

RALPH NADER RADIO HOUR EP 337 TRANSCRIPT

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

David Feldman: Hello everybody.

Steve Skrovan: The man of the hour Ralph Nader, hello Ralph.

Ralph Nader: Hello everybody.

Steve Skrovan: We have a jam-packed program today where the theme is essentially wealth and how it's distributed. In the first part of the show we will welcome back someone who has been a clear beneficiary of the present economic system. Chuck Collins is the great grandson of Oscar Meyer of the Oscar Mayer Weiner fortune. And he was born into the top one percent. But at 26 years old he gave it away. Now he works hard to reduce inequality. The organization he's part of, the Institute of Policy Studies, recently released a report explaining why our current system of billionaire donations doesn't work well. At least it doesn't work well for the 99%. He'll tell us more about the needed reform for the way billionaires donate money. In the second half we're gonna talk about that taboo, scary subject and favorite bogeyman of the right, socialism; it's back. More young people support socialism now than any time since the labor movement of the 1920's. More and more people are unhappy with the abusive system of capitalism we live under and during this pandemic we've watched capitalism help the rich and hurt everyone else. We're gonna talk about this with our guest Nathan Robinson. He is the editor of *Current Affairs* and the author of *Why You Should Be a Socialist*. But before we do even any of that we're gonna devote a short segment right now to elaborate a little more on how you can get a refund from your auto insurance company. Ralph pointed out last week that with fewer cars on the road and fewer accidents, auto insurance companies probably owe you money. To help us elaborate on what more you can do, we kick off the show today by talking for a few minutes to Robert Hunter who heads the insurance division of Consumer Federation of America. David?

David Feldman: Robert Hunter is the Director of Insurance at the Consumer Federation of America. He has held many positions in the field both public and private including being the commissioner of insurance for the State of Texas being the president and founder of the National Insurance Consumer Organization, and as an underwriter for Atlantic Mutual and Centennial Insurance Companies. Welcome back to the *Ralph Nader Radio Hour* Robert Hunter.

Robert Hunter: Thank you very much, glad to be here.

Ralph Nader: Yes, welcome back Robert. He was also Federal Insurance Commissioner under Gerald Ford and Jimmy Carter. That's when I met Bob and he's an insurance actuary. Nobody has done more for insurance policyholders than Bob Hunter. Now he's ready to do even more because the auto insurance companies are reporting skyrocketing profits for the second quarter of 2020, fewer cars on the road, fewer crashes and it's time for them to give back some of those premiums. So, Bob, let me ask you, is it state law around the country that requires them to give it back or is this just a moral obligation?

Robert Hunter: The state law requires in every state that rates not be excessive. Assuming that the rates were fair in February; some of them were excessive already, in March, they suddenly became excessive when people stopped driving. Every state really has an obligation to make sure ~~raise~~ rates are not excessive. Now we started in mid-March calling on the states to act and on the insurers to act. It wasn't until several of our letters to commissioners et cetera, that some companies, most companies, started to give some money back during April and May. They gave back about half of what they should have given back. It varied, around 15% on average they gave back for the month for those two months. They should have been giving back about 30% according to our calculations. Almost none of them gave anything back for the second half of March. Then once you passed April and May, in June most of them stopped giving anything back. But now they've started to report their profits. But we've been saying right from March, as soon as they started giving out their paybacks, we started saying right away, it's not enough; states do something. Only a handful of states have done anything. California, New Jersey, New Mexico and Michigan are the four states that have said, you got to pay back and are collecting data sufficient to make sure that that amounts are right. Everywhere else, the insurance commissions have done nothing except maybe try to take some credit for the inadequate givebacks that the insurers did themselves. So, we're in this position now where we are getting data on the profitability; the second quarter profits have skyrocketed and approving, Progressive upper billions in profits in the quarter. Geico, almost more than a billion to Warren Buffett. Progressive just reported July data; their net income was up 111%. They touted the fact that this net income jumped; that's including the effect of their givebacks. These new profits reflect the giveback, proving that the giveback was way inadequate. They've touted the fact that, gee, our common stockholders are only getting 65 cents last July. This year they're gonna get 138 cents, you know, a dollar 38.

Ralph Nader: What's holding back the state insurance commissions, other than the four states you mentioned?

Robert Hunter: What's holding them back is that they're doing nothing. A lot of them are in the pocket of the industry. A lot of them are inadequately staffed. A lot of them are incompetent. State regulation doesn't work well anywhere. But here is the clearest example of when you need state regulation: huge amounts of money flowing into the coffers of insurance companies, being paid by people who have been just laid off or who are having all kinds of financial stress who are in deep trouble. Their money, instead of getting it back, is just going into higher dividends for the common stockholders.

Ralph Nader: By the way, those four good states you mentioned--California, New Jersey, Michigan, and New Mexico--is the money actually going back to the customer?

Robert Hunter: Yeah, yeah. Well they are going to collect data, essentially along this line. They'll look at last month's claims and they'll say, okay, well you should have paid back a billion dollars for a particular company. Well, it wouldn't be that much in an individual state. A hundred million dollars in California or something. They'd say, okay, now you got to pay it back before the end of this month; then next month they'll do the same thing as long as the crisis continues. We're gonna have these ups and downs of driving as we re-open, as we re-shut. And as we re-open we're gonna have kind of sign wave of driving and their methods should follow that sign wave

and you'll get more back in a month where driving drops more and you'll get a little less back next month as driving recovers.

Ralph Nader: Okay I'm sure our listeners want their money back and they're known to be aggressive. What can they do both for their insurance company, the media--getting the media to cover it more, and state insurance commissioners, especially some of these listeners who are lawyers.

Robert Hunter: Yeah, well, first of all you could sue the state. I think the state has a responsibility to make sure that the rates are not excessive. The law requires that; they're not doing it. Secondly, you can complain obviously, to the insurance commissioner and to your representatives. Third, you can ask your congressional people to hold some hearings on this, [i.e.,] why isn't state regulation doing their job? There are a lot of actions you can take. Remember this, you as an individual, there are two kinds of returns of money at stake here. The kind we're talking about so far is that everybody's driving less. When I go out on the road and drive ten miles, it's not the same as when I went out on the road in January to drive ten miles. It's a lot less risky. That's the kind of money we're trying to force back here. You also have the right, you as an individual, can go to your insurance company and say, look I'm driving less. I don't commute to work anymore. You have me as a commuter. I know I'll get 10% off if you change me to a non-commuter. You have me down for 20,000 miles a year; I'm only gonna go 5,000. Change that, so you can change your specific characteristics and you should get a reduction for that. But what we're going after here is the fact that the kind of herd has dropped the driving and there's that huge drop in risks for this car out on the road.

Ralph Nader: Just before we conclude Bob Hunter, two quick questions; one is, if a listener calls up All State, State Farm, Nationwide, Progressive, GEICO [or] whatever, is there are chance that these companies would try to send 50, \$100 check back just to the complainant instead of everybody in the same situation? Then second, this seems to be a perfect class-action litigation opportunity. Is it happening?

Robert Hunter: There have been a couple of actions in the State of Illinois where there's no rating law, therefore there is no filed-rate doctrine problem to get in the way, if you know what I mean. But in other states some of the lawyers are afraid of the filed-rate doctrine, even though the filed rate is obviously no longer valid, because conditions of the filed rate no longer exist. It seems to me, legally there ought to be a way around the filed-rate doctrine in a situation like this. It's a unique situation. As to whether they'd give you 50 bucks to shut up; no, they can't do that. That would be unfair discrimination because they'd have to give it to everybody in the same condition as you are.

Ralph Nader: That's a great opportunity for a listener. You get it for yourself; you get it for all policy- holders for the same company. Can you give the contact of Consumer Federation of America for more information state by state?

Robert Hunter: We have a lot of information on the website. It's www.consumerfed.org, consumerfed.org and then you click on "insurance" and then you'll see all the insurance stuff. It will start right away with some of the things we've just been talking about, the current profitability

issue. If you click below it says, “add more data”. You’ll see since March 18 a whole bunch of letters and press releases that documents this entire situation.

Ralph Nader: Give that again very slowly.

Robert Hunter: Consumerfed, f-e-d, .org, consumerfed.org. Short for federation.

Ralph Nader: There you are listeners. Send us some feedback about successes here. We’re all looking for victories and successes. This is really a slam dunk. Thank you very much Robert Hunter, the greatest consumer advocate against the insurance companies the county has ever seen and the director of the Insurance Project for the Consumer Federation of America. Thank you Bob.

Robert Hunter: Thank you Ralph.

Steve Skrovan: We’ve been speaking with the head of the Insurance Division of the Consumer Federation of America, Robert Hunter. We will link to his work at ralphnaderradiohour.com. Now we’re gonna switch gears and jump right into our next segment. Ten years ago, a few dozen billionaires pledged to give away at least half of their wealth before they died. But these billionaires’ wealth is growing faster than their ability to give it away. Mark Zuckerberg’s wealth for instance has grown by 1783% this decade. Does giving away their wealth actually help the rest of us? As it sits in family foundations and provides large tax write-offs, it might be helping billionaires more. Here to tell us more is someone who used to be one of them, David?

David Feldman: Chuck Collins is a researcher, campaigner and writer based at the Institute for Policy Studies where he co-eds Inequality.org. He has written extensively on wealth inequality. And he has been working to reduce inequality since 1982. In that process he has co-founded multiple initiatives including Wealth for Common Good, United for a Fair Economy and DivestInvest. He is the author of *Born on Third Base: A One Percenter Makes the Case for Tackling Inequality, Bringing Wealth Home, and Committing to the Common Good*. Welcome back to the *Ralph Nader Radio Hour*, Chuck Collins.

Chuck Collins: Thanks for having me David and Ralph.

Ralph Nader: Yes, welcome Chuck. What you left out David, one of Chuck Collins’ great contributions. He brought together the network of enlightened, wealthy people to block the abolition of estate tax during the George W. Bush administration that was almost certain to pass the Republican Congress. It was just a hair’s breadth and he got together with Bill Gates’ father who has a very fine lawyer, Bill Gates Senior, as well as a thousand other people who basically said, we disagree; we want estates to be taxed. That’s another jewel in your civic-action crown, Chuck. Let’s get right into it. Your new report came out in August. It has very critical things to say about the giving of the superrich and how they park their money [and] take the deduction. The money is in donor assisted funds like Fidelity in Boston, or their own gigantic family foundations. And not going to needy causes, not just poverty causes, but causes on the ground, needing this kind of wealth. One figure really stuck out. You said from the beginning of the Covid-19 pandemic, that is from March to July 2020 this year, the hundred US billionaires, who are part of the Gates/Buffer Giving Pledge, saw their total wealth increase by 214 billion just in a few months-

-an increase of 28% in just four months. Let's start with what kind of tax system can diminish this kind of gigantic concentration in the top one-tenth of one percent of wealth.

Chuck Collins: Well I think we should look at the philanthropy of billionaires, particularly when it's a private closely-held family foundation. We should just treat it as private wealth. We should tax it as private wealth. It's one thing if the money moves into something that has more democratic accountability, isn't just a sort of family slush fund, an extension of their own family wealth and power, but is governed and controlled differently. That's, I think your question of what kind of tax system... I think we should, first of all, we shouldn't subsidize the creation of private foundations controlled by wealthy families. We shouldn't subsidize donor-advised fund where a wealthy donor puts their money into a fund and then don't actually have to move it; they can kind of hold onto it. They can't use it for their own purposes, but they don't have to move it to a working charity in any timeframe. That's the first thing. The second is we should probably tax huge fortunes in foundations as if it was private wealth itself.

Ralph Nader: Well, you know, you have a figure there that is astounding. People must understand that when multibillionaires give donations to tax deductible institutions, they have a partner. It's called ~~user~~ you the taxpayer. And You figured out in terms of various taxes that they avoid. You figured out "for every dollar donated by a billionaire to their private foundation, we the tax-payers chip in as much as 74 cents on the dollar in lost tax revenue." Can you drive that home colloquially?

Chuck Collins: Yeah, I mean the important thing, and you're getting at it, which is people look at private philanthropy and billionaire philanthropy and they say, isn't this great, these acts of generosity? This is private actions. It has nothing to do with the government, and we as citizens really shouldn't be critical of it, or we shouldn't have any say about it. But we should understand [that] we as taxpayers subsidize charitable giving. We encourage thought the tax code; people take tax breaks instead of paying taxes. The richer you are, the bigger your donations, the more tax break you get. If I gave a hundred million dollars to the Ralph Nader Foundation, or you gave a hundred million dollars to the Ralph Nader Foundation, you would be basically not only reducing your income taxes, you'd probably be reducing your capital gains and your inheritance taxes, your estate taxes. If you add that all up, it's a huge tax loss for the [US] Treasury, up to 74 cents. I have one person who showed me his accounting to show that it's closer to 90 cents on the dollar. We as the taxpayer, should have a legitimate say in how these funds are used, because these are folks who are not paying taxes on their billions, and they're essentially using them as private funds to support their own personal causes whether they're gray or whether they're self-aggrandizing, either way, it's their private decision-making.

Ralph Nader: Or worse, as you point out, they just park the money, take the tax deduction and it goes nowhere other than in these Fidelity [Charity] Donor-Advised funds, 120 billion piled up, or much more in their gigantic family foundations. They're just parking it. It doesn't even meet, it seems to me, the IRS standard of charitable or educational purposes, because it's parked there. How do they get away with that?

Chuck Collins: Well, and there's another thing which is part of the law, which is you get a tax break when you relinquish control and dominion over the money. That's literally the technical

term. Yet here are wealthy donors. It does not look like they are relinquishing dominion or control. The tax law, the current law says if you create a private foundation you have to give away 5% of your assets every year. By the way you can count your overhead; you can account your salaries to your family members. You can count the fees that you pay to the trustees who could be family members. By the time the money trickles out to the actually working charities on the ground, it could be as low as 3% of the asset base. That is all we require of the private foundation. I think one of our reforms that we should all be backing is a short-term reform. We should say, look, during this pandemic we should have an emergency charity stimulus. We should double the payouts; we should require donor-advised funds to have a payout. If we did that for three years, it would move 200 billion to the non-profit sector that's getting hammered right now by state and local budget cuts.

Ralph Nader: Without costing tax-payers another dime because the funds have already been deducted.

Chuck Collins: That's right, sometimes people say it doesn't cost the taxpayer a dime, but actually the way we should think of it is, it's all really been paid for by tax breaks that wealthy donors have already taken. Now we're just saying, move the money to the frontlines. Take it off the sidelines and out of the warehouses of wealth and put it on the frontlines.

Ralph Nader: You also think there are troubling aspects of these giant charities that when government's budgets decline, these charities move into the breach, which some people think is a good thing. But they begin having an outside influence over public policy where some people in Congress are gonna say, why appropriate money for this, and you know some big foundation is already paying it? Well, there is a difference, isn't there?

Chuck Collins: Yeah, I mean essentially, we've diverted money from the Treasury that we could be using to solve local problems. We're letting private individuals use their own wealth and power, and judgement or misjudgement on how to use those funds. We're starting to see that in certain places like take the City of Detroit, which has obviously contracted enormously since I grew up there in the 60's. It's now from a city of two million to 600,000. The tax base has obviously struggled and into the breach have stepped private donors, private philanthropies [like] the Kellogg Foundation [and] the Kresge Foundation. Some of what they're doing is probably good work, but it's private decision-making that is not accountable to taxpayers and residents. We should be troubled. If you think about it, if you play this out another ten, fifteen years, these huge billionaire fortunes, most of them are gonna end up in private charity and will probably end up in closely held family foundations. Those will grow as we start to see local and fiscal austerity kick in. So, the power of these private, unaccountable foundations will only grow.

Ralph Nader: And as you pointed out, it's the taxpayer that is paying a significant portion of this because of the tax deduction. But I noticed that on page 12 of your report that came out by the Institute for Policy Studies--we're talking with Chuck Collins--you say, "national disasters, economic booms and busts and changes in policy have all buffeted the philanthropic sector, for better or for worse, during its entire history. But the Covid-19 pandemic and related economic shock now pose a combined existential threat in common crisis for many non-profits beyond any that they have had to weather before. I'm already seeing citizen-action groups closing down in

the past year. How do you propose to deal with that? You want to increase the payout from 5% of assets to what?

Chuck Collins: We think the payout should be 10%. We think that the private closely-held family foundation should not exist as a taxpayer subsidized entity. It's one thing Ralph if you want to take your money and put it in an account and give it away. But if you're asking the rest of us to subsidize it, and you're in the billionaire class, we shouldn't be giving tax breaks at that level. We should be taxing that level of wealth and making public community-accountable investments in how those monies are used. I think one of the important problems here is how distracting philanthropy is. You hear people talk about billionaires. You hear people talk about the Sackler family say ten years ago. People said, the Sackler family, they're so generous; they give to all these museums; they're really into art. I think that kept people from really critically scrutinizing who is the Sackler family and where was their money coming from? I think we need to kind of, it's like I would call it virtue washing. We kind of sanitize the way in which the fortunes were created and [we] suspend our critical thinking and scrutiny when we should be very sceptical when we see billionaires dumping hundreds of millions and billions of dollars into their personal charity priorities.

Ralph Nader: For those who don't know where the money came from for the Sackler fortune, why don't you tell them?

Chuck Collins: Well yeah, it came from Purdue Pharma, the opioid manufacturer that clearly, aggressively pushed opioid consumption and contributed to the other pandemic in our communities of opioid addiction. That's just an example but you wonder, okay, Jeff Bezos is starting to feel scrutiny from congressional committees and so he simultaneously announces a charitable pledge. That is part of, it's sort of I just think, a deflection and a distraction oftentimes.

Ralph Nader: Well you proposed a ban on family members who are trustees or members of the board of directors compensating themselves. They're doing that all over the country. I mean, you know, there are foundations where the family members don't spend two weeks a year shovelling out grants and they're paying themselves 80 to 120,000 bucks. Where is the scrutiny by the state and federal [government]?

Chuck Collins: Yeah, and actually one of the things we should do is we really do need a special oversight agency for charitable foundations as well as recipient groups. We look to the US Treasury, and frankly they and the IRS are suffering from huge budget cuts. We should fund the IRS so that they can shut down all the off-shore tax havens and the ways in which the wealthy hide money. We shouldn't just be looking to that agency to oversee the behavior of these charitable foundations. I mean, foundations pay an excise tax and that excise tax should go into creating an oversight fund. It probably should go to block grants, to state attorneys general who are taxed with overseeing the charity sector, but have very little capacity to do that. I think part of the problem is oversight, and part of it is we should just say, look, family members should not benefit. The Conrad Hilton Foundation in Los Angeles in 2018, spent 51 million dollars to give away 101 million dollars. They paid their finance people 1.5 million dollar salaries and they paid six members of the Hilton family \$35,000 a year to show up for a couple of board meetings. That's the kind of self-dealing that we should just close down; it just be against the law.

Ralph Nader: How do people get this concise, readable report, *Gilded Giving 2020, How Wealth Inequality Distorts Philanthropy and Imperils Democracy* by Chuck Collins and Helen Flannery, just out. How do they get it?

Chuck Collins: They can go to inequality.org. *Gilded Giving* is right there on the homepage of the website that I co-edit. If people are interested, we do a little weekly newsletter that talks about these general issues of inequality and what people are doing about it, and the campaigns that are happening that are inspiring and hopeful. Inequality.org is the portal for that.

Ralph Nader: Last question, what kind of resonance [does it have] in the House of Representatives and Senators; who are your champions to get this ball rolling?

Chuck Collins: There's a bunch of leaders in the [Congress], House and Senate. Senator Ron Wyden, Senator Sheldon Whitehouse, [and] Senator Sherrod Brown all are champions and supporters of this idea. In the House, Ro Kohnna, several members of the House Ways and Means Committee, and the Congressional Progressive Caucus [CPC] has stepped up. In fact, they just did a nice briefing explainer for members of the Congressional Progressive Caucus.

Ralph Nader: Any resonance from speaker Nancy Pelosi who has an iron grip on the House?

Chuck Collins: Yeah, both the speaker and Senator Schumer have said that they don't oppose this. They want to see the pressure coming up from the rank and file members but they're not gonna try to stop it. This is actually something that Senator Charles Grassley and other Republicans have supported in the past. They believe foundations should be more accountable; they should have higher payout. So, it has the potential to be a bipartisan issue. Our view is pressure is just gonna keep building over the coming months. If doesn't get included in this HEROES Act, it will keep coming up. The fact that it doesn't cost any new money and would move \$200 billion to the non-profit sector is a real selling point both with Republicans and Democrats; they totally get it.

Ralph Nader: You've got tens of thousands of hard-pressed local charities and advocacy groups that can use this money fast now, and well. They're pretty non-partisan. They should appeal to Republicans and Democrats in the Congress, don't you think?

Chuck Collins: That's right, I mean every community has a fantastic community foundation, usually. They have charities on the ground. Those community foundations, if you can't figure out where to give your money, if you're a multimillionaire foundation or a billionaire, give it to these local community foundations. They're set up to do COVID emergency response.

Ralph Nader: Do you agree with me Chuck that over the decades, Salvation Army has had a sterling record of getting the most out of the least amount of money?

Chuck Collins: There are charities that do an amazing job of moving the money directly to those most in need. A good organization does need overhead and it needs staff that can be there. But there are some groups that do a really good job. They're not warehousing money; they're not

sitting on vast treasure. They're getting the money to the groups and organizations and individuals in greatest need. We should always celebrate that, and that's a very bipartisan, US kind of thing. I mean we believe in pluralism. It's great that we have an independent, non-profit sector. It's not a substitute for an adequately funded government and public sector, but it does do important work in the gaps and adds creative approaches to solving problems.

Ralph Nader: You'd include the Salvation Army right up there?

Chuck Collins: I would say so, yeah.

Ralph Nader: Yeah, I've always wondered how the Salvation Army gets so much out of far less money than the Red Cross, which pays its executives quite a bit of money for compensation.

Chuck Collins: Yeah, I think as a sort of religious mission-based group I don't think, and this isn't true of all groups, but they probably don't have multimillion-dollar salaries. They probably don't pay a million and a half dollars to their finance directors. They're mission oriented.

Ralph Nader: I think the head of the Salvation Army makes less than \$50,000 a year. Thanks very much, Chuck for making this great contribution to public action and discourse. Once again you can get this report, *Gilded Living 2020*, just out, by going to inequality.org. Thank you Chuck Collins.

Chuck Collins: Thank you Ralph; thank you David; thank you all.

Steve Skrovan: You've been speaking with Chuck Collins at the Institute for Policy Studies. We will link to his work at ralphnaderradiohour.com. Now let's take a short break. When we return, we're gonna talk to Nathan Robinson, editor of *Current Affairs*, about socialism. 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, August 21, 2020. I'm Russell Mokhiber. The German auto maker Daimler, will pay 2.2 billion dollars to settle accusations that Mercedes-Benz cars and vans, sold in the United States, were programmed to cheat on emissions tests. That's according to a report in *the New York Times*, the 2.2 billion dollars covers federal fines and a class-action suit brought by owners of Mercedes vehicles. The penalty is only a fraction of the more than 20 billion dollars that Volkswagen paid in the United States to settle criminal charges and civil suits by owners and state government after it was caught using software to dupe regulators. The Volkswagen settlement involved about 600,000 diesel passenger cars, while the Daimler settlement covers about 250,000 passenger cars and vans. Daimler may have received more lenient treatment because it cooperated with the authorities while Volkswagen misled American investigators. 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. Now let's introduce our next guest who is gonna tell us why you should be a socialist. David?

David Feldman: Nathan Robinson is the editor of *Current Affairs* and a political column at *The Guardian*. He is currently a Ph.D. student in sociology and social policy at Harvard University. He also holds a JD from Yale Law School. Mr. Robinson is the author or editor of ten books including *Why You Should be a Socialist* and *Trump: Anatomy of a Monstrosity*. You can hear more of him on the *Current Affairs* podcast and right now. Welcome to the *Ralph Nader Radio Hour* Nathan Robinson.

Nathan Robinson: Well thank you so much. It's nice to be with you all.

Ralph Nader: Welcome indeed, Nathan. We should start with the definition of socialism because as you know it's in the eye of the beholder. The classic definition, back over hundreds of years, is socialism is government ownership of the means of production. I don't see anybody who calls themselves a socialist or a democratic socialist, whether it's Bernie Sanders or AOC, or yourself, who express that broad-gauge definition. So, what do you think of socialism in the US? What's your definition?

Nathan Robinson: Well, I think, yeah, I think government ownership of the means of production has never been a definition that self-described socialists have embraced. Because if we think about it, a monarchy could have government ownership of the means of production, but it wouldn't be anything that would be associated with the goals and values that the socialist movement has pushed for. In fact, even on the sort of ownership of the means of production definition, we should be clear that it's about public ownership which is quite different. The reason I bring that up is because socialism has always centered [around] the public, the commons, the workers. It's always been a movement that has started off foundationally, oppositional to a class system, right? You ask ten socialists for a definition of socialism, you're gonna get ten different answers. The same is true with democracy. The same is true with justice, right? That doesn't make it a meaningless concept, but it does mean that there's a lot of internal debate. In writing this book I tried to figure out well what are the threads that are common among people who use this term and people who have used it historically? Really, most socialists begin with a sort of revulsion at hierarchy and class. Ownership is a big part of it; who owns, right? Who gives the orders and who takes the orders? The socialists foundationally have seen the narrow concentration of ownership as something that is revolting to the sense of justice. The reason that public ownership has always been such a big part of what socialists have pushed for is because it's not just government ownership, right? Because it's democratizing ownership. It's making sure that, the classic definition is the people who work in the factories ought to own them. There ought to be a democratic economy. Democratizing the economy has really been the foundational principle of socialism. That's something you do hear running through today.

Ralph Nader: Let me interrupt you here, we have to get concrete here, because that's the only way you can communicate what you're trying to communicate. Let me ask you some very rapid questions. They always divide socialism -- and we assume it's Democratic Socialism--it's not monarchical socialism--with production, production of goods and services and distribution of the wealth, the profits, the taxation revenues, et cetera. All right, so let's start with production. Would you call public banking, which is an increasingly, widely supported effort where all the state and local funds are now being managed by Wall Street with humungous fees, to be basically managed by public banks like the North Dakota state [-owned] banks that have been very successful, clean,

and honest, over the last hundred years. Would you say that's socialism?

Nathan Robinson: Yeah, I'd say that's in keeping with socialist values, yeah. I think that's something that a lot of socialists have pushed for.

Ralph Nader: We now have one third of America public lands not counting off-shore, which would double that. Is that socialism? It's owned by the public, administered by the Department of Interior.

Nathan Robinson: Yeah, but the addition is that it has to also be democratically controlled, right? If it's publicly-owned, but also, we have a dysfunctional democracy where people don't exercise meaningful control over what their government does, that really undermines the claim to even having a public asset be a socialized asset.

Ralph Nader: But I think what you're pointing out is the public lands are owned by the people but they're controlled by timber companies, oil, gas, coal companies.

Nathan Robinson: Right, yes, exactly.

Ralph Nader: Okay, public airways. We own the public airways and give it away free, via the federal Communications Commission backed by Congress, to the radio and TV broadcasters who decide who says what and who doesn't 24 hours a day. To what extent do you think that's socialism, ownership by the people controlled by big business?

Nathan Robinson: Well you know the expression "necessary but not sufficient", right? Public ownership is the beginning. But then as you say, if it ends up functionally controlled by big business, then the ultimate socialist value, which is public ownership--does the public and ownership of course is the right to decide; does the public have the right to decide to the extent that that right just exists on paper, you're undermining its claim to conform with socialist values.

Ralph Nader: Okay, let's go to publicly-owned pensions, private pensions owned by the workers and public pensions owned by government employees, federal, state, local; trillions of dollars, is that socialism?

Nathan Robinson: Again, it depends. I mean I think so, but like public/private is a distinction that doesn't necessarily capture socialist/capitalist, right? Because to the extent that socialism is about social ownership and economic democracy, you can have a technically private institution like a worker cooperative, right? that is more in keeping with socialist values than something that is technically in the public sector, technically government-owned, but that ordinary people don't in practice end up having any meaningful control over or input into.

Ralph Nader: Okay, so a consumer cooperative like the food coops in St. Paul, Minnesota, is that a form of socialism where the consumers actually own the food stores?

Nathan Robinson: I try not to use terms like a form of socialism, like is this socialism? I tend to, I mean I think of socialism as a set of principles or values and you measure an institution by

whether it is in keeping with that core socialist set of values. I would say that yes, an institution like that is in keeping with a socialist set of values. Of course, if then it mistreats its employees then it departs from that socialist set of values.

Ralph Nader: How about labor-owned banks like Amalgamated Banks in New York and Washington that pays very much like a commercial bank in terms of fees and penalties? But it's owned by the labor union. How would you categorize that?

Nathan Robinson: Again, part of its operations are in keeping with socialist values, right? Labor ownership is an important socialist value. But of course if then it's replicating the extortion of the banking practices of any other commercial bank, that is a departure from socialist values. It's less a matter of taking any given institution and putting it in the binary socialism slash not socialism box. But it's more about saying, what are the socialist aspirations for how things should be run, and to what degree are these embodying these aspirations?

Ralph Nader: Okay, I'm leading you to a very, very important concluding question here, Nathan. Bear with me. Trillions of dollars of US government research and development has built over the years the major industries in the country--not just Silicon Valley, [but] biotechnology, nanotechnology, aerospace, pharmaceutical, containerization, on and on. Basically, it's a one-way giveaway. The taxpayer sends the money to Washington, and the money is given to these companies without anything in return--no equity ownership, no royalties, zero. It's a huge giveaway. How would you categorize that?

Nathan Robinson: Well, you know, that is what is commonly known as socialism for the rich, right, is that you have public assets working in the interest of a small number of wealthy elites. I don't think any socialist is in favor of the public, the commons doing all of the work and then a small number of people reaping the rewards. But as you say, having public research than then the public benefits from, that is very much in keeping with the core socialist set of values.

Ralph Nader: What about Tennessee Valley Authority?

Nathan Robinson: Yeah, absolutely. I think commonly-owned and controlled power companies and utilities...in fact, when the "sewer socialists" took over cities in the early part of the 20th-century, that was a big part; municipal, utilities was a big part of the socialist push.

Ralph Nader: A thousand municipally-owned electric companies at least in the United States, three in Connecticut, actually of all places. Now let me ask you the concluding question here--is it fair to say that there is enormous amount of socialism on the ground in the United States? And I'm not just talking about public lands, but in executive suites, there is an enormous amount of corporate socialism. That is, the corporations have taken over socialist assets and turned the country into a corporate socialist/ corporate state regime. Your reaction?

Nathan Robinson: Yeah, you have sort of the worst that, we already have the, supposedly the worst aspects of socialism that people fear, which is a kind of intervention of the state in the economy. But we don't get the benefits of that, which is the entire public reaps the rewards. So, yeah, absolutely. I mean I think that's a very fair characterization. What the contemporary socialist

movement pushes for is well, let the public assets be for the public.

Ralph Nader: Do you mind people using the phrase corporate socialism to describe the corporate state?

Nathan Robinson: I don't mind, but it's kind of self-contradictory, because as you say, the core socialist value is the elimination of control by a small elite [group] of people. So, if you say this is controlled by a small elite [group] of people but it's social; it kind of muddies people's ability to understand what exactly, and it kind of reinforces that idea that socialism just means increasing the power of the government, which is what a lot of us are trying to push against right now.

Ralph Nader: So, give us the new phrase. How would you describe the present US economy?

Nathan Robinson: Well the present US economy is a corporate state essentially, right? It's state capitalism, which is to say that it's the intertwining of big business in the federal government. I think most socialists are revolted by it as you are.

Ralph Nader: I think that's good. That's a good way to describe it. Now let's go to the distribution part of socialism. This is Bernie Sanders's area. He wants to bring back more taxpayer revenue to rebuilding the public works in the country. Good-paying jobs can't be exported, as he said many times. He wants to get rid of a lot of corporate welfare, which is fed by ordinary taxpayers' revenue. He wants to spend money on free education, free tuition to university-level college like a lot of western European countries. He wants to have universal health insurance [Medicare for All]. So, what he really wants to do is take a lot of the wealth that's being seized by the top 1%, or top one tenth of one percent, and send it back. Can you explain why that isn't a wildly popular, politically-winning, election land-sliding position? Because it's just saying to people in this country, you're sending a lot of tax money to Washington and we're gonna send it back to you to meet the necessities of your life.

Nathan Robinson: Well you and I both know why it's much harder than it should be to get people to feel that way, which is that because we are in a corporate state, there is a vast amount of money, and a vast amount of resources are put towards making sure people don't understand that. If you look at the democratic primary, you look at the debate that was had over single-payer health care in the Democratic Primary, well you had candidates like Joe Biden, Pete Buttigieg on the stage saying Medicare for All means losing your health insurance. It means all these people losing jobs from the insurance industry; it's going to be an absolutely disaster. So, you have the leading candidates in both the Democratic and Republican Parties, basically spewing the insurance industry's talking points for them, and scaring people and making them think that social democracy means losing something rather than gaining something. In order to convince people of that winning message, you actually have to get it out there; you have to cut through this fog of talking points that millions, and millions, and millions of dollars are being spent on trying to get people to believe.

Ralph Nader: You're letting some people off too easy, Nathan.

Nathan Robinson: Okay, am I?

Ralph Nader: Yeah, thousands of people know full well when they get their Social Security check, how important that is. Yet Social Security benefits have not really changed in 50 years. And people like Congressman John Larson have been trying to get the attention of [House] Speaker Nancy Pelosi to make that major plank of expanding and deepening Social Security during the election campaign to November 3. And he can't succeed in doing it. So, what would you propose be done by progressive democrats on Social Security expansion?

Nathan Robinson: Well, as I say, what would I propose be...I mean you and I agree on the goal, right? The question is there aren't that many progressive Democrats who hold high public office, who can transform the party. This is a very slow process of trying to convince the body to adopt an agenda that we feel is a winning one. I've been saying for years, said in 2016 was what they should have run on. We've got all these ideas for how the Democratic Party could win people back. But to me it's extra, because I've worked on for the last five years running this magazine. We're basically screaming at the Democratic Party, here's a much better agenda that people will like. But I have not yet figured out the secret of how to get people in the party to sign on to this and to understand what they could do to win people back. Your guess is as good as mine on this.

Ralph Nader: Well, AARP has the wherewithal to do that. They have chapters in all congressional districts, but they're not very aggressive. They don't even go out after agism for heaven's sake, but they have the biggest magazine in the English-speaking world. The AARP Magazine [has] 19 million members. They have regular meetings of their chapters. They ought to be able to turn it around, but I think it needs a big push because there are forces in this country trying to pit your younger generation against the older generation as if it's a zero-sum game. Let's go to another question. Do you think there should be a socialist party in the United States given what the Democrats have done to Bernie Sanders in 2016, 2020?

Nathan Robinson: I think a lot of us, on the progressive left, have kind of conflicted feelings about independent and third parties, because we're kind of stuck between a rock and a hard place here where a third-party faces, obviously, you know better than anyone [there are] just immense, immense additional challenges. I think Bernie Sanders kind of showed that. I mean he's coming close to winning the nomination, a socialist in a major party in the last two elections. Many progressive Socialist Democrats now have won primaries against Democratic establishment candidates. We've been kind of encouraged to feel that you can, not to be too cynical about "working within the Democratic Party". It's less working within the Democratic Party than trying to take it over and turn it into a more socialist party. I don't think among young socialists today there is much serious push for the establishment of a third party that would have its own ballot line. There is, instead a kind of consensus that we should have independent socialist organizations like the DSA [Democratic Socialists of America]. But that, unfortunately as it is, the Democratic Party is kind of the only game in town and our strategy should be to take it over.

Ralph Nader: I should say, by way of self-correction, Nathan, there is a Socialist Labor Party, and there have been little socialist parties all the way back to Norman Thomas, of course. But do you agree that the best strategy is to organize in congressional districts? I've always said, one percent of the people or less reflecting public opinion on many agenda issues in congressional districts, can turn Congress around. That would be two and a half million organized people with

full-time offices in congressional districts. I think Congress is a lot easier to turn around than most people think.

Nathan Robinson: Oh, I agree with that. I definitely agree with that. I mean I think [Alexandria Ocasio-Cortez] AOC's victory show that, right? Joe Crowley was very high up in the party, ten-term incumbent, tons of money and was toppled. I think there is an attempt to make the part elite seem less vulnerable than they actually are. I would caution against just focusing on Congress, right? Because of course it's even easier often at the local level. Local politics, I think we need to be careful not to neglect. There are five or six socialists now on the Chicago City Council, Austin City council, you know, Somerville, Massachusetts [and] all around the country. Socialists have not just been running for Congress, which is a heavy lift; you lose most of the time. But for local office, things that people don't really run for, or that sometimes are not even contested, these are races that we really, as you know, in politics there's kind of this intense focus on the presidency and the federal government, and this neglect of your community and all of the opportunities that there are just around you.

Ralph Nader: Yes, I've often advised the Green Party that if they're going to really build the national party, they've got to have more than 250 people running for local elections--city council, board of education. There are three million elected offices at the local level and a lot of them, as you imply, don't have an opponent on the ballot, challenging the incumbent. Sometimes they don't even have enough candidates to fill the slots on the board of education or zoning, et cetera. Now, you're entitled to have me ask you the final question, which is a question of your book, why you should be a socialist? What's your answer?

Nathan Robinson: Well, the answer that I give in the book is that if you look back over the course of American history, it's people who have self-described as socialists, or quasi socialists who have been responsible for so much of the important political change in this country. Martin Luther King, Helen Keller, Albert Einstein. It is a noble and great tradition. The socialist ethic, Eugene Debs famously summarized it as "while there's a lower class I am in it, while there's a soul in prison I'm not free." Bernie Sanders has said it as "I want you to fight for someone you don't know." That ethic or solidarity that socialists have always pushed for is very beautiful, very powerful, and we don't teach real American history, right? So, people don't know, often about the history of socialists in this country, and how they built the anti-war movements, both against World War I and against the Vietnam War. But there is a great tradition. It's a tradition that I'm proud to be part of; I think other people when they learn about it, will also be proud to be part of.

Ralph Nader: Well you know, Franklin Delano Roosevelt once confided in people that he depressed Norman Thomas's presidential bid in the 1930's by taking the platform from Norman Thomas. It's like Social Security for example, regulation of banks for example. But here's a personal question that I have to ask you and I don't see your younger generation reaching out, including people who are elected like AOC [Congresswoman Alexandria Ocasio-Cortez], [Congresswoman] IlhanOmar and others reaching out to the progressive citizen groups who have been fighting this fight for 50 years like Public Citizen and Common Cause; they don't meet with these people. I have not been able to get a call back from AOC. I've been to their office twice saying that we have a lot of good proposals to put before them. I wrote an open letter, days and days ago to AOC suggesting a number of easy things she can do like support the stock-transfer tax

in New York State, which is collected every day; \$40 million every day in rebate electronically back to Wall Street brokers at a time when her state is suffering from a 16-billion-dollar annual deficit. You never get any response from any of these people. Do you do better?

Nathan Robinson: I hope so. I certainly try in my role as a magazine editor the limited amount I can do trying to respond to people and get people together. I mean it's a little bit difficult because we're all so isolated; we're all working, everyone is working on their own projects and coordinating a movement is not an easy task. But yeah, I mean I obviously think that they should return your phone calls, because I think it's important.

Ralph Nader: Listen, we're running out of time, Nathan. It's been very good. Unless David or Steve has got a question they can't resist asking, maybe we could conclude.

David Feldman: Yes, is it against the law for unions to be run by members of the Communist Party in America? If so, why has that never been challenged in the courts?

Nathan Robinson: Gosh, I don't know if that's still on the books. Probably, but if it is still technically illegal, which I don't know, one reason is probably because the American Communist party today is so tiny.

David Feldman: Yeah, I mean it's my understanding that it is against the law for unions to be run by anybody who's a self-avowed Communist. It seems to me that that is what makes unions in America so toothless. Wouldn't unions be stronger if they were allowed to be run by self-avowed Communists?

Nathan Robinson: Yeah, there aren't that many Communists. There aren't many people who would identify as Communists today, and I'm not sure that we want to revive that particular label. Socialists today, I think, draw an important distinction between communism and socialism. But obviously I find that the repression of people for their political beliefs is horrifying.

Ralph Nader: We've been speaking with Nathan Robinson the author of the book *Why You Should Be a Socialist*, and a young leader of progressive socialist causes in America. Thank you very much, Nathan.

Nathan Robinson: Hey, thanks to all of you for having me on. I appreciate it.

Steve Skrovan: We've been speaking with *Current Affairs* editor and author of *Why You Should Be a Socialist*, Nathan Robinson. We will link to his work at ralphnaderradiohour.com. All right, I want to thank our guests again, Bob Hunter, Nathan Robinson and Chuck Collins. 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". Ralph is gonna answer some of your questions there. A transcript to 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. For Ralph's weekly column, it's free go to Nader.org. For more from Russell Mokhiber go to CorporateCrimeReporter.com.

Steve Skrovan: The producers of the *Ralph Nader Radio Hour*, Jimmy Lee Wirt and Matthew Marran. Our executive producer is Alan Minsky. Our theme music “Stand Up, Rise Up” was written and performed by Kemp Harris. Our proofreader is Elisabeth Solomon. Our intern is Michaela Squire. Join us next week on the *Ralph Nader Radio Hour* when we welcome author and economics columnist Robert Frank about his book *Under the Influence: Putting Peer Pressure to Work*. Thank you, Ralph.

Ralph Nader: There’s no better peer pressure than Congress watchdog locals. We’re gonna talk about that listeners in concrete ways in coming shows. Thank you all.

*“Don’t let them fool you
You have the power in your hands
I’m only trying to school you
Listen to me people
Do you understand
We got to stand up
You’ve been sitting way too long
Stand up
You know what’s right and you know what’s wrong
Rise up
Don’t let the system pull you down
Stand up, stand up
You’ve been sitting way too long
Stand up
You should
Stand up
Step up
I think you should step up
Rise up
Rise up and take all the power
Stand up, stand up
You’ve been sitting way too long
Stand up
Stand up”*

[0:57:52]

[Audio Ends]