

## RALPH NADER RADIO HOUR EP 428 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 trustee co-host, David Feldman. Hello, David.

**David Feldman:** Hello, Stephen.

**Steve Skrovan:** And the man of the hour, Ralph Nader. Hello, Ralph.

**Ralph Nader:** Hello, everybody.

**Steve Skrovan:** Before we get to our show, and we've got another great one of course for you, Ralph, you wanted to speak about two friends we lost recently, Donald Ross and Sheldon Krimsky.

**Ralph Nader:** Who the country lost too. These are two great public citizens. Donald K. Ross came to join us in 1970 out of Peace Corps and we went all over the country organizing Public Interest Research Groups, student public interest research groups like MASSPIRG, as they're called, NYPIRG, California PIRG. And they're still going on, training thousands of students and doing a lot of good work – litigating, lobbying, publicizing, exposés. And then he went on to generate huge rallies against nuclear power plants in three weeks. Consider his skill as an organizer. In three weeks, he got 100,000 people down to Washington during the Carter administration after the Three Mile Island tragedy--one hundred thousand people marching in three weeks. He was a superstar organizer, connector, meticulous, result oriented, no bombast, no ego, and he did so many other things. He got laws through state legislatures with Republican and Democrat support on juvenile justice reform. And he was a superstar, of which there probably weren't five like him in the last 50 years. And it was a terrible loss of a great human being. There's going to be a biography written of him. There should be a documentary written because he put forces in motion that strengthened our democracy and our system of justice. He taught people how to empower themselves, how to connect with each other. More than a mobilizer, which he thought was the first step, he was an organizer. That's the second step. And encomiums are coming in from all over the country because there are millions of people who benefited from the work of Donald K. Ross, who never knew his name. That's how modest he was.

Then about the same time, we lost the main critic of the corruption of science by corporations, Sheldon Krimsky, who taught many years at Tufts University, and helped form the Council for Responsible Genetics along with Harvard, MIT scientists. He wrote many books showing how academic science has been taken over by corporate science, universities; how corporate science is not peer reviewed, it's very political, it's very unreliable. When they say certain pharmaceuticals are safe and they get certain corporate scientists to back it up, and if it doesn't happen to be true or they argue before tribunals that all this air pollution is not causing cancer, he was the main critic in documenting all of these shenanigans. And we're going to miss him terribly as well, Sheldon Krimsky, another great citizen, about whom a biography should be written.

**Steve Skrovan:** Thank you for that, Ralph. Now, on to the show. As we all know, inflation is back. Gas, food, construction materials, cars and other everyday items are more expensive. The corporations that sell these things have blamed supply chain disruption, labor shortages and foreign wars for increasing the cost of production. The mainstream narrative around inflation is that consumers are paying more to buy things because companies are paying more to make them. There's no surprise that corporations will externalize new costs, but are they actually just price gouging? Our first guest today will be Lindsay Owens. Lindsay is a sociologist with deep expertise in economic inequality, poverty and recessions. And in her recent guest essay in the *New York Times*, she reports what the companies themselves have been saying in earnings calls. No prizes for guessing what her conclusions were--corporations have been raking in record profits on the backs of ordinary consumers. We'll ask her about her essay and what Congress and regulators in Washington can do to curb this reckless corporate profiteering.

After that we're going to turn to true masters of profiteering and talk about how America wages war. Anthropologist Roberto González will join us to discuss how the latest generation of data-driven technologies, like autonomous weapons, robots and advanced surveillance programs, are weaponizing our personal devices and the mountains of data that we give away to Big Tech. We'll speak with him about his new book, *War Virtually*, and why we should be skeptical of techno-utopian claims of, quote-unquote, "war without death", and how this videogame warfare undermines democratic governance and threatens human survival. If we have time, Ralph will answer some more of your listener questions. As always, somewhere in the middle, we'll check in with our corporate crime reporter, Russell Mokhiber. But first, let's find out what is really driving today's inflation David?

**David Feldman:** Lindsay Owens is a sociologist and the executive director for the Groundwork Collaborative, a progressive economics think tank. Her work has been published in leading social science journals, including *Brookings Paper on Economic Activity*, *The Annals of the American Academy of Political and Social Science*, and *Social Forces*. She teaches at Georgetown University and is the co-creator and co-instructor of America's Poverty course online now at Stanford University. Welcome to the *Ralph Nader Radio Hour*, Lindsay Owens.

**Lindsay Owens:** Thanks for having me.

**Ralph Nader:** Welcome indeed, Lindsay. And David might have added that you have experience on Capitol Hill. You were legislative director to Congressman Keith Ellison, and Progressive Caucus Chair, Pramila Jayapal, among other roles. So listeners, we've got a very experienced person here making a point that's long overdue, that corporate pricing strategies... they use that actually on their shareholder calls that they've had. One quote was "a successful pricing strategy", end quote. That's about as close to an admission of monopolistic power as they're willing to admit. And until Lindsay had her op-ed in the *New York Times*, the Republicans were having an opportunity to blame the Democrats for rising prices and inflation. I'm not aware that the Democratic Party is the vendor of food, and energy, and pharmaceuticals, nor is the White House. So she's setting the record straight. And you started your column, Lindsay, by saying you participate in a lot of shareholder calls by management to see how they talk. Tell us about that.

**Lindsay Owens:** Yes. So look, Americans are getting squeezed by rising prices at the grocery store, at the gas pump, really across the board, and corporations are bringing in record profit margins, the highest we've seen since 1970. And we wanted to understand how that's the case. In theory, those profit margins should be eaten into by the rising costs of labor and the rising costs of materials. But actually the margins were expanding. And so we went to the horse's mouth; we listened to hundreds of earnings calls, talking to their investors about their quarterly earnings, about sales and revenue and profits. And we heard a lot about the supply chain, a lot about inflation, and a lot about profits, as you do on earnings calls. But we also heard a lot of what I would call plain old profiteering. We heard a lot of crowing and boasting, frankly, about how CEOs could use the cover that this moment provided--the cover of inflation, the cover of foreign war in Ukraine, and the cover of the pandemic--to really gild the lily, to pass along those rising costs but then to go for more. And going for more is how they're driving up those profit margins.

**Ralph Nader:** In this cover of inflation point you make, you quote the head of research for Barclays Bank saying, quote, "The longer inflation lasts and the more widespread it is, the more air cover it gives companies to raise prices," end quote. Air cover, what is all that about?

**Lindsay Owens:** Yeah. I think there are some norms in our society around pricing. Consumers get used to prices for goods that they buy over and over again, and they get a bit scared off when they see price increases. And typically, folks try to keep pricing similar and build profit another way. So before you had supply shortages, you had companies driving profit by trying to pick up more market share, right? And in a world of supply shortages, you can't really do that. And so instead, you drive profit through price. And what this moment has done is unlocked the ability to raise prices because there are consumer expectations that prices are increasing. So the CEO of Hostess snack foods, who I talk about in the piece, says, "Look, it's easier for us to raise prices right now because everybody else is doing it, and consumers start to expect it." So firms are not going to miss this moment to take pricing that they've maybe wanted to take for decades; maybe they've been flirting with for a while. They're going big. One of the other things we've noticed, which I think does not bode well for this slowdown of inflation, is some of the CEOs we've been listening in on are saying, actually our costs are coming down, but we're not going to pass on those savings. We're going to stick with the new low low price, the new higher price. Consumers are getting used to it and we're not planning on giving any of that pricing back.

**Ralph Nader:** Well, the one thing in your column in the *New York Times* that really stood out for me was the following, I'm going to quote you. "Despite the rising costs of labor, energy and materials, profit margins reach 70-year highs in 2021. And according to an analysis from the Economic Policy Institute, fatter profit margins, not the rising costs of labor and materials, drove more than half of price increases in the nonfinancial corporate sector since the start of the COVID pandemic," end quote. The impression they're trying to give in corporate propaganda is that we're paying labor more, we're paying more for energy would expect us to do. And what you're saying is they're going way, way beyond that.

**Lindsay Owens:** Yeah, this new data from the Economic Policy Institute is really a smoking gun. We obviously have corporations, CEOs saying that quite out loud in broad daylight on the earnings calls, but it's really nice to have the kind of definitive numbers. And so what they found at the Economic Policy Institute is typically, from about 1979 to 2019, labor costs accounted for about 62% of growth in unit prices. Right now, and this is in the nonfinancial corporate sector, so we're not talking about the financial markets here, we're talking about stuff you can hold in your

hands, so about 62% historically. From quarter two of 2020 to the end of 2021, unit labor costs only contributed 8% to the rising prices. So this is not a story of, “I got to pay my workers more. I got to pass that along or I’m going to go bankrupt,” a typical kind of scapegoat for inflation. People love to blame workers and workers’ wages, but that is just not what the data show. Unit labor costs accounted for an historically low percentage of the price increases. What’s accounting for an historically high percentage, and really what’s making up that entire difference, is corporate profits used to be about 11% of that increase, and now, as you mentioned, 54%. So more than half of the rise in prices that we’re seeing is coming from what firms call the markup. That’s the portion –it’s the juice on top of passing along your breakeven costs. So, it’s just a stunning reversal of the normal status quo standard operating procedure during a moment of national crisis, during a moment of mass death, a moment of foreign war, and a moment in which Americans are looking at prices they haven’t seen in 40 years.

**Ralph Nader:** Just recently, Jeff Bezos of Amazon took issue with Joe Biden’s mild comments on corporate profits, and he indicated that Biden should mind his own business. But it turns out that Amazon pays only 6% income tax. So the reduction in income tax, tax loopholes, tax havens, and tax escapes is also leading to higher net profits, isn’t it? Six percent... imagine, the giant Amazon company on \$33 billion in profits paying 6%. What role are reduced taxes — that’s true across the board. Most large corporations, average about 8%. Some don’t pay any for a year or two. So talk about the role of the tax reduction.

**Lindsay Owens:** Yeah. Look, if your profits are not going to get taxed, why not go as hard and fast as you can? And that’s what we’re seeing. Drive up the price, bring in the profits, and ship it back to your shareholders in buybacks. Then if you’re the CEO, wait for the stock price to bump after you announce the buybacks, and sell some of your shares, right? I think a higher corporate tax rate, or we’ve advocated also for an excess profits tax, which we’ve had numerous times throughout modern history, I think makes profiteering a lot less lucrative. It disincentivizes some of that profiteering and price gouging that we’re seeing. It’s not very fun to price gouge if you got to ship your winnings over to the Treasury Department. So I absolutely think Biden is exactly right. Tax has got to be part of the solution here. And it’s not surprising that Bezos isn’t interested in that one; the status quo is working pretty well for him.

**Ralph Nader:** Well, I’m sure some of our listeners are wondering what can be done about all this. Before we get to what could be done, there’s some interesting information from Lindsay about what state laws already on the books can do about price gouging. I just wanted to have you range beyond mere taking advantage of the situation over these corporations, because there are all kinds of clever ways that corporations managed to gouge consumers long before the pandemic and Ukraine war. And one of them has been documented by this group, Consumer Watchdog, in California, which is a manipulation by the four refineries in California. Imagine, four refineries have giant market there that they shut down for repairs for an inordinate amount of time. And if one shuts down for an inordinate amount of time, the price of gasoline goes up in California. When the Exxon Valdez spill in Alaska occurred, and there was a temporary shortage, the price of Exxon Mobil’s gas stations went up in terms of gasoline. They actually made more than what they had to pay out for that spill. Talk about these idiosyncratic ways that drug companies, patent monopolies, all kinds of things that make a mockery of market fundamentalism in the free market discipline.

**Lindsay Owens:** Yeah, that's exactly right. It's a total mockery. Folks like to think that CEOs are efficient stewards of scarce resources. You learn in Econ 101 they're just raising prices, responding to supply shortages to bring supply back in line with demand. But the truth is that's really a fiction. In sector after sector, we see firms actively throttling supply to bring up price. And it's really typical in oil, and a great example from a Texas-based oil company, Pioneer Oil. A couple of days after Russia invaded the Ukraine, journalists asked the CEO of Pioneer, "Looks like crude oil price is going up. What price will put you back on the ground? It seems like you can make a lot of money." And he said, "There's no price that would have me pull up another barrel of crude." And the journalist said, "Why is that?" And he said, "The shareholders own this company." That's a quote, "and they want a return of cash." That's another quote. We see it in oil, where they're throttling supply to keep the prices high and bring in record profits. We've seen it actually in the housing sector. A couple of housing developers that we listened in on, publicly traded developers saying, "Yeah, we could have built another thousand units this quarter, another thousand houses, but mark-up is really good for us right now, so we didn't and we just brought in the extra profit off the scarcity people were willing to pay." And we've seen it in a variety of other sectors. The scarcity and the fact that these companies have so much control, so much pricing power in many cases really stems from their relative monopoly positions in the market. If you don't have any fear of being undercut by the competition, why not take this as far as you can go in this moment?

**Ralph Nader:** Well, we've been talking with Lindsay Owens, who is the executive director of the Groundwork Collaborative in Washington, D.C. There's another quote from your column that I think sets the stage for what you want to tell us about these price gouging statutes that are on the books in the states and what's going on in Congress. Let me quote it. Quote, "On the other side of the debate are a majority of Americans, including me, who look at the economy and see businesses exploiting supply chain bottlenecks, foreign war and a pandemic to bring in record profits on the backs of consumers. We don't dispute that the system is working well for Fortune 500 companies and Wall Street investors, but we want lawmakers to stop the profiteering that has gone too far," end quote. The factor of limitless greed is obviously operating throughout history in terms of the merchant class, and now we call it the large corporations. They deliberately take advantage of powerless people. That's why they rip off Blacks and Hispanics. When they're poor, minorities, they take advantage of people with disabilities by jacking up prices on prosthetic devices. The cruelty is beyond belief here. And now they're taking advantage of everybody because they can get away with it. There's an alleged infant formula shortage now. There are only four companies in the US producing it. Abbott produces 40% or more out of their factories in Michigan. Well, there was a contamination problem last fall. Some infants fell sick and a couple died, stemming directly from Abbott labs' lack of quality control in their factory.

And here's the comparison that points to this greed. Abbott's management refused to repair the dilapidated drying machines, which turned the plant into a breeding ground for Cronobacter because they used the \$5.73 billion they had for stock buybacks. A tiny fraction of that money could have cleaned up that plant and saved those little infants and avoided this so-called infant formula shortage. So the varieties of corporate greed are endless, and we're living in an era in the US of low regulation, non-regulation, unenforced laws against corporate crime, fraud and abuse, and enormous rip-offs in the healthcare industry; drug prices are sky high, protected by government subsidies and the patent system. You've got a little bit of optimism in your article on

the states' price gouging statutes and what's going on in Congress. Can you give us a description of that, Lindsay?

**Lindsay Owens:** Yeah. So you're exactly right on the baby formula piece. It's really tempting, I think, to blame this moment on the pandemic or to think of it as an aberration, a pandemic-induced aberration. But the truth is this knife-edge supply chain that we're all living in is really decades in the making--decades of offshoring, of mergers and acquisitions, building an economy that has very little redundancy, very little duplication where we're quite vulnerable to one firm being knocked out. In this case, because of their own malpractice and negligence, but it was true when we got to the eve of the pandemic without a semiconductor to spare. We just don't make them in the United States anymore, and that's a real issue if you need to produce more cars. So the system that we're living in and the short-termism you point out with the buybacks... we didn't always have buybacks. Reagan undid Great Depression-era laws around barring the manipulation of stock prices. And when he undid that, it unleashed the buyback era that we're living in, and the focus on short-term profits over capital investments, like those Abbott needed to desperately make in their assembly line to keep baby formula moving.

So I think it's important to note that this has really been decades in the making. The question is what we can do about it; I think there are a few things. Thirty-eight states have some form of price gouging statutes on the books. They kick in and are triggered by different things. Sometimes it's natural disasters, sometimes it's pandemics and public health emergencies. But those laws are there because lawmakers and the majority of states have decided it's not in the public interest for corporations to be able to run up the score in times of crisis. And I think we're really overdue for a federal price gouging statute that ensures that moments of pandemic, natural disasters, and frankly, periods of economic transition, economic uncertainty, should not be moments where corporations can go for broke on pricing. And I think giving the Federal Trade Commission (FTC) and other key regulatory agencies the ability to crack down on it. And frankly, the mere presence of a law like that I think is a real deterrent. The lawyers at these big Fortune 500 companies are going to say, don't take this too far. You're going to catch the eye of the FTC.

And so I think a law like that makes a lot of sense in this moment. And we may not be able to get it done; it may not have an impact on this current crisis, but this is really a dress rehearsal. These supply chain snarls will be coming for us as climate change bears down. Trade routes will be disrupted, plants will be flooded, crops will be burned and flooded. We're going to see this again. This is not the last time we're going to see this. So I think putting some new laws in place to try to prohibit this type of just outrageous price gouging is really critical for Congress to take on.

**Ralph Nader:** You mentioned that there's something going on in Congress about restoring the tradition of taxing excess profits.

**Lindsay Owens:** Yeah. So just in the last month, there's really been a renaissance of focus on excess profits. I think there are now maybe four proposals in the House and Senate to tax excess profits. So, the idea here is, look, you pay the regular tax rate, which is already quite low, on your everyday profits, based on the historical average that you might have, whether that's 10% or 13%, and then you're going to pay more. You're going to pay a higher rate on your excess profits, on the profits that you're generating because of your market position in this moment, i.e., your monopoly position, because of your ability to exploit a crisis that's not of your making, like a war

abroad. We used them in World War I, World War II, and the Korean War. We had an excess profits tax as recently as 1981 for oil and gas, and it's a lot less lucrative to price gouge if you want to keep all of the profit. So I think it's a really smart approach and a number of folks are considering proposals right now.

**Ralph Nader:** And even the White House Council of Economic Advisors foresaw more of this. Whenever there are floods or destructive trade routes, they take advantage of it and jack up the price.

**Lindsay Owens:** Absolutely. They put out their annual report to the President and warned about the supply chain disruptions that we're likely to face in the future. This is not a pandemic aberration. I think it's a harbinger of what's to come. One thing we didn't talk about is the shipping cartel. The shipping cartel is a real impediment to bringing prices down. There are three major shipping alliances that control between 80% and 95% of the trade groups. And they're looking at...there was one quarter where their profits increased over 1000% and they're seeing the highest profits in over 110 years. So, a lot of the goods that are coming in, there's just this huge tax being imposed by the shipping companies that know they have really everyone over a barrel right now.

**Ralph Nader:** Can you tell our listeners how they can reach you, Lindsay? We've been talking with Lindsay Owens, the executive director of the Groundwork Collaborative. And how can they get in touch with you?

**Lindsay Owens:** Yeah. You can find me on Twitter at Owens, O-W-E-N-S, Lindsay, L-I-N-D-S-A-Y, 1, and through our website, [www.groundworkcollaborative.org](http://www.groundworkcollaborative.org).

**Ralph Nader:** Well, our time is up, unfortunately. We've been talking with Lindsay Owens, executive director of the Groundwork Collaborative. She's a burst of new energy in the civic community in Washington, D.C. And does the civic community ever need a burst of energy, so keep at it, Lindsay. Swarm yourself over Capitol Hill. Shake those people up and remind them where they're coming from, back home where the people have to pay all the bills, and they have given the Congress such enormous amounts of their sovereign power under the Constitution. Thank you and good luck.

**Lindsay Owens:** Thanks so much for having me. It was a real honor to get a chance to talk with you today.

**Steve Skrovan:** We've been speaking with Lindsay Owens. We will link to her work at [ralphnaderradiohour.com](http://ralphnaderradiohour.com). Up next, is it possible to wage war without death? We'll discuss that with anthropologist Roberto González. 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, May 20, 2022. I'm Russell Mokhiber.

Wall Street's biggest banks have accumulated another \$1 billion in fines and 35 cases in just the last 15 months. That's according to a report released last week by Better Markets. "This law-breaking comes on top of the decades-long ongoing crime spree by the six largest US banks – Bank of America, Citigroup, Goldman Sachs, JPMorgan Chase, Morgan Stanley, and Wells

Fargo," said Dennis Kelleher of Better Markets. "These six banks are unrepentant recidivists, which have now been involved in more than 430 legal actions and paid nearly \$200 billion in fines and other monetary sanctions over the last two decades," Kelleher said.

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. How are the latest generation of data-driven technologies, like autonomous weapons, robots and advanced surveillance programs, weaponizing our personal devices in the data that we give away to Big Tech? Let's find out. David?

**David Feldman:** Roberto J. González is Professor and Chair of the Anthropology Department at San José State University, where his research focuses on militarization and culture, processes of social and cultural control, and ethics in social science. He is the author of several books, including *Anthropologists in the Public Sphere: Speaking Out on War, Peace, and American Power*, *American Counterinsurgency: Human Science and the Human Terrain*, and *War Virtually: The Quest to Automate Conflict, Militarize Data, and Predict the Future*. Welcome to the *Ralph Nader Radio Hour*, Roberto J. González.

**Roberto González:** Thank you very much. It's a pleasure to be here.

**Ralph Nader:** Welcome indeed, Roberto. This book, *War Virtually*, is not designed to discourage you. It's designed to alert you to something that has to be confronted. And for those in the listening audience, and there's not going to be many who are okay with the Pentagon war machine and our empire, consider this--even if you trust the military, do you trust autonomous weapons starting wars on their own, driven by algorithms? In other words, no human being decides this (virtual) war; an autonomous weapons system does, for a provocation overseas. I think the summary of the book is very well done right at the beginning, Roberto, and I'm going to quote. "This book is about the pursuit of a dream, a dream that, over time, may turn out to be a nightmare. It's a story of how a group of scientists and engineers are racing to develop, acquire, and adapt computerized, data-driven technologies and techniques in order to automate war, predict conflict, and regular human thought and behavior. The advent of artificial intelligence, particularly machine learning, is accelerating the military's relentless drive toward virtual combat zones and autonomous weapons, in the United States and elsewhere. To the outside world, this sounds like the stuff of fantasy, but from the inside, science fiction appears to be on the verge of becoming science fact. At this stage of history, it's still not clear whether the outsiders or the insiders will be correct in their interpretations," end quote. Take it from there, Roberto. What do you want our listeners to know?

**Roberto González:** What I want listeners to know is that we're essentially entering into a new phase of warfare; it's a phase in which Big Tech merges with Big Defense. One of the central arguments that I make in the book is that Silicon Valley and the tech industry, more generally, need to be seen as more than just a region that's developing great new computers, or cell phones, or tablets, or what have you. We need to start understanding them as major defense contractors in their own right. And not just smaller firms, but the biggest names, including Microsoft, Amazon, Google, and all the rest. One of the key points I want to drive home in this book is the importance of us viewing the world of Big Tech and the world of defense as essentially the same,



especially moving forward. The beginning has already started, and a lot of the book is telling the story of those routes between Silicon Valley and the Pentagon, and intelligence agencies as well. So that, in a nutshell, really is I think the main theme in the book--the history and the present and the potential future of this kind of marriage between Big Tech and Big Defense.

**Ralph Nader:** Well, the importance of this book, listeners, comes from the author's training as an engineer and as a PhD in anthropology. He looks at context in the big picture. And one of his book titles of his chapter is called Juggernaut, and he starts out, "How exactly do scientists get drawn into military work?" How do they?

**Roberto González:** That's a good question. I think that really the way that scientists and engineers, and also I should say, social scientists, not just the, quote-unquote, "hard scientists", it's a complicated one. There are almost as many reasons that scientists and engineers become militarized as there are scientists and engineers themselves. I've talked with a lot of them over the years and I've come to recognize there's all kinds of motives that draw people in to the world of military and intelligence work. Let me just mention a few of them. I think some are really drawn by the idea of being able to do applied research without being distracted by the mundane life of an academic serving on committees and so forth, or teaching classes. I think others are motivated by things like patriotism and a desire to serve their country. I think some are drawn in by the romantic idea that somehow they'll be involved in the world of spycraft or underground laboratories or things like that. And then I think some slip into defense and intelligence work without being fully aware that they're doing this, because they get drawn in to compartmentalized projects. They're working on a small part of some bigger puzzle of which they might not even be aware. And then I think probably the most common reason that lots of scientists, and engineers, and social scientists who I've come to know over the years, are really drawn by the idea that they can somehow make a small contribution towards reforming the military establishment or the worlds of the intelligence agencies. So there's all kinds of different reasons, I think, in terms of why people get drawn in. And for me as an anthropologist, that's really interesting, to figure out what makes people tick and why it is they make the choices that they make.

**Ralph Nader:** Well, the other aspect in your book is that these robotic weapon systems are already being deployed and they don't always work out according to the purpose for which they're deployed. And you say as early as 2004, robotic weapon systems didn't eliminate the fog of war; in fact, they tend to make it worse. And then you quote official government reports. It's on page 39, which I think is a very telling segment, where you illustrate the findings of the Bureau of Investigative Journalism on what kind of civilian casualties occurred in Afghanistan, Pakistan, Somalia and Yemen as a result of these robotic weapons. Could you elaborate that a bit and give some numbers?

**Roberto González:** Sure. Yeah, I can talk about that. Well, first of all, absolutely right, and I think the most dramatic cases of this would be the drone wars that have been prosecuted in places like Afghanistan, Pakistan, Somalia, Yemen and others. According to the Bureau of Investigative Journalism, as many as 1700 civilians have been killed, including some 400 children, which is really a conservative estimate because there's still not a consensus about who counts as a combatant in these situations. The overall death toll is probably more like 9000 to 12,000 people during that period. Then there's also been very seldom publicized cases of drones

firing on US military personnel as well, which tend to not get a lot of coverage. But it's a big issue, I think, within the military that often doesn't get a lot of attention. And I think this is one of the reasons this was very interesting to me to find, that there's a lot of distrust within the military itself, from rank and file pilots and soldiers and marines about the dangers inherent in these weapons. And part of it is that they're so unpredictable and they are so inaccurate so much of the time.

**Ralph Nader:** And how about the moral trauma on the people who push the buttons from an Air Force base in Nevada or a location in Virginia, and kill innocent civilians and families thousands of miles away?

**Roberto González:** Yeah. That's a great point. I think a lot of people who think about drone warfare assume that it's kind of like playing a videogame, that the people actually pulling the trigger from an Air Force base in Nevada, for example, somehow are able to kill with a clear conscience. Because it's remote warfare, they're able to do the killing and then just kind of get over it and go home as if it were a videogame, without consequences. The fact of the matter is there's been enough anthropological research actually interviewing the drone pilots themselves to indicate that they are undergoing serious trauma, they being the drone pilots and those who are actually doing the killing remotely, to the point that some are suffering from post-traumatic stress disorder and are having really serious psychological problems as a result. And the reasons for this are interesting. In the process of drone warfare, oftentimes the pilots will be following the same individuals for days at a time and learning a lot about the intimate details of their daily lives – following them home, following them to market, following them to the mosque, wherever – and coming to associate themselves or create a virtual relationship with the person, although the person at the receiving end will never get to see the drone pilot, only the drone. So in that process, there's a kind of psychological attachment that can develop between a drone pilot and his or her eventual victim. And again, this is really fascinating anthropology work that I uncovered in the course of doing this research.

**Ralph Nader:** Explain what you mean when you say "The divide between the Pentagon and Silicon Valley is mostly a myth. It never really existed, at least not in any significant way." So we're talking about companies like Microsoft, Apple, Google, Facebook; they're all getting into this, huh?

**Roberto González:** Yes, they are. Before we get into the big 21st Century tech firms and social media companies, let's talk a little bit about those historical roots, Silicon Valley, which is the heart of this area. San José state is located in downtown San José. We're a short drive away from the headquarters of Google and a little bit farther away as Apple and so on. Before the tech industry arrived in the 1950s and '60s, San José was basically an agricultural town. They called it the Valley of Delights, because it was full of fruit orchards basically. And then the industry arrived first in Mountain View, with the development high-tech circuitry, and then military contracts quickly followed and built up the area so that Lockheed Martin was among the largest employers by the end of the 1960s, producing all kinds of components that would be used in weapons systems and missiles and so forth. Now, the mythology of Silicon Valley is that it was basically a bunch of brilliant college dropouts who basically tinkered in their garages and developed these very powerful computers over time as if the industry wasn't there before them in the 1970s and '80s, and as if they did it singlehandedly, without lots of taxpayer dollars paying for the military contracts that would eventually saturate the region. So I referred to this as the

myth of Silicon Valley in the book. It's been well-documented by others. I'm hardly the first to bring this up. It's been mainly historians that have sketched out this history. But I revisit it because I find that my colleagues in Silicon Valley often forget this really important part of the region's history and the industry that surrounds us. And it also, I'm sorry to say, is ingrained in my university's culture, where the slogan of my own university is "Powering Silicon Valley". Everyone wants to flock to the industry to somehow look for support for the university or for students or what have you. So I've always had critical and kind of contradictory feelings, I guess you would say, about working it in the heart of this. But the history is there and fast-forward to the 21st Century, and what we see is that now, within the industry over the past five years, there's revelations that the Pentagon and the intelligence community are really hell-bent on re-establishing closer connections to Silicon Valley. And in a chapter of my book called "Pentagon West", I really highlight those efforts, which began in earnest about six years ago, and have continued to the present. And so the Pentagon now has its own, I call them outposts in the book. They're not actual military bases, but they're organizations that specialize in funding startup companies to develop technologies that could be beneficial for surveillance purposes or for automated weapons systems and the like. And that really is an important development. Again, it's not one that's entirely new, because Silicon Valley's roots are very much in line with Pentagon funding, but it's undergoing a new era now with the development of artificial intelligence, or I should say, machine learning and algorithmic modes of analysis and so on. So that's where we are right now.

**Ralph Nader:** Well, the point in your book about how it's boomeranging against us creating more conflict, more hatred around countries that we have bombed, invaded, and terrorized civilians. And that's why I thought the part of your book that talked about Ahmed's findings--he is an anthropologist, who wrote the book *The Thistle and the Drone*--explain his findings in terms of how all this machinery is boomeranging against our own national interest quite apart from the devastation on innocent civilians abroad.

**Roberto González:** That's right. Yeah. Basically his argument is, and it's a really thoroughly researched book, that is not just focused on Afghanistan and Central Asia, but more generally it's looking at what he calls the tribal zone. And his argument is basically that the war on terror, so-called war on terror is actually a war by corrupt states against its tribal peoples. And that's a really intriguing argument and it's fascinating but it's also deeply disturbing because the end result is that drone warfare is creating more enemies for the United States government and those that are launching drone strikes. And it's become, I think, a pretty wide critique at this point, including from people like David Kilcullen, who is also trained in anthropology but has been doing a lot of military work; he's definitely what I would call a militarized social scientist. But he had a very prominent critique of drone warfare about 10 years ago that appeared as an opinion piece in the *New York Times*. And I would encourage everyone to read it because he, I think, understands very clearly how drone warfare, far from countering terrorism, is actually creating it by creating enemies from the victims, from the innocent victims, the families of innocent victims, I should say.

**Ralph Nader:** Well, we're not the only country now that produces sophisticated armed drones. Turkey produces them. China produces them. We tend to think of autonomous weapons as a one-way street, like we're the leaders; we're the ones who can project them overseas. Do you envision that these drones are going to be coming back to attack us by other antagonistic forces? In other

words, is this automated warfare going to be a two-way street? We can't contain the monopolization of this technology very much longer, can we?

**Roberto González:** I couldn't agree with you more. I think that's a very likely scenario, especially because drones don't have to cost tens of millions of dollars. In fact, you alluded to the Turkish made drones. Those, as you probably know, are being used right now by the Ukrainian military forces against Russia. And they've gotten a lot of attention as well in part because they are so inexpensive. I heard them described recently as the Toyota Corolla of drones. They cost about \$1 million and change, which in military dollars, is not a whole lot, I suppose. But apart from that, there are reports coming out of Ukraine of commercial drones, the type that are designed, for example, to deliver a pizza across town or things like that, being armed with grenades and being used as well. So these anecdotal reports I think should give us all pause because I think not only are we likely to soon face the prospect of drones over our hundreds of military bases scattered around the world, but also perhaps drones used by domestic terrorists here at home, which is a really frightening prospect when one thinks about it. So part of the argument I make in the book is that these technologies have been developed and commercialized so quickly without full consideration of what the worst case scenarios might be that we all need to pay attention and we all need to be concerned about it, and we all need to act.

**Ralph Nader:** Well, the FAA is now in a real morass as to how many licenses they should give to drone operators for civilian purposes in this country, like real estate tracking and delivering Amazon products and other things that have been in the news. But there's no end to the risk pattern here. These drones, as you say, are very cheap, some of them are very tiny, and they could become unfurled just the way street weapons are becoming unfurled and the onset of 3D weapons become unfurled, and then be totally out of control. Never mind terrorism, just ordinary street crime situations. Do you see something like that?

**Roberto González:** I do. I don't address this directly in the book because my book is much more focused on existing military programs or programs funded by military intelligence agencies. But clearly, you make reference to drones that could potentially be made using 3D printers. I think that's a very likely scenario. We already see, for example, handguns that one can buy patterns for 3D printers that you could use for that. The drone technology is widespread. A do-it-yourselfer could technically put a small drone together within a matter of days. And this is again the thing that some Ukrainian hobbyists are doing and have been doing for years now. So, it's a huge issue that I think we should be paying a lot more attention to, and that there should be a lot more regulatory attention paid to these issues too.

**Ralph Nader:** We've been talking with Professor Roberto González, chair of the Department of Anthropology at San José State, one of my sister, Laura Nader's, star students many years ago. How do we generate a peace-driven culture to begin to displace the militarized culture?

**Roberto González:** Yeah, that's a huge question, but an important one. I think that's the key question right there. I think the first step has to be informing people about what's going on, one, which is a big part of what I'm trying to do in this book. But also number two, and this is where anthropology comes in, is helping people understand that there are other alternatives. The eminent anthropologist Margaret Mead once said, "Warfare is only an invention, not a biological imperative." At some point in human history, war was invented, and I think people tend to forget

that. And you see this all the time when people assume that somehow war is inherently part of human nature. That's simply incorrect and there's lots of evidence that proves that to be a false statement. In my book, one of the bright spots that I see in this very dark picture that I paint is that there is resistance despite these cataclysmic forces, these cataclysmic endeavor, these massive industries. When we talk about Big Tech and Big Defense, we're talking about two extremely powerful social and economic industries, and yet you find resistance happening.

And I just want to point to a couple of examples. Within the heart of the tech industry, you have had blossoming now over the past five years or so, what I call a kind of internal resistance movement to Pentagon contracts. And my favorite example is what happened at Google following the so-called Project Maven fiasco. And some of your listeners may remember this. This was a situation that unfolded about five years ago, when Google, which prides itself as being an employee-focused company that is responsive to the values and morals and ethics of its employees as well as its users, it was discovered that they had signed a contract with the Pentagon to provide artificial intelligence analysis on drone footage that was being beamed in from drone surveillance drones in Afghanistan. And because these drones are operating non-stop, the quantity of data, visual data that's pouring in to the Pentagon is way too much for the defense agencies to handle. And so they decided to subcontract this out. And at least the reports are that Google got the lion's share of the contract. Google in turn subcontracted some of the work to other firms. But all this was completely secret. Only the executives at Google knew what was going on until some emails began leaking within the company. And then you had a group of dozens and then hundreds of computer scientists and engineers basically protesting from within, and then publicizing what had happened by leaking the internal emails out to the media. And then I should say, a number of Google employees outright quit on principle. And one of them, Jack Poulson, not only quit, but he went out and formed his own nonprofit research organization called Tech Inquiry, whose sole work is basically to uncover and expose the links between Big Tech and Big Defense by combing through publicly accessible contracts and information about contracts that one can find on the internet. So that's one example I think of how there is resistance even within the tech industry by employees that have taken it upon themselves to really blow the whistle on what's going on. And I think many of them have received tremendous kind of political education in the process too. I think many of them were more apolitical before this event. But the whole way in which it happened very quickly, I would say there is really kind of a politically sensitized group, albeit a small one, within the tech industry itself.

**Ralph Nader:** That story in your book is a ray of hope to move from hope to replacement. The peaceful state has got to rise to replace the warfare state. I mean, human nature likes peace, contrary to the myths. They don't like to engage in war, killing each other. But warfare is profitable; peace is not seen as a profit mechanism. And I always look at the end of a book that exposes a terrible situation, and here is the way he ended his book. Quote, "Those of us who care must continue laboring patiently and cultivating awareness. Small efforts can have disproportionately large effects over time – a campus teach-in, an op-ed piece in the local newspaper, a classroom lecture, a simple conversation with a neighbor, or even a stranger. More often than not, change happens as the end result of simple day-to-day actions such as these – which, over time, have a transformative impact. Now is the time to practice the patience of activism," end quote. And so I hope that you will try to get congressional hearings on this, Roberto. I'm not aware that Congresses has had full-fledged hearings on autonomous weapons. Is that correct?

**Roberto González:** To my knowledge, they have not, and I think they're urgently needed. And I'm working right now with the Costs of War Project, which is part of the Brown University's Watson Institute. And they do have the ear of a number of sympathetic congresspeople. So that's very much the next stage for me is to try to get those hearings and to try to raise some of these issues, because I do see a lot of parallels with the nuclear [freeze] situation from 20 or 30 years ago and I think that there is global concern about this, but there's also lots of ignorance about how rapidly these technologies are being developed.

**Ralph Nader:** We have to conclude. We're out of time. We've been talking with Professor Roberto González, who is the author of *War Virtually: The Quest to Automate Conflict, Militarize Data, and Predict the Future*. He teaches anthropology at San José State and is the chair of the Department of Anthropology there. Thank you again and we look forward to a further elaboration of your initiative on this very important subject.

**Roberto González:** Thank you very much once again for inviting me.

**Steve Skrovan:** We've been speaking with Roberto J. González. We have a link his work, *War Virtually*, at [ralphnaderradiohour.com](http://ralphnaderradiohour.com). I want to thank our guests again, Lindsay Owens and Roberto J. González. For those of you listening on the radio, that's our show. For you podcast listeners, stay tuned for some bonus material we call "The Wrap Up". Also, a transcript of this show will appear on the *Ralph Nader Radio Hour* website soon after the episode is posted.

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

**Steve Skrovan:** And the American Museum of Tort Law has gone virtual. Go to [tortmuseum.org](http://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 online gift shop. You'll find books, posters and "Flaming Pinto" magnets and mugs for all the tort fans in your life. That's [store.tortmuseum.org](http://store.tortmuseum.org).

**David Feldman:** To order your copy of the *Capitol Hill Citizen*, the pilot issue is only \$5 to cover shipping, go to [capitolhillcitizen.com](http://capitolhillcitizen.com). 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. Go to [inspiringtweens.com](http://inspiringtweens.com) for a surprise. [Inspiringtweens.com](http://Inspiringtweens.com).