The Epstein Class: How a culture of impunity has fueled global wars

Over the past few years, we have witnessed an astonishing series of catastrophic failures of Western leadership, namely:

1. The war in Ukraine. The conflict could have been avoided with a simple assurance that Ukraine would never be considered for NATO membership, and it could have been resolved after a couple of months if Britain and America had not pledged continued material support for Ukraine in exchange for Ukraine rejecting a peace deal brokered by Turkey. An estimated 2 million Ukrainians and Russians, mainly combatants, have since died in a war which has the potential to become a much wider war between Russia and NATO.

2. The flattening of Gaza. While conflict in Israel/Palestine is nothing new, pre-Netenyahu Israeli governments acknowledged that some sort of accommodation with the Palestinians was a requirement for lasting peace. However, since 2023 it has become clear that those in charge of the Israeli state now believe that peace can only be achieved through the elimination of Palestine and its people, and that America will not get in the way of their pursuit of this objective.

3. The war against Iran. Iran had agreed to limit its uranium enrichment activities in negotiations with the United States that were still underway when American and Israeli bombers began their attacks. The war has now spread to neighboring countries and has closed the Straits of Hormuz through which 20 percent of the world's crude oil passes, raising oil and gasoline prices worldwide. As energy prices rise, so too do the risks of a global economic crisis.

To explain this cascade of disasters, I am drawn to the emails of the paedophile financier Jeffrey Epstein which have recently been partially released by the American Department of Justice. The phrase "the Epstein class" has been coined to describe the people in his orbit. If one were to identify this group's defining characteristic, it would be **impunity**.

Obviously, Epstein himself exemplifies this as while he was running his sex-trafficking ring, he never seems to have felt that he might face punishment for his crimes.

To understand why Epstein and the people around him felt able to act with such impunity, it is useful to recall a conversation Yanis Varoufakis, the newly appointed finance minister of Greece, had with Larry Summers, the former U.S. Treasury Secretary, in 2015. As recounted by Varoufakis in his 2017 memoir "Adults in the Room," Summers told him that he had to choose between being an insider or an outsider:

"The outsiders prioritize their freedom to speak their version of the truth. The price of their freedom is they are ignored by insiders, who make the important decisions. The insiders, for their part, follow a sacrosanct rule: never turn against other insiders and never talk to outsiders

about what insiders say or do. Their reward? Access to inside information and a chance, though no guarantee, of influencing powerful people and outcomes."

Suddenly, all the failures listed above (and many more besides) make sense. If, to be an insider, you can never expose the wrongdoing of other insiders, such wrongdoing is unlikely to ever be addressed, punished, and learned from. Is it any surprise that the failures of the 2003 Iraq War or the 2008 Global Financial Crisis taught us nothing, given that no individuals or institutions were ever held to account?

On the contrary, what our elites have learned from our failure to hold them accountable is that no amount of incompetence, corruption, or criminality will ever be punished.

And so, given that such a culture of impunity has taken root, we should not be surprised that powerful insiders have engaged in the systematic sexual abuse of minors. These crimes, horrific on their own, are rendered even darker when one realizes that their primary function was to reinforce the "omerta" (or code of silence) needed for the system of political and financial corruption exposed by the Epstein files to work.

Who, though, were the Epstein class ultimately working for? Who benefits from both the subversion of the ethical norms governing our formal institutions and their subsequent loss of efficacy?

The banks are a clear winner. Fomenting conflict in Russia, Palestine, and Iran creates the instability necessary to force 'risk-off' investors around the world back to the safety of the U.S. dollar and U.S. dollar assets, which reinforces the dominance of New York banks over global finance. Furthermore, instability makes commodity prices (along with stock and other asset prices) more volatile, which increases bank profits from trading and speculation. Finally, the money required to wage war is almost always borrowed from the banks, who are happy to collect interest on the loans which they themselves create out of thin air.

Meanwhile, the wars themselves direct billions of dollars towards American defence firms like Lockheed Martin, Raytheon, and General Dynamics. Finally, infrastructure development and investment firms like Bechtel and Brookfield Asset Management benefit from the billions spent on the reconstruction of devastated areas. Of course, a large portion of the money spent on arms and reconstruction also ends up in the pockets of insiders in the form of kickbacks.

Until 1990, the external threat posed by the Soviet Union limited the extent to which corrupt informal networks would have been allowed to undermine the capacity of our elected governments to promote peace and prosperity. Sadly, without such a check, our elites have shown themselves incapable of the self-restraint required for leadership. Instead, the Epstein class has shown itself to be simply a racket driving us closer and closer to disaster with every short-sighted, avaricious conflict they provoke.

So, it is up to us. If we are going to create a world fit for our children, we have to commit to serious reforms. Our ongoing failure to call out and punish corruption has shaped the worldview of Larry Summers' insiders. Going forward, no industries or interests should benefit from instigating instability and war. Re-regulating the banks and limiting the power of firms in the defence and reconstruction sector is an essential first step.