Contents lists available at ScienceDirect





Critical Perspectives on Accounting

journal homepage: www.elsevier.com/locate/cpa

Commodifying state crime: Accounting and "extraordinary rendition"



Michele Chwastiak*

University of New Mexico, Anderson School of Management, Albuquerque, NM 87110, United States

ARTICLE INFO

Article history: Received 14 October 2013 Received in revised form 18 September 2014 Accepted 19 September 2014 Available online 5 October 2014

Keywords: Extraordinary rendition Privatization Critical Public interest

ABSTRACT

In 2001, the Central Intelligence Agency (CIA) set up an "extraordinary rendition" program in which supposed al Qaeda agents were secretly kidnapped and rendered to countries known for torturing prisoners, or to CIA controlled black sites where "enhanced interrogation techniques" were employed. In 2009, two of the subcontractors for the CIA's privatized rendition fights, Richmor and Sportsflight, went to court over a contract dispute. Based on the testimony and evidence in the case, this paper examines the role accounting played in transforming a state crime into a commodity that could be costed and argued about. Accounting did so by elevating profit, performance, minutia and normal business routines as important, and kidnapping and torture as irrelevant. However, the court case also demonstrated the absolute mendacity of accounting in that the federal government did not intervene even though state secrets would be revealed through the invoices entered into evidence.

© 2014 Elsevier Ltd. All rights reserved.

Accounting's role in perpetuating institutions and practices that greatly harm humanity, such as war and genocide, have been well documented in the literature (Chwastiak and Lehman, 2008; Funnell, 1998; Neu, 2000). However, accounting's ability to transform state corporate crime into business as usual has not received much attention. The current research examines the role accounting played in reconstructing state crime into a commodity that could be costed, billed and argued about. It does so by examining the privatization of the US Central Intelligence Agency's (CIA) "extraordinary rendition" program.

On September 11, 2001 al Qaeda terrorists destroyed the World Trade Center and part of the Pentagon, killing close to three thousand people. Six days later, President Bush signed a Memorandum of Notification giving the CIA the authority to kill, capture and detain al Qaeda operatives (Gellman, 2001; Johnston, 2006; Mayer, 2009; Siems, 2011). In response to this Memorandum of Notification, the CIA set up a program to secretly apprehend supposed al Qaeda agents and render them to countries known for torturing prisoners, such as Egypt or Morocco, or to US controlled black sites where euphemistically termed "enhanced interrogation techniques" were used (Danner, 2009; Mayer, 2009; Siems, 2011).¹ "Extraordinary rendition" subjected the victims to violations that are considered illegal, such as forced disappearance, prolonged arbitrary detention and torture (American Civil Liberties Union, 2005a, 2007a). Hence, "extraordinary rendition" could be considered a state crime.

^{*} Tel.: +1 505 410 6704.

E-mail addresses: chwastiak@unm.edu, chwastiak@gmail.com

¹ "Enhanced interrogation techniques" included such things as attention grasp, walling, facial hold, facial slap, cramped confinement, wall standing, stress positions, sleep depravation, insects placed in a confinement box and waterboarding (, p. 2).

In a speech given to a joint session of Congress and the nation on September 20, 2001 President Bush declared a War on Terror (Bush, 2001). The War on Terror would be unique in its expansionary logic, there is no end to terrorism, and the degree to which it would be outsourced (Hughes, 2007; Klein, 2007). During the Vietnam War, the CIA used a wholly owned proprietary company, Air America, to assist with its secret missions in Vietnam and Southeast Asia (Grey, 2007; Hughes, 2007). However, by the War on Terror, neoliberalism had created such a permissive environment that even aspects of a covert operation, like "extraordinary rendition," could be privatized.

Similar to the Vietnam War, the CIA used a proprietary company, Aero Contractors, to perform the rendition flights. However, by October, 2002 Aero Contractors' capacity was reached and the CIA started outsourcing the flights to private companies (European Parliament, 2006; Grey, 2007; Weissman, 2012). In the case examined here, the CIA hired DynCorp, a major private military company, as the prime contractor for the privatized rendition flights. DynCorp subcontracted with Sportsflight, an airline broker, who in turn hired a Gulfstream IV aircraft from Richmor Aviation, a privately owned luxury jet charter service. Richmor chartered a Gulfstream IV from the owner, Phillip Morse, vice-chairman of New England Sports Ventures (Richmor Aviation, Inc. v. Sportsflight Air, Inc., 2011).

In 2009, Richmor Aviation sued Sportsflight in civil court over a billing dispute. As a result, 1,700 pages of court files, including contracts and flight invoices, were released into the public domain (Richmor Aviation, Inc. v. Sportsflight Air, Inc., 2011). Based on the information in the court files, this paper examines how accounting transformed state crime into just another business opportunity for these companies by focusing attention on what was important, profit, while masking the act that generated the income. However, Richmor Aviation, Inc. v. Sportsflight Air, Inc. also demonstrates the absolute mendacity of accounting. While the US government invoked the "state secrets privilege" to dismiss court cases filed on behalf of the victims of "extraordinary rendition," the government did not intervene in Richmor Aviation, Inc. v. Sportsflight Air, Inc. Apparently, the public release of invoices, which did contain details of rendition flights, was viewed as so tedious that they could not be a threat to national security.

The paper proceeds as follows. First, the paper provides a brief overview of the "extraordinary rendition" program. Second, it illustrates how "extraordinary rendition" is a state crime by discussing three lawsuits filed in the US on behalf of rendition victims, as well as Italy's criminal case surrounding the CIA's abduction of Abu Omar. In addition, the cases also provide a discourse of justice that will be contrasted to Richmor Aviation, Inc. v. Sportsflight Air, Inc. discourse of money. Accounting's ability to create visibilities and invisibilities, and the interests served in doing so, is then discussed. Next, the role accounting played in elevating profit, performance and minutia as important, and kidnapping and torture as irrelevant, is demonstrated. Lastly, accounting's role in making "extraordinary rendition" business as usual, as well as the mendacity of accounting are elaborated upon.

1. Extraordinary rendition

On September 16, 2001 Vice President Dick Cheney appeared on Meet the Press. In reply to a question regarding the US's response to Osama bin Laden, Cheney set the tone for the War on Terror by stating:

We also have to work, through, sort of the dark side, if you will. We've got to spend time in the shadows in the intelligence world. A lot of what needs to be done here will have to be done quietly, without any discussion, using sources and methods that are available to our intelligence agencies, if we're going to be successful. That's the world these folks operate in, and so it's going to be vital for us to use any means at our disposal, basically, to achieve our objective (NBC News Meet the Press, 2001, pp. 6–7).

As noted in the introduction, the next day, President Bush signed a Memorandum of Notification giving the CIA the authority to kill, capture and detain al Qaeda operatives (Gellman, 2001; Johnston, 2006; Mayer, 2009; Siems, 2011). In response, the CIA set up an "extraordinary rendition" program. It was "extraordinary" in that the intent was not to capture fugitives and return them to the US or a foreign country to stand trial, but rather to apprehend individuals suspected of having links to terrorist organizations and imprison them indefinitely in order to exploit them for intelligence (Grey, 2007; Johnson, 2007; Mayer, 2009).

The Bush Administration was convinced that in order to prevent future catastrophic attacks from occurring, there was a need to gather intelligence quickly from the detainees seized by the CIA (Gonzales, 2002). Bush signaled his administration's tolerance for harsh interrogations when he signed a memorandum stating that the Geneva Convention did not apply to the conflict with al Qaeda on February 7, 2002 (Bush, 2002). Then, on August 1, 2002 Jay Bybee, head of the Office of Legal Council, determined that it was legal for the CIA to use ten "enhanced interrogation techniques" on captured terrorists: attention grasp, walling, facial hold, facial slap, cramped confinement, wall standing, stress positions, sleep deprivation, insects placed in a confinement box, and waterboarding (Bybee, 2002, p. 2).

George Bush demonstrated his bravado attitude towards torture in his memoir, Decision Points, when he stated:

George Tenet asked if he had permission to use enhanced interrogation techniques, including waterboarding, on Khalid Sheikh Mohammed. I thought about my meeting with Danny Pearl's widow, who was pregnant with his son when he was murdered. I thought of the 2,973 people stolen from their families by al Qaeda on 9/11. And I thought about my duty to protect the country from another act of terror. "Damn right," I said (Bush, 2010, p. 170).

Download English Version:

https://daneshyari.com/en/article/1000732

Download Persian Version:

https://daneshyari.com/article/1000732

Daneshyari.com