

# War Profiteers vs. The People of the United States

## Opening Statement

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We bring to the attention of our readers an important report on the billions of dollars of unaccounted U.S. taxpayers money which have served to line the pockets of war profiteers.

*"The fact that this mind-blowing amount of missing tax money has not been a lightning rod for mainstream media coverage, congressional investigations, and a lead issue for all political representatives, particularly those who claim to care about our skyrocketing national debt, calls into serious question the integrity and legitimacy of all leadership and responsible parties. ... We are trapped in a vicious cycle; increased military spending, with inadequate oversight, leads to billions of our annual taxpayer dollars being given directly to the people who profit of war, terrorism and societal destabilization in general – as evidence clearly demonstrates."*

*"Condemnation without investigation is the height of ignorance." – Albert Einstein*

### OPENING STATEMENT

According to United States government documents, since 1998, the Office of the Inspector General has reported on \$21 Trillion in unaccounted for taxpayer money.

As unbelievable and absurd as that sounds, the actual total of unaccounted for taxpayer money at the Pentagon is most likely significantly more than \$21 trillion.

Researchers are unable to get data for every year of military spending, many Pentagon agencies do not have any publically available records, hundreds of thousands of transactions have been erased, and an estimated millions of transactions do not have any traceable record.

In fact, the Pentagon, which handles more than half of all of our tax dollars allocated by Congress, has never been properly audited – despite the fact that an annual audit has been required by law for all federal government agencies since 1996.

As you will see in detail throughout this series of reports, not only have trillions of taxpayer dollars been knowingly dumped into a shockingly unaccountable black hole, Congress is not even sure how much money has been appropriated and given out in the first place.

United States government officials who work for the Defense Finance and Accounting Service (DFAS), the Office of the Inspector General (OIG) and the Government Accountability Office (GAO) have been reporting on this stunning issue for years.

The fact that this mind-blowing amount of missing tax money has not been a lightning rod for mainstream media coverage, congressional investigations, and a lead issue for all political representatives, particularly those who claim to care about our skyrocketing national debt, calls into serious question the integrity and legitimacy of all leadership and responsible parties.

Beyond the outright disregard for the rule of law and lack of consequences for ignoring the annual audit legal requirement, the Pentagon is also flagrantly in violation of the U.S. Constitution.

The U.S. Constitution in Article I, Section 9, Clause 7 specifically states:

“No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law; and a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time.”



“The range of what we think and do is limited by what we fail to notice. And because we fail to notice, there is little we can do to change until we notice how failing to notice shapes our thoughts and deeds.”  
~ The Politics of Experience

Under the guise of National Security, Global War Profiteers have looted trillions of taxpayer dollars from the U.S. Treasury and have destabilized much of the world by increasing terrorism 6500% since the “War on Terror” began, while paying off politicians and erecting an unprecedented global surveillance network.

Due to the National Security State’s control of mainstream media companies and their systematic suppression of whistleblowers, independent journalists and alternative media outlets, the overwhelming majority of the American population is unaware of how dangerously corrupt our government has become.

While civilian angst among most demographics has been dramatically rising, the American People are tragically misinformed.

We are trapped in a vicious cycle; increased military spending, with inadequate oversight, leads to billions of our annual taxpayer dollars being given directly to the people who profit off of war, terrorism and societal destabilization in general – as evidence clearly demonstrates.

The negative feedback loop then spirals; as terrorism and societal destabilization become more widespread, corrupt and/or shortsighted politicians then appropriate even more tax dollars for the military, with even less oversight, which leads to more funding, weapons and harmful technologies falling into the hands of terrorists, oppressive governments and predatory global corporations, as repressive technology and lethal weapons exponentially proliferate worldwide.

The astounding lack of oversight concerning military spending is an open invitation for every

criminal element.

As a consequence to all of this military spending, Global Private Military Companies have now become more powerful than the nation-state governments that fund them.

In the United States, Global Private Military Companies dominate both political parties and most of the government agencies that were created to protect the American People against predatory Global Interests.

## The Unaccountable System of Global War Profiteers

How is it possible that the lion's share of our tax money has gone into this unaccountable system of Global War Profiteers?

### 1) Legalized Bribery: Campaign Finance, Lobbying & the Revolving Door

Since an audit of military spending has been required by law, Global Private Military Companies have given at least [\\$240 million](#) in known campaign contributions to the Republican and Democratic parties.

Given the loosening of campaign finance laws regarding "dark money," it is impossible to account for all the money that Global Private Military Companies, their numerous shell companies and aligned interests have actually contributed.

Since an audit of military spending has been required by law, known Global Private Military Companies have spent a stunning [\\$2.3 billion](#) lobbying Congress.

Beyond campaign finance and lobbying, the revolving door – between Global Private Military Companies and government officials – is a significant source of demonstrated corrupt behavior.

Since an audit of military spending has been required by law, [over 12,000](#) US government officials have gone through the revolving door with known Global Private Military Companies.

### 2) The National Security Act

Other than the corruptly implemented Legalized Bribery schemes, after an extensive analysis, it is evident that the National Security Act, and corresponding agencies and laws derived therefrom – with the power of secrecy that it provides – has been the primary enabler of the greatest theft of taxpayer wealth in history.

The National Security Act set several precedents that have severely undermined the U.S. Constitution. The National Security Act created the "National Military Establishment," the National Security Council and the Central Intelligence Agency, thereby codifying institutional secrecy.

Corresponding laws, such as the State Secrets Privilege, Classified Information Procedures Act, Foreign Intelligence Surveillance Act, the PATRIOT Act, the Totten Rule, The Espionage

Act and the recent Executive Order 13526, which defines rules for the classification of information, have all played a pivotal role in concealing unprecedented criminal activity.

Here's how the Center for Constitutional Rights explains the State Secrets Privilege (SSP):

"The State Secrets Privilege originates in England where the law allows the king or queen the 'Crown Privilege,' which grants the monarch the absolute right to refuse to share information with Parliament or the courts.

The U.S. Supreme Court then borrowed the SSP almost entirely.... More recently – and more troublingly – the government has invoked the SSP in the very beginning of cases to dismiss them altogether....

The State Secrets Privilege undermines the very idea of an independent judiciary; contradicts the core idea of judicial review, which is independent judges making independent evaluations of all of the facts; and essentially allows the executive branch to dictate to the federal courts what cases they can and can't hear....

The greater good is actually served by denying the executive a trump card that would allow it to cover up its abuses of power."

The Electronic Frontier Foundation sums it up this way:

"The Bush and the Obama Administration have aggressively used the 'state secrets' privilege, insisting that entire cases could be exempt from judicial review at the outset if they touch on national security. They seek to use the narrow, evidentiary scalpel like a chainsaw, to deny justice for millions of ordinary Americans for rampant violations of their rights....

Under this theory, the government could potentially violate the law and Constitution as it sees fit, and—just by stamping 'STATE SECRET' on the top of their actions—those injured by their actions would be denied justice.

A Ninth Circuit Court of Appeals panel once described the argument as such:

'According to the government's theory, the Judiciary should effectively cordon off all secret government actions from judicial scrutiny, immunizing the CIA and its partners from the demands and limits of the law.'

This unaccountable system of secrecy has been evolving since the 1940s. Here's how President Kennedy described it in 1961:

"It is a system which has conscripted vast human and material resources into the building of a tightly knit, highly efficient machine that combines military, diplomatic, intelligence, economic, scientific and political operations.

Its preparations are concealed, not published. Its mistakes are buried, not headlined. Its dissenters are silenced, not praised.

No expenditure is questioned, no rumor is printed, no secret is revealed....

If you are awaiting a finding of 'clear and present danger,' then I can only say that the danger has never been more clear and its presence has never been more imminent."

[To Read the complete document, click here](#)

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## Exhibit A: 26 Inspector General Reports Revealing \$21 Trillion in Unaccounted for Taxpayer Funding

The United States Department of Defense (DoD) Inspector General (IG) is an independent agency that provides oversight of DoD programs and operations.

“The office’s mission is to promote integrity, accountability and improvement of Department of Defense personnel, programs and operations to support the Department’s mission and serve the public interest.”

The IG “combats fraud, waste and abuse in the Department of Defense by conducting audits, investigations and evaluations.”

IG Report 1 of 26: \$6.5 Trillion Unaccounted for, Army General Fund



## EXHIBIT B: DFAS Statements, Accounting Fraud as DoD Standard Operating Procedure

The Defense Finance and Accounting Service (DFAS) — referenced in EXHIBIT A Inspector General Report #1 — is the Pentagon’s main accounting agency. It is the world’s largest finance and accounting operation.

As a Reuters Investigation revealed, Linda Woodford, while working at DFAS, “spent the last 15 years of her career inserting phony numbers in the U.S. Department of Defense’s accounts.”

“Numbers were missing. Numbers were clearly wrong. Numbers came with no explanation of how the money had been spent or which congressional appropriation it came from. Woodford says, ‘We didn’t have the detail... for a lot of it.’”

“Woodford and her colleagues were told by superiors to take ‘unsubstantiated change actions’ – in other words, enter false numbers, commonly called ‘plugs,’ to make the totals match the Treasury’s.”

“Jeff Yokel, who spent 17 years in senior positions in DFAS’s Cleveland office before retiring, says supervisors were required to approve every ‘plug’ – thousands a month.”

## DoD Standard Operating Procedure

“At the DFAS offices that handle accounting for the Army, Navy, Air Force and other defense agencies, fudging the accounts with false entries is standard operating procedure, Reuters has found.

And plugging isn’t confined to DFAS. Former military service officials say record-keeping at the operational level throughout the services is rife with

made-up numbers to cover lost or missing information.

A review of multiple reports from oversight agencies in recent years shows that the Pentagon also has systematically ignored warnings about its accounting practices.

“These types of adjustments, made without supporting documentation... mask much larger problems in the original accounting data,” the Government Accountability Office, the investigative arm of Congress, said.

Plugs also are symptomatic of one very large problem: the Pentagon’s chronic failure to keep track of its money – how much it has, how much it pays out and how much is wasted or stolen.”

#### EXHIBIT C: Congressional Statements on Accounting Crisis at the Pentagon



As Judiciary Committee Chairman Senator Chuck Grassley (R-IA) said in a recent speech on the United States Senate floor:

“A monster is lurking in the weeds. And nobody wants to talk about it.... They are red flag accounting issues listed in DoD reports for years.... 26-years of hard-core foot-dragging shows that internal resistance to auditing the books runs deep.”

Former Senator Tom Coburn (R-OK), who sponsored the *Audit the Pentagon Act* of 2012, one of many failed and/or ignored attempts to bring accountability, summed up the situation by saying:

“The Pentagon can’t manage what it can’t measure, and Congress can’t effectively perform its Constitutional oversight role if it doesn’t know how the Pentagon is spending taxpayer dollars.

Until the Pentagon produces a viable financial audit, it won’t be able to effectively prioritize its spending, and it will continue to violate the Constitution and put our National Security at risk.”

Senator Ron Wyden (D-OR), Ranking Member of the Senate Finance Committee and a sponsor of the most recent *Audit the Pentagon Act* of 2015, recently stated:

“The Senate voted to increase military spending.... I was one of only eight members of the Senate who voted ‘No’ on this bill. Why? One of the reasons was because we don’t know where this money goes since the Pentagon has never had an audit.”

Congresswoman Barbara Lee (D-CA) didn’t pull any punches either:

“It is disgraceful that Congress has poured trillions upon trillions of taxpayer dollars into an agency that refuses even the most basic measure of accountability.”

Subcommittee Chairman on Federal Spending Oversight Senator Rand Paul (R-KY) recently expressed his frustration with the Pentagon's accounting crisis by saying:

"The department charged with carrying out our greatest constitutional responsibility has set the lowest possible standard for accountability."

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