

Hillary Clinton and secret Swiss bank accounts

By Patrick Martin
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A lengthy report in the *Wall Street Journal* Thursday details Hillary Clinton's actions while US secretary of state, on behalf of the Swiss banking giant UBS. The bank reciprocated by means of large contributions to the Clinton Foundation and a fat paycheck for Bill Clinton to participate in a question-and-answer session with UBS executives.

The article examines the type of exchange of services for cash payment that is standard operating procedure for capitalist politicians and their corporate masters worldwide. The only unusual aspect of the transactions is the detailed record, supplied in part thanks to the publication of US State Department cables from Switzerland by the whistle-blowing website WikiLeaks.

In 2008, an American employee of the bank, working in Switzerland, revealed that UBS had thousands of US customers who had opened accounts to avoid paying US taxes. The bank signed a consent agreement in 2009, agreeing to pay a \$780 million fine and give the names of 250 account holders. But the IRS was pressing for a broader disclosure—the names of US citizens who held 52,000 numbered accounts worth an estimated \$18 billion.

At Clinton's first meeting with her Swiss counterpart, Micheline Calmy-Rey, there was a list of pressing issues, several relating to Iran, where the Swiss embassy has represented US interests since 1979. The Obama administration wanted Switzerland to accept some Guantanamo detainees, to curtail business by a Swiss-based energy company in Iran, and to intervene on behalf of a US journalist detained in Iran. The Swiss government, serving as the political agent of the Swiss banks, wanted to curb the forced disclosure of information by UBS.

A deal was worked out. In return for Swiss action on

its concerns, the US government agreed to a legal settlement with UBS that limited disclosure to information on 4,450 accounts, less than 10 percent of the 52,000 sought by the IRS.

It was at this point that the arrangement moved beyond the routine horse-trading between capitalist governments, into direct financial kickbacks. UBS began to step up its donations to the Clinton Foundation, from less than \$60,000 through 2008 to more than \$600,000 in total by the end of 2014.

The *Journal* report continues: "The bank also joined the Clinton Foundation to launch entrepreneurship and inner-city loan programs, through which it lent \$32 million. And it paid former president Bill Clinton \$1.5 million to participate in a series of question-and-answer sessions with UBS Wealth Management Chief Executive Bob McCann, making UBS his biggest single corporate source of speech income disclosed since he left the White House."

The newspaper then adds the disclaimer, "There is no evidence of any link between Mrs. Clinton's involvement in the case and the bank's donations to the Bill, Hillary and Chelsea Clinton Foundation, or its hiring of Mr. Clinton."

But of course, no such link is required in the elevated circles in which the Clintons move. Rarely is it a matter of cash in envelopes. Actions on behalf of corporate benefactors and expressions of "gratitude" and "support" follow like night follows day.

UBS officials vociferously denied any such crass exchange. "Any insinuation that any of our philanthropic or business initiatives stems from support received from any current or former government official is ludicrous and without merit," a bank spokeswoman told the *Journal*.

By 2012, a UBS-sponsored program it called

Elevating Entrepreneurs was listed by the Clinton Foundation as one of its most important projects, featuring 11 appearances by Bill Clinton with former President George W. Bush playing the role of second banana at a number of locations, for an undisclosed fee.

Given the *Journal*'s hostility to Clinton and the Democratic Party, there is little doubt that the newspaper's decision to publish the report was politically motivated and intended to damage the frontrunner for the 2016 Democratic presidential nomination. The facts uncovered, however, are nonetheless damning.

It should also be pointed out that Rupert Murdoch, the billionaire who owns the *Journal* and dozens of other media properties, including Fox News, is a longtime practitioner of the tax avoidance that Swiss banks like UBS facilitate. Murdoch has changed his citizenship from Australia to Great Britain to the United States to further the expansion of his corporate empire by taking advantage of favorable tax treatment.

As for Hillary Clinton, the report on UBS is only a further demonstration of her decades of hobnobbing with the bankers and billionaires.

One of the grosser expressions of this was reported earlier this week by *Politico.com*, which detailed Bill and Hillary Clintons' attendance at the 2005 wedding (his third) of billionaire Donald Trump to Slovenian model Melania Knauss, at Trump's Palm Beach estate.

According to this account, based on tabloid reports of the \$1 million celebrity-studded event, the groom wore a black Brioni tuxedo, while the bride "wore a \$200,000 Christian Dior dress, replete with 300 feet of satin, 1,500 crystals and pearls and a 13-foot, 50-pound train. The strapless gown reportedly took 1,000 hours to make. The reception and after-party at Trump's Mar-a-Lago mansion featured song and dance facilitated by Tony Bennett and Billy Joel; lobster, caviar and filet mignon; and a 5-foot-tall wedding cake covered with buttercream frosting and 3,000 roses made of white icing."

Trump is today leading in polls for the Republican presidential nomination. Ten years ago he called himself a Democrat, praised Hillary Clinton extravagantly and donated to her campaigns. This history only demonstrates the vanishingly small differences between the Democrats and Republicans, both controlled lock, stock and barrel by the financial

oligarchy.

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