

The Chris Hedges Report with Pulitzer-prize winning reporter Gretchen Morgenson on how Private Equity billionaires bought up America and turned workers into serfs.



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The U.S. economy is being held hostage by a small cohort of financiers who run private equity firms --- Apollo, Blackstone, the Carlyle Group and Kohlberg Kravis Roberts. These equity firms buy up and plunder businesses, piling on debt, refusing to reinvest, slashing staff and often driving companies into bankruptcy. The object is not to sustain businesses, but to harvest them for assets to make a short-term profit. Those who run these firms, such as Leon Black, Henry Kravis, Stephen Schwarzman and David Rubenstein have amassed personal fortunes in the billions of dollars. The wreckage they orchestrate is taken out on workers who lose jobs or see salaries and benefits slashed, on pension funds that are depleted because of usurious fees or abolished and on our health and safety. Residents of nursing homes owned by private equity firms, for example, experience 10 percent more deaths because of staffing shortages and reduced compliance with standards of care. Private equity owned hospitals have created a crisis in the health-care system. Nursing shortages have contributed to one of every four unexpected hospital deaths or injuries caused by errors. The private-equity firms do not serve patients but profits. They have closed hospitals, especially in rural America. They cut back on stockpiles of vital

medical devices, including ventilators and personal protective equipment. In 1975 the U.S. had about 1.5 million hospital beds and a population of about 216 million people. Now, with a population of over 330 million people, we have around 925,000 beds. Fifty-six percent of Americans have medical debt, even though many have insurance, and 23 percent owe \$10,000 or more. Emergency room visits - emergency rooms are often run by private equity firms -- contributed to medical debt for 44 percent of Americans. At the same time, the health care system, because of this slash-and-burn assault, was unprepared to handle the Covid epidemic, seeing 330,000 Americans die during the pandemic because they could not afford to go to a doctor on time. These private equity firms, like an invasive species, are ubiquitous. They have acquired educational institutions, utility companies and retail chains while bleeding taxpayers of hundreds of billions in subsidies, made possible by bought-and-paid-for prosecutors, politicians and regulators. Joining me to discuss private equity firms and their assault on the economy is Pulitzer-prize winning journalist Gretchen Morgenson, who along with Joshua Rosner, wrote “These are the Plunderers: How Private Equity Runs – and Wrecks – America.”