

RALPH NADER RADIO HOUR EP 310 TRANSCRIPT

Steve Skrovan: Welcome to the *Ralph Nader Radio Hour*. My name is Steve Skrovan along with my co-Host David Feldman. Hello David! How are you?

David Feldman: Hello everybody! Great show today as always.

Steve Skrovan: That is exactly right and what makes that show a great show every week is the man of the hour Ralph Nader, Hello Ralph!

Ralph Nader: Hello! Well the show affects almost every person in the country, and you'll see how the mainstream press has blacked out any discussion of it. We are talking about the maximum wage and universal basic income.

Steve Skrovan: Right Ralph, you wanted to, before we get going, you wanted to talk a little bit about what's going on in DC.

Ralph Nader: Yeah! Well in the House of Representatives Nancy Pelosi has put out the word that she is not willing to confront Donald Trump on impeachability anymore, even though, he is continuing to violate the Constitution in a whole series of ways; he never stops. So the impeachable offenses are continuing and there are some people who are her supporters in the House of Representatives who are saying, "We can't do that because he is coming on the attack," and whoever is on the offensive in politics has a big advantage if they throw their opponent on the defense. Right now, the public looking at their television screens sees Trump on the offensive. And just recently, Congressman Schiff said that there was a serious violation of abuses of power by the reported interference of Donald Trump through the Justice Department, in effect telling the 4 career prosecutors, they have to drop their request for a 5- to 7- year jail term for convicted Roger Stone who is a big financial supporter of Donald trump.

Now, this is extremely serious. Four prosecutors asked to be taken off the case. That's how outraged they are, how unprecedented this kind of political interference is, in the enforcement of the law by the Justice Department. Attorney General Barr seems to be siding with Trump. He is an impeachable offense candidate if there ever was one, by the Congress. And Trump is unapologetic. He doesn't admit to ordering but he admits to telling the Justice Department that it was an outrageous proposed jail sentence for someone who was convicted on very serious issues including perjury before Congress when he had sworn testimony. So, this is a new potential scandal bigger than Ukraine, because it's here; because it deals with the Justice Department. One of the prosecutors quit. This has never happened before and so this is a deepening scandal and, once again, Donald Trump can be relied upon, to be the best impeachment foil of any president in the White House. Will that message connect with Nancy Pelosi, who seems to have done her bit, by her standards, when she tore up the speech at the State of the Union event in the House of Representatives? Nobody knows, But, she's got to reconsider her ultra-caution against the most impeachable wild man in the White House, because there's nothing left standing to stop this man, other than the House of Representatives. He's rolled the Senate; he doesn't have to worry about the

press; he doesn't have to worry about the military, keeps giving them more money at the expense of budgets to protect children, or to anticipate and prevent pandemics. I mean it's crazy. His budget proposals can only be classified as institutionally insane in giving money to the rich, powerful and military and taking it away from workers, consumers, Medicaid patients, and research and action on epidemics, and pandemics--just for starters.

So, this is going to be a momentous situation coming up and guess what, Steven and Dave, Next week, another vacation for Congress. They take off for Presidents' Day, which is Monday, and then Valentine's Day and they take another week off. They only work about 120 days a year, where they are in Congress. They try to say they're doing constituent outreach. Well, we know what that is; that's just campaigning for their reelection. So, people out there ought to just ask their members of Congress, why don't you put in a full work week? They come in, most of them come in Tuesday, sometimes not till noon, and then leave early Thursday afternoon. And in the meantime, they take time off in the afternoon to go to nearby offices where they go into cubicles and dial for campaign dollars. So, this idea of Congress, being able, even if it was willing, to oversee a runaway executive branch that's shredding laws protecting health, safety, economic well-being, freedom of the American people; they can't do it unless they work a five-day week. And This is very rarely reported by the mass media and all the reporters swarming over Capitol Hill because 1) they like their downtime too, so that you know, Monday and Friday is pretty good downtime for them. And 2) they don't want to irritate the members who don't want to be caught before people back home who put in a full week or more. You know, unemployment is low; I know people who have three jobs to make ends meet. So that's the scene right now between the House of Representatives, Trump and his vindictive dismissals of people which are just going underway. He's starting a major purge. He's drunk with his own power. He's lying by the hour, and the Democrats still are wondering whether any of their presidential candidates are able to defeat him. Electability? Just the word electability indicates a defeatist attitude by the Democratic Party against the most easily defeated crook in the White House. I mean, you know, Nancy Pelosi tells people "he's a crook, a thief, a liar; he should be in prison." Why is it so hard to beat him? The Democrats have plenty of money. That isn't a problem anymore, the campaign money. So, Republicans win elections, because Democrats lose. They don't really win the election. The Democrats let them win the elections--the worst Republican Party in history!

Steve Skrovan: So, Ralph if you were Speaker of the House for the Republican Senate and in this moment of history, what would you do?

Ralph Nader: I would have high profile investigations of the corruption in the Trump administration by five committees. They already have started them but they're not high profile. And then I would demand information and witnesses from Trump land, and they would be refused by Trump and his associates. Then I would subpoena them; they would defy the subpoena. Then I'd move for a slam-dunk impeachment in the House; no witnesses needed. Under our Constitution, you defy a congressional subpoena, as a member of the executive branch, that is an extremely serious impeachable offense. Some have called it the original impeachable offense, because without Congress able to get information, how can it do its job in the war power, the appropriations power, the tax power, the investigative power, the confirmation of nominees power. That's why some constitutional experts have called the subpoena power of Congress the precursor authority of all their other authorities being able to be invoked under the separation of powers.

Steve Skrovan: But Ralph, we've already had a Republican-controlled Senate basically say, "We don't care about any of that." And if all of this starts up again, they're gonna say, "Here they go again; they've been trying to impeach him since before he was elected." They've already rejected that.

Ralph Nader: Yes, that's fine, but repetition is important in terms of the Republicans emulating their own historic institution to the Senate. Let Senator McConnell say to the public, Yeah, I don't want my House of Representatives subpoenas to be honored, and therefore I don't want the Senate subpoenas to be honored. He'll go down in disgrace. And I think he'll lose the public opinion poll on that because the subpoenas will be written in kitchen-table language. That is, they will request information about Trump's political corruption in increasing air and water pollution, in cutting aid to children, in cutting critical infrastructure and cutting worker safety and health. See all of that is mixed up with his corrupt appointees that the Senate confirmed. So, it wouldn't be just some technical subpoena; it would almost be like an authentic press release that resonates throughout the country. And let McConnell and his Republicans defend that, both in the trial, which is not very long at all. You know, it isn't very complex; he defied the subpoena yes/no--vote. It can be done in a day in the Senate. And let him and his Republicans defend that all over the country in the succeeding months.

David Feldman: Instead of impeachment, suppose we get some clear guidance from the Supreme Court on oversight. Aren't we expecting a ruling as to how much oversight, the House of Representatives is entitled to in the next couple of months?

Ralph Nader: It's none of the constitutional businesses of the Supreme Court. The Congress can enforce its own subpoenas; it doesn't have to go to court at all. That's a misunderstanding by a lot of people in this country. They think it has to go to court and drags on for years and the election is over. No, it doesn't. Congress has plenary power. If its subpoenas are defied, it has two options: 1) It can move to impeachment; 2) It can arrest, whatever executive-branch person defied the subpoena--say an attorney general or a Department of Interior Secretary--and actually imprison them.

David Feldman: Right. Do you have any hope that Roberts will guide the Supreme Court to rule against Trump on these subpoenas that are currently before the court?

Ralph Nader: It's hard to say because he's been known as an advocate for powerful executive authority of the President. On the other hand there are limits. And he's going to have to decide before June, whether to order Trump to release his tax returns. No more delay; it has got to be done before the end of the session. He's indicated that, so if he says no then we really have a judicial branch that is voluntarily surrendered its independence to concentrated dictatorial executive authority, against Congress.

David Feldman: One last question. I know we're short on time. If Bernie gets the Senate, by one vote, if the Democrats keep the House, Bernie wins, and they/we have Majority Leader Chuck Schumer, what can they do? What can they accomplish with a simple majority?

Ralph Nader: Well, they can for example, revoke the tax cut for the wealthy because the Republicans have said it doesn't require 60% or filibuster proof. They can do that, but it's not likely David, because if it's just a one vote majority there's always a Blue Dog Democrat or two they can spin off. They have to have a little more majority than that in order to be secure.

David Feldman: What about rewriting the Senate rules and going nuclear?

Ralph Nader: Well, McConnell has already done that with the help of his Democratic predecessor Harry Reid. Harry Reid's the one that said, you no longer have to have a supermajority to confirm judges and high executive branch nominees like secretaries of departments. So, McConnell said okay, Harry. You tried it on your side. Now all we need is a majority, 51%, or even 50, if there's a vice president to break the tie, to get every federal judge, circuit, district, Supreme Court through.

David Feldman: Right

Steve Skrovan: Well, speaking of tax cuts for the rich, that kind of segues into the theme of the show today, which is income inequality, which even President Obama, no raging liberal himself, early in his second term called " the defining challenge of our time". And we're going to attack this topic from two different angles--one from the top down the other from the bottom up. First we welcome veteran labor journalist and Associate Fellow at the Institute of Policy Studies, Sam Pizzigati. He has written a book entitled *The Case For A Maximum Wage*. We've often talked on this program about raising the minimum wage, and how there is a left/right coalition behind that. And over the life of this program we've seen laws for raising the minimum wage pass at the local and state level, although still not at the national level. So in a world where some corporate executives make more in one morning than their workers make in an entire year, Mr. Pizzigati argues that there are ways to cap those salaries, that would be politically palatable and address the inequality, that history shows ultimately destabilizes society. So, it's not even good for the rich. That's the top-end approach. Coming at it from a different angle we welcome back Steven Shafarman. Mr. Shafarman has been ahead of the curve on an idea that is gaining in popularity, due to the presidential candidacy of Andrew Yang, who just recently dropped out of the Democratic field. But Andrew Yang had been arguing for a Universal Basic Income, called UBI. Mr. Yang called it a Freedom Dividend, and Universal Basic Income is about everyone in the country over the age of 18, without qualification, receiving a lump sum of money every month. The figure most prominently given is \$1,000 a month. It's a form of Social Security that you don't have to wait until age 65 to collect. It is slightly less than what Donald Trump received at the age of three, which was \$200,000 a year, which made him a millionaire by the age of eight. So we look forward to talking to Mr. Shafarman about how this idea is gaining traction. And in between, as always, we will find a minute to scoot over to the National Press Building in Washington, DC to find out what machinations are going on at the corporate boardrooms with our corporate crime reporter **Russell Mohkiber**. But first, Ralph once wrote a book entitled, *Only The Super-Rich Can Save Us!* Our first guest envisions a world where there are no super rich. David?

David Feldman: Sam Pizzigati is a veteran labor journalist and associate fellow at the Institute for Policy Studies. He co-edits, inequality.org, the institute's weekly newsletter, Mr. Pizzigati has authored a number of books on the subject of inequality, including his most recent, *The Case for a Maximum Wage*, which offers a path to ending, what has come to be known as America's second

Gilded Age. Welcome to the *Ralph Nader Radio Hour*, Sam Pizzigati!

Sam Pizzigati: Thank you very much.

Ralph Nader: Sam I have to quibble with the title of your book, in order to increase appreciation of what you're trying to say. What you're saying in your book, this is a paperback, listeners; it's just a little over 100 pages. You won't put it down when you pick it up, because it relates so much to the whole well-being of our country and the world. It's called *The Case for a Maximum Wage*. Now, a wage to most people meaning an employer/employee relationship, something that is earned. But you're really talking about the case for maximum income, because you're not only including the huge salaries of these corporate executives, for example, but all the unearned income from dividends, capital gains, what you call rents, that amplify the huge inequality between the few and many. The second word, which is not your responsibility that I find extremely self-defeating for progressive people, is the word inequality. Because what they used to call mass exploitation of working people; they used the word exploitation a century ago, they didn't use the word inequality. It doesn't have enough of the image of the cruelty of the head of Walmart making \$12,000 an hour plus benefits, and a million workers in Walmart, making under \$10 and 50 cents an hour, less by the way than Walmart workers made 1968 adjusted for inflation. Okay, enough of that. I'm not asking if you agree on this, but I'm just saying that language is extremely important. And you know when progressives use the word in the health insurance discussion "providers"; I mean, really, providers connote something philanthropic they don't connote the gouging prices of health insurance companies and drug companies. They're vendors for heaven's sake. Alright, so Gore Vidal once said, "we live in the United States of Amnesia". And that means that when people like you make perfectly reasonable proposals, they seem off the wall, radical, because we have no sense in our history. So, why don't you start and tell us what the rate of taxation on the super-rich was 100 or more years ago, all the way through to Franklin Delano Roosevelt, compared to now, where the top rate for rich income receivers is under 30%?

Sam Pizzigati: That's right. In fact, the latest research from the economist Gabriel Zucman, who is a brilliant analyst at the University of California, Berkeley, the richest 400 Americans his research says, are now paying only 23% of their incomes in total taxes, that's federal, state, and local, and that's compared to 24% for the bottom 90% of Americans. So, in other words, the very, very rich people in America are paying the least in taxes. So, let's go back in time as he suggests. We didn't have a federal income tax in the United States until 1913, and the first federal income tax that went into effect was just 7%. So it was very slight and essentially just a minor irritant, a minor nuisance, for the very rich. But during World War I progressives, leading progressives of the time, people like Jane Addams the founder of the American social work movement, people like Sidney Hillman the great labor leader, who was then a young president, people like Amos Pinchot, the New York lawyer who led Teddy Roosevelt's 1912 campaign. They ran a campaign for a 100% tax rate on income over \$100,000, and they didn't get their way but the tax rate they put into effect by 1918 was 77%.

Ralph Nader: above \$100,000?

Sam Pizzigati: Yes, of income in the top tax bracket. So, I think at that time it was at the equivalent of about \$500,000 today. So, the very richest Americans had a stiff tax rate at that time. During the

1920s, the age of Andrew Mellon, he was in the richest man in the United States. And also the US Secretary of Treasury that top tax rate went all the way down to 25%. And then of course, that helped stimulate a decade of incredible speculation that ended with the stock market crash and the Great Depression. That was fully in place by the early 1930s. FDR came in; it was a time of tumult in the United States a time when the labor movement was soaring in its presence in America's workplace, a time where we had Huey Long and Share Our Wealth campaign and Franklin Roosevelt responded in 1935 with a call for a significant tax increase on the rich, which top tax rate went all the way to 75% on the very, very highest incomes in the United States. And then we came into World War II and in 1942, Roosevelt proposed a 100% tax rate on individual income over \$25,000. And \$25,000 in 1942 is the equivalent of about \$400,000 today. Roosevelt Didn't get his way. Congress didn't put in place a 100% top tax rate. But Congress did put in place a 94% top tax rate on income over \$200,000, and essentially for the next 20 years, the top tax rate in the United States hovered around 90%, those first two decades after World War II. And those years ended up being the most egalitarian years in the history of the United States. We went from a country where the majority of people essentially lived in poverty, did not have any disposable income at all. We went from that sort of America to the America that rated as the first mass middle class society in world history, a society where the majority of people had disposable income after they paid for their necessities. So that was the high point.

Ralph Nader: That was about 1960, right?

Sam Pizzigati: That's right. Statistically that high point came, depending on how you measure it, at the end of the 60s or the very beginning of the 70s. And since then it's been a totally different story; the tax rate has come steadily down. John F. Kennedy proposed knocking down the top rate from 91%, all the way down to 65[%]. Congress, right after his assassination, put the top rate down to 70%. Ronald Reagan was elected in 1980. He proposed an across the board tax cut that brought that 70% top rate down to 50%. By 1986, the top rate on the income of the very richest Americans was down to 28%, and it has bounced around a little bit ever since then and now the top rate statutorily is 37%

Ralph Nader: And for corporations it's now about 22.5%?

Sam Pizzigati: That's right, it is down lower.

Ralph Nader: I never understood why that doesn't violate the unequal protection of the laws clause of the Constitution. Alright, this is the predicate. Thank you very much Sam. Now, present your plan. This is a very elegant plan. It's not that complex. It is often self-enforcing. And just lay it out as concisely as you can, because you're combining a high tax on the super-wealthy connected to the minimum wage law.

Sam Pizzigati: That's right. So, the reason that those of us who believe in this approach talk about a maximum wage is that people understand the concept of a minimum wage. People understand the idea that decency in society demands a floor under income. I mean that's essentially what the minimum wage is. So, we say, that decency in society also demands a ceiling, a maximum wage. And the way we think this ought to work is that the maximum ought to be tied to the minimum. So, what we say is that income over a specific multiple of the minimum wage ought to be subject

to a 100% top tax rate. And if we made that linkage, if we link that 100% top tax rate to the minimum wage, then the very richest and most powerful Americans would have a vested personal interest in raising the minimum wage and improving the well-being of America's poorest and most powerless people. And that's the sort of society that I'd like to live in. Right now, the more the rich and powerful exploit people at the bottom, on the bottom rungs of society, the more they can personally gain. If we link the top to the bottom, if we linked those tax rates, then we change the incentive structure of our economy.

Ralph Nader: And what would be the percent ratio 25 times the minimum wage would be the ceiling, 50 times? You know, Peter Drucker once said, he's the big corporate guru revered by all kinds of business schools and business observers. Peter Drucker proposed that CEOs should not get paid more than 25 times the entry level wage in their company. So what ratio, and when you discuss the ratio Sam, talk about what was proposed in Rhode Island, which is described in your book on page 108 with a stunning comment here by a legislator in Rhode Island, who said "it would take an average Walmart employee 1133 years to earn what Walmart's CEO makes in a year".

Sam Pizzigati: Well, you know, Ralph even more incredibly we did a report last year at the Institute for Policy Studies where we pointed out that in 2018, which is the latest year that we have statistics for, there were 50 corporate CEOs, five 0 corporate CEOs in the United States, who made more than 1000 times the wage/the income of their most typical worker--50 corporations in the United States! So, we're not talking just about Walmart here; we're talking about a phenomenon that is widespread throughout corporate America, and a phenomenon that's changed enormously since the mid-20th century. In the mid-20th century when Peter Drucker was outraged about excessive CEO pay, at that time, corporations were paying CEOs 35 and 40 times more than their average workers and Drucker, as you just noted, thought that that should be no more than 20 or 25 times.

Ralph Nader: By the way people should know that, CEOs in Europe and Japan, who like money just like the CEOs here, are not allowed by social pressure of labor unions to have that kind of high ratio.

Sam Pizzigati: That's right....

Ralph Nader: They have much lower ratios.

Sam Pizzigati: That's right.

Ralph Nader: Now, just for people who think this is, you know, just a good theory, I'm going to ask you how this would affect the whole livelihood of people. It's not just a matter of money. You talk about all kinds of effects when the spread between the rich and the rest of the people is narrowed. But why don't you tell us what most people, I don't even think David and Steve know this, what's the new Portland statute in Oregon, the Portland Oregon statute?

Sam Pizzigati: Portland, in the end of 2017 passed what Branco Milanovic, one of the top world's economists studying inequality, called the world's, first inequality tax. So, corporations doing

business in the City of Portland, Oregon, and that includes all the big corporations in the United States, you know, Microsoft on down, those corporations must pay a surtax, on their normal city business tax if the gap between their CEO and typical worker compensation goes over 100 to one. So, if they pass that 100 to one barrier, they pay a 10% surtax. So in other words, their business tax, their city business tax, gets increased by 10%. If the gap is over 250 times between CEO and typical worker pay, they pay a 25% tax. And Portland is the first city that has done that. San Francisco is going to have a ballot measure coming up probably next year on the same issue. There are six states where similar legislation is now pending, including California. And on the federal level, Barbara Lee from California, Rashida Tlaib from Michigan and Senators Bernie Sanders and Elizabeth Warren all introduced last fall, legislation that will apply the same principle at the federal level, in other words penalize corporations. In the case of Sanders, Warren, Tlaib and Lee legislation, penalize corporations with gaps greater than 50 to one on a graduated basis.

Ralph Nader: You know it's interesting that this Portland Oregon statute has not gotten very much publicity at all. So are the companies like Microsoft, Apple, Honeywell, are they actually paying this or they're challenging it in court?

Sam Pizzigati: No, they're paying it and the first year which was 2018, the first full year this was in effect, it raised over \$3 million in Portland. So, the business tax the corporations pay, compared to other taxes, is a not a big line item for them. But it's a big line item for Portland; it's \$3 million, which Portland put into programs for the homeless.

Ralph Nader: Well, what's wrong with Los Angeles and New York? Why don't they follow up on this [since] they are all hungry for revenue?

Sam Pizzigati: Well California is following through on the state level and there were hearings held late this past fall and that legislation has passed out of its first committee, and it will be going to the floor of the State Senate, hopefully sometime this winter [or] early spring. So, this legislation, this idea is growing and spreading. In the UK, the Labor Party is supporting this idea. So, I think what we're seeing now is only the beginning of a process.

Ralph Nader: Tell our listeners, how life will change in America. This is really not just a source of new revenue, because when you reduce the spread between the few and wealth of the many--wealth or income--all kinds of benefits occur, and that's been shown by studies like Switzerland and others where there is less of a gap, because there's a bigger safety net.

Sam Pizzigati: That's absolutely true. Let's start with the most basic aspect of our lives, and that is how long our lives last, life expectancy. There's been a wealth of research over the past 25 years by epidemiologists. Epidemiologists are the scientists who study the health of populations. What all this epidemiological research has found, is that the more equal the society, the narrower the gaps between the affluent and everyone else; the healthier the society, the longer people in that society live. And not just poor people, but throughout the income range, so middle-income people in a relatively equal society, with health insurance, you know, with decent income. Middle-income people in a deeply unequal society, like the United States, live shorter lives than middle-income people, their counterparts in more equal nations.

Ralph Nader: And there's more, more, go into other areas Sam!

Sam Pizzigati: So, there's life expectancy, there's economic productivity, things like patents that the equal society, there's more intellectual creativity that results in patents for new processes. The level of patents are higher, level of intellectual creativity is higher in more equal nations than it is in unequal nations. You go down the list and look at rates of alcoholism, you look at people's height; people in more equal nations grow, have average greater heights than people in more unequal nations

Ralph Nader: What about depression and suicide?

Sam Pizzigati: Yes, Well...

Ralph Nader: Crime, street crime?

Sam Pizzigati: Street aggression, mental health, crime, homicides, you can go down the list; all those benchmarks of social decency are better in equal societies than they are in more unequal societies. And people who want to read more about that and the details about that, could take a look at a book called *The Spirit Level* by the British epidemiologist Richard Wilkinson and Kate Pickett, which looks at this internationally and just makes incredibly impressive reading, and reading that encourages us to take mal-distributions of income and wealth very, very seriously.

Ralph Nader: Well, we're talking with Sam Pizzigati, the author of this little paper book that is backed up by massive research and writings by him in the past. It's called *The Case for a Maximum Wage* by Sam Pizzigati. And of course, there is far less anxiety, dread, fear, family breakups due to poverty. And more illness, more trauma; there's more workplace hazards.

Sam Pizzigati: That's right and I think that we often overlook is this matter of trust, that there's more trust between people in equal societies than indeed people in deeply unequal societies. The more unequal the less the trust. The more you have a guard mentality throughout a society, the less pleasant the society becomes to live in.

Ralph Nader: Give our listeners, before we continue Sam, the website, or place they can get more information and also, where to join the movement here.

Sam Pizzigati: Yes. So, the website where we have all sorts of more information and statistics, and we also have information about what people are doing to confront our inequality, is inequality.org. And if folks go over there, they can access all this information. Even more importantly, they can sign up to our weekly newsletter, which updates the situation, updates struggles against inequality, tracks the progress of campaigns for the legislation, like the legislation we talked about Portland and in California

Ralph Nader: Give that again slowly!

Sam Pizzigati: It's very easy: inequality.org.

Ralph Nader: Well we're out of time. We've been talking with Sam Pizzigati, who has written a new paperback: *The Case for a Maximum Wage*. It's backed up by enormous historical and contemporary research in his larger book *Greed, and Good*, which I urge you to read, and I hope Sam, that you will call up Richard Trumka and ask for an appointment, in order to try to get volume purchases of this paperback, to re-educate labor unions at the local level, some of which will be quite responsive because they've got their back up against the wall. They're disappearing or shrinking in membership and that's a real disaster for our democracy. Thank you very much Sam. Before we conclude, one last time, the website:

Sam Pizzigati: The website would be inequality.org.

Ralph Nader: Thank you again.

Sam Pizzigati: Thank you.

Steve Skrovan: we've been speaking with Sam Pizzigati: we will link to his work at ralphnaderradio.com. We're going to take a one-minute break and check in with our corporate crime reporter Russell Mohkiber. When we come back, we will welcome back Steve Shafarman, who is going to tell us about the now popular debate over Universal Basic Income [UBI].

Russell Mohkiber: From the National Press Building in Washington, D.C., this is your Corporate Crime Reporter Morning Minute for Friday, February 14, 2020. I'm Russell Mohkiber. Evenflo touted its Big Kid Boosters [Seats] as side-impact tested without revealing that its own tests showed a child seated in its booster could be in grave danger in such a crash. That's according to a report from ProPublica. On its website, Evenflo told parents, those tests were rigorous, simulating realistic side-impact crashes, which were responsible for more than a quarter of deaths of children under 15 killed in vehicle collisions in 2018. While less common than head-on crash, side-impacts are more likely to result in serious injuries, in part because there's only a door separating the passenger from the intruding vehicle. In reality, Evenflo tests were anything but stringent. The company's tests show that when child-size crash dummies seated in Big Kid Boosters were subjected to the forces of a T-bone collision, they were thrown far out of their shoulder belts. For the corporate Crime Reporter, I am Russell Mohkiber:

Steve Skrovan: Thank you Russel. Our next guest you heard on our program five years ago promoting the idea of the Universal Basic Income [UBI]. At the time, very few people had any idea what that was. Five years later, it is now part of the national debate. David?

David Feldman: Steven Shafarman is the co-founder of Basic Income Action, a non-profit organization whose mission is to win a basic income for all, by educating and organizing people for action. Steven Shafarman has written five books. His latest is *Our Future: The Basic Income Plan for Peace, Justice, Liberty, Democracy and Personal Dignity*. Welcome back to the *Ralph Nader Radio Hour*, Steven Shafarman.

Steven Shafarman Thank you very much; delighted to be talking with you.

Ralph Nader: Well Steve since we last had you on the program Andrew Yang, the presidential candidate who just dropped out, after the New Hampshire Primary, talked everywhere all over the country about the Universal Basic Income, which he called the Freedom Dividend. It was a thousand dollars as a month to everybody and he got a pretty good reception. He educated a lot of people. Now I know your proposal is different and we'll get right into that. But it's really interesting, isn't it, that so many past liberals and conservatives, economists, politicians in our history and western countries' history, going back to Thomas Paine, supported this kind of guaranteed income.

Steven Shafarman: Yes!

Ralph Nader: And yet, 99.9% of the people never heard of it. And so, this is what the dominant corporate culture does. Here's what it does, the dominant corporate culture going right into our educational system, makes invisible to the American people what is in plain sight. That's what happens when we grow up corporate; all kind of things that are in plain sight, are occluded, camouflaged, blacked-out by a dominant corporate culture in the media and elsewhere. So, why don't you explain just how conservative your proposal is, and how much it is part of a restoration movement? There's nothing new about Universal Basic Income to corporations. I mean corporations get basic income every day. It's called corporate welfare, crony capitalism, hand-outs benefits, subsidies, bailouts; they get free research and development to build Silicon Valley, companies, to build the aerospace, pharmaceutical, biotech industries--you name it. Corporations have been on Universal Basic Income since day one [laughter] and what Steve Shafarman is doing is saying it's about time to the people to get some payback.

Steven Shafarman: Absolutely, absolutely! Let's eliminate the middleman, those corporate scallywags, and give the basic income directly to the people. And as you've said, so elegantly Ralph, this is an old idea going back to Thomas Paine and Thomas Jefferson, endorsed by many conservatives, especially in the 1960s. And it simply says that if we truly believe that life, liberty and the pursuit of happiness are unalienable rights, then we have to ensure that everyone has at least some income, so that we can secure our life and our liberty. And Andrew Yang talks about \$1,000 a month, as a Freedom Dividend. I deliberately say that the amount is secondary. More important is that any amount will give people a monthly reminder that we are equal citizens and that each of us has a direct stake in taking our power back from the corporations, and in demanding a stronger democracy, and demanding protections for our environment and our social welfare.

Ralph Nader: Well talk about Nixon and Milton Friedman.

Steven Shafarman: Yeah!

Ralph Nader: Let's start with real right-wingers here that people might not be familiar with, just to show, you're talking about restoration.

Steven Shafarman: Absolutely! And one of the things I do in *Our Future*, is carefully frame the idea, so that it can appeal to people from across the political spectrum, so that it will attract folks who voted for Donald Trump, and folks who didn't vote as well as supporters of Bernie Sanders or Elizabeth Warren. So, in the 1960s this was truly a mainstream, even moderate idea. Milton

Friedman, then and still revered as a leading conservative economist, called it a negative income tax. Martin Luther King called it a guaranteed income. It had majority support in the 1960s and Richard Nixon, of all people, presented a guaranteed income plan to the Congress. It passed in the House with 2/3 of the vote--truly bipartisan, a majority of Democrats and a majority of Republicans--but was then blocked in the Senate, because the extreme conservatives and the extreme liberals, for different reasons, voted against it.

Ralph Nader: Let me interject here Steve. Why don't the Democrats put it in now? I mean, if it has that kind of big support, why don't they put it in now? They can invoke Nixon, Daniel P Moynihan, Milton Friedman, AND the horrors of the huge taxpayer bailout of Wall Street when it collapsed the economy and trillions of dollars. I mean, they can talk about payback. Why don't they put it in now?

Steven Shafarman: I am not an expert on why the Democratic Party has for decades been so feckless and ineffectual, but that's really the answer, I think. As you know from your campaigns in '96, and 2000, and 2004, the Democratic Party, for most part, has sold out to Wall Street and other big corporate interests. And a lot of conventional Democrats to this day are afraid to be so bold. Also, a lot of Democrats, to this day, including many progressives and liberals, even Bernie Sanders, think that government should provide a jobs guarantee first. The problem with the jobs guarantee is that any effort to provide or create jobs, ends up creating a lot of useless jobs, and a lot of make-work jobs and, any talk about jobs leaves the power with the employers or with the government agency. My argument for a basic income is that it's the only way to directly empower individuals as workers and as citizens.

Ralph Nader: Well, tell us how it works, like everybody--rich, poor, middle class--gets a check every month? By the way, in Canada, for decades, children of parents got a check from the government every month. I don't know if it continues.

Steven Shafarman: Yes. Canada still has...

Ralph Nader: It's their way to deal with dire poverty, getting rid of dire poverty. So how would it work in practice?

Steven Shafarman: Well, one way to think about it is that everyone gets a check each month, although of course in practice, we would tie it to the tax code, so that it's directly linked to your earnings, and it's a direct check for people below some poverty line; and lower taxes for people above the poverty line. You give it to everyone for the simple reason that making it universal is much, much more efficient. So, if you give it to everyone, then you don't have constant political fights about where and how to draw the lines.

Ralph Nader: They all get the same amount of check? Or if you're a high income you get less of a monthly check.

Steven Shafarman: Yeah. Yeah. And it's tied to the tax code, so that if you're a high income, you're paying higher taxes and paying it back.

Ralph Nader: Spread out your impact here. I mean, everybody gets this. Dire poverty is mostly eliminated because I don't think anybody is going to propose less than a \$ 1,000 a month, but you tie it into peace justice, liberty, democracy and personal dignity, and you're not just engaging in generalizations. Spell it out for us.

Steven Shafarman: Thank you, Ralph. Yes. I'm not just engaging in generalizations. What I am really saying is that, when we have a basic income, when every American has a monthly reminder that we are citizens, we can directly address the root causes of war and injustice and other abuses. So, with regards to peace, even liberals today, liberal Democrats, tend to support military spending that goes to their state or district. And military spending often is promoted as a way to create jobs and promote economic growth. I'm saying that when everyone has a basic income, it will no longer be government's role to create jobs for people. It will no longer be appropriate to subsidize the military contractors or other big corporations. And so, we will have the means to begin cutting the waste and excess in the military. With regards to justice, and that was an argument that Martin Luther King made for the guaranteed income back in the 60s; he said we have to address the root causes and not just the specific instances of housing and racism and miseducation, but the root causes are to address poverty directly with a guaranteed income.

Ralph Nader: It's what Cornel West, in his book *Class Matters*, not just race matters. He has written two books: *Race Matters* to and *Class Matters*.

Steve: Yeah. Yes. Absolutely!

Ralph Nader: Go ahead.

Steven Shafarman: A lot of the problems in our society, going back to the beginning but especially in the 60s, and through today, are that race and class issues, are so confounded . And Martin Luther King addressed that in his last book, *Where Do We Go from Here: [Chaos or Community]* and people like Cornel West also write about it. And if we address basic income first, provide people with a basic income first, then I think we will be much better prepared to have calm, thoughtful conversations about issues of race and reparations and related matters.

Ralph Nader: Liberty next!

Steven Shafarman: Liberty! The most obvious case is the correlation between poverty and being arrested. There's been a lot of talk lately about New York "stop and frisk" laws against poor blacks and Hispanics. There's been a lot of talk in Washington, DC and many places about eliminating cash bail for minor crimes, and when everyone has a basic income, it will be much easier to ensure that everyone has the liberty to stay out of jail and, to pursue our perceived interests. Liberty, of course, is not just freedom from government oppression and freedom from corporate rule; it's also the freedom to pursue our dreams and goals. And basic income will act as an absolute floor so that everyone can freely pursue whatever it is they want--to be a full-time parent, or a full-time political activist, or to work part-time or be an entrepreneur and start a business that might have a significant impact on the world.

Ralph Nader: Democracy.

Steven Shafarman: Democracy. One of the things that really frustrates me and that I address in *Our Future*, is the fact that everyone talks about democracy, but we don't really think about what the word ought to mean. In true democracy, individual citizens, talk to our friends and family members and neighbors about what is it that we want for our communities and how can we get what we want for our communities. And then we choose representatives to help us achieve what we want. With a basic income, we can directly empower individuals to be active citizens in a democracy, and can begin to reform some of the failed notions today. Because, so evident in the political primaries, is what we have today, is candidates mostly funded by wealthy interests, selling themselves to us, selling their policies to us, as if our only role is to give a thumbs-up or thumbs-down. And I'm saying a true democracy has to empower people directly.

Ralph Nader: Personal dignity.

Steven Shafarman: Personal dignity is fundamental, and that again is why I am so focused on this idea of a basic income, because when people are struggling and unable to pay their bills, they're often forced to compromise their dignity and desires in various ways--to take jobs that are demeaning or degrading, for example. This argument actually was most effectively presented by Franklin Roosevelt. Many people don't know but in his State of Union address in 1944, he called for a second Bill of Rights, which would guarantee economic security, housing, education and other rights to everyone. And he said that necessitous men are not free men. And I think that's absolutely true. When people are needy and desperate, unable to pay their bills, we are not truly free.

Ralph Nader: Let's see how you respond to criticisms of it.

Steven Shafarman: Please!

Ralph Nader: Criticism number one: Steve Shafarman, author of the new book *Our Future: The Basic Income Plan*. It's gonna cost too much! You don't give figures. Who's going pay for it?

Steven Shafarman: Yeah! Well, I don't give specific figures, though actually in one of the appendices, I discussed the cost arguments in some detail using figures from experts on both sides of the political spectrum--from a leading libertarian conservative, Charles Murray and from a leading progressive Democrat, Andy Stern. And fundamentally we pay for it by cutting and simplifying current programs. So, when I talk to our progressive Democratic friends, and our Green Party friends, I emphasize we pay for it by cutting corporate welfare—local, state and federal. We pay for it by eliminating waste and excess military spending. And part of the answer also is that we simplify the tax code to tax it back from the people who don't really need it. We don't just simply roll back the Trump Republican tax cut of 2017, but we make the tax code truly progressive.

Ralph Nader: Alright! What the argument that it's going to replace needed welfare services; it's gonna replace everything from energy assistance, housing assistance, Medicaid, and the Earned Income [tax] Credit. Because, the right wingers will say, okay Steve, we will give you the basic

income, but we're going to take away these others and make it revenue neutral. What's your answer to that?

Steven Shafarman: My answer basically is that we're going to have some serious political conversations about all those issues. And yes, the right-wing libertarian version of basic income is to eliminate all other programs and the progressive democrat liberal version is to add the basic income on top of all other programs. And my answer is, let's have a serious responsible conversation, but basic income first, because, until regular folks can participate as citizens, we can't even have thoughtful democratic debates about the issues. We just have experts on either side arguing at each other. And more fundamentally, we have to create the means that everyone can participate, so this is why I link all these issues together--peace, justice, liberty, democracy, and personal dignity--because they really are inseparable.

Ralph Nader: We're out of time. We've been talking with Steven Shafarman, who is the author of the book, *Our Future: The Basic Income Plan for Peace, Justice, Liberty, Democracy, and Personal Dignity*. He has really thought through this; he goes through all kinds of reactions to it, of support to it. It's rare to see a relatively re-emergent idea, supported by left/right, by conservatives and liberals. And it's just the lack of grassroots mobilization that hasn't carried this into the Congress. I think if there is vote in the Congress it would win. But, we need people who not only believe in it, but who get with their member of Congress when they come back home in their numerous vacations in the next few weeks, and tell him to put that bill in, have a hearing in the House and the Senate, and get something done that's supported by both, liberals and conservatives in the Congress.

Steven Shafarman: Excellent!

Ralph Nader: Thank you very much Steve!

Steven Shafarman: Thank you Ralph! This has been fun!

Ralph Nader: Gook luck on it!

Steven Shafarman: Thank you.

Steve Skrovan: We have been speaking with Steven Shafarman. We will a link to his work at ralphnaderradiohour.com. I want to thank our guests again, Sam Pizzigati and Steven Shafarman. For those of you listening on the radio, that's our show. For you podcast listeners, stay tuned for some bonus material we call the Wrap Up. You're going to have a lot of it this time. A transcript of this show will appear on the *Ralph Nader Radio Hour* website soon after the episode is posted.

David Feldman: Subscribe to us on the *Ralph Nader Radio Hour* YouTube Channel, and for Ralph's weekly column, it's free, go to Nader.org. For more from Russell Mohkiber, go to CorporateCrimeReporter.com.

Steve Skrovan: And Ralph has got three books out: *The Fable: How the Rats Re-Formed the Congress*, to acquire a copy of that go to ratsreformcongress.org, and *To the Ramparts: How Bush and Obama Paved the Way for The Trump Presidency* and *Why It Isn't Late to Reverse Course*, and, *Fake President: Decoding Trump's Gaslighting, Corruption, and General Bullsh*t*, co-written with Mark Green. We will link to them also.

David Feldman: The producers are the *Ralph Nader Radio Hour* are Jimmy Lee Wirt and Matthew Marran. Our Executive Producer is Alan Minsky.

Steve Skrovan: Our theme music, "Stand-up, Rise Up", was written and performed by Kemp Harris. Our proofreader is Elisabeth Solomon.

Join us next week on the *Ralph Nader Radio Hour* when we speak with Ryan Aquilina of the Ditch Mitch Fund. Thank you, Ralph!

Ralph: Thank you Everyone. *Fake President* is not just another book on Trump; it is a resource book, a handbook for activists and field organizers in the upcoming months.

[music]