

Hunter Biden made \$850,000 on board of Ukraine gas company

By Patrick Martin
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The son of Vice President Joe Biden, a lawyer-lobbyist with no known expertise in the production, transport, or distribution of natural gas, or in the complex financial operations of such a business, was placed on the board of the largest gas company in Ukraine in April 2014 and remained there until spring of this year, netting some \$850,000 in payments.

The Hunter Biden-Ukraine connection has become the trigger for the opening of impeachment proceedings against President Trump, but the connection itself is worth examining in its own right. The younger Biden's career sheds light on the decay of American democracy and the vast social gulf that has opened up between the ruling elite and the vast majority of the population, struggling to survive from paycheck to paycheck, and, as a recent survey found, unable to afford paying an unexpected bill of \$400.

Hunter Biden, now aged 49, is the former vice president's sole surviving son. Beau Biden, the older by one year, died of brain cancer in 2015. The younger Biden has always been the black sheep of the family, even according to various sympathetic accounts, most of them appearing in publications—*The New Yorker*, the *New York Times*, the *Washington Post*—favorable to the Democrats.

The *New Yorker* piece, at more than 10,000 words by far the longest, published in July, was obviously planted by the Biden campaign for the purpose of venting all the bad news about Hunter Biden as a preemptive measure against anticipated stink bombs from the Trump campaign.

It was prepared through lengthy interviews by reporter Adam Entous with Hunter Biden. And it delivers a lot of bad news about a career devoted apparently to influence-peddling and drug abuse, both on a scale that matches or exceeds that of any dubious relative of any previous president, at least until Donald Trump.

Hunter Biden was hired by MBNA bank in Delaware, fresh out of Yale Law School, and paid a six-figure salary at the age of 26 because his father was a senator from that state and a fervent defender of the bank and credit card industries. MBNA was then the largest US issuer of credit cards.

He then moved to Washington to take a position in the last years of the Clinton administration. Once the Republicans came to power with the George W. Bush administration, in 2001, he became a lobbyist, helping Jesuit Catholic colleges insert earmarks into congressional appropriations bills.

When earmarks became more difficult to obtain, and after losing money in a speculative venture on the eve of the 2007-2008 financial crash, Biden formed a “consulting” group with Christopher Heinz, stepson of Senator John Kerry and an heir to the Heinz fortune, and a Yale friend of Heinz's, Devon Archer.

Inevitably, after his father's election as vice president, given a prominent international role in the Obama-Biden administration, Hunter Biden's consulting firm branched out into global deal-making, focusing on countries where influence-peddling would be most lucrative and actual business credentials least necessary, among others, China and Ukraine.

In China, the younger Biden traveled on Air Force Two in 2013 with his father, who was making an official trip to Beijing. In the course of this, Hunter Biden introduced a Chinese business partner, Jonathan Li, to the vice president. He left China with promises of future investments, although not with the \$1.5 billion that Trump now falsely claims. According to Hunter Biden's attorney, no money has yet flowed from that particular connection.

Another Chinese business prospect gave Hunter Biden a diamond worth either \$80,000 (according to his ex-wife's divorce suit) or \$10,000, according to Biden's response to the suit, but in any case, much beyond the normal range of business gratuities.

But Ukraine is where Hunter Biden has apparently cashed in most extensively, trading on his father's name and position. In 2013-2014, a right-wing populist movement backed by the CIA and the German government gained the upper hand in an internal power struggle within the Ukraine capitalist class.

The Maidan “revolution” was actually a right-wing coup, spearheaded by outright fascist forces, some of whom

marched under Nazi insignias, against the elected president, Viktor Yanukovich, who was aligned with the Russian government of Vladimir Putin.

Ukraine has been a “wild west” for the operations of foreign intelligence services and capitalist oligarchs at least since the so-called Orange Revolution of 2004, the first successful effort by Washington to bring to power a US-backed regime in one of the major countries emerging from the breakup of the Soviet Union.

An election victory claimed then by Yanukovich was overturned on grounds of fraud, Yanukovich lost the rerun election in early 2005, and a succession of right-wing leaders headed pro-US governments until 2010. In that year Yanukovich made a successful political comeback, winning the presidential election with the advice and assistance of a number of American political operatives, including Paul Manafort, later campaign manager for Donald Trump. (Others who “meddled” in Ukrainian politics included Democrats like David Axelrod, Obama’s top political counselor, and Tad Devine, later an aide to Bernie Sanders.)

The Maidan protests drove Yanukovich into exile in February 2014, and the faction of capitalist oligarchs aligned with him had to find new political instruments and allies. This included Mykola Zlochevsky, the cofounder of Burisma, Ukraine’s largest natural gas producers. Zlochevsky had served as ecology minister under Yanukovich and previously, as energy minister under President Leonid Kuchma (1994-2004), pushed through measures that saw him emerge as one of the richest energy capitalists in the country.

In the search for board members with the right contacts, Zlochevsky recruited Devon Archer, Biden’s business partner, the former president of Poland and ex-Stalinist Aleksander Kwaśniewski, and then Hunter Biden himself. Biden was brought on nominally to provide advice on corporate governance, although he never performed any actual legal work for the company

At the time, Joe Biden was the Obama administration point man on Ukraine, and had emphasized in public statements the importance of Ukraine building up its own gas production facilities to ease its dependence on Russian supplies—a perspective that dovetailed perfectly with Burisma, Ukraine’s largest producer of locally sourced natural gas.

The State Department declared at the time that Hunter Biden was a “private citizen,” and that his role in Ukraine had nothing to do with his father’s area of responsibility. According to the friendly account in *The New Yorker*, the two Bidens discussed Burisma only once, when his father told him, in December 2015, “I hope you know what you are doing,” and the son replied, “I do.”

This account is not very credible, but there does not as yet appear to be any substance to the charges by Trump & Co. that the vice president intervened to block the prosecution of his son’s company in 2016. While Burisma Holdings was nominally under investigation by state prosecutor, the investigation did not concern Hunter Biden’s role, focusing on how Zlochevsky accumulated his fortune in the mid-2000s, and it was not active.

One telling fact is that after Shokin was fired, under US and EU pressure—with Joe Biden delivering the message to the Kyiv regime—Zlochevsky went into exile in Dubai for a number of years. He evidently was in greater fear of prosecution under Shokin’s successor, installed at Joe Biden’s insistence.

None of these facts alter the devastating political implications of the Ukraine exposure for the Biden 2020 presidential campaign.

Hunter Biden’s income from Burisma Holdings, the Ukrainian company, in a five-year period, is more than an autoworker or schoolteacher in the United States makes in 15 years. It is more than a minimum-wage worker makes in a lifetime. And it is only one income stream for Biden’s son, who profits from “consulting” deals in China and in the United States as well.

So much for Joe Biden’s efforts to promote himself as “middle-class Joe” and to pretend that he has some sort of intrinsic connection to the industrial working class because he was born in Scranton, Pennsylvania and grew up in Wilmington, Delaware, where his father managed a car dealership.

Concealed behind the mutual mudslinging between the Biden and Trump camps, and now by the media frenzy over impeachment, the truth is that Hunter Biden was a child of privilege, son of a US senator, a “fortunate one” as the rock song has it. He has cashed in on that status, both financially, and, in his case, staying out of jail despite a drug abuse problem that would have sent a working-class youth to prison for life.

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