

A MEDIA EDUCATION FOUNDATION PRODUCTION

Capitalism Hits the Fan

Richard Wolff on the Economic Meltdown

"With unerring coherence and unequalled breadth of knowledge, Rick Wolff offers a rich and much needed corrective to the views of mainstream economists and pundits. It would be difficult to come away from this viewing with anything but an acute appreciation of what is needed to get us out of this mess."

- Stanley Aronowitz | professor of sociology and urban education | City University

Running Time: 57 minutes

For interviews or speaking engagements, please contact Dr. Richard Wolff via his site:
<http://www.rdwolff.com>

FILM SYNOPSIS

With breathtaking clarity, renowned University of Massachusetts Economics Professor Richard Wolff breaks down the root causes of today's economic crisis, showing how it was decades in the making and in fact reflects seismic failures within the structures of American-style capitalism itself. Wolff traces the source of the economic crisis to the 1970s, when wages began to stagnate and American workers were forced into a dysfunctional spiral of borrowing and debt that ultimately exploded in the mortgage meltdown. By placing the crisis within this larger historical and systemic frame, Wolff argues convincingly that the proposed government "bailouts," stimulus packages, and calls for increased market regulation will not be enough to address the real causes of the crisis, in the end suggesting that far more fundamental change will be necessary to avoid future catastrophes. Richly illustrated with motion graphics, this is a superb introduction designed to help ordinary citizens understand, and react to, the unraveling economic crisis.

PRAISE FOR THE FILM

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"...Brimming with an electrifying explanation of how the 'American Dream' evolved into the 'Nightmare on Wall Street'...Wolff tautly strings together an economic theory (some of the observations with which we might differ) that offers a persuasive explanation of how Wall Street exploded by increasing our indebtedness as individuals and as a nation, at a time when wages remained stagnant. Normally lectures (if you remember them from college) leave a lot of time for day dreaming, but Wolff's explanation is so timely and cogent that you won't want to break away. Beyond Wolff's final conclusion about worker-owned companies, he succinctly has built a case about why leaving the arsonists on Wall Street in charge of putting out the fire that they started is an untenable strategy that will lead to even more economic implosion."

- BuzzFlash.com

NOTABLE QUOTES FROM RICHARD WOLFF

“You might understand the basis of our consumerism in all of this – that we became a society that celebrates what we can achieve here, which is a rising standard of goods and services we can buy and we can consume. That’s why this is the country in which advertising is born and becomes something we can give the rest of the world – perhaps a dubious gift. But we’re the society of consumption. Par excellence, the model for the rest of the world to this day.”

“Americans are working their rear ends off, and the rest of the world – the industrial world – isn’t. They have time for those languorous meals. We invented fast food.”

“Each year the worker produces more, and what do you pay the worker each year? The same. That’s what no more rising wages means. The workers get paid the same. They produce more and more and more, but they get the same. That is, the gap between what the workers produce for their employer, which the employer sells and what they have to pay the worker to do it, the gap is getting bigger. What the workers get is flat. What they produce is more.”

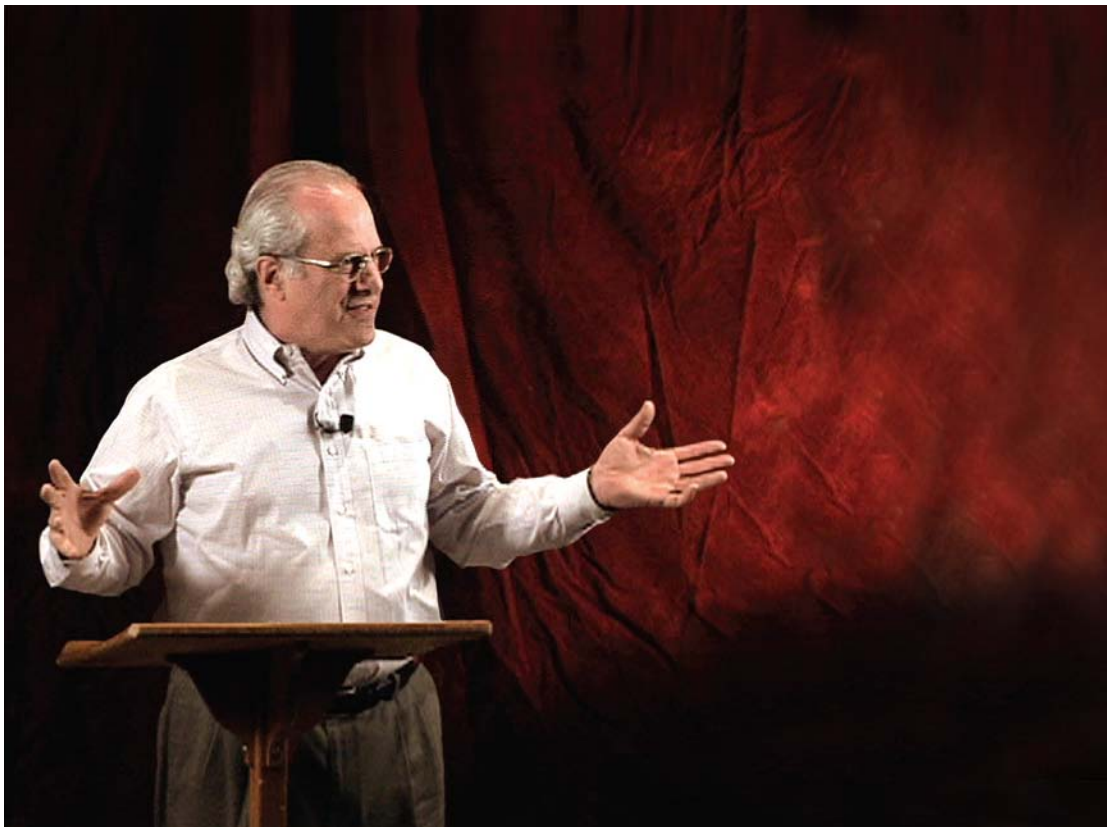
“This is not a crisis of Wall Street. This is not Wall Street doing something that Main Street is left out of. Not at all. This is a crisis of a system that is as busy on Wall Street as it is on Main Street. Every employer on Main Street participated in this dream. This is an employer’s fantasy come true. I paid my workers the same, and they work more and more for me. They produce more and more for me, and I don’t have to give them more at all.”

“This is a craziness. This is wild, out of control, but we shouldn’t be surprised. If we create an anomalous situation of exploding profitably on the one side, and a desperate exhausted population wanting and needing and measuring its own self in terms of rising consumption, we have a lethal combination. And so, of course, in the enthusiasm of business and the banks to lend the money and make more money in a time of so much money, and hundred billion dollars here and a hundred million dollar executive package over there, we’re surprised that they ended up lending to people who couldn’t pay it back? Oh, come on. The history of capitalism is punctuated by booms and busts. Where do you think that word comes from? Boom and bust is built into this system.”

“And so we sit, a collapsed bubble, the wealthy having produced an armada of new instruments that are now not worth very much. So that our business community is aghast with staggering losses and so, in its own peculiar way, has come to replicate the exhaustion and anxiety of the working class. For different reasons, heaven knows. But we have an economic landscape that is littered with corpses.”

RICHARD WOLFF

Richard Wolff has been a professor of economics at the University of Massachusetts since 1981. Dr. Wolff's major interests include the critical comparison of alternative economic theories (neoclassical, Keynesian, and Marxian), the application of advanced class analysis to contemporary global capitalism, and new developments in Marxian economics. He is a member of the editorial board of several academic journals including *Rethinking Marxism*. He also publishes regular analyses of current economic events on the websites www.globalmacroscope.com and www.monthlyreview.org/mrzine. He has co-authored several books with Stephen Resnick, including *The Economics of Colonialism: Britain and Kenya*; *Rethinking Marxism: Struggles in Marxist Theory*; *Knowledge and Class: A Marxian Critique of Political Economy*; and *Economics: Marxian versus Neoclassical*. He also co-authored *Bringing it all Back Home: Class and Gender in the Modern Household* with Harriet Fraad and Stephen Resnick.



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The non-profit Media Education Foundation produces and distributes documentary films and other educational resources to inspire critical reflection on the social, political, and cultural impact of American mass media.

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