Neoliberalism – 1973 - Present

“Business must learn the lesson . . . that political power is necessary; that such power must be assiduously cultivated; and that when necessary, it must be used aggressively and with determination—without embarrassment and without the reluctance which has been so characteristic of American business. Strength lies in organization, in careful long-range planning and implementation, in consistency of action over an indefinite period of years, in the scale of financing available only through joint effort, and in the political power available only through united action and national organizations.” - Lewis Powell US supreme court Justice

A new corporate political agenda

In the late 1960s and 1970s, our economic system went through another crisis. Unemployment and inflation rose. Major corporations were having a hard time maintaining their wealth when profits were down. So they got organized. Fed up from decades of government regulation of business, high corporate taxes, and pro-labor policy, they embarked on setting a pro-business, pro-wealth agenda that lasted through the present, called neo-liberalism, which over time won a “Washington Consensus” from both Democrats and Republicans. Their program was:

- **Deregulate**: Reduce or eliminate government power within the market.

- **Privatize**: Capture resources and decision-making by transferring from public to private ownership and control.

- **Use tax policy to consolidate wealth**: Cut marginal rates or eliminate taxes altogether to redistribute society’s wealth to the top

- **Dismantle public programs** Render ineffective and even damaging the public provision of housing, healthcare, education, criminal justice and welfare

- **Weaken democratic centers of power**: Neutralize competition for power by weakening unions, community groups, and communities of color.
The results of this corporate agenda?

Rising inequality:

Consolidation of Corporate Power:

In the Market... BIG BANKS TAKE CONTROL IN MINNESOTA

Wells Fargo and US Bank hold over 80% of all bank deposits in the Twin Cities metro area

Discussion Questions:

1) Have you or your family felt the impact of this “neoliberal” agenda? How?
2) Who do you think makes the decisions over our economy? Over our government? Why is it that way?
3) If more and more power is held in fewer and fewer hands, how can we run our campaign for a next union contract in a way that deals directly with the real decision-makers?