

# THE FUTURIST

## ISSUE 07

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I'M FREE



### INSIDE THIS MINI-ISSUE

**\$15 MINIMUM WAGE?  
UNIVERSAL BASIC INCOME?  
WEIGH THE PROS AND CONS!**

**WHAT CAUCUSING IN IOWA IS LIKE**

**A NEW HAMPSHIRITE'S YANG STORY**

# POLICY PERSPECTIVE

## HOW MINIMUM WAGE AND UBI AFFECT BUSINESSES

One of the biggest disagreements in economic policy revolves around the “living wage.” Most presidential candidates in the Democratic Party want to raise the federal minimum wage to \$15 per hour, as it is considered a “living wage.” On the other hand, Andrew Yang wants to allow states to determine their own minimum wage and implement a basic income on top of that. **Bryan Frew, CPA** explains how each policy changes business decisions for large corporations and small businesses.

**It is impossible** to be content with the vast wealth in this country when extreme poverty is often only a few blocks away—the success of a society should be judged on how well its least fortunate members are doing. Workers want higher wages, and many believe corrupt corporate practices keep wages down out of greed and lack of morality. While it is true that many businesses exist to turn a profit for their shareholders, it is a more complex issue than what the current Democratic presidential candidates lay it out to be.

The candidates agree that the best way to help people out of poverty is by redistributing the wealth accumulated by the top earners. Both the minimum wage increase and the Freedom Dividend seek to address that issue.

The federal minimum wage is currently \$7.25 per hour. Nearly half of the United States (including Republican-controlled states) enforce a minimum wage higher than what is mandated. With a full-time schedule, \$7.25 per hour translates to around \$15,000 per year. This is not enough to live on for a single person, much less support a family.

Senator Bernie Sanders is the loudest advocate of raising the federal minimum wage to \$15 per hour, or what he calls a “living wage.” But mandating companies to raise the minimum wage to \$15 per hour will not have the desired effects promised—minimum wage is not designed to be a living wage. Employers

hire teenagers that have busy school schedules and work strange hours. There is often a different level of productivity between a 16-year-old that wants gas money and a father working a part-time job on weekends to pay make ends meet: Teenagers working for supplemental income tend to be less productive than someone working to survive.

Because minimum wage jobs tend to be jobs people take for extra cash, the minimum wage does not need to be a living wage. There are millions of workers taking jobs without the goal of earning a living wage: Some want to supplement their income, some are working through school, some are just bored.

Employees are hired to help make their company profitable; low wage workers often say that their boss is using them just to make money. That should not come as a surprise. If your boss wasn’t making money off of you, why would she keep you around? With larger corporations, the owner of the company generally answers to a corporate board, and the board expects the company to generate a profit.

While corporate boards are not necessarily evil, they do not exist to advance humanity. The boards exist to show their shareholders what a good investment their company is. And corporations hire brilliant people to make sure that happens. Companies want to maximize revenue and control costs. Employees are hired to generate revenue or save costs. If that wasn’t the main purpose of hiring, the business would close after a short time.

The United States has the greatest economy in the history of the world because of the innovative brainchildren of our brightest residents. It is not “evil” to fire an employee that costs more than they generate or save; it is common business sense. Small businesses innovate while big businesses produce goods and services very efficiently. Both are necessary in a high-functioning economy.

Having 50% of our workforce in small

business is the envy of the world. The US leads the world because of small businesses; half of the jobs in the United States are working for businesses that employ less than 500 total workers.

Unfortunately, the number of small businesses is shrinking due to heavy government regulation. While government regulation is necessary to create a stable business environment with well-understood expectations and boundaries to operate in, over-regulation kills small businesses. Compliance costs money, and small businesses don’t have the resources to pay to comply with over-reaching regulations. They don’t have money printing machines in their basement, so they fight for every dollar. They cannot afford to keep workers that cost more than they are worth to the bottom line, as bad as that sounds. That means that they must find ways to cut costs to survive.

The same concept applies to minimum wage increases. Big companies and small companies alike create a budget for the upcoming fiscal year. If minimum wage increases, companies would need to modify their budgets to accommodate the new expenses. If wages are higher than the prior year, the company can either generate more revenue, or cut costs to achieve the profit their investors expect. Make no mistake, these companies have brilliant people proposing all kinds of creative ideas. But if a company cannot afford to pay somebody, he or she will most likely be laid off to keep the company within their projected budget.

In contrast, the federal government is quite ineffective when it comes to proposing and producing ideas. For example, Obamacare required companies to offer benefits to full-time employees. Many employers responded by sending workers home when they reached 29.5 hours because the mandated benefits incurred new expenses. Similarly, many

**Wages continues on page 3 ▶**



**Give an untaxed Freedom Dividend of \$1000 a month, no strings attached!**



# OF THE PEOPLE

## CAUCUSING IN IOWA

On February 3, the Iowa Caucus kicked off the beginning of the primary elections. Yang Gang volunteers poured into the state to help Andrew Yang build a presence, most of whom were seeing it happen live for the first time. Business owner and nonprofit organizer **Ming Tao Jiang, Ph.D.** recounts his volunteering and caucusing experience.

**For the past** four weeks, I canvassed in Iowa. It was the first time in my life that I experienced and observed democracy at the on the ground in Iowa. I admire deeply Iowans for their civic duty.

I canvassed in Iowa City, Des Moines, Northwood and mostly in rural Oskaloosa of Mahaska county. I visited apartment complexes, trailer parks, subdivisions and farms. The poverty in some enclaves was stark. It reminded me of the 40 years I spent living the rural life in China, where I grew up.

I have met voters of all kinds, from the homeless to the wealthy, from Democrats to Republicans, from immigrants of all places to white supremacists.

I have also encountered Yang Gang volunteers from all over the country, from New York to Oregon, from Texas to Minnesota, Pennsylvania to California. The volunteers were young and old, men and women. They were strong believers of “Humanity First,” Andrew Yang’s vision for the 21st century, because the vision put our human values ahead of economic values and our happiness before GDP.

On caucus night my precinct won two county delegates for Andrew Yang, to much excitement. We had four Republicans who joined the Democratic party to caucused for Yang. This was a testament to Yang’s slogan: Not Left, Not Right, Forward.

While the Iowa caucus did not produce strong final results for Yang, the raw vote count of 5% of the attending caucus-goers reflected his Iowa polling numbers.

New Hampshire will host their Democratic Primary election on February 11.

## #MYYANGSTORY

#MyYangStory is a popular Twitter hashtag that aggregates the experiences of how Yang supporters decided to join the Yang Gang. We’re bringing these experiences to you. This issue’s story is by **Zachary Griffin**, father of five.

I’m an Andrew Yang supporter and have been in auto sales for 21 years.

I’m not going to lie, Andrew Yang’s \$1,000 a month universal basic income program is what caught my attention at first, but not what kept it. One word: *Automation*. I’ve watched every facet of the auto industry feel the effects of automation. There are even car vending machines out to replace me. Andrew Yang was the first to broach the subject and that’s what inspired me to read his book, “The War On Normal People,” I was absolutely blown away. I thought, “This can’t be real, a politician that cares about the forgotten class, sees real problems and has real solutions for real people.”

Everyone should take a few minutes and YouTube Andrew Yang. It just might change your mind. I was also touched personally by his family story. Andrew’s wife is a stay-at-home mother to their two little boys, one of whom is autistic. (We relate 100 percent.) According to her lack of a paycheck, the net worth of the work she does for her family is zero. Andrew Yang’s universal basic income plan gives stay-at-home parents a real tangible net worth. He has a plan to end poverty and a plan to bring everyone in this country up, not just a privileged few.

Andrew Yang sees all of us and sincerely cares about our struggles. Activist Marjory Stoneman Douglas said, “Do your part to inform and stimulate the public to join your action. Be depressed, discouraged and disappointed at failure and the disheartening effects of ignorance, greed, corruption, and bad politics, but never give up.” I stand with Andrew Yang and will continue to do everything I can to inform anyone and everyone about Andrew Yang, no matter what. I hope this inspires people to join us.

Zachary Griffin, 43, New Hampshire

## UBI RAISES INCOME WHILE KEEPING SMALL BUSINESSES AFLOAT

### ◀ Wages, from page 2

employers will respond to minimum wage hikes with budget cuts through layoffs and shorter hours. In other words, the increase in hourly wages may actually result in a lower income for employees.

This is where automation comes into play. Almost every job can be replaced by software, robots, or some other form of technology. The reason tax accountants are still preparing tax returns is because it is more profitable to hire an educated human than it is to develop the software necessary. Some of the technology is already here and others could be developed in the near future. It’s just a cost-benefit analysis away from being put into action. Over time, the cost of technology decreases, and the cost of labor increases. Artificially increasing

wages will not do what is promised; it will only accelerate automation. Automating jobs is an expensive investment, and only the biggest corporations have the capital. An increased minimum wage does increase wages for unskilled workers but at what cost? It will reduce the amount of jobs, kill small business, and speed up automation. And forget about the 16-year-old getting a job for gas money. Most companies are not going to work around volleyball practice, school, and youth group to pay a teenager \$15 an hour.

What’s the answer? The Freedom Dividend effectively takes minimum wage from \$7.25 to \$13 per hour without crippling businesses. On top of that, the extra untaxed \$1,000 per month gives employees more power. More power to take a pay cut to do work they

are passionate about. More power to negotiate higher wages because they no longer need that dead-end job to eat. More power to stay at home and raise kids. More power to enjoy life. A family of four on one income with wages of \$15 per hour, the proposed minimum wage would receive about \$29,000 after employment taxes. But with the Freedom Dividend, that same family on one income of \$7.25 per hour receives \$12,000 per adult. Their income is now \$38,000 after employment taxes—a 32% increase in cash. Small and local businesses win. Families win. The government lets people make their own decisions. Freedom wins.

We can afford to do this. The Freedom Dividend puts power in the hands of the citizens, not in the government.

# RESOURCES

## LONG-FORM INTERVIEWS

Interested in learning more? Listen to Andrew Yang himself!



### CNN Town Hall at Saint Anselm College

[youtube.com/watch?v=oHHyYgehoVw](https://youtube.com/watch?v=oHHyYgehoVw)

January 6, 2020

45 minutes



### University of Chicago with David Axelrod

[youtube.com/watch?v=B8Y5p0S-UGE](https://youtube.com/watch?v=B8Y5p0S-UGE)

January 8, 2020

1 hour 20 minutes



### Iowa Press for PBS

[youtube.com/watch?v=JwW8-R9TH5I](https://youtube.com/watch?v=JwW8-R9TH5I)

January 3, 2020

25 minutes



### Des Moines Register

[youtube.com/watch?v=72fXyHzaNZ4](https://youtube.com/watch?v=72fXyHzaNZ4)

December 10, 2019

1 hour



### Rolling Stone's "Useful Idiots" Podcast

[youtube.com/watch?v=leg8sfGPORg](https://youtube.com/watch?v=leg8sfGPORg)

December 5, 2019

1 hour 20 minutes



### National Public Radio

[youtube.com/watch?v=f2Wr7IDI-Hg](https://youtube.com/watch?v=f2Wr7IDI-Hg)

October 23, 2019

1 hour



### New Hampshire Public Radio

[youtube.com/watch?v=YtKDgpMHnwc](https://youtube.com/watch?v=YtKDgpMHnwc)

November 7, 2019

1 hour



### Karen Hunter Show

[youtube.com/watch?v=XAehF8ZdwIU](https://youtube.com/watch?v=XAehF8ZdwIU)

November 14, 2019

1 hour

## UPCOMING EVENTS

### New Hampshire Primary Election

Tue Jan 11, All Day: Check ballot for your polling booth

### Las Vegas Town Hall with Andrew Yang and Ken Jeong

Town Hall and Comedy Show featuring Steve Aoki, Ken Jeong, and Andrew Yang. 21+ ONLY, ADA Accessible.

Thu Jan 13, 6pm (Doors 4:30pm): The Mosaic On The Strip, 3765 S. Las Vegas Boulevard, Las Vegas, NV

To find more events, visit [mobilize.us/yang2020](https://mobilize.us/yang2020).

## TECH TIPS

Wondering what those funky-looking squares do?

They're called QR Codes! They're a little like barcodes, but they contain more information and you can scan them with your smartphone in three easy steps.

1. Open the camera app on your smartphone.
2. Point the camera at the QR Code.
3. When a link pops up on your camera, tap on the link and you'll open up the website.

Give it a try here. This code should take you to [yang2020.com](https://yang2020.com).



## WHO ARE WE?

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Interested in joining our cause? Email or Tweet us!

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We're all just passionate volunteers with a cause. While we strive to provide the most accurate information possible, we also encourage you to do a bit of your own research as well. We just want to help Make America Think Harder.