



Listening Guide

Episode 7: Gilded Age 2.0

After 40 years of neoliberalism, most Americans of every political stripe agree that the economy is “rigged” in favor of corporations and the wealthy. But we may not know the half of it.

Features of Capitalism

Accumulation and Investment of Capital

Profit Motive

Free Market Economy

Legal Framework

SCENE **•ON** RADIO
Season 7: Capitalism

Episode by John Biewen, with co-host Ellen McGirt.

Interviews with Nancy MacLean, Edward Balleisen, Brad DeLong, Marjorie Kelly, and Oren Cass.

Visit sceneonradio.org/capitalism-educator-resources to access transcripts, the Features of Capitalism explainer, and other resources.

Before You Listen

- During the Thirty Glorious Years after World War II, the United States emerged as a social democracy that blended free markets with government regulations, government-funded programs, and strong labor unions. Around 1980, the country began a shift toward neoliberalism.

Review the **Free Market Economy** and **Legal Framework** entries in the **Features of Capitalism explainer**. As you listen, consider how the shift toward neoliberalism changed the way these features operated in the United States.

While You Listen

This listening guide divides the podcast into sections. All sections of this episode are recommended for listening.

Section	Questions to Consider
Section 1 Rigged? 0:00-7:52 Recommended	- John and Ellen open the episode by sharing the results of a 2016 Edison Research poll: 71% of respondents agreed that “the economy is rigged in favor of certain groups.” - According to the respondents, which groups are benefitting from a “rigged” economy, and in what ways? - Do you agree that the economy is “rigged”? Why or why not? - Around 1980, America took a turn away from social democracy and toward neoliberalism. - What is neoliberalism, and what other concepts, trends, policies, and politics is it associated with? - How is it different from social democracy?

Section 2

The Pendulum Swings:
From Social Democracy
to Neoliberalism

7:53-21:30

Recommended

- John outlines a number of factors that contributed to America's "pendulum swing" from social democracy to neoliberalism.

- What actions did conservative free market advocates take to convince Americans that governments should be less involved with markets?
- How did concerns about **inflation** and over-regulation of industries contribute to critiques about the government's role in the economy?

Inflation is when the average price of goods and services increases over time. Rapidly increasing inflation reduces the purchasing power of money.

Section 3

The Reagan Revolution:
Neoliberalism Takes
Hold – and Its Effects
on Everyday Workers

21:31-36:15

Recommended

This section
contains the use of
a racial epithet.

- What economic and cultural messages defined Ronald Reagan's 1980 presidential campaign? How did these messages challenge the ideas of social democracy?

- Why does John describe post-Reagan Democrats as "moderate neoliberals"? What examples from Clinton and Obama's presidencies support this idea?

- Many experts connect the "neoliberal consensus" of American politics with reduced government regulations, tax cuts, **offshoring**, and **globalization**.

According to the episode, how did each affect business owners and their workers?

Offshoring occurs when businesses relocate manufacturing and other operations overseas to reduce labor and production costs.

Globalization is a term used to describe the increasing connectedness and interdependence of economies around the world.

Section 4

The Rich Get Richer:
Financialization and
Private Equity

36:16-48:35

Recommended

- Describe financialization in your own words. Consider:

- How does economic reformer and author Marjorie Kelly distinguish between the "real economy" and financial assets?
- How do people make money from each?
- How has the relative size of each changed over time?
- According to Kelly, who has benefited from this shift, and how?

- According to Oren Cass, why do private equity firms purchase companies like nursing homes? What actions do they take to maximize their profit, and what are the consequences for residents and workers?

- What does Cass argue should happen when profit-seeking fails to produce broadly beneficial outcomes?

- How does Cass's position compare with the neoliberal views of government's role discussed earlier in the episode?

Section 5

Unpacking the Episode

48:36-58:20

Recommended

- John and Ellen close the episode by sharing some data about wealth inequality today:

- The richest 0.1% of Americans (~100,000 families) own 20% of the nation's wealth. The bottom 90% of Americans (~300 million people) own 25% of the nation's wealth.
- The world's billionaires (~2100 people) have as much wealth as the bottom 60% of the global population (~4.5 billion people).
- Americans tend to "seriously underestimate" wealth inequality.

What stands out to you about the data? What questions does it raise for you?

After You Listen

- What is one moment or quote from the episode that stands out to you? It might be something that surprised you, challenged or confirmed your thinking, or prompted a new understanding.
- Consider the **Features of Capitalism** you reviewed before listening. How did the shift toward neoliberalism change the way these features operated in the United States?
- Now that you have listened to this episode, reflect on the 2016 Edison Research poll again: 71% of respondents agreed that “the economy is rigged in favor of certain groups.” Has your own thinking about the poll changed? Why or why not?