



Written by [Ron Paul](#) on November 3, 2023

Don't Worry, It's Not Foreign Aid ... It's Corporate Welfare

Faced with growing American frustration over more than \$100 billion spent on a failed proxy war in Ukraine, President Biden's handlers have hit on a gimmick to convince us that this foreign aid is actually an investment in our own economy! In his recent television address, Biden explained that as we transfer more weapons to Ukraine we then will build new weapons at home to replace them. That, explained Biden, means more American jobs and a stronger American economy.



Ron Paul

So "Project Ukraine" is not really about foreign welfare, but rather domestic corporate welfare for the military-industrial complex. Should that make us feel any better?

There is no denying that this nearly two-year Ukraine/Russia war has been a boon for the US weapons industry. Profits at the military-industrial complex are back to record highs after a brief slump during the Covid scare. And the money that goes to the weapons manufactures also saturates Washington, DC: a little of it goes to the think-tanks promoting war, another little bit goes to the political campaigns of candidates who promote war, and so on.

As Connor O'Keeffe reminds us in a recent article at the Mises Institute, the arguments that more war spending is good for the economy ignore the "broken window fallacy" as first explained by French economist Frédéric Bastiat in his essay, "That Which Is Seen and That Which Is Not Seen." In the tale, a shopkeeper has a window broken and must pay to have it replaced. The locals view the mishap favorably, as they see the \$50 for a new window to be a benefit to the glazier which he will then spend, thus improving the economy as a whole. What is not seen, however, is what the shopkeeper might have done with that same \$50 had he not been forced to replace a broken window. Perhaps he would have invested it in a way that created far more wealth and more jobs.

Unfortunately, Biden is not alone in coming up with new gimmicks to enable Washington to operate in a "business as usual" manner.

New House Speaker Mike Johnson has also been busy trying to convince us that sending money overseas is actually good for our own economy. Over the weekend he appeared on Fox News to tell us that sending another \$14 billion to the wealthy nation of Israel is Republicans "trying to be good stewards of the taxpayer's resources." How is that? Well he came up with the gimmick that they would cut \$14 billion from the IRS and send it to Israel.

Said Johnson, "Instead of printing new dollars or borrowing it from another nation to send over to fulfill our obligations and help our ally, we want to pay for it, what a concept, we are trying to change how Washington works."

See the trick here? They are not "paying for it" by sending the money overseas, and they are not "changing how Washington works" by doing the exact same thing they always do: stealing from the poor at home to send to the rich in foreign countries.



Written by [Ron Paul](#) on November 3, 2023

Instead of trying to trick Americans into thinking that foreign aid and corporate welfare are good for our economy, why not just stop breaking all of our windows? Just end all foreign aid and corporate welfare!

Ron Paul is a former U.S. congressman from Texas. This [article](#) originally appeared at the Ron Paul Institute for Peace and Prosperity and is reprinted here with permission.



Subscribe to the New American

Get exclusive digital access to the most informative, non-partisan truthful news source for patriotic Americans!

Discover a refreshing blend of time-honored values, principles and insightful perspectives within the pages of "The New American" magazine. Delve into a world where tradition is the foundation, and exploration knows no bounds.

From politics and finance to foreign affairs, environment, culture, and technology, we bring you an unparalleled array of topics that matter most.



[Subscribe](#)

What's Included?

- 24 Issues Per Year
- Optional Print Edition
- Digital Edition Access
- Exclusive Subscriber Content
- Audio provided for all articles
- Unlimited access to past issues
- Coming Soon! Ad FREE
- 60-Day money back guarantee!
- Cancel anytime.