

Bernie Sanders' AI "sovereign wealth fund": a public-private partnership to bail out the tech giants

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Last week, Senator Bernie Sanders published an op-ed in the *New York Times* announcing an American AI Sovereign Wealth Fund Act, under which the federal government would become a 50 percent shareholder in OpenAI, Anthropic, xAI and the other major AI companies. Sanders presented the measure as a means of wresting control of this technology from the "handful of billionaires" who dominate it. What followed has laid bare the pro-capitalist content of Sander's scheme.

The day after the op-ed appeared, President Trump signed an executive order under which the government is to receive early access to the AI companies' most powerful models for national security vetting. Sanders approved of Trump's order, stating, "Even these guys are beginning to catch on that there are legitimate concerns that have to be dealt with." On June 3, OpenAI CEO Sam Altman met with Sanders for nearly an hour in the senator's office, at Altman's request. According to the Associated Press, Altman said he too wants the public to hold equity in the AI companies and offered to advocate for "the general idea" alongside Sanders, objecting only to the 50 percent figure.

Two days later, aboard Air Force One, Trump confirmed that his administration has spent over a year negotiating its own stake in OpenAI, an arrangement that, he said, "almost becomes a partnership with the American public." Asked about Sanders' proposal, Trump said the economic views of his voters and Sanders' voters "aren't that far apart." An alignment is clearly taking shape, extending from the fascist president through the AI oligarchs to the Senate's self-described "democratic socialist" and converging on a single project: the fusion of the capitalist state with the AI monopolies.

In framing his proposal, Sanders invokes the very real anxieties that masses of people have over the far-reaching implications of AI. In the first five months of 2026, US employers announced nearly 400,000 job cuts, with AI now the primary reason given for eliminating jobs, according to Challenger, Gray & Christmas. AI, Sanders writes, has been built out of "our collective intelligence," the books, songs, art, journalism, code and research of generations, which the tech oligarchs have seized "without permission, without acknowledgment, without compensation." The creative work of millions "has essentially been stolen by some of the wealthiest people in the world. It's time for us to reclaim it."

All of this is true. But the remedy Sanders proposes would do

nothing to address this crisis or improve the conditions of a single worker. His proposal would impose "a one-time 50 percent tax" on the AI giants, paid in "the stock" of the companies, which he calls "far more valuable" than their profits. This, he writes, would empower the government, "through its voting shares and an equal representation on each company's board," to "block decisions that hurt our citizens." No bill has yet been introduced, and Sanders concedes that "the specific spending priorities and the mechanics of implementation" will appear only "in the coming weeks."

Whatever text emerges, the tech corporations would remain in private hands, run by the same executives and investors and driven by the pursuit of profit. The state would sit as a co-owner beside the oligarchs, a junior partner in a public-private partnership, while the working class would own nothing, control nothing and decide nothing.

That such a measure can be presented as a blow against the billionaires testifies to the bankruptcy of what passes for "socialism" in official American politics. Nowhere in his op-ed does Sanders, who has built a career on the label "democratic socialist," write the words "capitalism," "socialism" or "expropriation." He does not even call for "nationalization." He denounces "billionaires," "oligarchs" and "moguls" but never names the capitalist system that breeds them. To name capitalism is to pose the necessity of its overthrow, which is the basic question Sanders exists to suppress.

Fundamentally, Sanders' scheme is meant to provide the framework for a future bailout. The AI companies have poured hundreds of billions of dollars into data centers on the strength of valuations that may never be realized. On June 1, the day the op-ed appeared, Anthropic filed confidentially for an initial public offering; OpenAI, valued above \$850 billion, is preparing its own for as early as September. Even *Fortune* called a government stake in companies "burning tens of billions of dollars a year" a bailout. A state holding half the shares would acquire an overriding fiscal interest in propping up these valuations, a guarantee against collapse and a certificate of "democratic" legitimacy as mass layoffs turn popular opinion against the industry.

In an effort to bolster his case, Sanders approvingly cites Norway's \$2 trillion sovereign wealth fund, falsely claiming it embodies a decision that the country's oil wealth "should be used to improve life for all of its people." The truth is the reverse. The

fund is invested entirely abroad, and the population owns and controls none of it. From the start it has functioned as an instrument of austerity, capping the annual use of the fund's money in the state budget at 4 percent of its value, later cut to 3 percent, a rule breached only when the ruling class demands it: to finance the US-NATO war against Russia in Ukraine and to bail out businesses during the COVID-19 pandemic.

Abroad, the fund is a weapon of the Norwegian ruling class, holding close to 1.5 percent of all listed shares on earth and invested in dozens of Israeli companies complicit in the Gaza genocide and the arming of the Israeli military. It is overseen by Jens Stoltenberg, finance minister fresh from a decade as secretary-general of NATO, and in 2022 the same Labour government that runs it outlawed a strike by oil and gas workers on its first day, to keep Norwegian gas flowing to a Europe at war with Russia. Such is the reality behind Sanders' fable: a fund that enforces austerity at home, underwrites imperialist war, profits from genocide and crushes the workers in whose name it claims to act.

Sanders insists his fund would give "the public a direct role in determining the future of this technology." But Trump's executive order, which Sanders welcomed, shows what state direction of AI means in practice. It commits the government to "work closely with industry to ensure that the best and most secure technology is deployed rapidly to confront any and all threats to our country." Anthropic released its most powerful AI model this week in two versions, the public Claude Fable 5 and the unrestricted Claude Mythos 5, the latter deployed through a program run "in collaboration with the US government," days after the company's IPO filing. Washington has no intention of curbing the AI monopolies; it is harnessing them for war.

Sanders asks whether AI will help "eliminate poverty," "extend life expectancies" and "solve the climate crisis." But the institution he would entrust with half the AI industry is not "the American people." It is the United States government—the cockpit of world imperialism—which is already using this technology as an instrument of mass murder. On the opening day of the US-Israeli assault on Iran, Anthropic's Claude, embedded in Palantir's Maven system, was used to generate more than 1,000 bombing targets.

The same systems direct the slaughter in Gaza, drive the machinery of mass surveillance and power the censorship directed against anti-war and socialist opposition, including the *World Socialist Web Site*. To pretend that the American state, handed half the AI industry, would turn it toward eliminating poverty and solving the climate crisis is a deliberate obfuscation of the class character of the capitalist state, whose purpose is to defend the wealth and power of the ruling class. Sanders' fund would not restrain the militarization of AI; it would bind these corporations to the war machine and seat the Pentagon and the intelligence agencies in their boardrooms.

Sanders has not blundered into the wrong answer. He is an experienced political operative, and this scheme serves the function he has served throughout his career: to corral the anger of workers and youth back within the Democratic Party and the framework of capitalism. In 2016, Sanders campaigned on the slogan of a "political revolution," won 13 million primary votes,

and then threw his support behind Hillary Clinton, the right-wing candidate of Wall Street and war. He repeated this performance in 2020 and was among the first to endorse Joe Biden in 2024.

Sanders operates as a political safety valve, releasing the pressure building within the working class before it can take independent political form. The same role is played by the publicists of the Democratic Socialists of America (DSA), the editors of *Jacobin*, and social media performers such as Hasan Piker. Sanders and his co-thinkers have no real quarrel with the tech billionaires. What they fear is the growing understanding among millions of workers that the private ownership of the means of production is the source of the crisis, and that it must be ended.

The question of who controls AI cannot be entrusted to the capitalist state, and it will not be settled by a tax bill whose terms are being negotiated with Sam Altman. AI is the product of the accumulated labor and knowledge of the international working class, and it must become the common property of the international working class. This requires the expropriation of the major technology corporations and their transformation into public utilities under the democratic control of the workers themselves.

Not a single job should be lost to AI. Where it raises productivity, the gains belong to those who created them, in a drastically shortened workweek with no loss of pay. The introduction of new technology must be placed under workers' control. This program can be won only through the independent political mobilization of the working class against both parties of big business, the trade union bureaucracy and the pseudo-left, on the basis of the international socialist program of the Socialist Equality Party and the International Committee of the Fourth International.

Sanders declares that the future "must be decided by ... the American people." It will be decided by the international working class, in struggle against the capitalist class, the state that defends it and the fraudulent "socialists" who serve both.



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