

# WAR AND PROFIT



For more information, visit:  
[m27coalition.org](http://m27coalition.org)  
[unitedforpeace.org](http://unitedforpeace.org)  
[opensecrets.org](http://opensecrets.org)  
[badcorp.org](http://badcorp.org)  
[theyrule.net](http://theyrule.net)  
[hierarchies.org](http://hierarchies.org)  
[nyc.indymedia.org](http://nyc.indymedia.org)

NYC ★ April 7, 2003  
Day of Action Against War Profiteers

## FREQUENTLY ASKED QUESTIONS

### 1. Why are we here today?

To express our opposition to the war in Iraq. To educate people about corporate America's role in war abroad.

### 2. So what does corporate America have to do with the war?

Large multinational corporations supply the resources and missiles that make this war happen, and then provide the redevelopment of the cities destroyed by war. That means, every time the U.S. builds another missile and ships it off to Iraq, a large U.S. corporation makes money from its sale and from its aftermath. They reap the benefits from a war abroad.

### 3. What's a war profiteer?

A company, citizen, or group that does just that: wins big while others suffer in war.

### 4. What's the Carlyle group?

The Carlyle group is an investment firm that invests in companies, many of which make both combat and non-combat supplies for this war and other military operations that the U.S. conducts. They are also major arms suppliers to countries such as Saudi Arabia and Turkey.

### 5. Why is the Carlyle Group important?

It's *the* definition of a war profiteer. The Carlyle Group's staff has included some of the most important names from recent government history: George Bush, Sr.; Frank Carlucci, a former Secretary of Defense; Reagan Secretary of the Treasury James Baker; and former British Prime Minister John Majors. The Carlyle Group is the perfect example of the blending of private business and public policy; of how people in power have helped bring profits to their friends and connections while accruing more money and power. Most importantly, Carlyle has already raked in hundreds of millions in the "war against terrorism" and is currently expecting a billion dollar contract for redevelopment of airfields and urban areas destroyed by Coalition aerial bombardments.

### 6. Are there other war profiteers like Carlyle?

Yes, and here are a few examples: Halliburton, Bechtel, Northrop Grunman, Raytheon, and Boeing. Even small companies like food service groups make money by supplying resources to the military.

### 7. What else can we do to say we won't stand up for this war, and to the war profiteers?

Educate yourself about groups and companies like Carlyle. Write letters to your representatives to express opposition to the war; boycott companies that profit from the war; inform your friends and neighbors.

## WEAPONS OF MASS DISTRACTION

Whether or not Saddam Hussein is a tyrant, or even a threat, is a non-issue. Just as politicians attempt to draw attention away from truly pertinent issues during an election cycle, by obfuscating them with non-issues (ever notice no one talks about the failing drug war, or campaign finance reform?), so do the detractors use Weapons of Mass Distraction to draw attention away from the greater issues pertaining to this war, with such non-issues as who provided Iraq their chemical weapons, European loyalty and the like. Their goal is to entangle us in argument so that we neglect the greater issues at stake here. There are very few anti-war demonstrators that will contest the fact that Saddam Hussein is a sick individual that ought to be deposed. The real question is as to whether or not we can entrust this action to those who have taken it upon themselves to do so, especially in light of their connections to members of industry who stand to benefit financially from a war.

Why does no one make mention of the fact that Dick Cheney received \$36 million from Halliburton just prior to entering office, and that soon after 9/11, he awarded the company a contract to rebuild Guantanamo Bay's detention center, and now most recently, to put out the oil fires in Iraq? The Department of the Interior took notice—they announced that Halliburton could no longer bid on contracts for Iraqi reconstruction. However they can still act as secondary contractors—outsourced agents of the winning bidders. Is such quid pro quo actually legal? And if so, why do we, the people, allow it to be?

How many people must die, American and Iraqi alike, so that companies like Halliburton can line their pockets with our tax dollars, or so that others, like the Carlyle Group, can pad their IPOs? How many American soldiers have to die in defective Sikorsky helicopters before we stop buying them by the dozens? How many more chemical weapons can we test on our own troops to increase the bottom line of companies like Monsanto who have 18 former executives holding cabinet positions in the current administration? How many more "blowback enemies" can these "offense contractors" arm before we finally recognize the arms dealers—defense contractors and politicians alike—as the true threat to global stability? How many must die so that fat pigs can get fatter? How much pork barrelling must we endure? The pigs are feeding at the trough, and that trough is a coffin.

They dare to call us unpatriotic, but we're out here fighting for those same Americans who are seemingly too unaware of (or intentionally ignoring) what's happening around them. They are too susceptible to the propaganda—too asleep—to recognize and fight for themselves. They try to corner us and call us Unamerican. They

admonish us, "Move to France, traitor!" They demand, "You should be supporting our troops!" They try to strangle us with our own words, to shut us up, or to run us into endless circles of argument. And we can only stare in disbelief, with our jaws agape, as we try to express: "You are getting robbed, snap out of it!" Because as long as you're arguing, you're not paying attention to the hand in your pocket.

We are not endangering ourselves by laying down in traffic because we oppose regime change in Iraq, but rather because we are concerned that those who seek regime change do so only for their own financial gain, and not for the reasons which they contend. So many of us would not take such serious action without just cause. Do not believe the impressions cast upon us by the media: we are not being foolish, nor do we seek the ire of our fellow citizens. We seek to engage them while they carry on in their daily affairs without giving notice to these issues, and thus to demand that they wake up and smell the proverbial coffee.

In June of 2002, Reuters reported that three Columbian women were arrested who had "preyed on men by smearing their breasts with a powerful drug and luring the victims into taking a lick, before making off with their wallets and cars." Transposed to this moment, that drug is fevered patriotism, those breasts, the bounty of war, those ladies are supposedly our representatives, and they are making off in our cars.

Thus, it is pointless to focus attention to Saddam Hussein's regime, the potential use of Weapons of Mass Destruction, Homeland Security, or the question of our patriotism and loyalty. Anyone who harps on these points is merely avoiding the real issues. People are dying, and these politically-entrenched corporations are feeding on their bodies. We refuse to stand idly by while this happens with our tax dollars, in our names, and worse yet, in the name of freedom.

