Illinois Democrats, the Pritzker dynasty and the imperialist plunder of Ukraine

Kristina Betinis 2 August 2024

The US-NATO proxy war against Russia in Ukraine has devastated the population of Ukraine, while providing ample opportunities for profit for giant US arms manufacturers and the billionaires who invest in them. One of those playing a leading role in the coining of mass death into corporate profit is Chicago billionaire Penny Pritzker, who was US secretary of commerce in the Obama administration and was named last year by President Joe Biden as the U.S. Special Representative for Ukraine's Economic Recovery.

Pritzker and her brother J. B. Pritzker, governor of Illinois and on the short-list being vetted as a possible Democratic running mate for Kamala Harris, are both billionaire heirs in the Hyatt Hotels dynasty founded by their uncles Jay and Robert Pritzker and their father Donald Pritzker. The combined net worth of the family is estimated at more than \$30 billion.

While the Pritzker billions came initially from Hyatt Hotels, a chain with one of the worst records of labor abuses in an industry known for its brutal working conditions, the family holdings have diversified greatly into Royal Caribbean Cruises, engineered equipment manufacturing in the Marmon Group conglomerate (sold in 2013 to Warren Buffett's Berkshire Hathaway holding company), as well as banking, real estate and technology investments.

The Pritzker family's origins as Jewish immigrants from Ukraine, who fled Tsarist repression and antisemitism in 1881, has not stopped the current generation of Pritzkers from making common cause with the modern-day Ukrainian neo-Nazis, who provide the main base of support for the right-wing regime of President Volodymyr Zelensky.

Neither the Pritzkers, nor Zelensky himself, who is also Jewish, have opposed the cult of Stepan Bandera, the Ukrainian nationalist, antisemite and Nazi collaborator who recruited and led Ukrainian military forces that fought alongside the Wehrmacht in World War II and participated in some of the worst atrocities of the Holocaust. Bandera has been celebrated as a national hero by the current regime in Kiev and is the patron saint of neo-Nazi groups like the notorious Azov Battalion.

Penny Pritzker, Obama and Ukraine

Earlier this year, Penny Pritzker spoke at the Chicago Council on Global Affairs in support of the bipartisan war funding bill totaling more than \$90 billion. The funding expanded the war in Ukraine into Russia directly, escalated conflict in the Middle East, including the genocide of the Palestinians in Gaza, and advanced plans for military conflict with China.

Pritzker was appointed last September by President Joe Biden to act as the US Special Representative for Ukraine's Economic Recovery. In this role, Pritzker oversees the "reconstruction" of a country that has seen more than 500,000 killed and an estimated 14 million displaced through

emigration. The war has caused more than \$150 billion in losses to infrastructure, and the World Bank is calling for a rebuilding fund of \$486 billion.

Pritzker has played a leading role over the last 10 years in selling the war in Ukraine and, in so doing, selling off the country's assets. She has drummed up support within the US and European ruling classes for astronomical levels of investment into expanding the war, as well as "winning the peace"—putting the country's industry up for sale and deregulating the economy to make it as friendly as possible to exploitation by megacorporations.

Penny Pritzker rose from the business world to political prominence as a fundraiser for then Senator Barack Obama, raising a reported \$750 million for his 2008 presidential election campaign. After winning reelection in 2012, Obama then named her secretary of commerce for his second term (2013-2017), and de facto liaison between his administration and the corporate oligarchs who are the real masters of the United States.

Pritzker was in Obama's cabinet during the 2013-2014 US operation (given the grandiose title "the Maidan Revolution") in which CIA-backed neo-Nazis spearheaded the ouster of Ukraine's elected pro-Russian president and his replacement by Petro Poroshenko, himself a prominent Ukrainian oligarch.

She later boasted to *Foreign Policy* magazine that she had said to Poroshenko, "Let's not waste a good crisis," paraphrasing Chicago mayor and former Obama White House chief of staff Rahm Emanuel. At that time, she made clear this meant for Ukraine changes in government that served the needs of banks and big business, with an emphasis on producing for export.

At the Chicago Council on Global Affairs event in February, Pritzker was introduced by the Ukrainian Congress Committee of America's Marta Farion, who said, "She has the power to change lives."

Pritzker declared, "All of us here want to see Ukraine become a sovereign, prosperous state, anchored in the EU and global markets. We know Ukraine's security ... its Euro-Atlantic path, is essential to our security, to the world's stability, and to the future of democracy. The future of not only our world order but our way of life runs right through Ukraine and its success in beating Putin."

She continued, "Eighty-four percent of American companies in Ukraine are up and running... McDonalds added 10 percent more stores and served over 100 million Ukrainians in 2023... Palantir is using AI to accelerate demining... Bank of America is looking to build technical capacity, capital markets and debt management. The list goes on and on.

"Infrastructure development for market access and increased exports, as well as risk management and war risk insurance tools. Steel plants in Dnipro, Zaporizhia, Kryvyi Rih have almost doubled production in the past four months. Black Sea ports are bringing 8.7 million metric tons of Ukrainian wheat to global markets in January alone, in striking distance of pre-war export levels."

Giant US companies investing in Ukraine, she claimed, "are doing this because they are principled organizations that know it's the right thing to do. That stability of Europe is at stake. That our democratic order depends on Ukraine winning the war."

War is good for business, and for imperialism

Pritzker has emphasized the value of the "investment" made by US imperialism in Ukraine, not just in terms of profits, but military capability. "We're getting more than we're giving" is the pitch. She said on a recent podcast, "Military dollars that we give basically come right back into 117 production lines in 31 states in the US. Howitzers in Minnesota, Bradleys in Alabama, Himars in New Jersey... The Ukrainian people are defending their sovereignty, but they're also defending global security and democracy." In June, the US Army awarded Lockheed Martin \$1.9 billion to build 228 HIMARS (High Mobility Artillery Rocket Systems) to be completed by May 2028.

But most provocative was Pritzker's claim that the destruction and loss in Ukrainian lives are the cost of modernizing the US's defense industrial base, sacrifices made in pursuit of a free market economy. War was good for American capitalism, and for capitalism in Ukraine as well:

"Some of the best-loved supporters of Ukraine are American defense companies. It is defense systems made here in America: Patriot systems in Arkansas, artillery shells made in Pennsylvania, Abrams tanks made in Ohio... protecting the lives of Ukraine's sons and daughters on the battlefield. We help Ukraine defend itself, and they help us modernize our defense industrial base here at home," she said.

Referring to economic and political "reforms" Ukraine committed to last year, Pritzker said, "Kiev must keep this momentum going. Ukraine's victory, its legacy and history will be determined not by how it wins the war, but how it wins the peace. Ukraine's people crave a clean, economic, Western-oriented economy. Its soldiers are fighting and dying for it."

At Davos earlier this year, Pritzker organized meetings between Ukrainian President Volodymyr Zelensky and top executives from major transnational banks and corporations including JPMorgan Chase's Jamie Dimon, BlackRock's Philip Hildebrand, Bridgewater Associates' Ray Dalio, David Rubinstein, the co-founder of private equity firm Carlyle Group, ArcelorMittal's Lakshmi Mittal, Michael Dell of Dell Computer Corporation, Blackstone Group's Stephen Schwartzman and the Australian mining and ranching magnate Andrew Forrest.

Pritzker told this audience of billionaires, "Everyone sees the opportunity and I actually have been encouraged by the private sector's interest in trying to sort this out. It requires some law changes in Ukraine. It requires some government partnership with the private sector and then it requires the private sector to function."

The Pritzker dynasty and neocolonial plunder

The organization of the plunder of Ukraine, presented as "rebuilding" and "winning the peace" in the wake of destruction of the war provoked by the US and NATO, has an openly neocolonial character.

The benefits of these lavish war contracts accrue not just to corporate

America in general, but to the Pritzker family itself. According to a 2023 report in Lloyd's, The Pritzker Organization (TPO), led by Penny's first cousin Thomas Pritzker, made a growth equity investment into Palantir, the technology company led by fascist Peter Thiel.

In March, Palantir won a \$178.4 million contract with the US Army for a mobile battlefield intelligence system, housed inside a large truck. The technology promises to unite the efforts of Northrop Grumman, Anduril Industries, L3Harris Technologies, Pacific Defense, SNC, Strategic Technology Consulting and World Wide Technology, along with the battlefield AI operations of Palantir.

The Pritzker family has reaped the spoils of the neocolonial "war on terror" in other countries. In the course of the imperialist 2008 Basra offensive, US-backed British forces suppressed the Mahdi Army, a nationalist militia, and opened up control of the oil and gas fields in the southern region of Iraq to transnational conglomerates.

Among those was Thomas Pritzker's family merchant bank, The Pritzker Organization. In 2011, Thomas Pritzker established North America Western Asia Holdings (NAWAH), based in the US, to "develop opportunities" in the war-ravaged region. Among other things, NAWAH focused on cargo handling at the Iraqi port of Maqal in the city of Basra, at the head of the Persian Gulf. The company controlled shipments of all oil and gas components in the area, later expanding its berths and shipments to include food and consumer goods.

In establishing NAWAH, Thomas Pritzker worked directly with the US Department of Defense. The deputy undersecretary of defense and director of the Task Force for Business and Stability Operations in Iraq, Paul Brinkley, would go on to serve as NAWAH's chief executive officer, with Pritzker as chairman.

Brinkley told Bloomberg News that NAWAH would "invest in Iraqi companies while advising clients looking to do business in the country and throughout North Africa and Central Asia." Bloomberg also reported at the time that it was Brinkley who persuaded Pritzker to make multiple trips to both Iraq and Afghanistan.

Speaking on the period just prior to his exit from the US Department of Defense, Brinkley explained his role attracting investors to countries near-totally destroyed by the US's criminal war:

[Recruitment] was the easiest part of my job. I have yet to find that I can't take an American businessman, ideally in his midforties, going through a raging midlife crisis, take this guy to a war zone, show him around with our troops, and then put him in front of a general. All the general needs to say is, 'I need you to help.' The hit rate, my success rate, on that model is extremely high.

CSIS and US strategy towards Russia

After founding NAWAH, Thomas Pritzker was appointed to executive leadership at the Center for Strategic and International Studies (CSIS) in 2015, a think tank of military strategy and imperial plunder. As the WSWS has previously reported, CSIS is a conduit for the military-intelligence apparatus into higher education and business.

On its board sit executives of military contractors including Brendan Bechtel, Phoebe Novakovic (General Dynamics), W. James McNerney (Boeing), investment banker Ray Dalio, Darren Woods (ExxonMobil), Thomas Nides (Blackstone) and Kenneth Langone (Home Depot, Invemed), among other leading capitalists and figures within the US Defense Department and Central Intelligence Agency, including Leon

Panetta.

Leading members of and individuals influential within the Illinois Democratic Party sit on the board of CSIS as well, including William Daley (investment banker, former secretary of commerce under Bill Clinton and long-time Democratic Party operative) and son of Mayor Richard J. Daley, Mellody Hobson (Ariel Investments and chairwoman of Starbucks) and Lester Crown (of the multi-billionaire Crown family).

In a 2016 report "The Kremlin Playbook," Heather Conley of CSIS argued that a major problem faced by the imperialist governments was that the expansion of NATO in the period after the dissolution of the USSR did not draw the former Eastern bloc countries sufficiently closer to the US and European imperialist powers, and economically isolate Russia.

Conley wrote, "Russian funding and support has seemingly contributed to the rise of political forces that seek to undermine the Euro-Atlantic orientation of these [European] countries and foster greater support for Russian policies. Although it is difficult to prove a causal relationship between activities that occur in the shadows, this is the pattern that we observe and encourage our readers to draw their own conclusions."

Far from analyzing this process as an example of the decline of American and western capitalism, the CSIS author proceeded with the end in mind of the direct assertion by the US of economic and political influence in the former eastern bloc, with diminished emphasis on formal NATO membership and open conflict with Russia.

The report identifies several European countries' "problematic" economic relationship with Russia, including Italy, Netherlands, Austria, Czech Republic and Romania. The second part of the "Kremlin Playbook" report asserts a direct conflict between EU-Russian partnerships and US national security interests: "Russian malign economic influence and illicit finance operate in a financial gray zone that is a clear and present danger to U.S. national security as well as transatlantic security [emphasis added]."

Chicago Democrats partner with Banderites

There is a sickening historical irony in the Pritzker family's role in the neocolonial war for US control of Ukraine. As noted in an October 2015 US Commerce Department report on Penny Pritzker's visit to Ukraine as Commerce Secretary, she stopped at the market square in Kiev where her great-grandfather led a grain wholesaling business.

The town outside of Kiev, Bila Tsirkva, where the Pritzker family is reported to have lived in the 19th century, before emigrating to the US to escape the violence and terror of anti-Jewish pogroms, was in 1941 the site of horrific massacres by the Nazi *Einsatzgruppen* supported by the OUN, the political organization of Stepan Bandera.

Even before the Nazi invasion of the USSR began, on June 22, 1941, Bandera met with Nazi leaders to discuss terms of collaboration between the German army and the militants under his leadership. The Nazis in that year carried out some of the worst crimes of the 20th century in that region, including the murder of more than 33,000 Jews at Babi Yar. This was followed by an infamous massacre of Jewish children and infants at Bila Tsirkva. These extermination campaigns were carried out with the support of both factions of the OUN, OUN-B and the OUN-M.

As documented in Saul Friedländer's *The Years of Extermination*, the Bila Tsirkva massacre is one of the few on record in which German soldiers balked. Wehrmacht chaplains wrote to Berlin for relief from the mass killing orders, as they faced opposition from some soldiers reluctant to carry out orders to exterminate the remaining young children. The response from Berlin to the chaplain's appeal was to order the massacre

be carried out immediately and the appeal resulted in just a few days' delay. The murders were carried out by Ukrainian auxiliaries drawn from the UPA and OUN. [1]

The Banderite fascists who were the shock troops of German imperialism of the 20th century now serve the American imperialists in the 21st, both in military operations and domestic repression in Ukraine, and as political propagandists within the United States itself.

The Chicago Council on Global Affairs event last February, where Penny Pritzker delivered her appeal to business leaders to support war funding and to invest in the country, was sponsored by the Ukrainian Congress Committee of America-Illinois Division (UCCA), an organization led by followers of Bandera.

The UCCA in Illinois has also hosted Secretary of State Antony Blinken and Democratic Senator Dick Durbin at its offices on West Chicago Avenue in the Ukrainian Village neighborhood.

During her presentation in Chicago, Penny Pritzker asserted that the Banderites leading the UCCA represent broad public sentiments, noting, "Just a few miles from here... at the St. Andrew Ukrainian Orthodox Church in Bloomingdale.... The town's citizens have created the first monument outside Europe dedicated to the "Heavenly Hundred," veterans of the 2014 coup. The monument was erected in 2015 and marked with a celebration each year on October 8. Indeed, this church is also the site of UCCA celebrations of the UPA and OUN in World War II.

OUN leader Osip Dyakiv wrote on the fundamental unity of the UPA and OUN: "[I]n the fire of direct struggle, in the midst of partisan weekdays and holidays, in the midst of the joy of joint victories and the sadness of failures, in the midst of the sacrifices that both the UPA and the OUN have to make in equal measure, there is an ideological-political unity that can never be broken by anyone," as quoted in the Almanac of the Society of the Veterans of the Ukrainian Insurgent Army, Book 3, 2000-2015 (2018).

The UCCA serves the interests of imperialism, advancing their violently anti-Russian and ethnonationalist politics, with some expectation of becoming direct beneficiaries of the spoils of the war. This is what the emphasis on "repatriation" and return of emigres alludes to, and certainly does not signify any guarantees of the social rights of the working class in that country.

More than 30,000 Ukrainian refugees have been settled, if only temporarily, in the Chicagoland area through the US State Department's "Uniting Ukraine" parole program, providing work permits, sponsor families, and some basic benefits, receiving very different treatment than the tens of thousands of mostly Venezuelan migrant families have received who arrived in the state. In Chicago as in Kiev, the far right are relied upon to intimidate and silence the enormous opposition of workers and youth to the war, who overwhelmingly wish to see peace.

This continuing alliance, the devil's bargain between wealthy Chicago Jewish Democrats and the descendants of Ukrainian neo-Nazis, was on display again in April. Ukrainian Prime Minister Denys Shmyhal appeared in Chicago as part of the spring meetings of the International Monetary Fund and the World Bank. The prime minister was joined by Illinois governor J.B. Pritzker and his sister Penny Pritzker.

In keeping with the ethno-nationalism of the Kiev regime, Shmyhal at several points in his Chicago appearances emphasized the need for "repatriation" of not only Ukrainian emigres but the diaspora of Ukrainian-American immigrants who have lived in the US for generations.

"We have to win this war. That's only half of the battle. We are facing enormous challenges—demographic, primarily. It seems to me that no country in modern history since World War II, and maybe even in World War II, has suffered such losses. This challenge does not have a simple answer. We all have to work on this together. This is the next battle after

we win this war. We will fight for our demographics," Shmyhal said.

In underscoring the importance of the Ukrainian refugees and the diaspora to the rebuilding of the nation, Shmyhal admits to the colossal destruction wrought by the US-NATO- instigated war. But there is another aspect of references to a "fight for demographics" in light of the violent, ethnonationalist politics of leading layers in the Ukrainian government and militant fascist organizations like Azov battalion and Right Sector, who have been integrated into the state institutions.

Conclusion

In sharp contrast to official claims that the US-NATO war in Ukraine aims to defend "democracy," Ukraine exists under martial law, with elections suspended and left-wing and socialist parties prohibited. Last April, Bogdan Syrotiuk, the 25-year-old Ukrainian leader in the Young Guard of Bolshevik-Leninists, was arrested and imprisoned under the false allegation that he supports the Putin government. Syrotiuk is being threatened with a sentence of 15 years to life. And since June the state security service, in consultation with the Biden administration, has made the *World Socialist Web Site* illegal in Ukraine.

The Democratic Party leadership in Illinois plays a central role in this area of the imperialist redivision of the globe through war and plunder. The extent of its collaboration with fascist parties and figures both abroad and at home are direct indications of the enormity of its crimes now and those being prepared in the future. In the US and Canada as in Ukraine, the Banderites and other far-right forces are partnered with the state in supporting capitalist exploitation and war, as widening sections of the population come into struggle against them.

While the genocide of the Palestinians of Gaza is being conducted in full view of the world, and the nationalist mythology of Zionism stands exposed as the ideological and political basis of that crime, the war in Ukraine by contrast remains partly veiled by official propaganda and lies.

But not for long. The open degeneration and rot of the US political establishment—a Democratic Party openly supporting the Israeli genocide with funding and weapons, defending it from public criticism and protest via police crackdowns and a fraudulent campaign to brand opposition to ethnic cleansing as antisemitic, a Republican Party that is fascist in all but name—has contributed to the exposure of any claims by the US government to be acting in the service of democracy or freedom as utterly fraudulent.

The real nature of imperialism was already described by Lenin in 1915. In politically defining the First World War, Lenin wrote in the draft resolution of the left wing at the Zimmerwald conference a powerfully contemporary description of the war being waged in Ukraine today:

With both groups of belligerents, this war is a war of slaveholders, and is designed to preserve and extend slavery; it is a war for the repartitioning of colonies, for the "right" to oppress other nations, for privileges and monopolies for Great-Power capital, and for the perpetuation of wage slavery by splitting up the workers of the different countries and crushing them through reaction. [2]

In developing the Marxist analysis of the imperialist epoch, Lenin demonstrated that imperialism is not simply a policy of the capitalist class, but represented a new and final stage in the development of capitalism characterized by moral and political decay, economic parasitism and reaction all along the line, in which monopolies displace free competition and finance capital dominates over industrial capital, and in which the world is completely divided up among the imperialist powers and must be redivided by war.

This is the perspective that has been criminalized by the Zelensky regime in close consultation with the Biden administration, in arresting leading young Trotskyist Bogdan Syrotiuk and banning the *World Socialist Web Site* in Ukraine.

Footnotes

- [1] Saul Friedländer, Years of Extermination, Nazi Germany and the Jews 1936-45. HarperCollins, 2007. pp. 212-214
- [2] V.I. Lenin, "The Draft Resolution of the Left Wing at Zimmerwald." *Collected Works*, vol. 21. Progress Publishers, 1974. p. 345



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