

FEBRUARY 8, 2024

Bernie Sanders: “The International Billionaire Class Is Making Out Like Bandits”

The Vermont senator denounces the wealth concentration fueling global wars at the expense of everyday people.

SEN. BERNIE SANDERS



Senator Bernie Sanders, an independent from Vermont, speaks during a news conference at the US Capitol in Washington, D.C., on Thursday, May 18, 2023.

(Al Drago / Bloomberg via Getty Images)

Thank you to Matt and the Center for International Policy for bringing us together here today, and for all your efforts to advance a more just and peaceful world.

I am here today because I strongly believe that in Congress some of the most important issues facing our country and the world are rarely debated in a serious manner. Whether it is our corrupt political process dominated by billionaires, whether it’s a dysfunctional healthcare system, whether it is an educational system failing millions of young people, whether it is massive income and wealth inequality in America, whether it is the fact that real wages have been stagnant for the last 50 years, there has been a lack of serious debate on some of the most important issues impacting our people.

And that is certainly true in the area of foreign policy. For many decades we have seen a quote-unquote "bipartisan consensus" on foreign policy—a consensus which, sadly, has almost always been wrong. Whether it has been the wars in Vietnam, Afghanistan and Iraq, or the overthrow of democratic governments in Chile and throughout the world, the results have most often not turned out to be what was promised or consistent with alleged American values.

And today we are gathering in the shadow of three significant military conflicts in Ukraine, Gaza, and in and around Yemen.

Let me start off with Israel and Gaza. Hamas is a horrific terrorist organization which launched an unspeakable attack against Israel which killed 1,200 innocent men, women, and children, injured many others, and took over 200 captives. Israel had the absolute right to defend itself, go after Hamas, and demand the return of the hostages. But what it did not have a right to do is to go to war against the entire Palestinian people—which is exactly what Israel under the leadership of the right-wing Netanyahu government has done.

After four months of war in Gaza, 27,000 Palestinians are dead, and 67,000 have been wounded—two-thirds of whom are women and children. 1.7 million people—over 80 percent of the population—have been driven from their homes and have no idea if they'll ever be returning. In fact, 70 percent of the housing units have either been damaged or destroyed. Today, unbelievably, as a result of Israeli bombing attacks and restrictions at the border, food, water, medical supplies, and fuel are increasingly scarce. As we speak, according to the UN and other international organizations, many hundreds of thousands of Palestinian children are facing starvation. Given the impact that malnutrition has on the physical and cognitive growth in children, it is likely that many of them have already suffered permanent damage. Not to mention the extraordinary psychological abuse they have experienced as they witness incredible amounts of destruction and death.

And yet today there is a bipartisan consensus here in Congress that at least \$14 billion—including \$10 billion more in unrestricted military aid—should go to this right-wing Israeli government. How in God's name can the United States condemn Russia's indiscriminate bombing of civilians in Ukraine as a war crime and yet fund Netanyahu's war machine, which has killed thousands of children? How can we criticize the terrible human rights record of China, Iran, and other authoritarian countries, but ignore the human rights of the Palestinian people?

And yet, for a variety of reasons, an overwhelming majority in Congress are prepared to support massive new funding for the Netanyahu government's siege on Gaza. This is, once again, bipartisan politics at its worst. But, given the massive role of money in our politics, this should come as no surprise.

It is no secret that lobbying groups like AIPAC and the far-right Christians United for Israel lobby for unquestioning support for Israel's right-wing government. They spend enormous sums of money to influence our political system.

Last election cycle, AIPAC's super PAC spent over \$30 million in dark money to oppose progressive candidates who spoke out in favor of Palestinian human rights—instantly making them the largest outside spending group in Democratic politics.

And they were successful in all but two of their races. The message was clear: If you criticize Netanyahu, you will be targeted. At the same time, AIPAC endorsed more than 100 election-denying, pro-

insurrectionist Republicans.

This election, AIPAC is expected to spend approximately \$100 million just to try to unseat progressive members of Congress who dare speak out about Gaza.

Popular

1 The Supreme Court Is Not Going to Save Us From Donald Trump

ELIE MYSTAL

2 Nikki Haley's Big Flop

SASHA ABRAMSKY

3 Surviving an Era of Pervasive Nuclear Instability

MICHAEL T. KLARE

4 Who Voted for Hitler?

2021 YEAR IN REVIEW / DAN SIMON

Both Christians United for Israel and AIPAC are backed by billionaires, and our system means their opinions matter much, much more than their fellow citizens.

But let's be clear: It's certainly not just issues relating to Israel where this money warps our politics. The Saudis, Emiratis, Qataris, and others spend tens of millions on lobbying and political influence, both licit and less so. We have no clearer example of this than the Trump White House, where these countries brazenly bought influence.

Let me now jump into an issue that is almost totally ignored in terms of US foreign policy and that is the unprecedented rise of global oligarchy and extreme income and wealth inequality. Throughout history, massive concentrations of wealth have brought about more war, undermined democracy, and destabilized the world.

And the simple truth is that today, we live in a world where a small number of multi-billionaires and multinational corporations exert enormous economic and political power over virtually every country on earth. This is not conspiracy thinking. This is the reality we are experiencing. Never before have so few had so much wealth and so much power, and that reality has a huge impact on all aspects of our foreign policy and whether or not we will be able to effectively address the major crises we face.

In the year 2024 there is a global struggle taking place. On one side we have the forces of oligarchy, authoritarianism, greed and kleptocracy. On the other side we have a movement which strives to strengthen democracy and economic, social, racial, and environmental justice. And it is vitally important that the United States comes down on the right side of this struggle—the moral side. Yes, we must loudly

proclaim in word and deed that we believe in democracy and the right of all people to control their own destinies. Yes, we believe that all people in our country and around the world are entitled to a decent standard of living, and that economic gains should not simply go to a handful of people on top.

Let's be clear: in recent years, we have seen a global pandemic which has taken millions of lives, a pivotal US election whose results were denied by the loser, the growth of right-wing extremism in many parts of the world, the end of the war in Afghanistan, the outbreak of a massive war in Europe, and continuing turmoil in the Middle East, punctuated in the last four months by the horrific conflict in Israel and Gaza. We have also seen the profound impact that climate change is having throughout the world as the planet becomes warmer and warmer.

It is no great secret that in America and throughout the world, as a result of all of this and more, people feel overwhelmed and believe that their governments no longer pay attention to them or their needs. They see the very rich becoming richer, while they struggle to put food on the table.

With all of this anger and frustration, we see some of these people turn to authoritarian demagogues like Trump. Others may simply check out of the political process. Either way, democracy and respect for human rights—which must be the gold standards of our foreign policy—become endangered.

When it comes to foreign policy and national security issues, many Americans are understandably frustrated by what they see as misplaced national priorities. They see our country spending, with almost no debate, nearly a trillion dollars a year on the military while at the same time ignoring massive problems at home. We have unlimited amounts of money for fighter planes, bombs and tanks, but when it comes to providing healthcare to all people, housing the homeless, or providing educational opportunities, there's just no money available. Further, in terms of foreign policy, they see us too often sacrificing our alleged values to cozy up to vicious undemocratic regimes in the name of security or expediency.

Why is all of this happening? Who benefits and who loses?

Here is the simple truth. Today the world's top one percent owns more wealth than the bottom 99 percent. In America, three individuals own more than the bottom half of our society. And a handful of financial institutions exert enormous influence over the lives of billions of people throughout the globe.

Oxfam reports that, worldwide, nearly 800 million workers saw wages fail to keep up with inflation. In the United States, over 60 percent of workers live paycheck to paycheck. Since 1975, over \$50 trillion in wealth has been redistributed from the bottom 90 percent to the top 1 percent. And that is why the average American worker today is making about \$50 a week less than he or she did some 50 years ago after adjusting for inflation.

And this is not just an American phenomenon. Many people in industrialized countries, despite huge increases in worker productivity, are working longer hours for lower wages. They've seen their pensions reduced. And they worry that their kids will have a lower standard of living than they do.

Alongside the billionaire class, the world's largest corporations saw their profits explode in the last two years, raking in hundreds of billions of dollars in windfall profits which they returned to their wealthy shareholders. Very few economists now doubt that a significant part of the inflation that we have seen in recent years has to do with corporate greed and companies jacking up prices to enrich their shareholders.

In other words, while the status quo for working people and the poor around the world is failing, the status quo for billionaires and large corporations is working extremely well. So, when we discuss international affairs and foreign policy, let us be clear: things are going great—for the people on top. Not so good for everybody else.

Needless to say, the billionaire class does not put their wealth under their mattresses. They spend huge amounts of money dominating politics in country after country so that governments work for them, and not working families. In the United States, we have Super PACs where billionaires will spend endless amounts of money to support or defeat the candidates they like or dislike. In the US and abroad it is increasingly common for billionaires to actually buy elections for themselves and take power.

And what is the result of this billionaire control over the political process? Investigations like the Paradise Papers, Panama Papers, and Pandora Papers have uncovered the staggering scale of money laundering, kleptocracy, and the parking of trillions of dollars in offshore tax havens. While governments throughout the world struggle to address the basic needs of working families, the billionaire class is making out like bandits—which of course many of them are.

In 2016, the Panama Papers exposed the offshore accounts and tax dodges of the then-prime minister of Iceland, the king of Saudi Arabia, and the families of the leaders of Azerbaijan and Pakistan, among others. They showed that the British Virgin Islands, a major tax haven with a population of 28,000, hosted 430,000 companies.

In all, the Tax Justice Network estimates that \$21 to \$32 *trillion* in financial assets are sitting offshore in tax havens. This wealth is not taxed – it's not even spent! It does nothing to benefit society or the broader economy, it simply ensures the rich get richer.

It's hard to overstate just how fundamentally this broken global financial system undermines faith in democracy and saps our ability to deal with the pressing crises we face today. With the growth of artificial intelligence, robotics, and other technologies, we now have the capability to increase the standard of living of billions of people throughout this planet and allow ordinary people more time for family, education, and culture. And yet, because of the power of the billionaire class, almost all of the increase in worker productivity will benefit the few at the expense of the many—unless we change that dynamic.

When people feel threatened and overwhelmed, they look for explanations. Why are they falling further and further behind? Why are the rich getting richer, while can't they feed their kids or live in decent housing?

And right-wing demagogues are offering simple and false solutions. We've seen the Trump playbook repeated again and again in Hungary, Brazil, Czech Republic, France, Italy, the Netherlands, Argentina, and other countries. There, and throughout the world, political leaders attack immigrants, the poor, the LGBT community, racial and religious minorities, and fan ethnic hatred. They feverishly look for one group after another to scapegoat, but they have nothing to say about those who are really causing the misery—the multinational corporations and the billionaire class.

This growth in right-wing extremism has fundamentally reshaped the international scene, weakening the US and the EU, and sowing the seeds of an authoritarian international run by dictators like Vladimir Putin.

Putin himself is the embodiment of these trends. Russia's oligarchs made a simple, corrupt deal with Putin: you can have absolute power if you let us plunder the country's wealth without interference. And this worked for the richest Russians: the richest 1 percent in Russia holds as much wealth offshore as the rest of the Russian population does onshore.

Given this corrupt bargain, was there any question that the Russian government would be completely unresponsive to the needs and desires of ordinary Russians? Was it any surprise that Russia's political system was unable to stop Putin as he became obsessed with centuries-old grievances and delusions of himself as the next Peter the Great, destined to restore a Greater Russia at the expense of Ukrainians and Russians alike?

Beyond Putin's particular delusions and grievances, it's no great surprise that authoritarian leaders tend toward violence and conflict. Just as Trump and his ilk try to turn people against one another *within* countries to hold onto power, these leaders often attempt to create external enemies to distract and divide people.

Sadly, war and violence often make for good politics. In my view, that is what is happening in the US with regards to China right now. I believe, for example, that it is appropriate that we continue to critique China's authoritarian policies, their human rights record, and their position on Taiwan. But, if we are going to solve the global crisis of climate change and future pandemics, we also need to be cooperating with China. We do not need a new Cold War—much less a hot one.

Let's take a look at another way money and concentration of wealth are impacting our foreign policy, and that is the growing military budget of the United States.

Today, the United States accounts for roughly 40 percent of global military spending and spends more on the military than the next 10 countries combined, most of whom are allies. Last year, we spent more than \$900 billion on the military, more than three times what China spent. Almost half of this spending will go to hugely profitable defense contractors.

This is what corporate welfare is all about. These companies massively over-charge the Department of Defense, reaping enormous profits, as they hand out huge compensation packages to their CEO's.

As an example, in 2022, Lockheed Martin received \$46 billion in unclassified federal contracts, returned \$11 billion to shareholders through dividends and stock buybacks, and paid its CEO \$25 million. These private defense contractors are almost fully reliant on the US government, yet their CEOs make over a hundred times more than the Secretary of Defense, and 500 percent more than the average newly enlisted service member. Despite billions in fines for fraud or misconduct, the contracts never seem to dry up.

One particularly outrageous example. As the US contemplates providing Ukraine with tens of billions of dollars to defend itself against Putin's invasion, Raytheon increased prices for its Stinger missiles seven-fold, leaving the US paying more than \$400,000 to replace each missile sent to Ukraine. Yet somehow, Raytheon has the money to buy back \$37 *billion* in stock through 2025.

It is no great secret that Washington think tanks—often funded by the military industrial complex and other large multinational corporations—play an important role in developing foreign and military policy. It is even less of a secret that Congressional defense hawks receive millions in campaign contributions from these defense contractors to ensure that the money keeps flowing.

This is preventing us from tackling the greatest challenges of our time.

A number of years ago, I was asked what I thought was the major foreign policy challenge that we faced, and while some people laughed, my answer was climate change. And that's what I still believe. If we do not get a handle on climate change, the planet we will be leaving our kids and future generations will be increasingly unhealthy and uninhabitable.

Today, the 20 biggest fossil fuel companies are responsible for more than one-third of worldwide greenhouse gas emissions, while raking in massive profits and corporate subsidies from governments around the world. In the third quarter of 2023, fossil fuel profits rocketed above \$50 billion. In other words, they make huge profits as they destroy our planet.

And how do they spend some of their profits? Lobbying against action on the climate crisis!

In 2022 alone, the oil and gas industry spent over \$124 million lobbying the federal government to block action on climate change. They have engaged in multimillion-dollar, carefully coordinated misinformation campaigns to discredit climate science. The bottom line: The US produced more oil and gas last year than ever before.

Or take the pressing issue of global health. How do we prevent another pandemic, which could cost many millions of lives in the United States and countries around the world?

The good news is that negotiators are now working on a global treaty to ensure we're prepared for the next pandemic. The bad news is that the powerful pharmaceutical industry, which made over \$100 billion last year, is doing its best to protect its profits at the expense of human life throughout the world—especially in poor countries.

The goal of a rational and humane global pandemic policy should be to make tests, treatments, and vaccines available to every man, woman, and child on earth who needs them, regardless of their income. But not surprisingly, that is not the approach that the United States is currently pursuing in these talks.

Instead, the US is reportedly focused on protecting the patent monopolies of hugely profitable pharmaceutical companies, even in the face of a future pandemic. Might that have something to do with the \$8.5 billion drug companies have spent on lobbying over the past 25 years? Or the \$700 million they've given in campaign contributions to political candidates?

Let me conclude by saying this. We are living in a moment where political change is going to come to the United States and many countries around the world. The question is: What kind of change will that be? Will the United States and countries throughout the world move in the direction of more war and violence, more hatred and bigotry, more authoritarianism, and more oligarchy? Or will we, in our country and around the world, choose another path? The path that understands our common humanity, that brings us together, both within our country and throughout the world, to confront the greatest challenges of our time.

What I believe now, as I've always believed, is that we have the potential. That, if we are smart and are prepared to work together, we can save the planet from climate change, we can create stronger democracies, we can eliminate the horrors of war, and we can create a world in which all people enjoy a decent standard of living.