

RALPH NADER RADIO HOUR EP 412 TRANSCRIPT

Tom Morello: I'm Tom Morello and you're listening to the *Ralph Nader Radio Hour*.

[Music] Stand up, stand up, you've been sitting way too long.

Steve Skrovan: Welcome to the *Ralph Nader Radio Hour*. My name is Steve Skrovan along with my co-host David Feldman. Hello, David?

David Feldman: Hello, Steve.

Steve Skrovan: Good to have you here and it's also good to have the man of the hour here, Ralph Nader. Hello, Ralph.

Ralph Nader: Hi. Well, you're going to hear a show about how the U.S. government has been contracted out to corporations on a massive scale.

Steve Skrovan: You are correct, sir. Our featured guest today will be Donald Cohen, the founder and executive director of In the Public Interest, a national resource and policy center on privatization and responsible contracting. Mr. Cohen is co-author of a new book, *The Privatization of Everything*. We discuss privatization and its evil twin, corporatization, a lot on this program from foreign wars to fresh water, from prisons to pensions, from health care to home loans. Privatization just seems to pop up, well, everywhere. We'll ask Mr. Cohen about his new book and what it means when the public reclaims control of public goods. As always, somewhere the middle we'll check in with our corporate crime reporter Russell Mokhiber. At the end of the show we're going to discuss two leading important figures this week, investigative journalist Morton Mintz, who just celebrated his one hundredth birthday, and Time Banking pioneer Edgar [S] Cahn, who recently passed away.

David Feldman: But before we do any of that, we're going to start the program with a quick discussion with constitutional scholar and friend of the show, Bruce Fein, to talk to us about the constitutional ramifications of our potential actions in the ongoing Russia-Ukraine situation. Regular listeners know that Bruce was Associate Deputy Attorney General under Ronald Reagan, and has been a visiting fellow for constitutional studies at the Heritage Foundation, and an adjunct scholar at American Enterprise Institute. He is also the author of *Constitutional Peril: The Life and Death Struggle for Our Constitution and Democracy*. Welcome back to the *Ralph Nader Radio Hour*, Bruce Fein.

Bruce Fein: Thank you for inviting me.

Ralph Nader: Yes, Bruce, let's talk about Ukraine, 47 million people, about seven million Russian origin residents. It was once called the potential bread basket of Europe. That's how fertile its land was seen. But it's gone through many troubled times and now there is a lot of tension between western countries, including the U.S. and Russian dictator, Putin, over the security aspects. And as you know, Bruce, the Russian people remember very well how Kaiser and Hitler in two world wars invaded the western frontier, and the result was over 50 million Russian deaths. So they have, apart from Putin, a concern about the security of their western frontier.

So let's hear your views on what Putin wants, what Biden and NATO want, and what they can settle for in a diplomatic understanding, perhaps even a security treaty.

Bruce Fein: Yeah, well, thank you, Ralph. And first I'd like to preface, I'm not defending Vladimir Putin. He clearly is a dictator as you said. But the fact is we have an international community and standards that we can't make the world perfect. Sometimes the cure is worse than the disease. But that said, Putin clearly has legitimate concerns. It really stems back from the dissolution of the Soviet Union in 1991 and the unification of Germany, when at that time, then Secretary of State James Baker speaking for then President George H.W. Bush promised Gorbachev that we would not be expanding NATO eastern and he didn't have to worry. If anything, we would perhaps be inviting Russia into NATO, which never happened. And we immediately flouted that promise.

We have expanded now NATO to 30 countries including such countries as Macedonia and Montenegro; reinstalling antimissile systems in Poland and in the Czech Republic although ostensibly to guard against Iranian missile attacks. That clearly is a pretense for attacking or having the capability of defending against Russia or penetrating Russia since the difference between offensive and defensive missiles is very precarious.

So it looks from Putin's point of view that we're trying a pincer movement. And we have made overtures to Ukraine and Georgia, even closer to the borders of Russia, to become members of NATO. And when they become members, we have military exercise; we place weapons there.. It looks like at some sense similar to what precipitated the Cuban Missile Crisis when he had missiles, Jupiter missiles, on the border between Turkey and the Soviet Union that could hit Moscow in a few minutes. and we saw the response then. We were willing to blow up the whole world because we would not tolerate missiles 90 miles from our border.

So Putin clearly has legitimate concerns. This is not just invented. And we have shown in the past that we do desire to control countries in their midst. We really orchestrated, if you will, a change of administration in Ukraine not many years ago when Yanukovich was in power. And remember we had one of our diplomats who basically gave the middle finger to the European Union saying they weren't tough enough on ensuring that we had our person running Ukraine rather than the Russians.

So. the fact is we are not dealing with a Putin who is hallucinating. He sees exactly what our goal is. Now, what can be done to extricate the world from this impending clash which probably would be very damaging? Who knows what would happen. It does remind a little bit of 1914 in Sarajevo. What started out with one assassination, blew up into a world war that killed and had casualties of 40 million, 21 million died, 20 million casualties.

First of all, we do not have any legitimate national security interest in Ukraine. We do not have any existential threat coming and emanating from Ukraine, nor any need for us to protect our security by deploying any military forces in Ukraine or Georgia for that matter. Indeed in my view we should be downsizing NATO, not trying to expand it. And the fact is that if we made those pledges to Mr. Putin, and they really ought to be included in some kind of treaty because we've learned from the Iranian situation, you come in with an executive agreement and not only that, the agreement that happened in 1990 with the union of Germany in our pledge not to expand NATO east some successor administration comes in and walks away from. So unless you

enshrine the commitment in a more legally binding document... if I was Putin I'd say, all right, well that's what you said, Mr. Biden, but what happens in 2024 when you're not there anymore? We don't have any protection. And that is a way I think that we could end this kind of tension this march toward mad war over something that really is not at all a national security interest of the United States.

Ralph Nader: People should remember that NATO is a military alliance directed against the Soviet Union. So from Russia's point of view, it's a hostile force and it was never supposed to go into Eastern Europe, which Bruce has pointed out, has already occurred. Now, what would happen if it started getting out of control? Remember that's exactly what happened in World War I where the potentates of Russia, Germany, the Austro-Hungarian Empire, France, and England; they all knew each other. They intermarried with relatives with each other. And yet that assassination in Serbia of the archduke triggered one tripwire after another into a massive world war. And this could get out of control. And how do you bring it under control in terms of congressional sovereignty here?

Bruce Fein: Well, it's quite clear under the Constitution and even under the NATO treaty that Biden cannot act on his own unless there's congressional authorization, a vote. The NATO treaty itself requires any response to aggression or creating a danger to a NATO member has to be according to the constitutional processes of the signatory nations. And under the Constitution that declare war clause only Congress can authorize the use of the military unless the United States itself is attacked. And that means Mr. Biden cannot move forward under our constitutional system unless Congress passes a statute that says go ahead and attack Russia.

I do not believe that if Russia did attack that the Congress would vote war. I think they recognize this is not a national security interest. You may recall the last time when Congress was confronted with a request to go to war was by Obama in Syria in 2011 after the chemical weapons attack was alleged, never proven. Congress blocked; they wouldn't even vote on. That's what the framers understood that Congress is a cautious body. It will only go to war if it's really, really clear and serious because they get nothing from it. The president runs empires; he gets grandeur. Remember Bush got 91% popularity after he invaded Kuwait on defense of a 300-year-old tyrannical tyranny. And so they concoct excuses.

I believe that the driving force behind the United States now in the conflict with Ukraine is they want to send a message to China. Hey, we are going to defend anything, so don't look after Taiwan. It's what happens when you have an empire. Every single tiny challenge to your power becomes necessary to defend.

Ralph Nader: One might add that the resistance of Congress on the Syria request by Obama was overwhelmingly bipartisan Republican/Democrat. And a major reason is that the roar came from the people around the country. Over 90% of the communications from people around the country to Congress were do not move into Syria. They had enough of the criminal invasion in Iraq in 2003. So diplomacy is the way to go and in concluding, how would you propose to Putin a diplomatic solution?

Bruce Fein: Well, I think if I were Biden, if he really wanted to do this and had credibility, he says let's negotiate a treaty so that's not my word. It'll give binding effect of the fact that we are not going to have a treaty that says we will not absorb any additional countries into NATO; in

fact we should downsize, and that he will do his best to get the Senate to ratify the treaty. And I think that's exactly what happened. For the precise reason you said, Ralph. I can't think of more than a handful of people with fingers left over to count on my hand who support going to war over the Ukraine. This is clearly something concocted by power-hungry people in the military who want to extend our projection of force everywhere in the world. It's totally contrary to the popular will and that's why the Senate would ratify such a treaty.

Ralph Nader: And let's not forget that one of the incentives for NATO to move east was given to it by the military manufacturers because one of the conditions of Czechoslovakia, Poland and other countries joining NATO was they had to buy F-16s and other munitions built by Lockheed Martin, Raytheon, General Dynamics and others. So it's all part of that military industrial complex that Eisenhower warned about so presciently in his farewell address. Thank you very much. We've been talking with Bruce Fein. We wanted to get some input other than what you hear on the war- inciting questions on NPR and other broadcast stations these days. It's like they didn't learn anything from Vietnam. They didn't learn anything from Iraq. The drumbeats of war once again and this can be resolved diplomatically. So, contact your members of Congress, people. Let them know just the way you did on the Syria episode.

Bruce Fein: Yes.

Ralph Nader: Thank you very much, Bruce.

Bruce Fein: Okay, have a wonderful day. See you soon.

Steve Skrovan: We have been speaking with Bruce Fein. We will link to his work at ralphnaderradiohour.com. As you all know, Ralph has been trying to tell us forever that corporatism is at the root of what is wrong with America today. Let's welcome today's featured guest who will back Ralph up on that point. David?

David Feldman: Donald Cohen is co-author with Allen Mikaelian of *The Privatization of Everything: How the Plunder of Public Goods Transformed America and How We Can Fight Back*. Welcome to the *Ralph Nader Radio Hour*, Donald Cohen.

Donald Cohen: It's really a pleasure to be here.

Ralph Nader: Welcome indeed. And listeners, really this book is all about business taking over government; not just influencing government, not just contributing money to members of Congress, but taking government services and corporatizing or commercializing them. And you know who pays the bill--the consumer, the elderly, the taxpayer. And corporatism also fuels racism, sexism. So this is a very important program and I want to start by asking you, Donald, what is a public good? And give some examples.

Donald Cohen: Sure. And in our definition, the economists have a very narrow definition that basically leaves it all to the market and we kind of reject that. How we define public goods is real simple. It's the stuff that we all need to get through to survive, to thrive. We need each of us to have and we need all of us to have and that we can only do it if we do them together through government. Things like roads and bridges, and the post office, parks, and libraries, the National Park Service, and public safety in many ways, so it's kind of all around us, the public good. Food. We don't produce food but it's our job, the public's job and the government's job to make

sure it's safe. The air, clean air. We all need clean air. We also would like to save the planet. These are things that depend on us all and we all depend on them.

Ralph Nader: Well, it's what someone once said, "government is doing what we cannot do ourselves separately."

Donald Cohen: That's right.

Ralph Nader: What self-government is all about. And it's amazing that we have to keep reminding each generation because they never learned about this in schools. There's no public relations agency for the U.S. government no matter how many good things it's done with civil servants all over the country over the years. All we see is the public relations for business and advertising. And after a while, the hate government syndrome begins seeping into the public consciousness. And when Reagan made his little comment, "government is the problem, not the solution," that was sort of the climax of contracting out the public services wholesale, which is what your book is all about.

Donald Cohen: I would add one thing. It wasn't just the hate government happened on its own. There was a concerted effort funded primarily by the wealthy and corporations to turn people away from government so they could privatize, so they could cut taxes, so they could deregulate, or cripple regulatory agencies that oversee our health and safety. It was a concerted multi-decade effort to turn people away from government.

Ralph Nader: Well, yeah, they want to commercialize the weather service. They want to commercialize and take advantage of government research and development without paying for it. That's what built all these new industries starting with aerospace, and Silicon Valley, and the internet, and pharmaceuticals, and containerization, and nanotechnology, and biotechnology. Your taxes did the basic research here whether out of the National Institutes of Health, NASA, the Defense Department, Department of Agriculture. So you always make very clear in your book, example after example, that makes the reader say, "Hey, I benefit from these services, why are they taking them away and commercializing them and putting them under secret cover in monopoly patents extended for the pharmaceuticals so we have to pay incredibly high prices, the highest in the world. But one of your favorite examples is right downtown in Chicago.

Donald Cohen: Yeah, it is. I've told this story many, many times. Because it's a disaster what happened but it's illustrative of what we're discussing here. In 2008-09 when the worst part of the Great Recession when cities were all bleeding red ink, on a Friday, Mayor Daley at the time announced a proposal from three global corporations: Wall Street, Morgan Stanley, a Wall Street investment firm, a sovereign wealth fund from the Middle East, and a national parking company. And they offered--the proposal was we will give the city \$1.1 billion upfront in exchange for control of the cities' 36,000 parking meters for 75 years, till 2083 we're talking about. So two things and then vote on Tuesday. The city was desperate. For whatever reason they took the deal. After the fact was when people interrogated it and investigated it. Investments like general a number of reports; the PIRGs did a deep dive into the details of the contract. Two things were true. One of which is it's an incredibly stupid way to borrow money on your future parking meter revenues; it's unbelievably stupid. Who knows if we'll be parking in 2083 or driving? But even if that was the only thing out of a million horrible choices, they got hosed. They sold the billion

dollar for cheap. They just got taken by Wall Street, the Wall Street sales job. But that's not the most important part.

The most important part is for the life of the contract. So, the remaining 61 or 62 years, if the city wants to do its job on transportation or land use or housing and want to eliminate parking spots for a dedicated bus lane or a bike lane or a pedestrian mall, or any other number of things that would eliminate spots, they have to buy them back at the future value of the spot. So think about that. You're a mayor or a city councilperson and you want to move an agenda that gets people out of their cars, deals with climate and traffic, but it's going to cost you more than you got right now, you just don't do it. This contract, and again it just it's illustrative of all these kinds of contracts, is a shackle on their ability to do their job that they were elected to do.

Ralph Nader: Now what would happen if you had a citizen uprising saying this contract is keeping us from improving our city from, say, not just being gouged for all these decades parking meter fees. What if they wanted to break the contract?

Donald Cohen: A deal is a deal. Everybody in Chicago hates this deal. One thing I didn't mention is parking rates went way up and they're going to make their money back in about 15 years or something like that. So it's going to be all gravy. Rahm Emanuel when he became the mayor tried to renegotiate the deal, but the best he could get was extend parking into the evening on the weekdays and eliminate it on Sundays so people could go to church. I'm not an attorney and you are, but that's the problem with contracts. They're rigid. They're hard to get out of. And they hand over control.

Ralph Nader: Throughout your book I kept asking myself. These government attorneys, why are they agreeing to these provisions, these strangleholds, these handcuffs? Has that ever occurred to you to focus on the government attorneys here? They're still officers of court; they're still subject to systems of ethics. They can't throw the case, so to speak, just because they're working for the Food and Drug Administration or the Pentagon or for the Department of Interior.

Donald Cohen: Yeah, well, attorneys and other contract managers and procurement officers, the electeds and the people in the bureaucracy, absolutely they get taken all the time and there's a few reasons for that. One of which is you're running a city. It's a hard job and someone comes to you and says cheaper, better, faster, no new taxes all of course which are not true, and I'll take this problem off your hands. That's appealing. That's number one. Number two is they also exist within this sort of ideological propaganda victory of corporate America that the market is a better instrument and that businesses are more efficient and all that. So they're sort of infected with that belief system as well; then they get sales jobs with people. The suits come in from Wall Street and global corporations and the capacity gap between the expertise, the ability to manage, the ability to contracts, the ability to procurement is massive. It's really one of the things when I go around the country and talk to electeds and folks in the government who said your most important job is to negotiate on our behalf. And if you don't have the capacity to do that, you need to get it internally, right? That's number one.

The other thing they say is if you're not willing to walk away from a deal in negotiations, you're going to get taken. That's the most important thing and I think it's incumbent upon all of us to figure out how to get cities, school boards, states, and federal government agencies to understand

their job, understand who they really represent, and figure out how to develop the expertise and the capacity to do it.

Ralph Nader: Well, every day in Washington, listeners, a huge part of what the government does is sign contracts to give away public services for private corporate profit. And in one of your descriptions on what should be done about this, Donald, I want to quote it. You say, “Commercial weather interests successfully create roadblocks on the National Weather Service so it can't create its own public weather app. Private health insurance block public health insurance options. The American Bankers Association and other financial trade groups have blocked postal banking. And the so-called Free File Alliance has limited the IRS's ability to offer online tax filing.

So it's not just taking government services and commercializing them, which you described so well in your book, it's actually blocking expanded or new government services saying that it interferes with the commercial contract and therefore should be politically stymied.

Donald Cohen: That's right. That's one of my favorite parts of the book. My favorite facts in the book the weather service. All of the data that we use to look at the weather and our phones or on Google or wherever is public data. But using their political power, AccuWeather and these other large corporations, don't want the competition. This is an interesting paradox that points to the hypocrisy of their belief in the free market. They don't want the competition. There's another example in the book, one on weather that I could share with you that really tells the story of the difference between public and private in a way. So AccuWeather is one of the large companies that provides — that packages the way — some of these companies may do things that are repackaging their data that's helpful. So companies buy their services. So AccuWeather is one of the big ones. If you remember, President Trump appointed the head of AccuWeather unsuccessfully to run the National Weather Service. So here's something that happened and I think again it's a sort of an illustration. They had a contract with Union Pacific Rail Company. There was a tornado in Oklahoma. I believe in the Midwest in Oklahoma. And here's what the CEO of AccuWeather said. He said, “This is a Union Pacific who had a contract with AccuWeather. Two trains stopped two miles apart. They watched the tornado go between them. Unfortunately, it went into a town that didn't have our service and a couple of dozen people were killed, but the railroad did not lose anything.”

Ralph Nader: They tried to do that in corporatizing town fire departments so you'd have to pay a fee. And if your place of residence or apartment didn't pay the fee and you had a fire, too bad. They didn't get very far with that. There was quite a rebellion on that. As a matter of fact, the more people find out how they're being shafted, the more they decide, no, we want to take back our water system. We're not going to sell our water system to some operation that can under maintain it and gouge us when we turn on the faucet. Talk about some victories here. Some people have said, “No, way. We're either not going to let you commercialize it,” and they straightened out the politicians, or they got it back.

Donald Cohen: Yeah, well, water is a good one. There's lots of remunicipalisations are taking it back that happened around the country. It's a growing list with Atlanta being a banner one. They're one of the largest cities that have done it. We write about Missoula, Montana that took their water back, but because of contracts and contractual obligations, it took them years. They spent a lot of money on lawyers and legal conflict with the owners of the system, and they

ultimately got it back. And what was interesting about that one is not because they didn't like to service the water. It's Missoula; the water was fine. It's because they wanted control of it. They realized it was a public thing. It was theirs and they did not want someone else having control of it.

I can give another example in a different sector, broadband, which I find again that's really interesting in the book as well. A number of cities want to do municipal broadband. It's pretty clear to all of us that access to the internet is as important as the roads in terms of our infrastructure and that it's essential for health, for education, for communication, for commerce, all of the above. So cities are saying let's create municipal broadband, public broadband. Well, the response of the giant telecom companies is to go to state legislatures and say and pass laws that preempt/prohibit cities from being able to do that. And that's happening all across the country.

In Colorado this story gives me hope. In Colorado they did that but they allowed what I call a "pro-public loophole" that's my definition. They said that if a city wanted to do that they would have to have a public vote. And in every city that's done that, the public in overwhelmingly huge margins said no, we want municipal public broadband. Denver, Fort Collins, Loveland, and it's a long list. So when people realize something that's essential to them they start to realize and they see what the market does, because everyone is paying too much for their internet or they feel that, they go wait a second, we could do this better ourselves. And it happens a lot.

Ralph Nader: Let me go back to a point you made in reverse but I think we can make it more affirmatively. Corporatism fuels racism. And this type of commercialization of government functions inherently is discriminatory because if they can redline areas, for example, they think they can make more money by not providing mortgage loans and insurance in low-income areas where minorities live. Can you elaborate on that? Because I think that'll open up a new arena of rebellion on the part of the American people.

Donald Cohen: Yeah, well I think — one of the things I say about corporations and businesses is they do one thing. They sell stuff. That's what they do. And what do they care about? They care about how much they sell and how much it costs to make, how they make on top of — how much profit they make and what their market share is. None of that includes selling things to people who don't have money and don't have resources to buy them. So, when we go back and talk about public goods, things that we all need [like] we all need health; we all need education; we all like to get access to higher education; we all need to be able to get transportation. So, the market is an exclusionary device. By definition, it excludes. It excludes poor people, it excludes black people, kind of all of the above.

When Reagan started talking about welfare queens and sort of this assault on the poor and assault on the black poor; that was about something larger. That was about saying government serves somebody else and that somebody else doesn't even deserve it. It's not a — it wasn't a dog whistle, it was a bullhorn, a racist bullhorn. but once the American people believe that then they go, okay, so it's good, it's okay to cut services that serve Black communities. Why should we fund it? It's up to them and their own bootstraps to figure this out.

Ralph Nader: One interesting point about your book is by underpaying or not paying their taxes...corporations, for example, historically underpay property taxes. They get exemptions.

They get waivers. They notoriously are underpaying their federal income tax. Dozens of super-rich profitable US corporations pay no federal income tax. Then these government agents say we're strapped for budget. We don't have enough budget. And then the other arm of the corporate commercialism comes to them and say "Well, we can provide this service, just sign this contract, outsource it, and we'll provide it." You give a wonderful example of some national parks that are strapped for budget; national parks are supposed to be even-Steven, open to everybody, no discrimination, et cetera. What have they been forced to do?

Donald Cohen: Yeah, they charge, right? There's only one place you get the money and that's from us. So if you don't get it from taxes, you get it from fees. There's no magic money out there. So they create... one thing we write about in the book is the glamping. You create tiers of service. If you have more resources, you camp for a higher cost and more services and luxury camping. There's nothing wrong with that. Everybody likes good things. But that's part of the segregation that happens and the stratification that some can and some can't. Because of like you said, austerity politics and tax cutting, we can't make it available for everybody.

And one of the core ideas in the book at the beginning is when we define privatization. We say it's private control over public goods. And if the public is not able to provide the essential, that everybody should be able to go to a national park easily and fairly, then we're left on our own in the market to buy access. That's the core idea here.

Ralph Nader: Let's get into two areas that really get people upset and that is the pharmaceutical industry and how it's been on the dole for years, and the gouging of patients everywhere, and the corporate prison industry. Why don't you give us a capsule on both of those?

Donald Cohen: Yeah, so I'll start with prison because it's easier. There's a private prison industry that didn't exist 35 years ago; let's just remember that. This is people saw an opportunity. They saw an opportunity of billions of dollars spent in corrections and they used their political power and the ideological anti-government bath we swim in. So there are two major, largest companies in private corrections: GEO Group and CoreCivic that used to be called the Corrections Corporation of America. And so they are private prisons around the country and with states. They have some with the federal government. They manage the majority of the immigrant detention facilities. Their income is about heads in beds, period end of sentence. So what happens? They say cheaper, better, faster. Everybody says the same thing. So heads in beds. And they want to sell things; they want to sell more is better, so they've been involved over the years of increasing sentencing--mandatory minimum sentencing as well as mandatory immigration policy that's locking people up. It is in their economic interest to do that. And if you look at their SEC filings, it's very clear. I look at the risk factor sections of their 10-Ks, which I find fascinating always. A risk to their bottom line is reduced crime or reductions in sentencing laws or decriminalization of marijuana. Those are bad things that could hurt their bottom line, so they have a responsibility to their shareholders. They gotta work against that. And that's what they do. And then the other part of it is how do they make money? They cut wages and benefits. They reduce the number of corrections officers in prisons. They reduce the quality of the food. It's very simple.

The other thing I'll just briefly mention is over the last few years they've seen, possibly because of the worries about mass incarceration, that populations may go down. So they are diversifying. They're getting a piece of every part of the corrections stream from pretrial to ankle bracelets and

probation. They want a little piece of everything to forensic mental health, all of the above. They're corporations that are growing horizontally and vertically.

Ralph Nader: Didn't Joe Biden sign an executive order phasing out the use of federal private prisons?

Donald Cohen: Yes, he did. Now there's not as many federal private prisons in the Marshals Service and the Bureau of Prisons than there are of state, but there's a fact there again. You can't just stop the contract. They got to phase it out. Because a contract is a deal. So their hands are even tied there because you've signed a contract. But he did. He has not done that on immigrant detention. And I don't totally blame him because there is another problem that it illustrates. There are too many people enter immigrant detention without getting into the policy issue there. The federal government doesn't have the capacity. They just want to limit these contracts right away. They don't even have the capacity in public institutions. So that's another way contracting out hurts us because it eliminates our ability to do things because we've outsourced our ability and our resources to do it.

Ralph Nader: That's what happened in the pre-COVID period. The government did not have the capacity to research and develop vaccines. It was all commercialized and subsidized by the taxpayer. And these private drug companies, they don't think vaccines are very profitable because you don't take them very often like you take a high blood pressure drug. So you have that kind of selectivity that you point out in your book that undermines the public good. The public good is that antibiotics should be produced in the United States. And they're not produced in the United States. They are imported from China and India. And therefore, they go through commercial channels, which discriminate based on the income patients have, whether insurance companies will cover this and that. That's one of the strongest parts of your book.

We're talking with Donald Cohen who with Allen Mikaelian published this book in November called *The Privatization of Everything*, which I wish would be called *The Corporatization of Everything*. But you give a lot of examples of what happens when you commercialize a public good. For example, private incinerators, you say, profit from low recycling rates. Private prisons, for instance, profit from high crime rates. Public values aren't just the template for policies and regulation. They should permeate every contract the public enters, which gets me into my question. You have six steps to regain public control over public goods. Would you go through those pretty briefly?

Donald Cohen: Yeah, and I can even describe them a little bit differently. First is defining the public that it's all. Like, again, if we want a public good, that means everyone needs to have access completely regardless of their ability to pay for it, period., i.e., health, education, all the things we've talked about. And that means we have to knock down all the structural exclusions that exist in the housing policy and all the above that we've been discussing.

The second is let the public decide what we want as public goods. And I didn't get into this earlier, but lots of conservatives say the purpose for government is to step in when the market sales. So it's like the market gets the first shot. The market gets to decide what we all get. And we say, "Unh-uh, the public should decide that everyone should have health care and everyone should have a good education." So there's an important idea there that needs to be embraced and institutionalized.

The third is pay for the things we value. And it seems silly, but I talked to lots of folks and the first thing you've got to start with is things cost money. When they said cheaper, better, faster, it's like, okay, they're going to do more efficient, what are they going to spend less money on? So if we have to pay for it and there's only one place that comes, us – taxes, tolls, and fees – then the only question is how you share that, whether you do it progressively or whether you do it regressively, and when you pay. Plaintiffs in Flint settled a \$600 million lawsuit last year against the State of Michigan. So one is the state is going to have to go borrow that from bondholders, right? So one is Wall Street wins there, too. But imagine if we had spent that \$600 million before the crisis. We would've saved lives. We would've had any number of positive impacts.

The next is don't let the market limit freedom like you were talking about earlier; we should be able to have a public app. It's nuts that everybody has to buy TurboTax. And for those that do simple taxes, which is most people, go online directly to the IRS and file their taxes like that, but they're prohibited from doing that. So give us the opportunity to have public options on all sorts of things. And then finally, standards. We should use the power of procurement as you mentioned. We've seen research that there's \$2 trillion spent every year by governments in America procuring goods and services. That may be paperclips to bombers and everything in between.

We should use that power to create pro-public standards about jobs, about the environment, about any number of things, but also local governments have land-use power, economic development power, and taxing power. Every decision we make ought to have strong pro-public standards and then we have to make sure we have cops on the beat. FDA and FSIS, the Food Safety and Inspection Service, don't have the resources to have enough inspectors on the line, so companies do it themselves. And they hire their own contractors to do that and the contractors are not independent. They're completely conflicted because that's the control we have over public things. Food--there's public and private in everything.

Ralph Nader: There's a pattern when a company takes over a public function. They usually cut wages and increase executive salaries. You point that out in these four corporate profit universities that have a horrible record of exploiting people mostly low-income students. They overpromise. They give them a lousy education and they're guaranteed by the U.S. government. The loans are guaranteed. One year it put \$33 billion in the coffers of these corporate universities, some of which went bankrupt and now the government is trying to waive the financial obligations under these loans by the defrauded students. And still these free market ideologues keep pushing this mode of commercial activity unfettered by any regulation but backed by taxpayer guarantees. I mean, the hypocrisy is palpable. Let's go back, Donald, to the pharmaceutical industry. Give us your take on that.

Donald Cohen: Yeah. So one thing many people don't understand or don't realize is the massive amount of public spending and investment in science that creates pharmaceuticals. Not just applied science for a particular drug but also basic science. The Human Genome Project, one of the outcomes of the Human Genome Project in the '90s, a basic science, was to create the sequencing technology that helped us identify the sequence of the COVID DNA sequence and RNA sequence quite quickly and is helping us to identify variants so quickly. The source of that in many ways is public dollars. But then you take it to practical and applied science, virtually every drug, at least in the research that we were looking at that the FDA has approved in the last

10 years or something like that, has had public money involved in it. So that's the first thing for us to really understand that. Pharmaceutical companies in their business they sell things to people with money so they'll create drugs on their own for people who have the money to pay for them, whether it's Viagra or cholesterol medicine, whatever it is.

The other piece of this, though, is pharma says is that well, if you give too much public control over this or you limit our patents or make us — allow the federal government, Medicare, to negotiate with us over prices, then you're going to limit innovation, which is of course nonsense, because of all the public innovation. But there's a little bit of the truth there, right? That's what patents are for. And you probably have more expertise than I do on this. But a patent is a contract. Okay, we'll let you invent something, we'll let you make your money back by giving you exclusive monopoly power over that thing for a limited period of time. Limited. But then it's a contract, a public contract essentially, then we want it to be able to be shared by everybody. So what do pharmaceuticals do? They have all sorts of techniques and tricks to evergreen patents to slightly change the formula or the method of delivery of a drug. So what was a temporary contract for them to make their money back becomes intellectual property that they own that prevents generics. To the COVID, we gave Moderna a grant. Pfizer got a prebuy. I think that's probably true with J&J as well. They're making tons of money. We should have those patents. The globe should have those patents so that generic makers/drug producers around the world should be able as quickly as possible to get those vaccines to people. And what's preventing that? Corporate power and their desire to do what they do: make money.

Ralph Nader: Well, I thought on the last page of your book you really summed it up for the readers. You said “Throughout this book we appointed to the incentive structures baked into contracts and private-public partnerships that allow profit seeking to drive and control public goods and services. These incentives lead to exclusion, segregation, stratification, exploitation, and poverty.” We're talking broadly, listeners, into the definition of fascism. The definition of fascism before World War II, given a different dimension, is the combination of big business and government with government serving big business and being turned against its own people. And that's what we have, American style fascism. It's articulated by Trump and his cohorts who talk about free enterprise system but Trump was one of the biggest corporate welfare kings in America in his corporate enterprises in New York and New Jersey. So I think we need to raise it to that level. You talk about restrictions of freedom while American style fascism does a very good job at restricting people's freedom. And small businesses are restricted. Individual family-owned businesses are restricted, not just consumers. And they send the bill as you say right in the outset, they send all the bills to the taxpayer and the consumer. So we'd like a plan to come out of this book, a comprehensive plan of action, in order to focus on Washington and state capitals and see if this can become a coordinated movement because as you say, it touches on all the other citizen groups. But we need one that focuses directly on this. And one of the first steps is to get it all online. All these contracts online so law school clinics can analyze them, so taxpayer groups can analyze them and see how they're being shafted. And as they say, information is the currency of democracy. Can we get a plan from you?

Donald Cohen: Sure. Happy to work with you. It'd be an honor to work with you, Ralph. I've followed your work for many, many years. And I will add one thing to this. Yes, we need plans, we do. I've talked to people this week about how we move — how we get my book in people's hands on the hill so we can have some discussion about some of these issues. But one thing to

remember is the right-wing and corporate America played the long game. This is not something we do overnight. We have to be committed to this for the long haul. If we're going to rebuild trust in government, and make government something worthy of our trust, and rebuild people's commitment to each other to be citizens, not just consumers of services, and to knock down some of the propaganda victories of corporate America--business better, market better, all of that--we've got to be willing to do what you're saying. Do it together but do it for the long haul, strategically for the long haul.

Ralph Nader: Thank you very much, Donald Cohen, a co-author with Allen Mikaelian on *The Privatization of Everything: How the Plunder of Public Goods Transformed America and How We Can Fight Back*.

Donald Cohen: Thank you so much for having me on this show, Ralph. I'm a fan and I think what you're doing is really important.

Steve Skrovan: We have been speaking with Donald Cohen. We will link to his work at ralphnaderradiohour.com. When we come back we're going to say Happy Birthday to one friend and a heartfelt goodbye to another. But first, let's check in with our corporate crime reporter, Russell Mokhiber.

Russell Mokhiber: From the National Press Building in Washington D.C., this is your *Corporate Crime Reporter* "Morning Minute" for Friday, January 28, 2022. I'm Russell Mokhiber.

U.S. Senators Jon Ossoff and Mark Kelly have introduced legislation to ban members of Congress and their families from buying and selling stocks while in office. In a move widely praised by good government groups across the political spectrum, the Ban Congressional Stock Trading Act will require all members of Congress, their spouses, and dependent children to place their stock portfolios into a blind trust, ensuring they cannot use inside information to influence their personal stock trades and make a profit. Members of Congress who violate the act will be fined in the amount of their entire congressional salary. Senator Ossoff, a former investigative journalist who exposed corruption around the world, fulfilled his pledge to put his own stock portfolio into a blind trust last year, making him and Senator Kelly two of the only sitting members of Congress to do so. For the *Corporate Crime Reporter*, I'm Russell Mokhiber.

Steve Skrovan: Thank you, Russell. Welcome back to the *Ralph Nader Radio Hour*. I'm Steve Skrovan along with David Feldman and Ralph. We have two things to do to close the show today. First we'd want to say Happy Birthday to esteemed journalist Morton Mintz who, as a reporter at the *Washington Post*, broke the story that a private investigator hired by General Motors was skulking around the halls of Congress trailing Ralph, trying to dig up dirt because Ralph had written *Unsafe at Any Speed* and was advising a congressional committee on auto safety legislation. Ralph, tell us about Morton Mintz.

Ralph Nader: Well, he's one of the great journalists of our generation. And in the '60s and '70s and early '80s, he broke one story after another that highlighted the rise of the consumer, environmental, and worker safety movements. He exposed the Thalidomide tragedy with the children born without limbs due to a mild sedative that was given to mothers in Western Europe, and that a prominent scientist at the FDA blocked it, Frances Kelsey. He went after the pharmaceutical industry, the asbestos industry, the tobacco industry. They were all on top of him

on top of his editors trying to get him to stop or even trying to get him fired, but he persisted because he was so accurate. And of course he was on top of the auto safety. He did it as a reporter. He wasn't interested in just one big feature for some prize, but he followed the course of action in Congress week by week as the auto safety bill was winding itself toward President Lyndon Johnson's desk. He turns 100 today and typically NPR, which has a birthday every day, gave the birthday nod to a TV anchor on an afternoon entertainment show, but not somebody like Morton Mintz. So we should remember a great journalist who is the epitome of the aphorism "Information is the currency of democracy." He did this for the *Washington Post* and that led the *New York Times* and the networks to follow these stories as well. He was a groundbreaker. He talked in a very soft way when he interrogated corporate crooks or PR people. Never raised his voice, but his articles were filled with evidence and facts and could not have been refuted.

Steve Skrovan: Well, Happy Birthday, Morton Mintz. And finally we want to pay tribute to a progressive champion who guested on the show twice and passed away recently. His name is Edgar Cahn. Before you comment, Ralph, I want to play a clip from your first interview with Edgar Cahn back in early 2015 when he came on to talk about the concept of Time Banking:

Ralph Nader: *Edgar, it's so hard to determine where to start here, but let me start with the book that's in my hands now. It's called No More Throw-Away People: The Co-Production Imperative by you, Edgar S. Cahn. And although I know you want to go into, and this is a really dynamic concept what you call The Midas Monoculture in our country, which is another way that people have been brainwashed into evaluating everything that we do as a community and as a country by economic yardsticks of profit, et cetera. And you have this concept that you've developed, and you've spoken about it at Yale Law School recently and elsewhere. But why don't you start with the way you wrote this book, No More Throw-Away People, based on your experience? Because I think this book, which came out in 2000, as current as it was then, is the significant most important book on poverty I've ever read. And I've read a lot of books. No More Throw-Away People. Take it from there, Edgar.*

Edgar S. Cahn: *Well, there is a part of the economy that's not part of the GDP, Ralph. It's something called home, family, household, neighborhood, community, civil society. It doesn't really do anything very important. It just raises children, keeps families together, makes neighborhoods vibrant, holds officials accountable, turns out voters for the election, fights for social justice, was responsible for apartheid going down, for the demonstrations that led to us finally getting past separate but equal, and maybe tries to keep the planet sustainable, but nothing of importance to the GDP. And what I realized was that that's an economy that we need rebuilding. That's the economy that really does the work of producing the kinds of communities, the kinds of citizens, the workforce we need, and the conditions under which democracy works. The other thing I realized was that none of the work that happens in communities that I call real work, not none of it, but a lot of it never gets either valued or even noticed. Yes, there are volunteers who are our sort of labor force for the nonprofit world, but the real work that the feminists have identified has been primarily done by women, but not exclusively; it's now increasingly done by kids. But the work that really produces the kind of society we want, there's no valuing of it because who wants to value simply helping somebody? Who wants to value providing companionship for a senior? Who wants to pay for demonstrations if the officials are not doing what they promised to do? Or who wants to pay for recycling? That's all supposed to be done somehow invisible.*

Ralph Nader: There you have the creative professor of law and former dean of Antioch Law School, Edgar Cahn's creativity. You see, he put together what we all experience in a coherent fashion and say this is another part of our economy and it doesn't rest on dollar exchanges. It rests on gifts, gifts of time, volunteering, and it never gets sufficient recognition and support even though it's attached to the most important social cohesion values in our community. Just think what raises households, for example. And what Edgar did was he conceptualized dollars and then he put it into action. He was a thinker and a doer. And together with his wife, Jean Camper Cahn, they wrote a law review article in *Yale Law Journal*--they went to Yale Law School in the '60s--proposing the creation of legal services for the poor. And when they graduated, they didn't wait for somebody to get it through Congress. They went to Washington, and they got it through Congress and was signed into law. Now we have 5,000 lawyers representing poor people all over the country.

He also conceived of a modern version of barter called the Time Dollar. He figured not everything has to be exchanged with money; that if we exchanged hours of time it would equalize everybody. A teenager shoveling snow for lawyers in the home, the teenager's hour is worth the lawyer's hour. So let's say the teenager shovels the snow for seven hours and the teenager gets seven hours of counseling, say about improving writing or learning about government from the lawyer in the house next to the sidewalk. And he developed computer programs that made it much more facilitative like A volunteers for B. B volunteers for C. C volunteers for D. D volunteers for A. And so it becomes very flexible and it's run by a community college, for example, or a church or a neighborhood group. There are 70 such communities around the country who have a Time Dollar program to strengthen the neighborhoods and it's all due to Edgar Cahn. So he's an unreplaceable loss, one of the great jurisprudential figures of our generation, a great teacher, a great doer, always optimistic right to the end.

Steve Skrovan: Well that's our show. I want to thank our guests again, Bruce Fein and Donald Cohen. For those of you listening on the radio, we're gonna cut out now. For you podcast listeners, stay tuned for some bonus material we call "The Wrap Up." A transcript of this program will appear on the *Ralph Nader Radio Hour* website soon after the episode is posted.

David Feldman: Subscribe to us on our *Ralph Nader Radio Hour* YouTube channel. And for Ralph's weekly column, you can get it for free by going to nader.org. For more from Russell Mokhiber, go to corporatecrimereporter.com.

Steve Skrovan: The American Museum of Tort Law has gone virtual. Go to tortmuseum.org to explore the exhibits, take a virtual tour and learn about iconic tort cases from history. And be sure to check out their latest program on how advocates are going to court to confront the climate crisis. All that and more at tortmuseum.org.

David Feldman: Ralph wants you to join the Congress Club. Go to the *Ralph Nader Radio Hour* website. And in the top right margin, click on the button labeled Congress Club to get more information. We've also added a button right below that with specific instructions about what to include in your letters to Congress.

The producers of 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. Our associate producer is Hannah Feldman. Our social media manager is Steven Wendt.

David Feldman: Join us next week on the *Ralph Nader Radio Hour*. Thank you, Ralph.

Ralph Nader: Thank you, everybody. And think corporatization. Resist it, otherwise, you’ll be paying profiteering wasteful corporations for government services that you should receive directly.

[Music]

Rise up
Don’t let the system pull you down
Stand up, stand up, you’ve been sitting way too long

Stand up
Oh, you should
Oh, step up
Step up
I think that you should step up

Rise up
Rise up and take all the power

Stand up, stand up, you’ve been sitting way too long

Stand up