

RALPH NADER RADIO HOUR EPISODE 109 TRANSCRIPT

Male Speaker: From the KPFK Studios in Southern California. It's the Ralph Nader Radio Hour.

David Feldman: Welcome to the Ralph Nader Radio Hour. My name is David Feldman. Steve Skrovan is out this week but we are not without the man of the hour Ralph Nader with whom I spent part of the weekend at the Spring Awakening of American Museum of Tort Law in Ralph's hometown of Winsted, Connecticut, beautiful drive to the museum, an amazing museum. How was it for you Ralph?

Ralph Nader: It was a great event. We had the key people in the movie Spotlight: the lawyer - the actual lawyer not the actor - who brought lawsuits against pedophiles. Then we had Jan Schlichtmann who was - again - the actual lawyer in the famous movie Civil Action, involving toxic contamination of the drinking water in Woburn, Massachusetts. There was a big crowd and very intelligent questions. And then they all went to tour the museum. And that's where I saw you, absorbing this wonderful narrative of civil justice and the powerful use of the Law of Torts, which is the law of wrongful injury by people who have been wrongfully injured against their perpetrators. There were the asbestos exhibit, the tobacco exhibit, Corvair and Pinto exhibits, Industrial Equipment that Harmed Workers exhibit and many of the historic cases that built up this common Law of Torts, which we want to educate people about and students about. The museum website is TortMuseum.org for anybody who wants to visit it. It's open six days a week except for Tuesdays from 10:30 AM to 5:00 o'clock. It's open on the weekends. It's scenic which feel comely.

David Feldman: It's a great museum. This is the second time I've been there and there are new visuals that really make learning Tort Law for the layman like me and simple. Just very quickly Ralph - I know we have Ron Unz - but I rented a Zip Car. And when I arrived you were talking adhesion contracts. And I was really motivated to take on Corporate America and to challenge my contracts with corporations. As I'm driving home, I pull over to get a cup of coffee and I have a Zip Car and somehow it won't start. I don't understand it, because the battery is working. So I called the 800 number for Zip Car and they explain to me that the car won't start, because it's late. And they shut it down. I'm in the middle of nowhere. And in order for them to restart my Zip Car, I have to agree to a \$50 late fee. This is like two hours after.

Ralph Nader: They turned off your ignition, you mean?

David Feldman: Yeah. They turned off my ignition. This was like two hours after I was in inspired by you to challenge Corporate America and no longer agree to these adhesion contracts. I'm in the middle of nowhere, and I said - it's a \$50 late fee otherwise they won't turn back my car back on, right? - I said, "Okay go ahead." I said, "Go ahead. I'll pay the late fee."

Ralph Nader: This is amazing. You're going to challenge the fine print there?

David Feldman: They did - in all fairness - they did waive it. But when I got home, I kind of challenged it. But I was ashamed with myself for just agreeing to it immediately. Anyway, let's get the program. In the second half of the show we're going to talk about the difference between needs, wants and whims and how that relates to both our consumer culture and to our economy. We'll be doing that with Hanna Archambault of the University of Massachusetts at Amherst. We'll also be checking in as usual with Russell Mohkiber, the Mike Hammer of the Corporate Crime Beat. And if time permits, we'll try to get to some of the more listeners questions. But first, we are going to talk about whether or not one of the most prestigious colleges in the world, Harvard - I hope I'm pronouncing that right - Harvard should be free.

Now, if you are a faithful listener to the Ralph Nader Radio Hour who have heard Ralph talk about our first guest, Ron Unz, many times. Mr. Unz has made a conservative argument for raising the minimum wage, a campaign that to borrow Ralph's phrase, appears now to be "unstoppable." Just this week in California, Governor Jerry Brown signed a law to raise the minimum wage to \$15 by the year 2022. We're going to talk about that, but also we're going to talk about how Ralph and Mr. Unz - both graduates of Harvard. Ralph from Harvard Law School - have teamed up with three others on a slate to run for the Harvard Board of Overseers. They want Harvard College to eliminate tuition and make their admissions process more transparent. Welcome to the Ralph Nader Radio Hour Ron Unz.

Ron Unz: Great to here.

Ralph Nader: Welcome Ron. We're going to have a very interesting discussion here that affects a policy at Harvard that made it redounded around the world. We're both running for the Board of Overseers. It's relatively powerless. But it's a volunteer post, and we have put out the reason why we're running. Let us start Ron with the reason why we're running. The first reason is our belief that undergraduate tuition - which is of course sky-high - should be free. Explain to our listeners the case you have made in great detail as to why undergrads of Harvard should not pay tuition and what effect that would have on other schools and millions of aspiring students who think Harvard is beyond their wallet and they didn't even bother applying, even though there are some scholarships there available. Lay the case for why you think Harvard undergraduates should not pay tuition.

Ron Unz: Well it's very simple. Harvard does not need the money. Harvard's endowment right now is \$38 billion dollars. It's actually become one of the world's largest hedge funds with some little college attached after one side. Their entire investment income is tax-exempt. They don't pay taxes. They're a hedge fund that are exempt from taxes. They're annual investment income is 25 times larger than what they get in tuition from the college students. In other words, if Harvard entirely eliminated undergraduate tuition, it would show richly no impact on its financial statement over a year. Nobody would even notice.

Ralph Nader: Ron, put the numbers on that. What is the cost of living tuition? How many Harvard undergraduates? And how much is the return annually on the average of this 38 billion, listeners, it's with the B here, billion dollar Harvard University endowment?

Ron Unz: Sure. The undergraduate tuition, net tuition in other words the dollars the university actually gets every year from the VES, from the 64,000, 65,000 students is about a \$140 million a year, roughly \$140 million a year. Meanwhile they collect billions of dollars every year in investment income. In other words, they're invested in other hedge funds, in timber, in currency swaps, in mortgage derivative securities. And that's where the university actually makes all its money, while it collects a relatively small amount of money from the students. But even though the dollars are very insignificant to Harvard, they're very significant to the students. For example, Harvard claims that they provide all these tuitions subsidies and financial aid. And that's true in some cases. But, for example, if you're a middle class couple living in New York City - for example if a husband and wife are both public school teachers in New York City - and if their son or daughter is successful enough to be admitted to Harvard, they would have to basically pay probably the bulk of their life's savings to have their son or daughter attend, probably a couple hundred thousand dollars, which is a lot of money to a public school teacher couple in New York City.

Ralph Nader: It's not deductible.

Ron Unz: Exactly. It's not deductible. I mean, Harvard does not need the money. And it's absurd that Harvard charges so much. The whole thing about it is with Harvard's situation it's very similar to the situation in a lot of the other elite universities. Stanford, Yale, Princeton and many other colleges are so wealthy, they've really become hedge funds as well. They charge tuition. And if Harvard eliminated tuition because of our victory in the Board of Overseers, I think a lot of those other colleges would as well. That in turn would put tremendous pressure on the public universities, the public schools, to start cutting their expenses and cutting their tuition. For example, I'm from California and the University of California System, UCLA, Berkeley, in the mid 1970s annual tuition was \$630 a year. Now, it's \$15,000. And now they've basically have been pressured by Harvard and Yale and Princeton to provide more and more expensive services to the students and jack up their tuition in return. And that's why, for example, student loans right now - total student loans - are 1.2 trillion dollars. And you have students who graduate in college these days whether from Harvard or from UCLA or Berkeley that remain in-debt servitude for 10 or 20 years, which is just crazy. So we have to cut. We have to dramatically reduce tuition all around the country. It's very easy for Harvard, since they don't even need the money.

Ralph Nader: Before we get in to why Harvard is resisting this and who at Harvard is resisting this tell our listeners what kind of interest rate these students are being afflicted by it?

Ron Unz: I think it depends on where you borrow the money. In other words, I don't have the numbers in front of me, but for example if you're borrowing the money from some of the Federal

Loan Programs I think the interest rates aren't that high. But a lot of students are forced to turn to the private lenders and in effect in the old days - 20 or 30 years ago or 40 years ago - when somebody graduated college with a degree and got a good job. They could save up their money and put it in a down payment on the home. Nowadays instead of buying a house they're paying back to student loans for 10 or 20 years. It really is ridiculous and something has to be done about it. And that's actually one of the reasons why there's so much support for Bernie Sanders. Because he is promising to support dramatically reducing tuition or even making it free for everybody in America.

Ralph Nader: As you said years ago especially after World War II the tuition was basically zero at the University of California, Berkeley, maybe 50 bucks a year. And it was virtually zero at the City College of New York - the big CUNY system - and of course for decades there hasn't been tuition for student in Germany, Italy, Norway, Sweden, Switzerland, France and until recently England. It's gone overboard with more tuition now because they're so mismanaged. It isn't like it doesn't have precedent. I think Bernie Sanders' point is you go to high school without paying tuition, you should go to college without paying tuition. President Obama now is supporting tuition-free community colleges. There are 1,200 of them in the country. So the trend is in that direction. But why is Harvard resisting? I mean, have you - you've been in contact with people in the administration at Harvard? Why are they resisting so much?

Ron Unz: It really makes no sense. I mean it's not like, for example, they need the money or that - I mean, we're talking if Harvard reallocated 4% of their annual investment earnings they could abolish college tuition. Four percent. They could keep the other 96% and use it to grow their endowment the way it's been going. I honestly think the reason is more sort of the stodginess of a very conservative, cautious institution. In other words, for example just a week or two ago, five former presidents of the Harvard Board of Overseers - the board we're running for - came out with a letter saying it would be fiscally irresponsible for Harvard to abolish tuition. Now, we're talking about 4% of their earnings every year. It's not 4% of their endowment. It's 4% of the money they make every year in their endowment. When you look at Harvard - for example, most universities around the country have their finals before Christmas vacation rather than after Christmas vacation, because if you have your finals after Christmas, everybody is busy studying and worrying over the Christmas holiday. It took Harvard 58 years to move their finals to before Christmas from after Christmas. Actually, with something like that - I mean the notion of abolishing Christmas is shocking to them. On the other hand if we win our battle and get on the Board of Overseers just as you said, the Board of Overseers doesn't have legal power, but it would be a referendum of the entire 300,000 Harvard alumni community. And if we win that referendum, I feel very confident Harvard will abolish tuition. And if Harvard abolishes tuition, Yale, Princeton, Stanford and lots of other wealthy colleges will immediately follow.

Ralph Nader: Then, what would be the effect on the public colleges and universities, the one that's rich as Harvard or Yale - if this happens at Harvard? what would be the effect on their tuition and their bloated administrative cost?

Ron Unz: It would put tremendous pressure on them to start competing on the basis of price and cost rather than luxuries. I mean the truth is UCLA and Berkley - if you go back 30 or 40 years ago - the cafeteria food wasn't as nice. The dormitories weren't as fancy. They didn't have Olympics swimming pools. They didn't have as large a staff. but tuition was \$600 a year and now it's \$15,000. I think most students would prefer having food that wasn't as nice and old-fashioned dormitories and not being in debt-servitude for the next 10 or 20 years after they graduate.

Ralph Nader: Also, the percentage of the university budgets that go to administrators - and how highly-paid the administrators are paid much more than the tenured faculty, who have been there for 40, 50 years. Not to mention the sports coaches, the football and basketball.

Ron Unz: Exactly.

Ralph Nader: In some universities it's over 30%, just the administration. They add another one and they add a clerk to help them, and it just spirals and do they know how to keep their jobs. They'll lay off anything. They'll close departmental libraries at universities, before they will lay off some of the bloated administrative burdens that they have.

Ron Unz: That's exactly right. There was a great article in The Nation back a few months ago, pointing out that even though university costs have risen so dramatically and so many students and their families have to go and together put in so much money, you still have a situation where fewer and fewer faculty members have tenure, who have reasonable salaries. They have all these adjunct faculty members who are teaching the classes and being paid almost nothing. The article in The Nation asks if the professors - if the people who teach the classes are being paid less and less, why are the costs more and more? And the answer is that's all being eaten up by these administrators. Twenty or 30 years ago there was one administrator for every two faculty members. Now it's doubled, and there's one administrator for one faculty member. Pretty soon down the road, all the permanent employees of these universities will be administrators and all the classes will be taught by adjuncts, who are paid almost nothing, who are collecting food stamps, because their salaries are so low.

Ralph Nader: Listeners, Ron is not exaggerating here at all. I know adjunct professors for example teaching in the Albany, New York area who make \$3000 for an entire semester course. Over half of all teachers at universities in the United States - public universities - are adjuncts, hundreds of thousands of them. They don't make what is equivalent to the minimum wage. And that's why some of them are trying to organize a nationwide union. It is really embarrassing to the academic world that such a lack of intelligence is streaming through these universities, developing bureaucracies and overlapping fiefdoms at the expense of the teachers and the students and the academic facilities. In contrast to the sports and entertainment facilities, the allocation there is not prudent. But tell our listeners - this is really self-interest for us, Ron - who votes for the Board of Overseers' slate at Harvard? And when does the voting start? Who's qualified to vote? How many are there in terms of alumni? And when's the voting start?

Ron Unz: Okay. Anybody who has a Harvard degree, a college degree or law school degree and med school degree is eligible to vote. And they all receive their ballots in the mail. The ballots, I think, were probably mailed out right at the end of last week. They should be arriving in people's mailboxes probably this week or at the latest right at the beginning of next week. Every alumnus has the right to vote for up to five candidates. There are five of us running. We're grouped as the Free Harvard/Fair Harvard slate. And if we get the support of people, we'll be on the Board of Overseers. And the results of that referendum, I think, will persuade Harvard to give up 4% of their hedge fund earnings every year and abolish tuition for all the undergraduates. The total number of people eligible to vote, Harvard alumni, is about 300,000 or 320,000. It's a very large number of people. Many of them here in California are probably listening to this radio show. And if all of them can help get the word out, then I think we'll win and Harvard will start a trend across the United States for the rich universities to abolish tuition and for the state colleges and universities to dramatically cut their costs and cut their tuition.

Ralph Nader: Yes. We've done the Free Harvard part of our slate. Well, what's our website? How do people get to know what we're standing for?

Ron Unz: Okay. The other half of what we're running on is that there is a lot of evidence that the Harvard admission system has become very corrupt in the last 10 or 20 years. I mean, we're talking about all sorts of different types of corruption. There's a lot of evidence that there's racial discrimination against Asian applicants. In other words, just like 60 or 70 years ago there was a lot of evidence of the Jewish quota at Harvard, where basically Harvard admitted only a certain number of Jewish student every year. There's a lot of evidence that there's an Asian quota at Harvard. For example, the per capita enrollment of Asian-American students at Harvard has dropped by about 60% over the last 20 years, 25 years. In other words the Asian population has doubled. Asians do very well in school. They work hard. They have good test scores. But the number of Asian students at Harvard is lower today than it was 25 years ago, which is very suspicious. But it's not just that type of corruption. There's a tremendous amount of financial corruption. There's evidence that wealthy families can in effect pay bribes to Harvard to get their sons or daughters admitted. Back about 10 years ago there was a great book that came out by a Wall Street Journal reporter named Daniel Golden called The Price of Admission. He ended up winning a Pulitzer Prize for his articles and it was filled with all these stories of the corrupt admissions practices at Harvard, at Yale, at Princeton, at all of these other schools. You have basically people bribing their way into those schools. And the most shocking case - because of court records he was able to find, for example, that a very wealthy family, a billionaire family, paid millions of dollars in bribes, really call it plainly. It really was "bribes" to Harvard to get their undeserving son admitted to the Harvard admissions. When we're talking about it - the funny about it is: the person who was admitted in that case that it came out because of the court records - its Donald Trump's son-in-law. Do we really want a system where Donald Trump's son-in-law, who comes from a family of billionaires can get admitted to Harvard, because they pay millions of dollars in bribes? What we're talking about in our platform is that Harvard should be more transparent in their admissions process. They

should provide more information as to why they pick certain students and not other students. The students who get admitted to Harvard really have the inside track on the future of their career. They can easily get into the top law schools. They can easily get into the top law firms, eventually. They can get top jobs in Wall Street. And if we have a national elite selected in a corrupt manner, we'll end up with a corrupt national elite. And that's exactly what's happened in the last 10 or 20 years with all of these financial scandals and other corruption taking place in our society.

Ralph Nader: Well, Ron Unz - the listeners should know - was trained as a theoretical physicist not a lawyer. Ron, when you used the word "bribes" I want to clarify this. This isn't personal pay-offs to officials at Harvard. It's basically donations to Harvard's endowment or scholarships or building projects. So technically, they're not bribes - which would result in indictments - to get into Harvard. I graduated from Princeton. You graduated from Harvard undergrad. And we know that very rich families - it's very desirable for the admissions people at those universities to bring into their classes the children of very rich families, because down the road - if not immediately - they think they're going to be major contributors to the perpetuation and enlargement of the university. Maybe their names would be on dormitory buildings or library buildings like Firestone Library at Princeton. So, that's what you mean when you're talking about that?

Ron Unz: That's where there is hard evidence. In other words, again - in those cases the court records have shown that the very large sums of money were given the Harvard at the same time a son or daughter from that's family, who clearly was unqualified was admitted. But to be perfectly honest, Ralph, there's a lot of circumstantial evidence that actual bribes were sometimes paid to university officials. In other words, secret private payments made to officials in the admissions office or the administration to get their sons or daughters admitted. In other words, the money not going to the university but basically going into the private bank account of certain officials. Now, it's not proven. But, for example, in the book *The Price of Admission* by Daniel Golden, he interviewed all these admissions officials. And they said that they're constantly being offered personal bribes by wealthy families to get admitted. And when you look at some of the things going on, some of the very suspicious admissions decisions being made, and sometimes - for example, in another book by Jacques Steinberg who is the chief higher education reporter at the New York Times and sat in on the admissions process - he was saying these admissions officers sit around when they're making their decisions and sometimes when one of them is pressing for the admission of a clearly underqualified applicant, the other admissions officers basically say, "How much money is his family paying you to get that son admitted?" The trouble is when you help them very opaque process where families are willing to pay \$10,000s or even \$100,000s to get their children admitted to an elite school, and where the admissions officers are very poorly paid - most of them earn less than public school teachers - you really have a very dangerous process that's open to financial malfeasance. So, I think there's certainly a lot of quote "bribery" going on where families pay millions in donations to the university, but I think there's actually quite a lot of honest to goodness old fashion illegal bribery going on as well.

Ralph Nader: Yeah. To elaborate, Ron - we're talking to Ron Unz, who is running for the Board of Overseers at Harvard University along with yours truly - you know, overseas in other countries - I don't want to be ethnocentric about it - but there is a habitual practice by very rich people, whose children aren't really up to the academic standards of the university where they actually will tender offers of money, wine, dine, personally to officials of universities. And when they want to get their children into Ivy League schools like Harvard, they don't change their cultural appeal that is more accepted in some of these countries. For example, the major university in Mexico has had a history of rich people being able to get their children in, who aren't as academically qualified as middle or lower incomes students who don't have those kinds of check books. But when you talk about admissions - and we're going to have to go to the minimum wage issue in a minute - are you measuring the criteria for admissions those complex forms of fraud that I call standardize multiple choice tests? Is that your criteria for quotas and prejudice? Or is it on a broader basis that you're talking about?

Ron Unz: Well it really includes everything. For example, look, it's the sort of thing where I've talked with all these individual people throughout the admissions process. And I've read this Daniel Golden's book he interviewed for example in the case of that Trump's son-in-law who was admitted to Harvard. He basically interviewed all the people at that boy's school and they said there were astonished he was admitted to Harvard because he just wasn't qualified. He wasn't smart enough. He wasn't hard working enough. There were all these other students in the school who were so much better in every way, standardized test scores, grade point average, everything, they just couldn't believe he was admitted to Harvard. The fact that that happened right at the same time that his billionaire father gave two million or three million dollars to Harvard seems awfully suspicious.

Ralph Nader: Yes. There are other criteria too? For example, you're more likely to get in if you're an athlete into the Ivy League, even though the Ivy League says, "We do not give athletic scholarships" like Ohio State and University of Texas and so forth. Yeah. They don't give athletic scholarships, but if you are a great football player you can get into Harvard or Princeton, say, with a B average where somebody with the A- average, who doesn't play football couldn't get in. That's one abuse. And they ought to be more disclosive of that. They're very secretive about that. Another preference for admission is one that's been going on for over 100 years. They are called legacy admissions. That is: if your papa or grandfather or grandmother or mother got into Princeton, you have a leg up to get in, because they just figure they'll be more loyal alumni, and they'll give more money. That's another non-meritorious criteria in terms of academic potential and achievement. The third one is the one I'm really upset about and that is: you can get a low income student, say, from Harlem, who is very diligent but lives in an environment where they don't exactly have an academic aura about where they're living - sirens, tenements, rats sort of running around, poverty. But this student, let's say is a really active student in the neighborhood. The student helps with food kitchens, the student helps younger students, tutoring. That doesn't even count, Ron. That doesn't count in terms of points to get in to these schools - civic activity in the neighborhood, which is extremely demanding on

all kinds of talents of young people. It's not easy. It takes the intangible talents of a personality and character. They don't even consider that. So, I think what we're trying to do as volunteers on the Board of Overseers - should we get elected in the coming weeks - is to open up all these questions. It really is disquieting and dismaying that people at these top universities, who aspire to the mind of intellectual honesty and options for revision of what their policies are stone-walling year after year, decade after decade. So, in a self-seeking appeal, Ron, anybody listening who is a Harvard graduate, undergraduate or any of graduate school, consider voting for us when you get the package in the mail from Harvard University.

David Feldman: Can I ask a question?

Ralph Nader: Yeah.

David Feldman: Since 1988 I don't believe we've had a President who didn't graduate from either Yale or Harvard. I don't think we've had a Supreme Court justice who didn't come to us from either Yale Law School or Harvard Law School. What about breaking up Harvard and Yale? Wouldn't the Justice Department be serving the American people better by breaking up these elite universities? I think it would be impossible to find an Attorney General who didn't go to Harvard or Yale, so they wouldn't be inclined to do that. But what about breaking these schools up?

Ralph Nader: Well, they're nonprofit so it doesn't come under anti-trust laws in terms of market share or anything like that. But, the way to break up their dominance and get more people from around the country - for example, being considered for nomination to the Supreme Court of the United States or to a cabinet posts - is to do what Ron is recommending. Because I think, Ron, what you're looking for is a democratization of an open admission process.

Ron Unz: Exactly. Exactly. Again the point is: there's nothing wrong with the majority of our sort of top people coming from some of these elite universities, so long as the people who go into the elite universities are selected in a better manner. In other words, when you have a pipeline like that, and where you have such a large fraction of the students being admitted or even applying to Harvard and these other schools is coming from a very narrow slice of our society, it produces a very unhealthy atmosphere. In fact, the point Ralph made about athletic admissions really shocked me. In other words, I hadn't really focused on that as much until a few weeks ago. But I found out from talking with few people that a remarkable fraction of the undergrads admitted to Harvard get in because they come from some of these sort of affluent elite private schools that have all these obscure sports, like lacrosse or something like that, because basically you have 15% or 20% of the Harvard admissions apparently going to athletic preferences. And with all these different sports, you basically can get in if you are specializing in the sport where nobody who goes to a public school is involved in but some might go to have been in school.

Ralph Nader: You're right. About 15 years ago I checked that 40% of the Princeton undergraduates were playing varsity sports. And of course it's not just football, baseball, basketball. They have - as you indicated - an amazing variety of sports like squash. Of course they have the tennis, they have a whole variety that are only played in any systemic way at these prep schools for the most part.

But anyway, we're almost running out of time, Ron. I want to give you an opportunity as the person who led the way for a conservative support for increasing a minimum wage in this country, because as you say we'd reduce the amount laid out for food stamps and housing assistance, energy assistance, Medicaid, if people earned a more living wage. Tell us what Jerry Brown in the legislature just did, and what Jerry Brown had said after he signed the bill.

Ron Unz: Well, we won a tremendous victor just in the last week or so when California became the first state in America to have statewide minimum wage of \$15 an hour. I mean, Ralph you remember it was just a couple of years ago that you and I and John Richard were having dinner in DC and things looked hopeless. In other words Congress was stalled on the issue. They'd given up on it. President Obama was still proposing a \$9 minimum, which is ridiculously low. It looked hopeless. But we all put our noses to the grindstone and it looks like we're on the verge of a national victory, at least for \$10 or \$12 an hour minimum wage with California going for \$15.

Ralph Nader: By when?

Ron Unz: By 2022 I think. So, it will take a while for a phase-in, but \$15 is a very high level. The one fly in the ointment was at the same time that Jerry Brown signed the historic bill raising the minimum wage to \$15 hours in California, he also publicly declared that there was no economic justification for a higher minimum wage. And in effect he was saying, basically, that he thought from an economic point of view it was a stupid idea, that it was an ignorant idea, but he supported it because it was popular. Now, I agree that it's very popular. But I think there is very strong economic case for a higher minimum wage, which you and I and so many other people in the making. And I really would hope that Jerry Brown would start reading some of our articles so that he could defend the logic of what he was supporting. It's great that he signed the bill. But it would be nice if he understood the issue as well.

Ralph Nader: Tell people who want to get in touch with you on how they can do so what, Ron Unz?

Ron Unz: Sure. I'm right now running for the United States Senate in California as a Republican with raising the federal minimum wage being one of my major issues. Anybody who wants to look at where I stand on these issues can go to my website which is Unz2016.org: Ron Unz running for the US Senate in California. And the truth is California is a very heavily Democratic state, so it's an uphill battle for any Republican to win, and I'm not saying necessarily I will. But I think it's a very healthy thing for a Republican running in California to be a strong advocate of raising the federal minimum wage, and certainly raising it here in California. I'm going to be doing my best with the primary coming up.

Ralph Nader: Thank you. We are speaking with Ron Unz, it's spelled U-N-Z. if you've been wondering, U-N-Z, Ron Unz, who is running with me for the Harvard Board of Overseers, a volunteer position but one where we can raise some very, very important questions about admissions, tuition and other matters that advance the educational interests in this country. If you do it in Harvard, as Ron has pointed out, it spreads very rapidly throughout the country, because Harvard is seen as a standard bearer. Thank you very much, Ron Unz.

Ron Unz: Great to be here.

David Feldman: We've staying with Ron Unz. For more go to FreeHarvard.org for more and all of that and we all went to all of the relevant websites and articles on the Ralph Nader Radio Hour website. Now, let's take a moment and see what Corporate Crime reporter Russell Mohkiber has hot off the wire for us. Russell?

Russell Mohkiber: From the National Press Building in Washington DC, this is your Corporate Crime Reporter Morning Minute for Tuesday April 5, 2016. I'm Russell Mohkiber. Senator Chris Murphy has launched a tweet attack against Democratic presidential candidate, Senator Bernie Sanders. Murphy has endorsed Sanders' rival, Democratic front-runner, Hillary Clinton for President. In five tweets, Murphy went after Sanders for again repeating that he doesn't support gun manufacturer liability in the case brought by the victims of the Sandy Hook massacre against the makers of the AR15 Assault Rifle that killed 26 people including 20 children. "Do I think the victims of a crime with a gun should be able to sue the manufacturer?" Sanders said to The Daily News "No I don't." "Bernie is a friend, but this is really bad," Murphy tweets, "Dems can't nominate a candidate who supports gun manufacturer immunity." For the Corporate Crime Reporter, I'm Russell Mohkiber.

David Feldman: Thank you Russell. Now, let's turn to our next topic, "needs, wants, and whims." Ralph, why don't you do the honors and introduce our next guest, Hannah Archambault.

Ralph Nader: Thank you. Hannah Archambault is a graduate student at the University of Massachusetts, Department of Economics, which is known for its progressive curriculum and teachers. Last summer, Hannah worked with us on what I think is one of the most important economic questions of our times, which is "Why is it that regular growth of the economy seems to be in a disconnect with the wellbeing of a majority of the people?" The GDP keeps growing but somehow - even though it's over 20 times greater per capita adjusted for inflation than it was in 1900 - there are still a lot for poor people, a lot of low income people, a lot of people deep in debt.

So, Hannah, welcome to a series of questions on this. In your research, why did you decide to parse here? Such a vast area. And we talked about the part of the economy that goes to needs: necessities like housing and food and healthcare and transportation, then the part of the economy that goes to "wants" like tourism, and then the part of the economy that we called

“whims.” To anybody who wants to know what a whim is: today’s Wall Street Journal - you’ll like this, Hannah - there is an article that says, “Apps Aimed To Keep Devices From Disrupting Sleep,” and what it is, “As more...” I’m quoting, “As more people head to bed with smart phones or tablets, there’s increasing focus on the so called blue light the devices emit and that that may cause a decrease in the hormone melatonin, which makes people feel sleepy.” Some companies come up with an app to shift the light emitted by the screens of your iPad or iPhone to oranges and reds at night. That might be considered a whim. But anyway, you want to talk about what you found in your research?

Hannah Archambault: Yeah. Well, the first thing that I did was try to kind of think about a definition of what “needs, wants and whims” would be, because without that we can’t really think about the material conditions of people at all, which is clearly what we’re interested in. And because “needs” are by a long shot the sort of the best theorized - from many, many different schools of thought, particularly economists, ethicists, philosophers, sociologists, anthropologists. Essentially, all the social sciences have sort of weighed in to what we mean by “needs.” And there is this sort of complication with “needs” where - as a heterodox economist - I don’t want to fall into this trap of talking about what’s called “revealed preferences,” which is basically the idea that whatever someone accesses is what they needed at that moment. So, I want to avoid that. But at the same time I’m a social scientist and I recognize that “needs” are essentially socially embedded, because people are. So, everything we do is sort of in relation to the people around us and our culture and society. And so I had to sort of parse through this idea. And I came across some pretty interesting ways of thinking about it. First of all, is this avoiding the mainstream trap, but also simultaneously of weighing this sort of like these really relativist idea, where you can’t talk about material needs at all. The people that I found the most useful were generally coming from the ethicist side. In particular, I was really interested in these two philosophers and ethicists, Len Doyal and Ian Gough, who had sort of a Rawlsian perspective where they talk about something called an “optimum,” which they defined as the minimum amount of what they called “intermediate need satisfaction,” which is the culturally and historically defined way to satisfy basic needs that has characteristics that are cross-cultural like “calories” or “shelter from the elements,” while also still reflecting a specific way of life. And this kind of idea of talking about it in this way, allows us to reject that sort of mainstream neo-classical sort of “utility maximization,” where we don’t actually have anything we can measure, while still acknowledging that needs are socially constructed to an extent. I tried to think through some ways that we could operationalize this. You could actually think about measuring it. The main way that ... one of interesting ways that I’ve started to think about it was actually... not thinking about it as a basket of goods but rather as measuring it in terms of the amount of something you have in order to put sort of in a - Adam Smith had this idea of a “way of living,” “satisfying a way of living” - and that’s what needs were. So, we can think of... not so much as like “Do you have a cell phone?” or “Do you not have a cell phone?” but “Do you have adequate access to the kind of cell phone that allows you to participate in your way of life? So allows you to find a job and interact with your community,” and so on and so forth. The one way I thought of maybe measuring it is in terms of deciles, when we’re thinking about consumption specifically. So, in terms of housing someone anywhere between the forth and let’s say the

sixth housing or sixth decile would all be adequately satisfying their needs. Above that, we could maybe sort of talk about satisfying “wants.” And then in the top two deciles or something would be people satisfying “whims.” I thought that this was the most useful way of really thinking about it, more of thinking about “if these levels of specific needs that are culturally constructed are being met” less so than trying to put together a basket of goods. Because putting together a basket of goods is always really difficult. That’s why our measurement of poverty is so inadequate. It’s because we try to do it based on a basket of goods and the baskets of goods are constantly changing.

Ralph Nader: Hannah, our listeners should know that you're talking about yardsticks of measuring economic progress. And if - let's say the corporations control the yardsticks, then we measure progress by their definition, not by what we all are beginning to realize: that the more the economy grows the more people are left behind. We have half of the people in this country essentially in the “poor” category. It’s a matter of who controls the yardstick. And when I spoke to you last summer I gave you the example of the Chairman of the Federal Reserve, Alan Greenspan would go to the Senate on the Annual State of the Economy testimony before he joint economic commissions. He would say, “Well the economy is good. Profits are up. Sales are up. Inventories are a healthy level. Jobs are steady.” He would never say something like “child poverty is increasing.” He would never say something like “there’s widespread incidence of hunger in the country” or “inadequate housing.” He was using corporate yardsticks, and whoever controls the yardsticks controls the agenda. It controls what politicians talk about, what Congress deals with. Do you see economists around the country starting more and more to focus on the quality of the economy not just its, as you say, cumulative quantity of output.

Hannah Archambault: Yeah.

Ralph Nader: Are they doing this?

Hannah Archambault: Since the most recent crises and recession, there’s definitely been a turn towards the kind of political economy that we do at UMass Amherst. So, certainly heterodox economists have always been doing this. We’ve always been talking about - and when I'm talking about the measurements, I'm talking about comparing different levels, so sort of immediately getting in to talking about inequality. I definitely think that there’s more of a focus on that. You know, Piketty wrote his book and the New York Times talks about inequality now. So I do think that there is a shift to thinking about these different things. I mean, one really interesting thing that I think people are really starting to talk about in this is healthcare and the fact that we’re spending more on healthcare than we ever have in the United States, more than anyone else in the world, but we still have really terrible health outcomes. I think that that for example this one place where people are really starting to see this difference between the amount you spend and the quality of what you’re doing. I think that’s certainly true. We can never ignore the qualitative aspects of - and I think these things need to come hand in hand. We need to talk about the “levels” and the “amount” and the “difference between the amount” and we need to think about the “content of consumption” as well, yeah.

Ralph Nader: Yeah. I mean, Jon Rowe who helped write an article for the Atlantic Magazine years ago called "Redefining Progress" gave the example that if parents are playing with their children with wooden blocks inherited by their parents, they're not adding to the GDP, but if a parent goes out and buys an \$80 Nintendo game - which children tire of more quickly and don't involve parental-child interaction - that's increasing the GNP. The more crime there is, the more investigators, detectives, the more repair, property damage, increases the GDP. So, a lot of bad things increase economic growth. But one of my favorites is phony bumpers on cars, so if you have a five-mile-an-hour collision you got a \$2000 repair job, which increases sales, jobs and profits by the repair industry that increases the GDP. But we'd rather do without it and have a functional bumper. This is a very revolutionary reevaluation of economic activity, and it's very important that that begin to spread among economists and students in departments of economics. Do you see the textbooks? Do you see - outside of the University Massachusetts - do you see this? I mean I studied Economics 101 at Princeton and it was all supply/demand curves. It was all quantitative. We never even mentioned the word "consumer" by the way. Do you see the change in the textbooks, the change in the curriculum?

Hannah Archambault: Honestly, outside of the heterodox schools - I've spoken to a lot of others friends who teach at other universities - not really. Most textbooks are still the standard - Macro 101 textbooks are still talking about the same batch of lies they have been for to the last 60 years.

Ralph Nader: It's almost like an ideology. It's an ideology of control. It doesn't bring in reality. It excludes a lot of reality.

Hannah Archambault: Yeah. On a bright side, many of my friends, my colleagues from UMass Amherst and from other heterodox schools are getting hired right out of university. There's a real crises in higher education of finding a job essentially, once you finished your graduate degree. But so many of my friends have been hired straight out and are actually teaching undergrad. And they are teaching undergrads with the tools that we learned and with the kind of economics that we learned. I think that there is potential, even if isn't reaching into the mainstream universities right now and reaching the vast majority of undergrads. I think the most recent crisis and the sort of ongoing discussion about inequality is changing the conversation; and hopefully it will reach the mainstream "intro" university classes in the near future.

Ralph Nader: Your professor Robert Pollin - he has spearheaded a reevaluation of the energy part our economy with his writings on the green economy, which is really another way of substituting solar energy, energy efficiency, wind power for fossil fuels and nuclear and in doing so increasing the healthy environment, reducing all kinds of geopolitical complications abroad and increasing jobs. He's put forth this very elaborate green economy. So you see, it comes down to people's everyday lives. It's just not something theoretical. It's not just something - a bunch of equations. Do you think you're going to persist in this kind of work as you get your PhD and go out into the world, where you're going to apply your economic knowledge?

Hannah Archambault: Yeah, absolutely. I personally am really interested in inequality and economic inequality based on labor and also economic inequality based on race and gender and sexuality et cetera. That's definitely what I want to be doing. I teach undergrads myself. I actually teach with Bob (Robert Pollin). And the main thing that I always try to make sure my students understand is that economics is A: not-value-free; and B: because - as a result and as a reason - because it's a social science, we're talking about people. We're talking about my students and their families and the real material lives that they lead. To me this is the most important thing to impart upon my own students and is something that I think most Americans could benefit from thinking about. Thinking about when you say you're not interested in economics and you think you're not interested in the way the economy is functioning, but you're really talking about your own wellbeing. The economy is what we make it. It's our interactions with each other both in and outside markets. All of these are part of the economy. I certainly hope that I can continue to work on this myself, learn more about it myself and help other people understand that knowing about the economy is integral to their wellbeing.

Ralph Nader: You know a bit about public budgets. You worked in the New York City Budget Office after you graduated from college. I said people have got to realize that this notion of progress is very manipulative definition by the powers that be, and that our economy has grown enormously since 1950 and there's never been more inequality in terms of wealth and income between the mass of the people and the few at the top. Let's hope you continue to be a conservative revolutionary, because this very conservative. The corporations are the radicals, subverting our democratic pretensions in so many ways. Thank you very much. We've been talking with Hannah Archambault, who is a graduate student and also an instructor at the University of Massachusetts, Amherst. How would they reach you if they wanted to get in contact with you, Hannah?

Hannah Archambault: They can send me an email at harchambault that's A-R-C-H-A-M as in married, B as in boy, A-U-L-T as in Tom @umass.edu.

Ralph Nader: Very good. Thank you very Hannah, and to be continued.

Hannah Archambault: Thank you so much Ralph.

Ralph Nader: Yup.

Hannah Archambault: Okay, have a good day.

Ralph Nader: Bye-bye.

David Feldman: I remember Bobby Kennedy said the GNP measures everything but what makes life worth living.

Ralph Nader: Remember that?

David Feldman: Yeah.

Ralph Nader: Unfortunately, the rest the Congress didn't pick up on that.

David Feldman: This comes from one of our listeners: Joanne Hall. She says, "Ralph, should the US have an industrial policy somewhere to China, Japan, Germany and South Korea?"

Ralph Nader: It does have an industrial policy. It's called Wall Street's control over Washington. That is: the large corporations and their lobbyists have had enormous influence in what public budgets pay attention that the taxpayer funds. There is a huge subsidies for example for the industries that we now read about - the semiconductor, computer industry, pharmaceutical industry, the biotech industry - the nanotech industry is almost completely taxpayer supported in the original research and development - the containerization industry. Some of it is good; some of it is not - just driven by corporate profiteering. And all of it is really not creating many jobs. You have Google, which is a giant worldwide company, and it has fewer jobs than Kodak Company had 30 years ago in Rochester, New York. I'm told that Facebook, which almost everybody in the world now knows, has fewer than 20,000 employees, which used to be a fair size auto plant in the 1940s. We do have an industrial policy. It's reflected in the corporate tax code and the twisted grotesque ways that corporations get rewarded with lower taxes for doing the wrong things - like parking their profits overseas in tax havens or islands like the Grand Cayman Islands in the Caribbean. But we don't have a coherent industrial policy that reflects the interests of the mass of the people the way I think Germany and Japan pursued - not that they don't have their own corporate elites - but South Korea, for example, had an industrial policy and look at the comparisons. In 1953 the per capita GDP of South Korea was equal to the Congo in Africa, a very poor country. 1953: still at the end the Korean War. Now South Korea is one of the top 10 most powerful economies in the world. And the standard living of course is much, much higher than it is in the Congo. Just to talk about an industrial policy is to raise the hackles of right-wingers in Congress, "Oh, that's Socialism." But, you see, we have an industrial policy by default, succumbing to the shaping of our economy through government policies - subsidies, taxes, government contracts, military contracts et cetera - by default. We should have a discussion nationally that if we're going to have all these powerful levers coming out of Washington to shape the economy, let's do it in a very just manner, instead of going out more the world and piling up massive overkill weapons of mass destruction.

David Feldman: Well, that's our show. Thank you for your questions. Keep them coming either on Ralph's Facebook page or on the Ralph Nader Radio Hour website.

Steve Skrovan will be back with us next week. I want to thank our guests today, Ron Unz, who along with Ralph is running for the Harvard Board of Overseers to eliminate tuition at Harvard and also thanks to Hannah Archambault for her paper on "Needs, Wants and Whims."

All of the links for our guests will be posted on RalphNaderRadioHour.com along with the transcript of this episode. But you have to give us a few days to get the transcript up there. For Ralph's weekly blog, go to Nader.org.

For more Russell Mohkiber go to CorporateCrimeReporter.com.

Remember to visit the country's only one museum the American Museum of the Tort Law in Winsted, Connecticut, go to TortMuseum.org.

Join us next week. Talk to you then Ralph.

Ralph Nader: Thank you very much, David. Thank the audience. And once again my exhortation to all people listening: become more active citizens. That's the fundamental basis for the quality of life and justice in America.