



STUDY GUIDE

WHY YOU LOVE CAPITALISM

KEY TERMS: capitalism big government entrepreneurs motivation
government profit-motivated incentivized

NOTE-TAKING COLUMN: Complete this section <u>during</u> the video. Include definitions and key terms.	CUE COLUMN: Complete this section <u>after</u> the video.
<p>What types of products and services are 'practically necessities' in today's world?</p> <p>Is the purpose of the government to create products?</p> <p>For what do we have to thank for providing affordable private rides, like Uber, for ordinary people all over the world?</p>	<p>Why does Mr. Meyer assume that you love capitalism?</p> <p>How do the products and services of capitalism compare to those of big government?</p>

DISCUSSION & REVIEW QUESTIONS:

- At the beginning of the video, Mr. Meyer claims that, “You love capitalism. Really, you do. And you can’t stand big government. Really, you can’t.” Does Mr. Meyer successfully prove his argument that you love capitalism and can’t stand big government? Why or why not? Whatever your answer to the last question, what other points could Mr. Meyer make to strengthen his argument?
- Mr. Meyer goes on to list several examples of products that you likely use, then asks, “Where do you think they came from? From entrepreneurs with great ideas and the freedom to test them in the marketplace. That is what is known as . . . capitalism.” Prior to watching the video, did you actually know that his examples were products and outcomes of capitalism? Explain. What do you think Mr. Meyer means by the phrase ‘freedom to test them in the marketplace?’
- Expounding on the second part of his thesis, Mr. Meyer asks, “Why is going to the Apple Store so fun, but going to the DMV so painful?” then answers, “Because one has nothing to do with the government, and one is the government. One needs to satisfy its customers to survive and grow. One doesn’t... profit-motivated individuals have to work to please their customers. You. Government agencies don’t have to please anyone.” How does this crucial difference, of needing to please customers or not, impact and influence the experience that a customer has? Why do you think that so many progressives, who tend to heavily use and rely on the products of capitalism, consider profit to be evil and bad yet tend to place a positive value judgment on government agencies that restrict and regulate their freedoms?
- Later in the video Mr. Meyer further asks, “How would it [government] even know that we wanted services like Uber or Airbnb? We didn’t know it, until risk-taking entrepreneurs made it possible. Thanks to capitalism. And no thanks to government, which more often than not, just gets in the way. Why? Because the government’s knee-jerk reaction is to regulate and control everything it can regulate and control.” Why do you think that the government is so eager to regulate and control everything that it can? What do you think motivates entrepreneurs to take the risk of developing new products and services?
- Towards the end of the video, Mr. Meyer points out that, “Economic growth has the best chance of happening in the absence of... rulemaking... This approach to regulating allows entrepreneurs to meet their customers’ needs without first seeking government approval.” In addition to the internet, what are some other important examples of this that you can think of? Do you agree with this approach? Why or why not?

EXTEND THE LEARNING:

CASE STUDY: PewDiePie

INSTRUCTIONS: Read the article “How YouTube’s Biggest Star Got His Start” and “YouTuber ‘PewDiePie’ Is Making \$4 Million A Year,” then answer the questions that follow.

- Who is PewDiePie and what does he do? How many subscribers does he have? How much money does PewDiePie actually make? How does PewDiePie make his money?
- Why do you think that PewDiePie is so successful? Do you think that PewDiePie could have achieved the same success on the BBC (Britain’s government-run television) or the CBC (Canada’s government-run television)? Why or why not? What do you think Mr. Kjellberg would have done as a career 40 years ago?
- How is the activity that PewDiePie is engaging in an example of capitalism? How does PewDiePie’s success underscore the points made by Mr. Meyer in the video?



QUIZ

WHY YOU LOVE CAPITALISM

- 1. Government agencies need to please people to survive and grow.**
 - a. True
 - b. False

- 2. What may be the only area where the government shows creativity?**
 - a. Rulemaking
 - b. Web design
 - c. Automotive manufacturing
 - d. Mechanical engineering

- 3. Which of the following are products of capitalism?**
 - a. The DMV
 - b. The Post Office
 - c. The IRS
 - d. None of the above.

- 4. Almost everything you enjoy using is a product of _____.**
 - a. government
 - b. capitalism
 - c. taxation
 - d. socialism

- 5. Economic growth has the best chance of happening _____.**
 - a. in the absence of free markets
 - b. when the real estate market is booming
 - c. in the absence of government rulemaking
 - d. when the Euro is strong



QUIZ - ANSWER KEY

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<https://www.inc.com/zoe-henry/the-entrepreneurial-spirit-of-pewdiepie.html>

How YouTube's Biggest Star Got His Start

When Felix Kjellberg, aka 'PewDiePie,' plays video games, more than 30 million people tune in to watch.

By Zoë Henry

Reporter, Inc.@ZoeLaHenry

Felix Kjellberg, better known by his online gaming alias "PewDiePie," has one of the fastest-growing channels on YouTube--a sign of some serious entrepreneurial juice.

PewDiePie posts videos of himself playing video games, along with humorous commentary for viewers. The gamer hit an impressive 30 million followers in September, making his channel the most subscribed *and* the most viewed on YouTube for the month. His videos also have caused spikes in sales of games he's featured, such as Slender, Goat Simulator, and Flappy Birds, showing an influence he himself describes as "scary." But how did he get to where he is today?

"I just want to entertain; that is my main objective and what comes before everything else," PewDiePie told Swedish magazine *Icon* in a May interview.

Kjellberg comes from humble roots: Born in Gothenburg, Sweden, he gave up his pursuit of an industrial economics degree to focus on his YouTube career--something that, until recently, wasn't even considered a career. Yet his channel's revenue, which comes primarily from YouTube ads, ranges between \$140,000 and \$1.4 million a month, *The Atlantic* reports.

PewDiePie's Web personality is remarkably human: He jokes, swears, shrieks, and giggles, all the while referring to his massive fanbase as his "bros" or "bro army." He ends almost every video with an affectionate fist-bump (dubbed the "brofist"), encapsulating the entrepreneurial experience by effectively saying: I'm one of you, viewers.

And he's not afraid to be candid with his audience, either. In September, after reaching the 30-million-follower milestone, he posted a video titled "Goodbye Forever Comments," in which he remarks: "I'm not trying to offend you bros who show a lot of support, but I don't see it as much anymore... I go to the comments and it's mainly spam, it's people self-advertising, it's people ... trying to provoke... Just all this stuff that to me isn't anything."

After announcing that he would disable the comments section forever, he smiled cheekily and ended the video with his trademark fist-bump. (On Monday, October 13, however, he brought the comments section back, in a walkthrough of *Alien: Isolation*.)

Like any true entrepreneur, PewDiePie is devoted primarily to his project and to his consumers (read: bros). "The thing that has made YouTube so successful is that you can relate to the people you're watching to a much higher degree than to the people you see on TV," he tells *Icon*.

PewDiePie's contract with Maker Studios--the largest network of channels on YouTube--is up in December. In the interview with *Icon*, PewDiePie announced that he may be starting his own network instead of renewing the contract, though he wouldn't go into further detail.

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<https://www.forbes.com/sites/erikkain/2014/06/18/youtuber-pewdiepie-is-making-4-million-a-year/#1d24165c5b25>

Jun 18, 2014 @ 12:51 PM 258,469 The Little Black Book of Billionaire Secrets

YouTuber 'PewDiePie' Is Making \$4 Million A Year

Erik Kain , Contributor

I write about video games and science-fiction movies and TV shows.

Opinions expressed by Forbes Contributors are their own.

Watching other people play video games is growing increasingly popular these days. Sites like Twitch--- where people can tune in to watch other people play games, eSports, and so forth---have exploded in popularity.

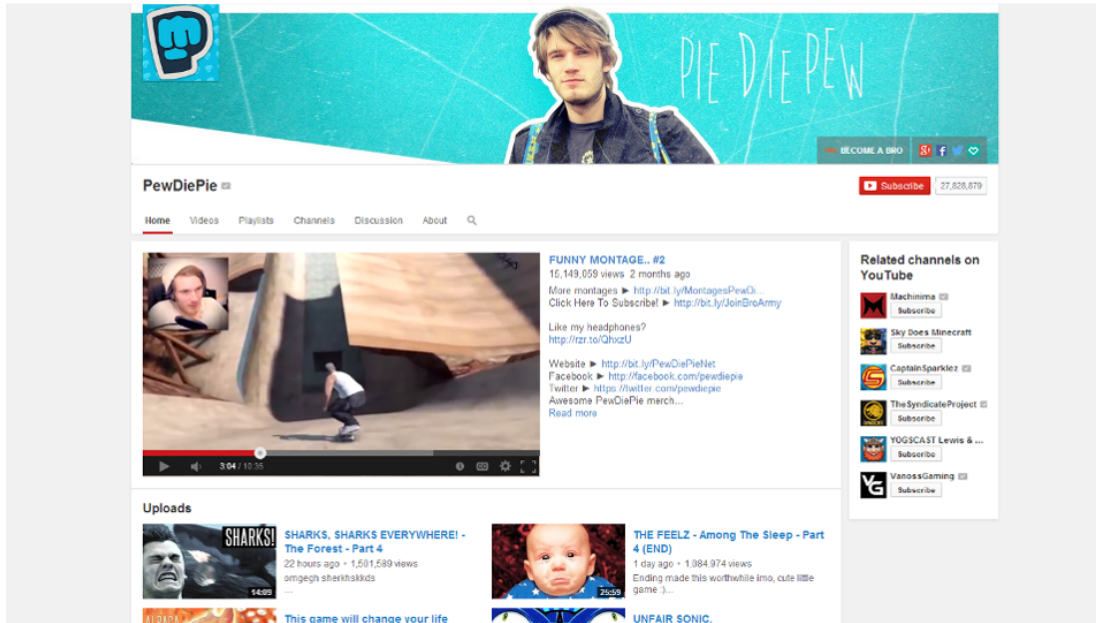
In fact, Twitch ranks fourth in peak US internet traffic, ahead of sites like Facebook and Amazon. If anyone doubted that video games were a spectator sport, that should be evidence enough to the contrary.

But revelations that YouTuber 'PewDiePie' is raking in \$4 million a year for his gaming videos should hammer the nail home.

PewDiePie---Felix Kjellberg---plays games while talking, screaming, and swearing, and it's earned him 27 million subscribers, more than established gaming channels like Machinima, which has just under 11.5 million.

According to the Wall Street Journal, "The 24-year-old Mr. Kjellberg, who created PewDiePie five years ago, has parlayed his persona into a brand name that pulls in the equivalent of \$4 million in ad sales a year, most of it pure profit."

These are not polished videos by any means. Kjellberg has a shtick that apparently appeals to many, but will leave many more equally baffled or disgusted. But what he may lack in taste, PewDiePie makes up for with a knack for this brave new world of social media and interaction with his audience.



"Unlike many professionally produced shows, I think I've established a much closer contact with my viewers, breaking the wall between the viewer and what's behind the screen," he told the Wall Street Journal. "What I and other YouTubers do is a very different thing, it's almost like hanging around and watching your pal play games. My fans care in a different way about what they are watching."

News of Kjellberg's success comes on the heels of more bad news in the video game press. A month after news that long-running gaming site CVG would be shuttered by parent company Future, layoffs hit the website GameTrailers, which had just been sold by Viacom VIAB +0.19% to Defy Media, parent company of The Escapist.

That was the day after the end of E3, the biggest gaming event of the year.

It's a weird juxtaposition: well established digital publications are shutting their doors and facing layoffs while a lone YouTuber rakes in \$4M. But ultimately it comes down to two things: Giving the audience what they want, and staying in the black.

Kjellberg works alone, has very little overhead, and gives his 27 million viewers what they want. It may be lowest common denominator stuff, but it's also brilliant. In a sense, PewDiePie---vulgar, , pointless---is the distillation of new media down to its essence.

So the question that comes up is this: Are YouTubers killing the traditional video game press? I'm not sure there's evidence to support that, anymore than I believe mobile games are killing 'traditional' video games. Like eSports, Let's Play videos and the rise of the YouTuber is its own thing. The written word has its own merits. There's room for both, though PewDiePie's success certainly underscores the growing relevance of video content in the gaming world to fans, the press, and game companies alike.

And the same quandaries that the traditional gaming media faces will almost certainly plague YouTube as well, especially as more and more YouTubers are taken seriously by big AAA game makers. There's an entire new level of risk here, as well, since YouTubers are not journalists and are not held to the same standards.

You can watch Kjellberg's material here. I'd post some but it's almost universally inappropriate.

Update:

Just in case I wasn't clear, I personally can't watch a PewDiePie video for more than a minute or two. I truly don't understand the appeal, and yet the appeal is obviously there. When I say there's something "brilliant" about this, it's in the same vein as "reality TV is brilliant." It's terrible, it's the dumbing down of culture, etc. etc. But it taps into an audience that exists and gives that audience what they want. That's good business, whether or not it's good art or whatever you want to call it.

There are myriad better YouTubers out there, from TotalBiscuit to EpicNameBro to the dozens of others that do good, hard work and don't manage to get 27 million subscribers. So it's a weird, perplexing phenomenon that I find fascinating and grotesque all at once.

* I am also told that "irreverent" is an overused word and one that's too kind in this context. So if not "irreverent" than something else. (And if you want to watch a good video that shows just how horrible he can be, with some humorous reactions from others, check this out.

Update 2:

Apparently a number of people on social media are very defensive about Kjellberg. I have nothing personally against him. I don't know him. I know he's done good charity work, which is to be commended. I'm not a fan of his work, just like I'm not a fan of Lady Gaga or George W. Bush or anchovies. The point in explaining that I'm not a fan of his work is to illustrate that I at once admire his success and dislike watching his material. Both can coexist. So calm down.

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