



Forging a Democracy that Works for All

***Countering the power of
billionaires, corporations, and the Pentagon***

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Introduction

Nearly 100 years ago, the stock market crash of 1929 changed the United States and the world. With their backs up against the wall, the working class built strong movements that catapulted new leaders into power who were more responsive to the people's demands for transformative change.

Henry A. Wallace was one of these leaders, and the Institute for Policy Studies is proud to carry on his legacy through our Henry A. Wallace Fellowship Program.



Wallace on the cover of TIME Magazine, September 1940.

As President Franklin Delano Roosevelt's Agriculture Secretary (1933-1940) and Vice President (1941-1945), Wallace was a key architect of several New Deal programs that continue today — from Social Security to school lunches and food stamps (now SNAP) — and later became a champion of a non-militarized foreign policy. The FDR administration also adopted landmark labor protections and hiked taxes on the wealthy and large corporations.

New Deal reforms were not perfect. They had gaps that racist and anti-democratic forces have exploited over the years. But they undoubtedly made life better for many millions of Americans. Today, these gains are under threat, as the current administration seeks to dismantle New Deal and other bedrock 20th century laws and institutions.

The Institute for Policy Studies is working with social movement allies to not only defend the progressive achievements of the past but to reimagine them for a new era. We are fighting for a world in which every person can thrive, with universal rights to health care, housing, food, clean water, dignified work, and a fair judicial system — all on a healthy and peaceful planet.

The main impediments to this vision: the excessive power of the ultra-wealthy and large corporations and the squandering of public resources into militarized forces at home and abroad that leave us neither safe nor secure. Together these forces undermine democracy at home and abroad, and it will take powerful social movements and bold leaders to confront them.

Over the past century, movements of workers, environmentalists, immigrants, peace promoters, racial and gender justice activists, and others have built on the progress of the New Deal era to win important victories. Drawing from our collaborations with these movements — and from Henry Wallace's prescient vision — IPS identifies here key concrete measures to expand democracy by countering the power of billionaires, corporations, and the Pentagon.

Countering **Billionaire Power**

“The fact is that the directing of this country does not at present belong to the people, but to a relative handful of wealthy men. The foundation of the government, as presently constituted, is not the general welfare, but the special privilege of industrial and financial giants.”

— Henry A. Wallace, “Stand Up and Be Counted,” *New Republic*, 1948

“If we define an American Fascist as one who in case of conflict puts money and power ahead of human beings, then there are undoubtedly several million Fascists in the United States.”

— Henry A. Wallace, *New York Times*, April 9, 1944

Over the last 40 years, the concentration of income, wealth, and power has accelerated, with unprecedented wealth pooling in the asset accounts of the global billionaire class. Roughly 3,400 global billionaires hold over \$20.1 trillion in combined assets. In the United States, 977 billionaires hold an estimated \$9.24 trillion, with an increase of 32 percent over the previous year.

In June 2026, when the personal wealth of one man — Elon Musk — exceeded \$1 trillion, it served as a flashing red alert for democratic societies around the world. Musk and 15 other U.S. citizens each hold over \$100 billion in assets.

The problem is not billionaire wealth per se, but the tremendous power this wealth creates to distort markets, politics, and society. Individuals with such levels of wealth are not just purchasing another mansion or private jet. They are buying politicians, acquiring media outlets, and blocking broadly supported policy changes. Such democracy-distorting concentrations of wealth and power disrupt the daily lives of ordinary people — driving up housing and healthcare costs, robbing people of their voice and vote, and supercharging the racial wealth divide.

Priority policies:

1. Make the U.S. tax code more progressive to ensure the wealthy pay their fair share.

- Support state and federal reforms to strengthen progressive income taxes and tax income from assets at higher levels than income from wages.
- Shift the estate tax to an inheritance tax levied on recipients of multi-million-dollar wealth transfers.
- Institute an annual federal wealth tax on fortunes over \$50 million.

2. Close loopholes that enable wealth hiding and massive tax avoidance.

- Adopt legislation to increase transparency of trusts and shut down off-shore tax haven transactions.
- Revamp trust law to ensure transparency and appropriate taxation of assets in trusts and eliminate so-called “dynasty trusts” that enable vast fortunes to pass untaxed down narrow generational lines.
- Invest in tax oversight and enforcement to ensure the wealthiest people are unable to opt out of their tax obligations.

3. Support game-changing grassroots campaigns that tax excessive wealth to invest in broadly popular investments.

- Tax luxury private jets and their fuel and activities to fund green transit and infrastructure.
- Use revenue from taxes on huge inheritances to close the historical racial wealth divide and invest in financially progressive baby bonds and other wealth-building initiatives for those excluded by the legacy of racism.
- Tax luxury real estate transactions to fund permanently affordable housing.
- Tax extreme wealth to fund the transition to a renewable energy economy and the phaseout of fossil fuels. A globally coordinated 2 percent tax on those with wealth of more than \$50 million (and a 5 percent tax on the wealth of billionaires) would both reduce the super-emitters and generate revenue for green energy investments and infrastructure.

“The future belongs to those who go down the line unswervingly for the liberal principles of both political democracy and economic democracy regardless of race, color or religion...”

— Henry A. Wallace, Democratic National Convention speech nominating Franklin Roosevelt as the presidential candidate, July 20, 1944

Countering Corporate Power

“I am committed to using the power of our democracy to control rigorously and, wherever necessary, to remove from private to public hands, the power of huge corporate monopolies and international big business.”

— Henry A. Wallace, Progressive Party Candidate for President of the United States Acceptance Speech, 1948

“Those who fan the fires of racial clashes for the purpose of making political capital here at home are taking the *first* step toward Nazism... The people of America know that the *second* step toward fascism is the destruction of labor unions.”

— Henry A. Wallace, address to mass meeting in Detroit, July 25, 1943

We must have full employment “to safeguard our unlimited future as a free people.”

— Henry A. Wallace, *60 Million Jobs*, a book arguing for a federal jobs guarantee, 1945

Large corporations are undermining our democracy by using their market power and political clout to kill off competitors, suppress wages and labor rights, avoid paying taxes, and drive up prices for food, medicine, housing, and other basic goods. Fossil fuel corporations have bought off officials who are driving a planet-killing agenda while [repressing democratic resistance](#), particularly from Indigenous, Black, and other marginalized communities.

Corporate leaders are reaping the benefits of these destructive practices while ordinary families and taxpayers are paying the costs. Average CEOs today make hundreds of times more than their typical workers. And numerous leading U.S. corporations, including the country’s top two private sector employers – [Walmart and Amazon](#) – pay their workers so little that many of them have to rely on public assistance.

Priority policies:

1. Build the countervailing power of workers.

- Expand democracy in the workplace by strengthening protections for union organizing and collective bargaining for all workers and by preventing employers from dragging out first-contract negotiations.
- Adopt a federal “full employment” jobs guarantee to provide living-wage employment to any adult who wants to work.
- Hold companies accountable for failing to pay living wages by requiring them to pay into the public systems sustaining their workforce.
- Construct guardrails against harmful uses of AI in the workplace, including monitoring and control of workers without their knowledge.

- Defend federal employees who provide vital services, including postal workers, against privatization and anti-union attacks.
- Lift the cap on income subject to Social Security payroll taxes to ensure a public pension system that allows all seniors to live in dignity.
- Overhaul trade policies to strengthen protections for workers everywhere and eliminate provisions that allow private investors to sue governments over public interest regulations.

2. Use corporate tax policy to raise sufficient revenue for social needs – and to discourage harmful corporate behavior.

- Raise rates and plug loopholes so that large corporations pay their fair share of the costs of the transition to a renewable energy economy, universal health care, and social programs that eliminate poverty in the world's richest nation.
- Increase taxes on companies that pay their CEO more than 50 times their median worker pay to discourage the extreme gaps that are driving inequality and undermining business effectiveness.
- Introduce a financial transactions tax to encourage long-term, job-creating investment instead of short-term Wall Street speculation.
- Reinstitute a ban on stock buybacks, or raise taxes on them, to substantially reduce the use of this wasteful financial maneuver for enriching CEOs at workers' expense.

3. Wield the power of the public purse against corporate predators.

- End taxpayer support for government subsidies and contracts going to corporations engaging in practices that undermine workers and communities, including price-gouging, union-busting and other labor rights abuses, environmental violations, poverty wages, and excessive CEO pay and stock buybacks. This includes ending all subsidies to fossil fuel corporations.

4. Get corporate money out of politics.

- Support state efforts to circumvent the notorious Citizens United Supreme Court ruling on corporate political spending, including Hawaii's recently passed ban and similar pending legislation in at least [14 additional states](#).

Countering **Pentagon Power**

“Some have spoken of the ‘American Century.’ I say that the century on which we are entering — the century which will come into being after this war — can be and must be the century of the common man... No nation will have the God-given right to exploit other nations. Older nations will have the privilege to help younger nations get started on the path to industrialization, but there must be neither military nor economic imperialism.”

— Vice President Henry A. Wallace, address to the Free World Association in New York, May 8, 1942

Truman’s Cold War military build-up would lead to “death and taxes for the many and very handsome profits for the few.”

— Henry A. Wallace, testimony before the Senate Armed Services Committee, March 30, 1948

U.S. policymakers have chosen military dominance over the welfare of people in the United States and globally. Today’s \$1 trillion budget for war and weapons is 90 percent higher than in 2000. The president is now requesting a war budget in excess of \$1.5 trillion, significantly higher than at the peak of World War II, adjusted for inflation. And the U.S. government’s \$240 billion in mass detention and deportation spending is eight times the previous annual spending for immigration enforcement.

Those budget priorities have enabled the invasion of Venezuela and a misguided “war on drugs,” the arming of Israel’s genocide in Gaza, and the U.S.-Israel war on Iran, causing thousands of deaths and the displacement of millions of people. U.S. immigrant communities are being terrorized. Children and families are being held in inhumane conditions. Meanwhile, the wars have led to higher prices for fuel and food for people all over the world already facing affordability crises. Militarism is escalating at home, with the occupation of cities and hyper-militarized borders.

Priority policies:

1. Cut the military budget in half.

- Wars and weapons don’t keep us safe. The U.S. can guarantee our security for far less than we have been spending.
- Cutting the war budget in half, approximately back to late 1990s levels in real terms, would make immoral and illegal wars of choice less likely while allowing the United States to prioritize true defense.

2. Reinvest those hundreds of billions of dollars in programs prioritizing our families.

- A \$500 billion savings from the war budget could revitalize our country and transform finances for millions of households.
- With this sum, we could erase all medical debt ([\\$220 billion](#)) and private student loan debt ([\\$148 billion](#)), reverse Medicaid cuts from Trump's Big Bad Bill ([\\$91 billion/year](#)), restore Affordable Care Act subsidies to make healthcare more affordable for millions ([\\$35 billion/year](#)), and more.

3. Reinforce our democracy by strengthening the constitutional power of the U.S. Congress to declare war.

- We can achieve this through empowering War Powers Resolutions and Joint Resolutions of Disapproval to not only assert Congressional opposition to specific wars and weapons sales, but to actually stop them.

4. Dismantle the current immigration enforcement apparatus and welcome immigrants by providing legal status and paths to citizenship for immigrants who are already here, and providing accessible pathways to migration for those who wish to come.

- Immigrants are vital to a healthy U.S. democracy and economy. Their [contribution to U.S. economic output](#) is larger than their share of the total population, and immigrants – including undocumented immigrants – pay a [significant share of the taxes](#) that sustain public services and infrastructure.

5. Strengthen review and approval processes to ensure that every nation receiving U.S. arms abides by the same human rights standards, with no exceptions.

- The U.S. government undermines its legitimacy and standing in the world when it applies human rights standards inconsistently, based on commercial or geo-political interests.

