

Gaslit Nation Transcript

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“Can the Reagan Revolution Be Undone?”

<https://www.patreon.com/posts/can-reagan-be-94567792>

Andrea Chalupa (01:13):

Welcome to *Gaslit Nation*. I am your host, Andrea Chalupa, a journalist and filmmaker and the writer and producer of the journalistic thriller, *Mr. Jones*, about Stalin's genocide famine in Ukraine; the film the Kremlin and its Hungarian agents in DC right now at the Heritage Foundation, they don't want you to watch it, so be sure to see it to understand how urgently important it is that we continue US aid and all global aid for Ukraine. It is World War III weather out there: democracy versus fascism. Same conditions, same players from what we experienced in the 1930s. They're all back. America First, otherwise known as the Heritage Foundation and their Project 2025 plan to purge our government deeply of 50,000 nonpolitical jobs, nonpolitical workers, should trump eke through the electoral college again. They're all back at it again. Charles Lindbergh is now Elon Musk and his giant ego. Pasty. Let's just call him Pasty Yacht Boy. He's Pasty Apartheid Barbie. Very pasty on his mega yacht.

Andrea Chalupa (02:26):

So yeah, we need to all stick together. We need to stand united—left, right and center—because what we're up against ultimately is corruption; oligarch corruption. We have right now in Syria, for instance, over 3 million Syrians who are dependent on the UN's food program, which is going to expire in January because there are not enough donors to pay for it. Well, what about the Russian oligarchs whose military industrial complex is propping up Assad, the mass murdering dictator of Syria? Russia now has a military base on the Mediterranean thanks to propping up Assad in Syria. So why not make the Russians pay for that food program since they're the ones that ensure that Assad will stay in power? 90% of Syrians now live in poverty or below poverty. It's a massive humanitarian crisis in Syria that's getting eclipsed, of course, by what's going on in Gaza as well as Ukraine.

Andrea Chalupa (03:27):

So remember, we are all united in this fight against fascism because firmly on this side of the fascist are the oligarchs. Wherever they may appear in the world. The oligarchs are all united against us because fascism ultimately wants to rewrite the laws, take over the judges, and let the nastiest dog in the fight win so that the strongmen can live above accountability, so their base of supporters can live above accountability. That includes scapegoating and murdering people and passing inhumane laws like what we're seeing with Republicans in Texas and their judges in Texas and so on, where a Texas woman is being forced by Texas law to give birth to a fetus dying inside of her, which will then cause long-term damage on her own fertility and her chances of having future children. So it's a global war. We need to all stay united in this.

Andrea Chalupa (04:24):

We need to resist tribal instincts, resist getting into our tribal news silos. That's why this show has always been fiercely non-conformist and fiercely independent because we're trying to stay focused on the core issue, which is staying united against fascism. And one of the weapons that fascists wage against us is corruption. That's why the oligarchs are all firmly on the side of the fascists, whether it's Putin's court of oligarchs or the America First oligarchs here at home, or Netanyahu and his oligarchs, or the Hamas leadership holed up in Qatar and so on. It's all the people of the world, the civilians caught in the crossfire united against this world of oligarchs and there are many weapons of war. So that's what we're

going to continue to stay focused on this show. I want to go back to *Mr. Jones*. When it premiered in the winter of 2019 at the Berlin Film Festival, I made a stop in London to see the investigative journalist, an Orwell prize winner, Carole Cadwalladr.

Andrea Chalupa (05:21):

Carole famously warned that Brexit and Trump were the same crime, meaning the dark money, the Russian mafia and their Western fan boys like Nigel Farage and Steve Bannon and their tech weapons like Cambridge Analytica were illegally tipping the scales of democracy in both the very close Brexit referendum and the close electoral college vote for Trump in 2016. British and American government reports of Russian corruption in those elections proved Carole right. She suffered greatly for her reporting, having been put through hell by Arron Banks, the single largest financier of Brexit who Carole's reporting found had a long list of Kremlin connections. There is so much that was damning in our discussion, so I encourage you to listen to it. I will link to it in the show notes if you haven't heard it yet.

Andrea Chalupa (06:22):

And one thing I want to draw everyone's attention to from my talk with Carole—one of the haunting moments that still stands out to me—is how Carole was pointing out that with Brexit, that meant the loss of tough European Union consumer protections and regulations. The UK would be stuck getting a lower standard of products, including American products that we in the US are used to because, to quote that saying that I learned in Ukraine about the oligarchs, here at home in the US, the oligarchs, the corporate giants, they see the American consumer as the shit they grow their money in. So we're given all sorts of below-standard products that would never pass basic quality controls in European nations, European Union nations. And Carole was like, "That's what Brexit means." The loss of the EU's protection, the loss of EU regulations and oversight meant that UK oligarchs, UK corporations, they could then run greater scams against consumers and they can just make money hand over fist with less regulation and so on, living Thatcher and Reagan's dream. And that sucks. So we're going to listen to an excerpt of that conversation here.

[begin interview excerpt]

Carole Cadwalladr(07:42):

The EU has got really, really, it's got the best regulations in the world in terms of environmental regulations and food standards. And so if we lower... At the moment, you can't do things like import American meat because it's so shit [laughs]. It's so rubbish. Your terrible chickens which are washed in chlorine and stuffed full of chemicals. You can't bring those into Britain at the moment. But post Brexit, the idea is that all those regulations will get lowered. So that's good; more chlorinated chicken is the sort of big thing in the British press.

Andrea Chalupa:

So America can benefit financially off of Brexit by exporting our trash.

Carole Cadwalladr:

Yeah, you can export your trash and we will take it off your hands.

Andrea Chalupa:

So you'll have a lower standard here in the UK in which we'll come in and be like, "Oh, Americans know that well."

Carole Cadwalladr (08:32):

Yeah, that's right. Well, there's a barrier. You see, there is this trade barrier between the US and the EU because—

Andrea Chalupa:

You don't have the same regulations—

Carole Cadwalladr:

—because of your capitalism, it's so much stronger and fiercer than it is in a collective of European countries, which have helped to make things safer for the little guy, essentially.

Andrea Chalupa:

Safer, healthier, more balanced, protecting the environment. Yeah. My husband's French, so when I go into a supermarket in France, it's like...

Carole Cadwalladr:

Oh, my God, yeah. American supermarkets, it never fails to astound me how appalling they are. It really is... That thing of how you have to walk right to the back of the store to find anything fresh. It's just all this massive... This is terrible. It's just damn really snobby of me. but that's what struck me when I was there. And even your fresh food doesn't look fresh. It looks like it's been irradiated. So perfect and under policy wrapping and...

Andrea Chalupa:

Yeah, so... You've got that to look forward to.

Carole Cadwalladr:

Yeah, that's great. Thanks so much.

[end interview excerpt]

Andrea Chalupa (09:34):

Well, now there is a fun way to fight back against that here in the US thanks to innovation out of a European Union country, France. You may have already heard of this by now. I've just newly discovered it. There's an app called Yuka that lets you scan the barcode on food products to see the nutrients inside. Toxins are also flagged. And the app will show you healthy alternatives on the market that are more trustworthy. This app has already changed the way my husband and I are shopping for our family, the groceries that we buy and feed our kids. It's incredible. It also works on cosmetics, so you're careful to be sure you're not putting any toxins on your skin. Definitely check it out for cosmetics and your groceries.

Yuka has been extraordinary in France with the impact that it's had. It's shaping the way giant corporations in France do business there, forcing them to clean up their products, make their foods healthier and safer.

Andrea Chalupa (10:39):

Yuka is now expanding to include an eco score that grades food based on their environmental impact. If Yuka takes off here in the US, this will name and shame companies hitting their sales in meaningful ways so that they're forced to clean up their act. I cannot tell you how long overdue this is. This app is effective, it's easy, it's convenient. And I'm someone who, back in the day when I was an editor at AOL Money and Finance, one of our reporters—an investigative reporter—did a big story on how the FDA, (the Food and Drug Administration) has such a lack of oversight over what goes into the products that we eat. They do, like, spot checking. They just kind of do stuff like percentage wise. They'll do like a quarter of percent of products out there. Some shameful statistic basically showing that most of the products we consume aren't being closely watched.

Andrea Chalupa (11:37):

And that story comes out every few years from some news outlet out there and it's some shocking revelation and everyone feels sick to their stomach over it. And then life carries on and nothing changes. Well, Yuka is finally a meaningful app that can force change. It's collective power. We are going to bring PR nightmares against these greedy corporations. So try it, download it. And if you look at some of the products that you get and the scores on these products are abysmal, tag those companies on social media, confront them, force them to clean up their act because the government is not doing it for us. And so as I keep saying on the show, it's self-reliance time. We have to understand that we're the ones that are going to save us. And it's innovations like Yuka that are on the front lines of that. So thank you to the founders of Yuka.

Andrea Chalupa (12:31):

I am not getting paid for this endorsement. It is an unsolicited endorsement. I just happened upon it by luck, I guess. By marriage. My husband's from France. He pays attention to French news and it's something that people are raving about in France and, again, having a major impact on huge corporations in France and forcing them to be better, to be healthier, to be cleaner, to be more transparent. Now, corporations in France are developing products already before they come to market by making sure they have high scores on the Yuka app. That's extraordinary. So let's do the same here in the US because no one else is doing it for us. And this is also... I'm always saying that the European Union is always under attack by Russia and its useful idiots, including Bannon and the Mercer family and so on, because the EU stands up against corporate greed and corruption.

Andrea Chalupa (13:28):

The latest example, the EU just passed the world's first comprehensive regulation of artificial intelligence. This is the world's first comprehensive regulation of AI. This is long overdue. The EU also needs to invest in a kill switch because you know Russia, Iran, Saudi Arabia, Israel, the US, they're going to defy these regulations and just let the full force of AI—the proverbial Pandora's box—run wild. If it makes somebody money, they're going to do it. Even if it destroys civilization, threatens life on this planet, they'll do it. How do we know? Because they're already doing it right now with fossil fuels, the US being the leader of burning and advancing fossil fuels, even during this crisis tipping point that we all face. So yeah, AI is going to go that path as well. So good on the EU for drawing a line in the sand. And now the geniuses of the EU, the brain trust of the EU must come up with some AI killer, some killswitch, some sort of machine to fight the machines because I'm telling you, the prophet motive is there.

Andrea Chalupa (14:41):

Elon Musk is in the AI game. You know they're going to just go for it. They don't care. We need you, EU. We need you to stand up [laughs]. Come up with some vaccine for the greed monster of AI that's coming. Alright, so speaking of trying to destroy the EU, as I mentioned earlier, Viktor Orbán, the Trump of Hungary, a close ally of Putin's who came to power and stays in power thanks to extreme gerrymandering, disinformation, propaganda, and scapegoating has his agents busy in the US working with the far-right Washington DC think tank, the Heritage Foundation, which is working with Trump on the Project 2025 that plans to aggressively purge the US government of non-political civil servants and replace them with Trump loyalists ensuring that Trump's January 6th coup is successful this time. And that is, of course, if Trump ekes through the electoral college, which is very possible given all the polling.

Andrea Chalupa (15:46):

So if Trump wins the electoral college in 2024, he plans to stay in power and die in power like his heroes, Mussolini, Hitler and Putin. Putin's working on the same thing. Orbán's agents are busy this week meeting with Republican leaders and trying to stop Congress from agreeing to give any more aid to Ukraine. They want to keep Ukraine out of the EU. They want Russia to win the war so that they can live above accountability and enrich themselves. That's the end game. That's what a growing Kremlin caucus of Republicans in Congress want, too. It's so bad that Zelensky had to come to the US today to meet with Mike Johnson, nevermind Mike Johnson himself is propped up with dark Russian money. Nevermind that Mike Johnson was mentored by Jim Jordan, who himself has been mentored by Trump. So effectively Zelensky is here to beg for aid from a marshuka doll, a Kremlin asset and the marshuka doll of Kremlin assets.

Andrea Chalupa (16:45):

It's really gross. If Ukraine doesn't get this aid, Putin plans to seize Kyiv, seize Odessa, seize Kharkiv. He wants it all. It's game over. So if Putin is successful in Ukraine, it will worsen the global refugee crisis, which is already under great strain. You heard in my opening about Syria. So we cannot afford any more refugees, but that's what will happen. The refugee crisis will explode and Russia would then go on to invade Poland and the Baltic states. I know that seems unthinkable now, but consider how bombing Kyiv, the total invasion that Russia unleashed on Ukraine was once considered unthinkable. We've become numb to it. There's a lot that we're being forced to acclimate to that isn't natural, that we should not accept, that we should not normalize. None of this is normal. This is all fascist warfare and the fact that it's become background noise for so many people is something that we need to fight against and wake up against.

Andrea Chalupa (17:46):

And that's why I'm always reading historical mentors like Dorothy Thompson and others from her generation because they railed against this too. They understood the seduction of normalization. There really is a quality to how the brain operates, how people operate, that just... We have this force of gravity where we want comfort, where we're trying to seek out some justification for what's going on so that it makes sense, so that we can function and just get through the day. Because if we were to face this horror head on, how would we sleep at night? How would we show up to work? How would we be present for our families? It's just so much easier to just shove it all down and pretend it's not actually happening. And I'm here to tell you, it's happening, it's serious, it's urgent, and it's going to get worse if we do not stop the fascist threat in Ukraine.

Andrea Chalupa (18:37):

If we do not as an anti-corruption movement see how we are united against this enemy and how the enemy is determined to drive us apart and that we have to stay united. And the name of the game is fascism, which wants corruption to thrive because they use corruption as a weapon against us. They use

the golden handcuffs, they use the dark money, they use steamrolling and destroying and weakening regulators like the EU and so on. Orbán is one of the most disruptive threats inside the EU, trying to weaken it from within. And along with that, you have his agents and Kremlin agents propping up far-right parties like them across the continent, including in the Netherlands where a far-right leader just came to power. So it's very scary, the inroads that the fascist side has been making and this whole mythology of Ukraine fatigue when the reality is the polling actually shows that Americans are more united in supporting Ukraine.

Andrea Chalupa (19:31):

We are still there with Ukraine. It is our Congress, which does not represent the real America. It was designed that way by the founding fathers who were a land-owning class; the elites that very consciously designed a government by and for the elites. Yes, they had all sorts of revolutionary ideas—John Lockean ideas in theory—and that's what drove them to the radical idea of overthrowing a king, which was progressive for that time. But it only went so far, didn't it? Now we're stuck with that unfinished business. And that's been the story of long, hard fought American progress ever since, so let's not lose sight of that; that these white men in Congress and the Kremlin caucus do not represent the average American. They do not represent the increasing browning of America. They do not represent the overwhelming majority of Americans that are pro-democracy, that are pro Ukraine.

Andrea Chalupa (20:26):

And so we need to just remind ourselves that there's more of us than there are them, and just stay conscious of that and keep fighting. And so please join me in calling your representative, even if your rep is MAGA, and just let them have an earful. Let their staff—their taxpayer-funded staff—have an earful that yes, you support Ukraine. And yes, you stand against fascism. And yes, you want Ukraine to have all the aid it needs and you refuse to give in to America First. America as a country overcame America First the last time. We're going to do it again this time around. So let your rep in Washington know that. Let their taxpayer-funded staff know that. Make that phone call, take that stand. I am doing that now because Ukraine needs this aid. It is our fight as well as their fight.

Andrea Chalupa (21:14):

We need to stop Putin's fascist threat in Ukraine. If we don't, Poland will be next, the Baltics will be next. And then, by the articles of NATO, that is going to require a NATO military response. That is going to be a major escalation that we'd have to meet. We don't want that. We want to stop that before we even get close to that. Now, for today's interview, you'll hear part two of my discussion with Pulitzer Prize-winning investigative journalist Jesse Eisinger of *ProPublica*, the author of *The Chickenshit Club: Why the Justice Department Fails to Prosecute Executives*. This interview was recorded on September 19th, and in this part of the discussion, you'll hear about the rise of the Reagan revolution; the “greed is good” era that we're still trapped in and has produced historic levels of income inequality. In this discussion, you'll hear how do we overcome that?

Andrea Chalupa (22:14):

The answer lies not just in building political powers, as I'm always saying, but also legal power. Right now, the fate of Trump's trials rests with the Supreme Court that he packed with three ideologue judges. Will they rule in the favor of the DOJ that a president can be prosecuted for crimes he committed well in office and does not have some magical immunity? Obviously, Clarence Thomas, whose wife Ginny was active in the January 6th movement, should recuse himself, but he won't because there's no oversight of this court and their code of ethics was nothing more than a PR statement. There's no enforceable oversight. We have a Greed is Good Supreme Court. Greed is very, very good and has been extremely

good, especially to Clarence Thomas, who is a paid man who's been taken care of financially by Harlan Crow, the far-right mega donor Nazi enthusiast.

Andrea Chalupa (23:09):

Jesse Eisinger, his reporting by his team at *ProPublica* has gone all into that with a series of bombshells lifting the veil of how the corruption sausage gets made at the Supreme Court. So we're going to hear more on that in the context of the Reagan revolution and what to do about that. And as for the big Supreme Court decision on whether Trump has to face these trials, we should hopefully know more about that in a week or so. By Christmas, hopefully. So, will there be a mega—a MAGA, haha—a mega Christmas present from the Supreme to Putin or to the American people? We'll find out in the latest installment of the *Hunger Games* that we continue to be trapped in with the Supreme Court. And now, here is Jesse Eisinger, investigative journalist at *ProPublica* and author of *The Chickenshit Club: Why the Justice Department Fails to Prosecute Executives*.

[transition music]

Andrea Chalupa (24:15):

So my children here, growing up in Brooklyn, [laughs]—

Jesse Eisinger:

They're fine.

Andrea Chalupa:

So we should stay, right? We should stay. Right now, this has been one of those years where the climate crisis is hitting us in a very big way, and the unions, the strikes, just when you look at the big entertainment CEOs like David Zaslav, the hundreds of millions of dollars that they're raking in for their salaries. It's just this push and pull. It can be very demoralizing, where parents, a lot of our listeners will write in and just feel like they don't have a future, that everything is over and that the only way out is sort of start building a guillotine violent revolution Molotov cocktail time. Given all the investigations you've done into financial crimes and institutions like the SEC essentially being captured by Wall Street and certainly the ratings agencies, what's your response to that? This sort of a fever that is growing among people where they feel just a sense of hopelessness, where inflation is eating into their family budgets, but then they look at CEO pay as just astronomical and they want to take it out at the ballot box, where we might end up with another 2016 election—another Brexit election—where people are so angry they stay home and they don't vote in 2024, and that cycle just continues as these stories, these big wealth gaps, climate change crisis, just gets worse.

Jesse Eisinger (25:40):

Yeah, well, yeah, I definitely don't want to see Molotov cocktails being thrown and I do worry about political violence. One of the things that I took from the 2022 election that was positive was that there wasn't political violence, which I expected from the right, really. So I thought forces like the Proud Boys and people like that would continue to be violent after January 6th and that we would have a real problem on our hands. And people have talked about civil war and whether we're rife for one, and that's not my area of expertise at all, but I did take solace in the fact that there wasn't that much violence. But in terms of young people and voting—and I'm no longer young, you're a lot younger than I am—but, you

know, you do see mobilization from young people, particularly on labor issues and then some social and identity issues.

Jesse Eisinger (26:41):

Black Lives Matter was mostly a young movement. Those things were good, but not really that effective. The big movement that came out of the global financial crisis was Occupy Wall Street. And there's a big debate about how effective Occupy Wall Street was, but I'm much more bearish about that movement's effectiveness. Two of the biggest social movements of our time came out of the global financial crisis. One was Occupy, the other was the Tea Party. And if you had to judge on pure accomplishment who did better at changing American society, I would say hands down the Tea Party. There's really no debate. And Occupy was something that was embraced by people that certainly put inequality on the map as a social issue. So I think that's the one major accomplishment. But there were no policy accomplishments and no real political accomplishments; no real people who came out of the movement and went on to real political power. I mean, maybe AOC a little bit, but sort of but not really. And so I think that young people in the current movements on the left really don't seem, from my inexperienced eye, to be able to mobilize and work for change. I think there's some exceptions to that, but I don't think that there's a particularly effective climate change movement from people. But again, I'm not really an expert on this, so maybe people would disagree and give me the evidence that it was really effective.

Andrea Chalupa (28:14):

You are an expert in this because the difference is money. The Tea Party movement was AstroTurf. It was propped up by the Koch brothers political network. It was just a far-right Republican dark money group. That's why they were able to build political power out of it. It was the libertarian donor class coming in and wanting a change of leadership. And now here we are with these rabid Republicans, these libertarian Republicans. Occupy Wall Street—grassroots. I was there at the very beginning and it became rapey. The women started to leave because people started actually living there. Dudes would live there and it got rapey and people got out, but it wasn't AstroTurf. There wasn't any money behind it. I mean, they could say what they want about George Soros. The *New York Post* could claim George Soros was funding those kids, but there was no real money power behind it. And that's the difference. And the climate change movement, the kids of the grassroots group the Sunrise movement, the kids that just organized this big march at the UN calling on Biden to come to the Climate Summit, and many got arrested just for speaking into a bullhorn, those kids don't have big dark money war chests behind them. And that's the difference. That's the disadvantage.

Jesse Eisinger (29:29):

Yeah, I think that's a very good point, and you're probably right about that. I mean, one of the interesting complexities—you were referring to Citizens United earlier and on the money issue—is that money is important for politics, but it's not the deciding factor. And you've seen a lot of wealthy candidates have an inability to buy their way into office, and you've seen a lot of issues that have galvanized people even when the money is on the other side. So, money is useful but doesn't determine everything. And I think that has been one of the really interesting factors, or revelations, post Citizens United about American politics. And I find it confounding. I mean, I think that money is extraordinarily effective for buying targeted lobbying for complex, boring issues in Congress that people don't really pay attention to. But for the big issues, you can see that money can often fall short. And I think that's also something that people can take a positive message from.

Andrea Chalupa (30:42):

So could you just explain, from your book, why did the DOJ, why did the FBI not arrest anyone for the 2008 financial crash?

Jesse Eisinger (30:52):

Well, what had happened was the DOJ had evolved away from prosecuting white-collar criminals, individuals. And it's a variety of things that happened. It was a complex thing. That's why I felt like I had to write a book about it. But the motivated people who really kind of thought about corporate crime and white-collar crime, people of good faith, those people thought that they'd found a better solution to it. They thought that if you add a corrupt CFO at a company and you just got rid of that person and slotted that person in, but the company was still corrupt, that new CFO would become corrupt too. So prosecuting that one person didn't really make sense. So what they thought is we need to have a systemic solution. We need to have a corporate wide solution, so we should have the company admit wrong and settle for a huge amount of money.

Jesse Eisinger (31:51):

And by the way, it turns out that that's kind of easier for us to have settlements because we don't have to prove a case in court. And so what happened was they started systemically doing that across corporations by having settlements for money. And then people who were of bad faith realized this is one fabulous gravy train, because what I can do is I can be a careerist and get a couple of press releases, I make my name, I work at the DOJ for a few years, and then I can just go through the revolving door and become a partner at a major law firm, and then I can continue to represent corporations and go to the DOJ and get these settlements for money. The companies were fine with it. They could just settle for money and the money meant nothing to them, and they could go on committing crimes.

Jesse Eisinger (32:42):

And even when they were recidivists, they continued to just pay fines. And so what people didn't realize back then—or some people realized and they were kind of shouted down and pushed aside—was that you have to prosecute individuals. You have to throw some people in prison. And I am in favor of criminal justice reform. I think we should have fewer prisons. They should be much, much more sane and civilized and not as brutal and awful as they are today. And I don't think sentences should be as long as they are, even for white-collar criminals. I think we should throw more wealthy white men in prison, but not for a very long time because I think you can solve this problem with prison sentences that are 3, 5, 7 years. Somebody like SBF is probably going to go away for something like 30 years. And even though I think SBF is likely going to be found guilty and clearly is an appalling criminal, I don't think that he's such an ongoing threat to society that society should pay for him to be in prison.

Andrea Chalupa (33:48):

And that's Sam Bankman-Fried, who built a crypto bank that turned out to be a Ponzi scheme.

Jesse Eisinger (33:54):

Yeah, yeah. Thank you for filling in that. So the DOJ got away from prosecuting individuals, and then they got very scared about prosecuting corporations too, because before the financial crisis, there was a huge accounting crisis in American corporations in the late 1990s. And the biggest example of that was Enron, which was a Texas fraud; an energy trading fraud. And the accounting firm was Arthur Anderson, a storied accounting firm/partnership that had gone back decades, and they were sort of working hand in glove with Enron to further the fraud. And prosecutors prosecuted Arthur Anderson. It subsequently went out of business. They blamed going out of business for the prosecution (which is actually not true) and prosecutors got terrified, including Democrats. They just thought, "Oh, we can never put companies

out of business because we put people out of work. There are too many victims there.” And what that did is that enabled corporate corruption because they wouldn't put companies out of business, they wouldn't prosecute individuals, so they only would fine them.

Jesse Eisinger (35:01):

And, of course, that enabled corporate crime and corruption. And I think we have a moral crisis in the country now where—and you've seen this in Silicon Valley, you see this in crypto—you just see companies over and over and over again, and I'm not just talking about sort of Elizabeth Holmes at Theranos (a privately held company who was obviously criminal), or SBF, Sam Bankman-Fried, who is criminal in this criminal realm of crypto. But you see companies like the darlings, the Travis Kalanick at Uber and WeWork and all these major companies are really essentially frauds and break the rules and break the law all the time. And they have no moral compunction. And part of it is because they don't see any consequences. There is no accountability. They can get away with it. And so they do. And they try to, and they don't think that rules apply to them.

Andrea Chalupa (35:55):

Jesse, *ProPublica* has to give you your own podcast, which is just this, and it's called Jesse Eisinger explains things. Three minute hit, nothing complicated, super easy. You fit it into your busy schedule. It'll be basically based on me sending you emails: “These are the questions I need you to answer this week.” Okay, that's your new show. So lemme ask you this. So Wall Street gets bailed out. Taxpayers bail out Wall Street after it tanks the global economy, wiping out people's savings. So we subsidized that. If we're subsidizing the wealthy, why aren't we also subsidizing student loans?

Jesse Eisinger (36:32):

Yeah. In the Covid crisis, we did both. So we put money in people's pockets, we delayed student loan payments, and we bailed out Wall Street in a massive bailout, and actually a bigger bailout in March of 2020 than in 2008, which nobody really paid any attention to. And that was also a bailout that was kind of targeted to some of the riskiest borrowers. What the Fed said was, “We're going to buy the riskiest bonds, we're going to buy junk bonds issued by the riskiest companies and backed by private equity fortunes like Steve Schwarzman and these companies like KKR and Blackstone that have been buying up all these kind of smaller, privately held companies.” And we bailed them out. They didn't actually buy junk bonds, but just merely saying that was an extraordinary bailout. But anyway, we did both in this time. After 2008, the reason why they didn't do this is that there was a catastrophic misunderstanding from the Democratic Party about what the proper role of government was and who they should be helping.

Jesse Eisinger (37:45):

There was a kind of neoliberal consensus that Clinton had bought into and Obama had bought into, and Clinton bought into it in a defensible way because the Democrats had really been in the political wilderness for multiple presidential cycles because they were regarded as too liberal coming out of Carter in the '60s. And so I blame Clinton less. A lot of people blame Clinton enormously for a variety of moves, but Obama I think was a much worse disaster because it was clear that we had millions of people miserated by the financial crisis. We had millions of people having lost their homes, the core for the key asset for wealth for the vast majority of Americans. They had lost their jobs and they needed help. And the government was ineffective in helping people with their homes, and they were extraordinarily effective at bailing Wall Street out. Now, partly this is a mechanism issue, which is the Federal Reserve really oversees the financial system, and it's easier to get the Federal Reserve to move very quickly to lower interest rates to get money into the financial system.

Jesse Eisinger (39:04):

And that bails out the financial system. That's pretty effective and the Federal Reserve does a very good job of that. Also, it has fewer constituents so they can make decisions more quickly. It's just a more effective institution. The political institutions are ineffective. We're slow moving. They're conflicted. They're driven by lots of different interests and special interests and captured by money, as you were saying earlier. And so that moves very slowly, but there really wasn't a force in the Democratic Party out of the global financial crisis post 2008 to really help out individual Americans. And that was a catastrophic mistake. And I don't think the Democratic Party's brand has recovered from that disastrous mistake. Now, I think Biden and the Democrats have absorbed the lesson and they did things differently coming out of Covid with a variety of stimulus plans and the child tax credit and student loan delays. So those are all really good things. Now, student loan delays have come off and the courts rejected student loan reform and the child tax credit expired. And so they haven't continued this. So they need to keep working at that. They need to keep at the reforms instead of kind of throwing up their hands and saying they can't do anything.

Andrea Chalupa (40:26):

Obama: completely agree with you. He maintained the status quo. Yes, he got us out of the burning embers that Bush created, and he was handed just the worst deck of cards to play with Iraq, Afghanistan, the tanked global economy. He had a really, really rough hand and he did rebuild, and America did RO back and all of that. But one of the things I always wondered about Obama, and I wondered this before he even came along, I was just thinking, we're not going to get that great leader again that's going to take our country where it needs to go—and I would love to get your opinion on this—because I always felt America was deeply traumatized and reeling from the high profile assassinations of JFK, RFK, MLK. It seemed like the people that really stuck their necks out and stood for progress, stood for trying to expand civil rights, create a freer and fairer country, they were assassinated. There were several assassinations during the '60s, but those three presented this new hope for the country. They were these young, fresh faces, and they're taken from us brutally before our eyes. And I always felt that the leaders that came after—even the new generation, Obama's generation—they understood that they could work for change, incremental change, but they couldn't go so far or they would be next. What are your thoughts on that?

Jesse Eisinger (41:47):

Yeah, I think it's less that they were worried about being assassinated and more that what happened was Reagan was an extraordinary politician who came out of nowhere and was very radical in what wins in 1980, after the Democrats have an extraordinarily dispiriting presidency in Carter. Carter, I think actually had some very interesting things. So, Nixon wins in '68, Nixon crushes McGovern in '72, and the Democratic party is just reeling and they begin to think that they need to embrace the free market, that they've gone too far with social liberalism. And so you get, like, Gary Hart, who really is a kind of neoliberal figure, embracing markets and deregulation, things like that. He doesn't win, but he's a young, energetic, charismatic, good looking politician who blows himself up, but he's very sort of successful. Then the Democratic Party runs a bunch of older liberal lions, like Mondale, and they lose. They get crushed.

Jesse Eisinger (43:03):

And so by getting crushed, they really get afraid of reform, of economic reform. They start to no longer be the party of the working class. And in fact, they sort of... As the Democratic Party has evolved and become more college educated, there's even disdain for the working class. You have sort of Obama, who

I agree, was dealt a terrible hand and was pretty competent about helping to resolve that narrow issue of that. He didn't get us out of Iraq, of course, but that was of course a catastrophic mistake. But Obama, for all of his charisma, was kind of regarded as kind of pointy headed and disdainful of the working class. And certainly Hillary Clinton was too, even though I thought Hillary Clinton was extraordinarily competent and knowledgeable, thoughtful. I always thought that their corruption was a little bit overstated.

Andrea Chalupa (44:01):

She was over-prepared, as Chuck Todd might say. But go on.

Jesse Eisinger (44:04):

Yeah, right. She was over-prepared and people hated that, which obviously was misogynist. She got points deducted for answering questions well. But yeah, so I think that people, the Democrats overlearned the lesson, which was people don't like it when we do things, so we should stop doing.

Andrea Chalupa (44:20):

So the Reagan revolution, we're living still with the Reagan revolution. The greed is good.

Jesse Eisinger:

Oh, yeah.

Andrea Chalupa:

How do we undo the Reagan revolution? How do we crawl out of this? Because it's prevalent. It's in all industries, big and small, where people just want to get extraordinarily rich, even if it is stepping over others, exploiting others. And that's celebrated. That's what Reagan ushered in. You explained just now how the Reagan revolution happened; this charismatic leader, and he had also this whole machine, like the Lee Atwater racist dog whistle machine and the dirty tricks of the Nixon babies like Roger Stone and Paul Manafort and Lee Atwater. But now we're here with it and it's still here and it's going strong. How do we come out from the rubble of the Reagan revolution? How do we rebuild from it?

Jesse Eisinger (45:11):

Yeah, I mean, I think it has to do with institution building. What the right realizes in the early '70s is that the left has institutions. They control the commanding heights of the economy, of the government and of the culture, and they have a concerted effort to build institutions that can counteract that power. There's this famous memo from Lewis Powell, who was the head of the Chamber of Commerce and becomes a Supreme Court justice. And he lays it out. He says there's this kind of Naderite anti-corporate revolution. They're going to regulate and tax us to death and we need to respond to that. And they start building these institutions and all these wealthy funders start to build the American Enterprise Institute and fund the Chamber of Commerce and the Cato Institute, the Olin Foundation and Bradley Foundation, the Coors family, later the Kochs building this extraordinary network. So now what's interesting is that the right says that the left continues to control the commanding heights of the culture, but they kind of discount that the left doesn't remotely control the commanding heights of either the government or the economy or corporations.

Jesse Eisinger (46:28):

Those are really people who are running the society now. And so what the left needs to probably do is try to understand government power and regulate the wealthy and corporations to try to get there. And you see this with the realization that we have to bring back antitrust, which is an interesting thing because it doesn't just fall on a progressive... It's not just progressive. There are these conservative traditions of being anti-big business. If there could be a political coalition there, then that could really be somewhat helpful. But what they're running into when they bring these cases to try to reverse mergers or challenge anti-competitive behavior is they're running into judges who are of the Reaganite Bourque revolution that overturned the New Deal antitrust movement that started in the '70s and '80s. And Jonathan Kanter at the DOJ and Lina Khan at the FTC are bringing cases and getting rejected by judges, not just conservative judges, but judges that are appointed by Obama and even Biden who are rejecting their efforts to block mergers and reign in corporate monopolistic, anti-competitive behavior.

Jesse Eisinger (47:46):

You need basically a decades-long movement to have legal thinking and appointees that put into place people who have a more populist, economically egalitarian legal view. And I'll just point you to today or yesterday in *The Atlantic*, Caroline Fredrickson, who headed up the American Constitution Society, which is the analog to Leonard Leo's Federalist society—that's the liberal version of the Federalist Society—she says, "I realized just now that we made a catastrophic mistake because we were focused on social issues, not economic issues. We never thought about looking at judges' attitudes toward antitrust. It didn't occur to us." She ran the ACS for 10 years. It's an extraordinary piece. It's such a damning admission. It should be a major scandal in progressive circles that she just was like, "I thought Dobbs was the most important thing." And of course abortion is extraordinarily important, but you cannot forget pocketbook issues. You can't just let corporations roll back decades of hard-won labor reforms and regulation. And that's what the left did.

Andrea Chalupa (49:02):

The woman that wrote that piece, she's a white woman, isn't she?

Jesse Eisinger:

Yeah.

Andrea Chalupa:

There you go. It's sort of like economic issues are central to non-white people because survival is economic justice for them. Martin Luther King Jr. , whose memoir, *Montgomery Bus Boycott*, that was an economic movement that started the whole civil rights movement led by MLK. Social justice is economic justice. They go hand in hand. We're being killed right now by hyper capitalism. Families are being split apart by hyper capitalism because parents are having to juggle so many jobs, their kids are left vulnerable and prayed upon and so on. So yeah, everything comes down to economic justice. So I'm happy to take over that organization for her [laughs]. So maybe I'll have her on the show. We could do a mutual interview, feel each other out if you want to retire for a bit, I've got ideas. I've got Jesse on speed dial to walk things through for me, explain history. So Jesse, you are a dream come true for our country. I spoke to a journalism class mixed with a lot of international students about my film, *Mr. Jones*, and about my background in journalism and how being a journalist helped prepare me to make that movie and how to make the jump to journalism, how to get a job in journalism. And I held up you and *ProPublica* and all the extraordinary work that you're doing. So tell us, how can our listeners support *ProPublica*?

Jesse Eisinger (50:26):

That's very nice. Appreciate it. Very flattering. So yeah, you can go to *ProPublica* and donate. We're a nonprofit. We're funded by a bunch of benevolent oligarchs. And it'd be better to be funded by more small dollar donations, although we have a significant small dollar donation individual donor cohort and foundations do. So you can just go to *ProPublica* and donate. And I encourage people to do. My kids need new shoes.

Andrea Chalupa (50:51):

Wonderful. And you're running the Democracy initiative there?

Jesse Eisinger (50:55):

Yeah. I spent my whole career being a business and financial reporter, but now I'm mostly an editor and I'm running our Threats to Democracy team. I've got a bunch of reporters reporting to me. And so please bring us your ideas about where to, you know, people can email me, jesse.eisinger@propublica.org and give me ideas about stuff to cover. I always welcome people's tips.

Andrea Chalupa (51:21):

Well, you're the right person for the job because it was always the business elite that helped bring Hitler and Mussolini to power. And Pinochet. So all of your research into financial crimes, perfect person for the job of keeping our democracy safe. Thank you, Jesse. So come back again. I love listening to you. You should just be teaching classes. Masterclass on YouTube. We'll talk about that later. Thank you so much.

Jesse Eisinger (51:45):

You're welcome. Thank you for having me.

Andrea Chalupa (51:54):

Our discussion continues, and you can get access to that by signing up for the Truth-teller level or higher on Patreon at patreon.com/gaslit.

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