

*The News Around Us\_ Feb 23 2021*

***Chris Cuomo No Longer Allowed to Interview or Cover Brother Andrew Cuomo Again for CNN***

*Liz Calvario*



*NBC / CNN*

*Chris Cuomo will no longer be able to interview or report on his brother, New York Gov. Andrew Cuomo.*

*CNN reinstated their previous rule that the journalist isn't allowed to cover the politician. While Chris previously had his sibling on his show, Cuomo Prime Time, early in the COVID-19 pandemic, the network made it clear that it was an exception to its rules concerning conflicts of interest.*

*"The early months of the pandemic crisis were an extraordinary time. We felt that Chris speaking with his brother about the challenges of what millions of American families were struggling with was of significant human interest," CNN said in a statement given to [People](#).*

*"As a result, we made an exception to a rule that we have had in place since 2013 which prevents Chris from interviewing and covering his brother, and that rule remains in place today."*

*CNN has covered the news surrounding Gov. Cuomo extensively," the statement concluded. ET has reached out to CNN for comment.*

*Andrew is currently facing criticism over his administration's handling of nursing home deaths during the pandemic. [CBS News](#) reports that FBI and federal prosecutors in Brooklyn have begun a preliminary investigation on the situation.*

*The Cuomo administration was forced to share that the COVID-19 death toll for nursing home residents is nearly 15,000. They had previously stated that only 8,500*

*nursing home residents died from the virus. The number did not include residents who died after they were taken to the hospital, per CBS News.*

*Andrew admitted this week that his previous statistics "fostered confusion and incorrect conclusions."*

*While Chris has not touched on his brother's controversy, CNN has covered the subject on their various news shows, including New Day, The Lead With Jake Tapper and CNN Newsroom Live.*

***High-profile economists want to shut down Biden's stimulus over fears it could cause a damaging inflation spike. But recent history suggests otherwise.***  
*Hillary Hoffower and Juliana Kaplan (hhoffower@businessinsider.com)*



*Provided by Business Insider Economist Lawrence Summers has warned that Biden's stimulus package could spark inflation. NICHOLAS KAMM/Getty Images*

- *Some high-profile economists fear Biden's \$1.9 trillion stimulus package will lead to inflation.*
- *But the Fed sees little inflation risk, and Wall Street increasingly agrees; the US hasn't had high inflation in nearly 40 years.*
- *Since then, central bankers have come to think the US has developed better tools to handle inflation.*

*President Joe Biden's \$1.9 trillion coronavirus relief package is speeding toward passage - [maybe before mid-March](#).*

*But as Congress prepares the massive rescue package, a few prominent left-wing economists have been sounding the alarm on inflation risk, conjuring up images of the 1970s, when the central bank struggled to control rising prices that wiped out wage gains.*

*The most notable voice warning of inflation risk came from inside the Democratic Party. Lawrence Summers, former treasury secretary for Bill Clinton and economic adviser to Barack Obama, [wrote in an op-ed for The Washington Post](#) that Biden's stimulus might cause "inflationary pressures of a kind we have not seen in a generation, with consequences for the value of the dollar and financial stability."*

*Olivier Blanchard, former chief economist at the IMF, [agreed with Summers on Twitter](#), writing that the package could "overheat the economy so badly as to be counterproductive." A few weeks later, Blanchard [defended his concerns](#) in an article for the [Petersen Institute](#), a nonpartisan think tank.*

*"I think in general forecasts of how hot the economy will be have moved up, such as [the Atlanta Fed forecast](#), which I suspect is an exaggeration, but they held out the prospect of 9% growth in the first quarter. And certainly there's been a fairly significant upwards move in rates," Summers told [Insider](#) of changes he's seen since he's published his op-ed.*

*Even the government's own budget-keeper, the Congressional Budget Office, currently sees real GDP exceeding projected output by a wide margin even without the stimulus, according to an [economic outlook report](#) published earlier this month. That means Biden could be pumping more money into the economy than he needs to.*

*To understand what they're really worried about, you have to understand what was happening with inflation in the 1970s and '80s, the period that haunts the memories of economists of Summers' generation. (Only the oldest millennial's have even a faint recollection of a period with high inflation.)*

*Inflation peaked in 1975 at 10.1%, before falling the following year to 5.9%. But in a sign of how difficult it was to manage, it was back up to 9.6% by 1981.*

*Inflation isn't just something from economics textbooks: it could be the difference between mortgages having an interest rate around 3%, the average since 2020, or north of 10%, [the average at one point](#) during the dreaded 1970s. Or, in the case of so-called hyperinflation, it could be the difference between the price of a loaf of bread increasing by a few cents per month or doubling every 25 hours, [as it did in Zimbabwe just in 2008](#).*

*America's central bank, the Federal Reserve, developed a lot of tools to fight that kind of inflation, so it's worth looking at how it did that, and what's different now.*



*Reuters Former Fed Chair Paul Volcker is credited with taming inflation in the 1980s.  
Reuters*

### ***A brief history of how the Fed (used to) fight inflation***

*From around mid-century through the 1970s, the Federal Reserve had sought to solve this problem by pushing for less deficit spending and increasing interest rates as unemployment fell.*

*But that prompted employers to overpay their workers while raising prices on consumers to cover the pay hikes. Consumers in turn demanded even more pay from their employers, and inflation proved tough to tame.*

*By the early 1980s, though, the Fed had a new chair: Paul Volcker, appointed by Democratic President Jimmy Carter.*

*Volcker inherited a certain philosophy, in which the central bank would raise interest rates to try to keep inflation under control. But Volcker **reversed the Fed's previous policies**, focusing on money supply instead of interest rates, and interest rates plummeted throughout the rest of the decade, where they've stayed since.*

*In fact, the Federal Reserve's benchmark interest rate has been near zero for most of the years since 2008 - and **there's no indication that will change** anytime soon. As of December 2020, the inflation rate was hovering around 1.5%.*

*Summers pointed out to Insider that zero interest rates were once "dismissed" as unrealistic and yet now they are in place, "and I think people who dismiss the possibility of significant increases in inflation today are making a similar error."*

### ***Wall Street increasingly sees little inflation risk***

*It's likely the US isn't going to see a repeat of the 1980s because today's economy is different.*

*While pandemic savings, a strong stimulus, and the beginning of vaccinations caused a "pop in prices," globalization and technology help keep prices at bay, Tom Barkin, president of the Richmond Fed, [told the Financial Times](#).*

*Inflation could occur if these trends undergo a long-term shift or if businesses are unable to increase supply to meet demand, he said, while deeming both of these outcomes unlikely.*

*Barkin said that he expects "short-term price volatility" and sees both deflationary and inflationary risks. "I'm keeping my focus on medium-term [inflation] expectations," he added.*

*Also, while much of Wall Street initially forecasted inflation risk in the first weeks of Biden's presidency, banks increasingly have a more optimistic outlook.*

*In a note released on Thursday, UBS economists led by Alan Detmeister stated that the stimulus probably wouldn't cause a surge in inflation, with any inflation effects "likely to be small." On Wednesday, Goldman Sachs economists led by Jan Hatzius also signaled a low possibility of inflation, estimating the US output gap is more than twice the size projected by the CBO, meaning that the hole in the economy that Biden is trying to fill is actually pretty close to \$1.9 trillion.*

*Inflation for consumer goods thus far in 2021 has been lower than analysts' expectations, as they predicted a median 0.2% increase month-over-month and 1.5% year-over-year. But the core annual inflation rate actually dropped from 1.6% in December to 1.4% in January.*



*Andrew Harnik/AP Photo Treasury Secretary Janet Yellen insists we have the tools to deal with the risk of inflation. Andrew Harnik/AP Photo*

***US banking officials think they have the right tools to fight inflation***

*The US has also developed better tools to handle inflation than it had in the 1980s, which Treasury Secretary Janet Yellen referred to when she recently dismissed inflation concerns.*

*"I've spent many years studying inflation and worrying about inflation. And I can tell you we have the tools to deal with that risk if it materializes," she told CNN in January.*

*"But we face a huge economic challenge here and tremendous suffering in the country. We've got to address that. That's the biggest risk."*

*On a [CNBC appearance](#) later in February, Yellen said inflation has been "very low for over a decade, and you know it's a risk, but it's a risk that the Federal Reserve and others have tools to address."*

*Yellen's comments echo those of the current Fed chair, Jerome Powell, who sees a huge difference between now and the aforementioned 1970s. "Inflation has been much lower and more stable over the past three decades than in earlier times," Powell said this week [in a speech to the Economic Club of New York](#). "In the 1970s, when inflation would go up, it would stay up," he said.*

*"The experience with the Fed and the experience with controlling excessive inflation, is that the vast majority of the time it leads to recession. And so I don't really understand the basis for serenity," Summers said.*

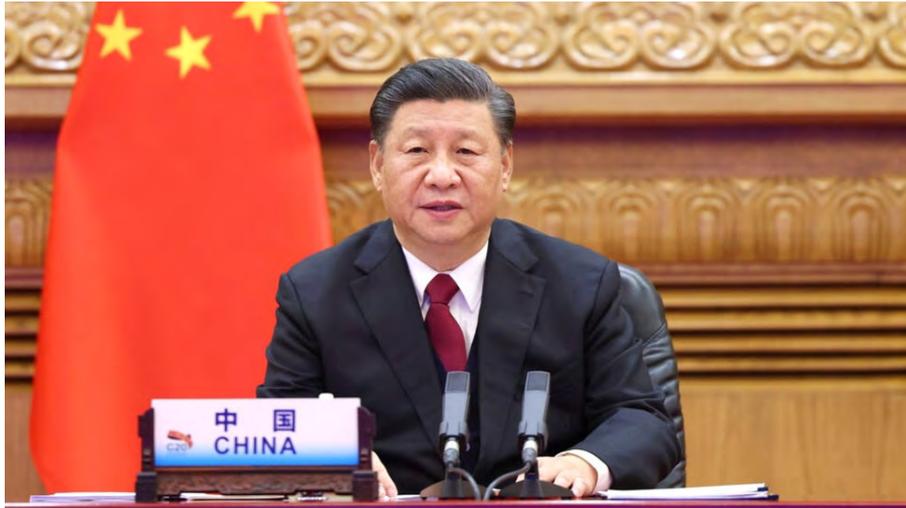
*"I think it would be helpful to spell out the basis for believing that when the Fed is not concerned with inflation, that if inflation accelerates, it will be dealt with in a way that is not disruptive to output and financial markets."*

*Anna Stansbury is a PhD Scholar at Harvard University's program in inequality and social policy who has co-authored [research](#) with Summers.*

*She told Insider that while she doesn't think it's unreasonable to worry about inflation in regards to the package, the cost of it would be relatively low - and that "we have policy tools that we know how to use to control inflation."*

*"I think it's worth sending some income to the people who don't need it in order to make sure that we try and get income to the people who do," she said. "In a situation where a strikingly large number of families are reporting that they've actually not had enough to eat - when the situation is so dire - I think it's worth taking that risk."*

***'Extremely Sadistic': Guards Gang Rape Religious Minorities In China's Concentration Camps, Former Detainees Allege***  
*Ryan Saavedra*



*Xinhua/Wang Ye via Getty Images*

*Reports have recently surfaced of violent gang rape against religious minorities detained in Chinese [concentration camps](#) in Xinjiang.*

*Qelbinur Sidik, who was forced to teach inside the camps, made the allegations in an interview published by CNN this week. CNN's report relied solely on the accounts of alleged witnesses.*

*Sidik's story begins by noting that a policewoman told her very early on that she had been assigned to investigate reports of rapes and torture taking place at the facility.*

*Sidik said that the policewoman described to her how the male guards at the camp often bragged while drinking about how they "raped and tortured girls."*

*Sidik said that her first encounter with new detainees was approximately 100 men and women who were chained in shackles around their hands and feet.*

*She said that even those that came in physically and mentally strong eventually were broken by the brutal system that the communist Chinese had installed in the camps, where an [estimated](#) nearly 2 million religious minorities are being detained.*

*She said that she witnessed "horrific traged[ies]" while working at the camp where women were regularly "crying loudly."*

*Another witness, Tursunay Ziyawudun, told CNN that she committed no crime when she was sent to the camps. After a month in the camp, authorities released Ziyawudun, only to arrest her a short time later for a nine-month "nightmare."*

*Ziyawudun, who is now in the U.S., told CNN that large numbers women were often crammed into small spaces, allowed minimal time to basic facilities like toilets, and were brutally punished for small things like using the facilities for too long.*

*During an interrogation session, Ziyawudun said that she was beaten so intensely that she passed out. Another time, guards forced her on to a table where they "inserted a stun baton" inside her and "twisted and shocked" her until she "blacked out" from*

*the pain. A couple of weeks later she was ganged raped by several men, an experience she said happened to her multiple times while in the camps.*

*“They were extremely sadistic, causing pain and damage to the body by beating and smacking my head on the wall,” Ziyawudun said,*

*“It was their way of punishing us.”*

*Numerous other reports have surfaced making similar allegations about what is taking place in China’s concentration camps.*

*Xu Guixiang, a spokesperson for the Communist Party publicity department in Xinjiang, said earlier this month that religious minorities were not being rounded up in Xinjiang and claimed without evidence that China was only cracking down on “heinous and obstinate leaders and backbones of extremist groups.”*

*In a statement to CNN, the Chinese Ministry of Foreign Affairs did not address the allegations by the several women who spoke to CNN but suggested that their accounts were false.*

### ***Epstein Madam Wouldn’t Help Find Tapes Of Bill Clinton Because It Would Hurt Hillary’s 2016 Run***

*Hank Berrien*



*Epstein/Maxwell: Joe Schildhorn/Patrick McMullan via Getty Images Clintons: Brooks Kraft/ Getty Images*

*According to a new book, Ghislaine Maxwell, the alleged madam for the late accused child sex trafficker Jeffrey Epstein, refused to help a CBS producer locate videotapes Epstein had made of Bill Clinton because it might hurt Hillary Clinton’s chances of winning the presidency in 2016.*

*In his new book, “Ticking Clock: Behind The Scenes At 60 Minutes,” former CBS producer Ira Rosen writes of speaking with Maxwell in 2016, saying he asked for*

footage of Donald Trump that Epstein might have shot, only to have Maxwell [respond](#), “If you get the tapes on Trump you have to do [Bill] Clinton.”

Rosen admits that at his meeting with Maxwell in early 2016, acting on a “hunch” that such tapes existed, he said, “I want the tapes. I know he [Epstein] was videotaping everyone and I want the tapes of Trump with the girls.”

He writes that Maxwell replied, “I don’t know where they are,” tacitly confirming the tapes’ existence.

Rosen writes that he told Maxwell to “ask Epstein,” adding the “fate of the country is at stake. ... Trump could be elected president and how would you feel if those tapes emerged after he was in office?”

Rosen continues in his book, “She gave me a stern look and pointed a finger in my face. She said: ‘I am the daughter of a press baron. I know the way you people think. If you do one side, you must do the other. If you get the tapes on Trump you have to do Clinton.’”

Rosen notes, “Maxwell didn’t want Trump elected, but said that Hillary Clinton was comfortably ahead and there was no need for the story to come out. Besides, she said, Epstein never shared with her the location of the tapes.”

He adds that after he was finished speaking with her, he hailed a taxi for her, saying, “Get me the tapes and I will go back to your place,” but Maxwell only gave him a kiss on the cheek before she left.

“Flight logs have revealed that Bill Clinton took at least 26 flights on Epstein’s private jet, known as the ‘Lolita Express’, and photos published by [DailyMail.com](#) have shown him getting a massage while on board from a young Epstein victim,” [the Daily Mail](#) reports.

Last September, the [Daily Beast](#) reported that former Democrat President Bill Clinton reportedly had an “intimate dinner” with Maxwell in 2014, years after she had been accused of procuring minors for alleged child sex trafficker Jeffery Epstein.

The dinner happened at Crossroads Kitchen, a high-end vegan restaurant in Los Angeles, according to a report from the [Daily Beast](#), which noted that several other high-profile individuals were there after being invited.

The [Daily Beast](#) [reported](#):

But two other unlikely guests joined the party that night: British socialite Ghislaine Maxwell—accused of procuring underage girls for sex-trafficker Jeffrey Epstein—and tech CEO Scott Borgerson, now rumored to be her husband.

According to information obtained by [The Daily Beast](#), Clinton’s advance team secured seating for the invitees and specifically noted Maxwell and someone named “Scott” had RSVP’d for the Thursday gathering.

## ***'America First' Diplomacy Is Over, Biden Tells G-7 Summit***

*Hank Berrien*



*Anna Moneymaker/The New York Times/Bloomberg via Getty Images*

*President Biden told leaders at the G-7 summit on Friday, the same day the U.S. reentered the Paris Agreement, that the days of “America First” diplomacy championed by former President Trump were over, according to [The New York Times](#).*

*As [the New York Post](#), which cited Biden’s intent to declare on Friday that the “America First” era was over, noted, “Biden has swiftly dismantled Trump’s foreign policy agenda, which saw the U.S. withdraw from the [World Health Organization](#), the [Paris Agreement](#) and the Iran nuclear deal, which Trump believed were against the nation’s interests.”*

*One official told the Post, “Now he will get the opportunity as president of the United States early in his term to declare that America is back and the trans-Atlantic alliance is back. He will look forward to driving home the core proposition that the trans-Atlantic alliance is a cornerstone for American engagement in the world in the 21st century, just as it was in the 20th.”*

*Biden claimed, “America is back, the trans-Atlantic alliance is back ... we are not looking backward.” He stated, “We have to prove that our model isn’t a relic of history. We must demonstrate that democracies can still deliver for our people in this changed world. That is our galvanizing mission. Democracy doesn’t happen by accident. We have to defend it. Strengthen it. Renew it.”*

*The G-7 group includes the United States, Canada, France, Germany, Italy, Japan, and the United Kingdom in its organization.*

*Former Secretary of State Mike Pompeo [condemned](#) Biden’s alteration of American foreign policy, telling Fox News that the US can’t afford “eight more years of Barack Obama’s foreign policy. ... When he says ‘back,’ when America is back, does he*

*mean back to letting China walk all over us, destroying millions of jobs in places like Kansas and South Carolina, that we know so well? I hope that's not what he means by 'back.'"*

*On Thursday, after the State Department said it would welcome restoring diplomacy with Iran, Pompeo [stated](#), "The ayatollah understands only strength. I led a response to the Iranian threat that protected the American people from its terror and supported the Jewish state of Israel. Adopting the European Union model of accommodation will guarantee Iran a path to a nuclear arsenal."*

*He added that European nations "wanted to appease the Iranian theocracy for my entire time as secretary of state."*

*Speaking at a virtual address Friday to the annual Munich Security Conference, Biden added, "We are in the midst of a fundamental debate about the future direction of our world," adding that the debate is "between those who argue that – given all of the challenges we face, from the fourth industrial revolution to a global pandemic – autocracy is the best way forward and those who understand that democracy is essential to meeting those challenges," as [AP reported](#).*

### ***Fauci expects Americans could still need to wear face masks in 2022.***

*Abby Goodnough*

*Dr. Anthony S. Fauci, President Biden's chief medical adviser for Covid-19, said on Sunday that Americans may still be wearing masks outside their homes a year from now, even as he predicted the country would return to "a significant degree of normality" by fall.*



*NBC News Dr. Anthony S. Fauci on "Meet the Press," today.*

*"I want it to keep going down to a baseline that's so low there is virtually no threat," Dr. Fauci said on the CNN program "State of the Union," referring to the number of cases nationally that would make him comfortable enough to stop recommending universal masking.*

*“If you combine getting most of the people in the country vaccinated with getting the level of virus in the community very, very low, then I believe you’re going to be able to say, for the most part, we don’t necessarily have to wear masks.”*

*Dr. Fauci appeared on a series of TV news programs on Sunday morning, where he was quizzed on the dangers of variants of the coronavirus, the schedule of the nation’s vaccine roll out and when vaccination would allow more students to return to schools.*

*On this last question, Dr. Fauci said on “Fox News Sunday” that he hoped high school students, far fewer of whom have gone back to classrooms compared with younger children, would be eligible for vaccination in the fall.*

*“That’s why we are pushing on those studies, to get them vaccinated,” he said of teenagers, who are currently the subject of clinical trials by Pfizer and Moderna.*

*“That will likely occur in the fall; I can’t say it’s going to be on day one of when school starts in the fall term.”*

*Vaccinations for younger children, however, “likely will not be before the beginning of the first quarter of 2022,” Dr. Fauci said.*

*On the hotly debated question of whether people should wait longer than the recommended three or four weeks to get a booster vaccine, or even skip the second dose, Dr. Fauci said on NBC News’s “Meet the Press” that it was prudent for people to stick to the prescribed schedule.*

*“There are enough unknowns in that, particularly the durability of the protection,” he said.*

*He added that while that new data suggesting people who have had Covid could get enough protection from one dose was “really quite impressive,” it might be complicated to document who has had the virus.*

*He also addressed the subject of the mutated variant of the coronavirus identified in South Africa. In clinical trials involving the AstraZeneca-Oxford vaccine in that country, patients who were inoculated were not protected from mild or moderate illness caused by the variant, known as B. 1.351.*

*Dr. Fauci said on “Fox News Sunday” that while it is still rare in the United States, “if it becomes more dominant, we may need a version of the vaccine that’s effective specifically against” it.*

*With the United States expected to surpass 500,000 deaths from Covid-19 in the coming days, Dr. Fauci told Chuck Todd on “Meet the Press” that “we haven’t seen anything even close to this for well over 100 years,” since the 1918 influenza pandemic, adding, “People will be talking about this decades and decades and decades from now.”*

***Wall Street is beginning to say stimulus probably won't spark dangerous inflation***  
*Ben Winck & Nick Lichtenberg ([bwinck@businessinsider.com](mailto:bwinck@businessinsider.com))*



*Samuel Corum/Getty Images Samuel Corum/Getty Images*

- *Republicans argue Biden's stimulus plan will fuel runaway inflation. Wall Street isn't so concerned.*
- *Economists at major banks see new aid only modestly lifting inflation while aiding the US recovery.*
- *Here's how UBS, BofA, Goldman Sachs, and Deutsche Bank see stimulus affecting inflation in 2021 and beyond.*

*The debate around passing President Joe Biden's \$1.9 trillion aid proposal is a simple one.*

*Democrats argue the hole in the economy is so big that it warrants spending nearly \$2 trillion, on top of the \$3 trillion spent last March and the \$900 billion spent late in Trump's term.*

*Republicans point to all the relief the government has already provided, and say the economy can recover with a much smaller boost. If you overdo it, they say, spending so much could take inflation to worrisome levels.*

*But there's a third player in the debate: the Wall Street investment banks that are crunching the math. And they are increasingly saying the concerns about runaway inflation are misplaced.*

*For weeks, economists at major banks had sat on the sidelines, vaguely saying another package would achieve its intended goal of accelerating growth. Now that Democrats are charging forward with Biden's large-scale plan and [likely to pass the bill by mid-March](#), Wall Street's take probably won't make Republicans too happy. Every big bank has its own forecast, models, and team of experienced economists, and many are arriving at the same conclusion: the benefits of the Biden plan overshadow the risks. After a decade of weak inflation and a currently stagnant economic recovery, Wall Street is cheering on efforts to supercharge the economy with a massive shot in the arm.*

*Here's what four banks have to say about new stimulus and what inflation may come of it.*

*(Spoiler: not very much)*

***Bank of America: 'A difficult balance, but so far highly successful'***

*Investors haven't been thrown by the inflationary concerns surrounding stimulus.*

*Stocks - which have historically sold off when consumer prices have overheated - sit near record highs. Investors are also continuing to rotate into downtrodden companies set to bounce back as the economy reopens, signaling they're more focused on profit-growth upside than potential inflation headwinds.*

*Michelle Meyer, the head of US economics at Bank of America, puts it succinctly, saying the market is "painting a story of optimism."*

*"Market participants are looking for stronger economic growth to push up inflation but not trigger Fed tightening too quickly," the team said in a Friday note. "It is a difficult balance, but so far highly successful."*

*The firm forecasts gross domestic product growth of 6% in 2021 and another 4.5% next year. This kind of expansion would fill the hole in the economy by the end of 2022, and additional stimulus would further accelerate growth, the economists said.*

*The question isn't whether the economy will overheat, but by how much, they added. The output gap - the difference between actual GDP and maximum potential GDP - is projected to reach its greatest surplus since 1973 if Biden passes his proposal, according to the bank.*

*Still, with the Federal Reserve actively pursuing above-2% inflation for a period of time, the hole in the economy likely needs to be overfilled before there's a return to stable growth, the note said.*

***UBS: 'Rising only gradually'***

*The White House's package might exceed what's necessary but the effect on inflation "likely will be small," UBS economists led by Alan Detmeister said in a Wednesday note to clients.*

*The bank's rough estimate sees the proposal prompting about 0.5 points more inflation compared to a scenario where no additional aid is approved.*

*Price growth is expected to rise "only gradually" after "modest" inflation in the first half of 2021, the team said. Core personal consumption expenditures - the Fed's preferred gauge of inflation - will rise to 1.8% in 2022 and to 1.9% the following year, still trending below the central bank's goal. Inflation is likely to overshoot 2% beyond 2023 if the economy can strengthen further, UBS said.*

*The forecast doesn't yet account for the currently proposed stimulus measure, but the package "poses a small upside risk" and probably won't lead inflation to reach 2% any sooner, the economists added.*

***Goldman Sachs: 'Models currently understate slack'***

*Economists led by Jan Hatzius took a different approach, focusing on models measuring the output gap instead of inflation expectations. The metric hinges on*

*maximum potential GDP estimates published by the Congressional Budget Office, but those estimates change over time as the US economy evolves.*

*History suggests the CBO's calculations are flawed and "currently understate slack" in the US economy, Goldman's economists said Wednesday. The team alleged the office's model suffers from endpoint bias, meaning it interprets short-term changes as a reversal of a long-term trend.*

*Economists don't need to look too far back to find other examples of this, according to the bank. The CBO's estimate of potential GDP was consistently revised lower from 2009 to 2017 when actual GDP lagged the maximum potential.*

*Revisions then turned positive in 2018, when actual GDP exceeded the estimated maximum. The CBO reinterpreted what first seemed to be an overheating to later be a catching-up toward full potential, the economists said.*

*"Both on the way down and on the way up, actual GDP was therefore a leading indicator for estimated potential GDP, indicative of endpoint bias," they added.*

*Overall, Goldman projects the output gap to currently be more than twice the size of the CBO's estimate, backing the bank's view that "inflation risk remains limited," even with its above-consensus growth estimates.*

*The CBO's model is also hard to square with inflation over the past decade, Goldman said, as price growth has steadily fallen short of the Fed's target even as the budgetkeeper saw the economy overheating.*

### ***Deutsche Bank: 'An unusual moment in macro history'***

*A special report on Friday by Deutsche Bank's Chief International Strategist Alan Ruskin sought to strike a balance. Essentially, he wrote, this coming year will be too soon to tell.*

*Noting that inflation usually tends to lag growth by as much as two years, Ruskin wrote that inflation fears likely won't be easily proven right or wrong in 2021.*

*"A few soft US inflation numbers will not sound the all clear. A few strong US inflation numbers will however elevate concerns," he wrote. "There is then some inherent asymmetric skew to how the markets will think about inflation risks going forward."*

*Ruskin foresaw building inflation fears for this reason, as his "all clear" on inflation risk will not be reachable. Over the medium term, he added, the "market consequences of a meaningful US inflation acceleration are far greater than if inflation fails to accelerate."*

*Zooming out somewhat, Ruskin noted this is "an unusual moment in macro history" where "the 'stars' as they relate to inflation fears have aligned" because economists of various traditions, ranging from neo-Keynesians to Monetarists to the Austrian school, all have growing evidence showing more rather than less inflation risk.*

*These elements include the strongest money supply growth in history; the strongest expected real growth in 70 years; the closing of a large negative output gap, and some of the most accommodating financial conditions on record.*

*Ruskin wrote: "There is a certain sense of 'if not now, then when?'"*

### ***Alarming items stuffed inside House Dem's \$1.9T stimulus bill: Health surveillance, animal COVID studies***



*News & Politics*

*House Democrats unveiled Friday the \$1.9 trillion economic stimulus package they hope to pass by late next week. Included in the bill are \$1,400 stimulus checks and numerous other pandemic-related relief measures, like additional funding for state and local governments and more federal unemployment benefits.*

*The bill — which was “stitched together” by the Democratic-controlled House Budget Committee, [according to Reuters](#) — was also filled with dozens of items completely unrelated to direct pandemic relief.*

*(READ: [The full 591-page bill](#))*

#### ***Animal COVID studies***

*The bill allocates \$300 million of taxpayer dollars for the Agriculture Department to “conduct monitoring and surveillance of susceptible animals for incidence of SARS-CoV-2” as guided by the World Organization for Animal Health.*

#### ***‘Socially disadvantaged farmers and ranchers’***

*Addressing farm loans, the bill states that the Agriculture Department “shall provide a payment in an amount equal to 120% of the outstanding indebtedness of each socially disadvantaged farmer or rancher as of January 1, 2021, to pay off the loan directly or to the socially disadvantaged farmer or rancher.”*

*The purpose of the debt payments is to “alleviat[e] discriminatory barriers preventing socially disadvantaged farmers and ranchers from fully participating in the American farm economy.”*

*The bill also provides another \$1 billion to the same group for “outreach, mediation, financial training, capacity building training, cooperative development training and support, and other technical assistance to socially disadvantaged groups.”*

#### **Student loan outreach**

*The bill allocates \$91 million for the “Department of Education to prevent, prepare for, and respond to coronavirus, domestically or internationally, including direct outreach to students and borrowers about financial aid, economic impact payments, means tested benefits, and tax benefits for which they may be eligible.”*

#### **Fine arts and museums**

*The bill allocates \$135 million to the National Endowment for the Arts and another \$135 million to the National Endowment of the Humanities.*

*Meanwhile, the bill also allocates \$200 million to the Institute of Museum and Library Services.*

#### **Native American languages**

*The bill also gives \$10 million for the “preservation and maintenance of Native American languages.”*

#### **Vaccine information**

*The bill provides \$1 billion “to strengthen vaccine confidence in the United States,” “provide further information and education with respect to vaccines,” and “improve rates of vaccination throughout the United States.”*

#### **Family planning**

*Family planning, [which could include abortion](#), gets \$50 million.*

#### **Global health**

*The bill provides \$750 million for “the Director of the Centers for Disease Control and Prevention to combat SARS–CoV–2, COVID–19, and other emerging infectious disease threats globally, including efforts related to global health security, global disease detection and response, global health protection, global immunization, and global coordination on public health.”*

#### **Health surveillance**

*The bill provides another \$500 million “to support public health data surveillance and analytics infrastructure modernization initiatives at the Centers for Disease Control and Prevention.”*

#### **Airlines**

*The airline industry, which was controversially bailed out in the first stimulus last spring, gets another \$15 billion in this bill.*

#### **Oilfield Rando**

***HOT MIC: All Trustees Of School Board Resign After Mocking Parents Wanting Schools Reopened***

***"B\*\*\*\*, if you are going to call me out, I am going to f\*\*\* you up."***

*Hank Berrien*



*Jessica Rinaldi for The Boston Globe via Getty Images*

*The trustees of a northern California school board, caught on videotape mocking the parents of their school district who wanted their schools to reopen, have resigned en masse.*

*During a pre-meeting session of the school board for the Oakley Union Elementary School District, one member said of an interaction with a frustrated parent, "B\*\*\*\*, if you are going to call me out, I am going to f\*\*\* you up." Another commented of the frustrated parents, "They want their babysitters back."*

*"Another member of the board theorized that parents want their kids to go back to school so they can spend the day getting high," [Reason](#) reported, adding,*

*"The board also discussed whether it would be possible to change the public comment portion of their meetings so that members of the public would be cut off automatically after three minutes of speaking time."*

*One parent told [ABC7](#), "I thought the board members were also advocates for my child and had her best interests at heart. After [Wednesday's] incident, it really has me thinking that they don't. They see us writing letters monthly, weekly, to the board members, detailing our stresses and grief about distance learning. For them to say we are doing nothing and sitting home and smoking pot is far from the truth."*

*School Superintendent Gregory Hetrick issued a statement apologizing for the board, writing: "I know that our students deserve better from us. I pledge to work*

*collaboratively with stakeholders and community members to begin doing the important work that is needed to rebuild community trust in our district.”*

*After a petition was launched calling for the board members to resign, along with a [statement](#) from Sue Higgins, the mayor of Oakley, in which she stated, “Quite frankly, I am embarrassed for our community as this meeting has now gone both national internationally at a time when we are not only trying to stop the spread of the virus, but also try and safely reopen schools. I encourage the remaining board members to do the right thing and step down.”*

*On Friday Hetrick released a [statement](#) saying the board had resigned:*

*Dear Oakley Union Elementary School District Family,  
I want to inform you that Board Members Kim Beede, Erica Ippolito, Richie Masadas and Lisa Brizendine have submitted their resignations from their position on the OUESD School Board.*

*As a District, we will continue to proceed with the work that we are engaged in to bring our students back to school. There will be a lot of details in the coming days about what will be taking place and I will be providing you with a complete update. Board members Kim Beede, Eric Ippolito and Richie Masadas asked that the following statement be shared with you:*

*We deeply regret the comments that were made in the meeting of the Board of Education earlier this week. As trustees, we realize it is our responsibility to model the conduct that we expect of our students and staff, and it is our obligation to build confidence in District leadership; our comments failed you in both regards and for this we offer our sincerest apology.*

*We love our students, our teachers and our community, and we want to be part of the remedy to help the District move forward, returning its full focus to students needs. To help facilitate the healing process, we will be resigning our positions as Trustees of the Oakley Union Elementary School District, effective immediately. The Superintendent will be working with the Contra Costa County Office of Education to address the vacancies on the Board of Education.*

*Brizendine, who had stated on the Zoom call, “They forget that there’s real people behind those letters they are writing. We are real community members, we have kids or have known kids who have gone to those schools, so we have a vested interest in this process and they don’t know what goes on behind the scene and it’s unfortunate they want to pick on us because they want their babysitters back,” issued a statement to the [Mercury News](#) in which she wrote:*

*In my response to a situation, I talked about how some people don’t realize that we, as the board are people; I then made a flippant comment that “they want their babysitters back.” I think in some respects, I said that because I too want desperately for schools to open.*

*I am raising a 10-year-old with special needs and having him home during this pandemic, while also holding down two jobs to support my family, has been a huge stress.*

*I suffer with many of the same things that parents are going through from mental health issues to regression. My remark was callous and uncalled for and for that I am truly sorry.*

*As a 30-year resident of Oakley, I have always championed the kids in the community from Boy Scouts, to PTA service, to my own teaching career.*

*I became a member of the board to serve, which is what I did for the last four years. I tendered my resignation because I don't want to be a part of something that would negatively impact my community.*

*The students, staff and families deserve the very best, there is much work that needs to be done to reopen our schools safely and I will be praying that we as a community can move past this incident together and that our children always remain in focus.*

***Ex-Top Immigration Adviser: Biden Agenda 'Would Fundamentally Erase Very Essence Of America's Nationhood'***

*Daily Wire News*



*Anna Moneymaker/The New York Times/Bloomberg via Getty Images*

*A top former Trump White House adviser on immigration told Fox News in an interview on Sunday that President Joe Biden's immigration agenda would "fundamentally erase the very essence of America's nationhood."*

*"The reason why I have studied immigration so closely is because it's so fundamental to what it is to be a nation, the right of the people living in a country to decide who enters that country, on what conditions, for how long, and how to establish national boundaries and borders. That's fundamental to what it means to be a country," Stephen Miller told Fox News anchor Maria Bartiromo.*

*"The legislation put forward by President Biden and congressional Democrats would fundamentally erase the very essence of America's nationhood. For the first time, I*

*believe in human history, this legislation proposes sending applications to previously deported illegal immigrants and giving them the chance to reenter the country on a rapid path to citizenship. This is unheard of.”*

*“These are the people that ICE officers, at great time and expense, found, large numbers of them with criminal records, returned to their home countries at taxpayer expense. And now we’re going to have the secretary of state and homeland security mailing applications for readmission and amnesty to previously deported illegal immigrants?” Miller continued.*

*“This is madness. Now, this is on top of the fact that the current administration has already dismantled border security, canceling President Trump’s historic agreements with Mexico and with the Northern Triangle countries, restoring catch and release, and, additionally, gutting interior enforcement, issuing a memo preventing ICE from removing the vast majority of criminal illegal immigrants that it encounters.”*

*TRANSCRIPT:*

*MARIA BARTIROMO, SUNDAY MORNING FUTURES ANCHOR: A new border crisis is afoot, with congressional Democrats unveiling an ambitious immigration reform bill on Friday that would extend amnesty and citizenship to nearly 20 million illegal immigrants, a population five times the size of Los Angeles.*

*This legislation comes hot on the heels of President Biden’s sweeping executive orders to erase President Trump’s border legacy.*

*Stephen Miller was a senior adviser to President Trump and the architect of the administration’s immigration plan. He joins us this morning.*

*Stephen, it’s great to have you today. Thanks so much for being here.*

*STEPHEN MILLER, FORMER SENIOR ADVISER TO PRESIDENT TRUMP: Good morning. Thank you.*

*BARTIROMO: Let me just point out that you have studied immigration issues for more than a decade.*

*I remember years ago you were a congressional staffer in the House. Then you moved over to the Senate. You were studying and working on immigration issues in the Senate before joining President Donald Trump.*

*So, give us your expert opinion and assessment of President Biden’s new immigration bill.*

*MILLER: Thank you.*

*And the reason why I have studied immigration so closely is because it’s so fundamental to what it is to be a nation, the right of the people living in a country to decide who enters that country, on what conditions, for how long, and how to establish national boundaries and borders. That’s fundamental to what it means to be a country.*

*The legislation put forward by President Biden and congressional Democrats would fundamentally erase the very essence of America’s nationhood.*

*For the first time, I believe in human history, this legislation proposes sending applications to previously deported illegal immigrants and giving them the chance to reenter the country on a rapid path to citizenship. This is unheard of.*

*These are the people that ICE officers, at great time and expense, found, large numbers of them with criminal records, returned to their home countries at taxpayer expense. And now we're going to have the secretary of state and homeland security mailing applications for readmission and amnesty to previously deported illegal immigrants?*

*This is madness. Now, this is on top of the fact that the current administration has already dismantled border security, canceling President Trump's historic agreements with Mexico and with the Northern Triangle countries, restoring catch and release, and, additionally, gutting interior enforcement, issuing a memo preventing ICE from removing the vast majority of criminal illegal immigrants that it encounters. And the last thing I will say about that memo is that they have engaged in a fraudulent representation to the court in the Texas litigation, because they are claiming this is a resources issue.*

*I know for a fact that ICE has the resources to remove these public safety threats. This is a policy choice disguised falsely to the court and to the country as a resource issue. That is a lie. And it's a lie that threatens public safety.*

*BARTIROMO: Wow.*

*And I know that the ICE, Border Patrol men and women are now being told that they have to get authority to make any moves. They need authority from above before detaining anyone.*

*I spoke with Mark Morgan, the head — the former head of Customs and Border Patrol, and he told me that we are averaging 3,500 apprehensions every day. So, you're talking — and then another 500 turned back. So, you're talking about 4,000 people coming to our border areas every day.*

*Let's take a look at this map, because we have a map showing all of — the most porous areas pretty much. And as we zero in on this map, we see Texas, as well as California and the Rio Grande area. This is the area, Rio Grande, that is — the Rio Grande River — that is most vulnerable.*

*I actually took the show to El Paso and witnessed people coming across then. I wanted to mention this, because this is one of those pocketbook issues where it impacts people's families and their lives. You can talk about it as a headline immigration bill, but when you zero in on what this means, with 4,000 illegals coming in every day, you really get a sense of how this impacts the American families. Walk us through it. Tell us what's most important for our viewers to understand.*

*MILLER: Yes, well, I will give you a — give you a simple example.*

*So, right now, under the current administration, they are failing to abide by the CDC guidance, and they are processing for entry and release 100 percent of illegal immigrants under the age of 18. In other words, any illegal aliens 17 or younger who is smuggled to the border or trafficked to the border is being processed for admission through Health and Human Services and then resettlement in the country.*

*So, ask yourself, who is going to pay for the education? What does it mean — when classrooms, God willing, reopen, what does it mean for classroom size? What does it mean for health care?*

*Then you add on top of that the families that are being released. Who's paying for the medical bills? Who's paying for the health care costs?*

*You pay with your local property taxes in many cases, and your sales tax, and many other forms of local tax on your rent, on everything that you do in your life. And one way or another, you're paying for those local services.*

*So, when people show up illegally, having never lived here a day in their lives, that's coming out of your pocketbook. And it's a public safety issue. As I mentioned, ICE is now disallowed from removing the vast majority of illegal immigrants with criminal records.*

*So, whether you're in Louisiana, or whether you're in Arkansas, whether you're in Montana, whether in New York state, illegal immigrants are being re-released into the community who have already committed crimes, and we know there's a high recidivism rate.*

*BARTIROMO: Right.*

*MILLER: That's going to cost lives. That's a public safety calamity in real time happening now. This is not theoretical.*

*BARTIROMO: Right.*

*MILLER: And then you add an amnesty bill on top of that.*

*If you give low-skilled illegal immigrants a path to citizenship, that will mean a net fiscal transfer of trillions of dollars long term to pay for Social Security, to pay for medical care, to pay for Medicaid, to pay for state and local services.*

*That's an extraordinary expense to give that to 20 million illegal immigrants.*

*BARTIROMO: Yes. Yes.*

*There's a good piece in The L.A. Times that I want to point out, because, under President Biden's direction, border officials on Friday began processing the first of an estimated 26,000 people who have pending cases in the United States.*

*They reversed the asylum system. As you say, those people who were waiting in Mexico, now they will be in the United States. It radically alters the asylum system. And it was actually one of your administration, President Trump's administration's most popular and successful parts of the immigration plan.*

*MILLER: President Trump secured the Southern border.*

*Through his deals with Mexico, through his deals with El Salvador, Guatemala, Honduras, and others, we were able to ensure that, if you were apprehended illegally, you were safely and humanely returned home. This was a game-changer.*

*President Biden hasn't only failed in his duty to protect American citizens. He has — went out of his way to privilege illegal immigrants over American citizens. So, when your kids can't go to school, when your spouse or you have been laid off because of COVID-related shutdowns, 200 countries in the world can send their illegal immigrants to our border without masks, without vaccines, without health care, without any rules at all.*

*How is that fair? How is that just? How is that moral? How is that right? It's not.*

*BARTIROMO: Well, it's horrible to think that our schools are closed, but the border is wide open.*

*This is the reason that Texas, the state of Texas, is suing. And we had the A.G., the attorney general of Texas, Ken Paxton, on this program last week. Listen to what he had to say. Got to get your reaction.*

*KEN PAXTON (R), TEXAS ATTORNEY GENERAL: These were laws put in place by elected representatives basically requiring that, if you come here illegally and you're caught, that you would be deported.*

*And he basically said, no, we're not going to do that anymore. The border is open.*

*You can stay. And we're not going to deport you.*

*And you can see what's happening. We're having people come in from other countries through Central America. They believe that he has opened the border for them. And I think most Americans believe that he's opened the border. That's not just a change in policy. That's a change in law.*

*And if he wants to do that, seems to me that he could go back to Congress and get pretty much what he wants.*

*BARTIROMO: Stephen Miller, your reaction?*

*MILLER: The attorney general of Texas is 100 percent right.*

*This is a fundamental constitutional issue. Does the president of the United States have the authority to suspend law at will? Because, if he does, it's not just immigration. Then President Biden can rewrite every federal law to his liking. He does not need Congress at that point in time.*

*He would assume the powers, not of a president, but of a king. That's why it's so important that this legislation — that this — that this executive action — I'm sorry — be stopped in court, because this can only be done legislatively.*

*And I would submit to you a bill sent to Congress to release criminal aliens en masse would never, ever have a chance of becoming law, which is why this was done by executive action.*

*BARTIROMO: Yes, unbelievable.*

*Real quick. Stephen, have you spoken with President Trump? There are reports that he is perhaps thinking about running again in 2024, perhaps with Florida Governor Ron De Santis. There, we also know that the president will make his first public appearance this upcoming week at CPAC.*

*What are your thoughts on President Trump right now?*

*MILLER: Yes.*

*Well, I have had the opportunity to speak to the president. And he's very excited to make his upcoming address to CPAC, where you will hear him lay out his positive vision for the future of this country, a vision where we stand up to China, as the president was doing before he left office, and reclaim our manufacturing, a vision where our schools are open and our border is closed to illegal immigration, a vision where the big tech monopoly is dismantled and free speech and free expression and free thought can reign, because that's what this country is about.*

*He's going to present an optimistic vision for a country where communities are safe, where criminals are behind bars, and where everybody can earn a decent, high-paying wage and produce products here in the United States, where they should be made, not in China, not overseas.*

*BARTIROMO: Well, I'm really glad you mentioned the cancel culture situation, because that continues to deepen and is a serious problem. I would think, on either side of the aisle, you don't want people just canceling out groups.*

*Stephen Miller, we will continue that conversation when we see you next time.*

MILLER: Thank you so much.

BARTIROMO: Thanks so much.

***'Lost Their Marbles': Backlash Hits Coca-Cola After Accusations Of Anti-White Agenda  
Company denies "be less white" training materials are part of its learning curriculum.***

*Hank Berrien*



*Photo Illustration by Jakub Porzycki/NurPhoto via Getty Images*

*Coca-Cola is facing backlash after being accused of fostering an anti-white agenda in their online "anti-racism" training for employees, with some training materials that instruct participants to "try to be less white." After blowback, the company has issued a statement denying that the materials are part of its learning curriculum.*

*On Friday, a psychologist who describes herself on Twitter as a "Former Democrat. Unwoke activist. Accidental commentator," posted screenshots from an alleged whistleblower at Coca-Cola:*

*"In the U.S. and other Western nations, white people are socialized to feel that they are inherently superior because they are white," read one slide, as reported by Newsweek. "Research shows that by age 3 to 4, children understand that it is better to be white."*

*Following backlash for the "be less white" materials, Coca-Cola published a statement Friday saying the materials are "not a focus of our company's curriculum" and committing to "continue to refine" its learning curriculum:*

*The video circulating on social media is from a publicly available LinkedIn Learning Series and is not a focus of our company's curriculum. Our Better Together global*

*learning curriculum is part of a learning plan to help build an inclusive workplace. It is comprised of a number of short vignettes, each a few minutes long. The training includes access to LinkedIn Learning on a variety of topics, including on diversity, equity and inclusion. We will continue to refine this curriculum.*

*Roughly 24 hours later Coca-Cola released a statement that was marginally different: The video and images attributed to a Coca-Cola training program are not part of the company's learning curriculum. Our Better Together global learning curriculum is part of a learning plan to help build an inclusive workplace.*

*It is comprised of a number of short vignettes, each a few minutes long. The training includes access to LinkedIn Learning on a variety of topics, including on diversity, equity and inclusion.*

*Blowback to this initial report came swiftly. Nigel Farage, the leader of Great Britain's Brexit party, stated:*

*This week we learned that Coca-Cola, that venerated U.S. institution — I know Coca-Cola a little bit, their headquarters in Atlanta, and in 2017, I went to their HQ as a guest of theirs, I gave a presentation to some of their managers, really talking about global trends in politics and I was very struck what a nice working environment it seemed, and of course what a hugely successful company it's been over all these decades.*

*But Coca-Cola, of all people, have now clearly lost their marbles, because they're now putting their staff through compulsory training: how to be less white. You think I'm making this up? Have a look at this on the screen, saying, "So, to be less white means you'll be less arrogant, less ignorant"—I mean, the list goes on: "try to be less white." And the inference here is clear, isn't it? That white is bad; white means supremacist; white means you look down your noses at everybody else; white means you are guilty!*

*Former GOP Texas congressional candidate Joshua Foxworth tweeted, "If your congressman does nothing when Coca-Cola tells it's employees to 'Try to be less White' but would rush to any available mic if this was said about any other race, can it truly be said that they represent every American in their district, or just the ones the media allows."*

***Biden AG Pick Merrick Garland: Far-Left Rioters Attacking Federal Courthouse Not Domestic Terrorism Because It's At Night When Court Is Closed***

*Ryan Saavedra*



*AL DRAGO/POOL/AFP via Getty Images*

*President Joe Biden's nominee for U.S. attorney general, Merrick Garland, said during the first day of his confirmation hearing on Monday that the attacks on federal courthouses in the Pacific Northwest may not qualify as domestic terrorism because the attacks happen at night when the court is closed.*

*"Let me ask you about assaults on federal property in places other than Washington, D.C. Portland for instance, Seattle," Sen. Josh Hawley (R-MO) said. "Do you regard assaults on federal courthouses or other federal property as acts of domestic extremism, domestic terrorism?"*

*Hawley's question came after far-left rioters repeatedly [attacked](#) the Mark O. Hatfield U.S. Courthouse in downtown Portland over the summer.*

*"Well, senator, my own definition, which is about the same as the statutory definition is the use of violence or threats of violence in attempt to disrupt democratic processes," Garland responded.*

*"So an attack on a courthouse while in operation, trying to prevent judges from actually deciding cases that plainly is, um, domestic extremism, um domestic terrorism."*

*"An attack simply on government property at night or any other kind of circumstances is a clear crime and a serious one and should be punished," Garland responded.*

*"I don't mean, I don't know enough about the facts of the example you're talking about, but that's where I draw the line when it one is, both are criminal, but one is a core attack on our democratic institutions."*

*Garland claimed during the hearing that the U.S. is currently in a period "more dangerous" than after the Oklahoma City bombing happened in the 90s, which killed nearly 170 people.*

*“150 years after the Department’s founding, battling extremist attacks on our democratic institutions also remains central to the Department’s mission,” Garland said.*

*“From 1995 to 1997, I supervised the prosecution of the perpetrators of the bombing of the Oklahoma City Federal Building, who sought to spark a revolution that would topple the Federal Government. If confirmed, I will supervise the prosecution of white supremacists and others who stormed the Capitol on January 6th, a heinous attack that sought to disrupt a cornerstone of our democracy, the peaceful transfer of power to a newly elected government.”*

*On the issue of investigating the riot that happened at the U.S. Capitol back in January, Garland said that it would be his first priority as attorney general, if confirmed by the U.S. Senate.*

*“We begin with the people on the ground and we work our way up to those who are involved and further involved,” Garland said, adding later, “We also have to have a focus on what is happening all over the country and on where this could spread, and where this came from.”*

*This article has been updated to include additional remarks from Garland at his confirmation hearing.*

***Democrat Rep. Ro Khanna: ‘We Don’t Want Low-Wage’ Small Businesses That Pay Less Than \$15 Minimum Wage***  
*Daily Wire News*



*Tom Williams/CQ-Roll Call, Inc via Getty Images*

*Rep. Ro Khanna (D-CA) told CNN in an interview on Sunday that he and presumably other Democrats “don’t want low-wage” small businesses as he advocated for increasing the minimum wage.*

*“We don’t want low-wage businesses,” he said when asked if mom and pop shops should be forced to pay employees more. “I think most successful small businesses can pay a fair wage.”*

*“Well, of course, large businesses like Amazon and McDonald’s, for example, can and perhaps should pay more, but I’m wondering what is your plan for smaller businesses?” CNN’s Abby Phillip said.*

*“How does this in your view affect mom and pop businesses who are just struggling to keep their doors open, keep workers on the payroll right now?”*

*“Well, they shouldn’t be doing it by paying people low wages,” Khanna said.*

*“We don’t want low-wage businesses. I think most successful small businesses can pay a fair wage.”*

*“If you look at the minimum wage it increased with worker productivity until 1968 and that relationship was severed. If workers were actually getting paid for the value they were creating it would be up to \$23,” he claimed.*

*“I love small businesses. I’m all for it. But I don’t want small businesses that are underpaying employees. It’s fair for people to be making what they’re producing and I think \$15 is very reasonable in this country.”*

*TRANSCRIPT PROVIDED BY CNN:*

*PHILLIP: And joining me now on all of this is Democratic Congressman Ro Khanna of California. Congressman Khanna thank you for being with us this morning.*

*REP. RO KHANNA (D-CA): Abby, great to be on.*

*PHILLIP: So, you know, Congressman I know that you feel very strongly like many progressives about the minimum wage issue. Right now at the same time businesses both large and small are struggling in this pandemic economy, more than nine million jobs have been lost in the last year and they still aren’t back.*

*And the problem is particularly acute in industries like retail and food service, which are more likely to pay minimum wage. I think the question that a lot of Republicans are posing and perhaps some moderate Democrats is timing. Is now the right time to increase it to \$15?*

*And I should say the bill has stages, of course, but immediately it would go up about 30 percent right now. Is now the right time to do that?*

*KHANNA: Abby, it’s absolutely the right time to give working Americans a raise. Let’s look at the facts, Amazon raised their wage to \$15 nationally, not regionally. They have more jobs today. It didn’t hurt job creation or business. Target followed, they also did it nationally, more jobs. I would encourage people to read Arin Dube’s (ph) work. He’s done a survey of minimum wage raises not just here but in Britain. He concludes that if you raise the wage to 80 percent of the median wage which in our case would be \$15 there is a negligible effect on employment. Actually you can create jobs by paying people more so they are spending it more. So we need to be guided by the economics of the facts here.*

*PHILLIP: Well, of course, large businesses like Amazon and McDonald's, for example, can and perhaps should pay more, but I'm wondering what is your plan for smaller businesses? How does this in your view affect mom and pop businesses who are just struggling to keep their doors open, keep workers on the payroll right now?*

*KHANNA: Well, they shouldn't be doing it by paying people low wages. We don't want low-wage businesses. I think most successful small businesses can pay a fair wage.*

*If you look at the minimum wage it increased with worker productivity until 1968 and that relationship was severed. If workers were actually getting paid for the value they were creating it would be up to \$23.*

*I love small businesses. I'm all for it. But I don't want small businesses that are underpaying employees. It's fair for people to be making what they're producing and I think \$15 is very reasonable in this country.*

*PHILLIP: You're also pushing on another issue for the Biden administration to forgive up to \$50,000 in student loans. It's important to note that the Biden plan forgives about \$10,000 in student loans. That would clear debt for about 15 million borrowers and more than half of those who default actually owe less than \$10,000. These are people who maybe they went to one semester of college, didn't finish their degree and are struggling to pay it back. Meanwhile, the highest earners owe more than a third of all student debt.*

*What do you — what do you say to those who point out that \$50,000, as ambitious as it is and as helpful as it would be for some people, wouldn't help maybe the most people and may help even the people who don't actually need it the most?*

*KHANNA: Well, first of all, I'd say let's at least do the \$10,000 right away. So I encourage President Biden to at least sign the executive order to have that done. Second, the debt relief of \$50,000 is targeted. It wouldn't go to people like me or to President Biden's daughter. It goes to working and middle-class Americans.*

*KHANNA: And I think that having a young person of many black and brown communities that are disproportionately affected or rural communities, graduate with \$30,000 — \$40,000 of debt, sometimes not even get a college degree, is cruel. It prevents them from starting a family. It prevents them from getting a house. We can afford this. I just closed a bill that would raise \$1.2 trillion over the next ten years just by enforcing the tax on the wealthiest Americans, not asking to raise their taxes, just enforcing that they actually pay the tax. Let's use that money so we're not burning the next generation.*

*PHILLIP: In general, you know, progressives, I think, are facing a critical moment right now. Last fall when we were in the midst of another negotiation of a COVID relief you called it a moral obligation to act so that people could get immediate relief right now during this crisis.*

*Do you think that you and your colleagues are facing a similar moment? Should progressives be prepared to come on board even if they don't get some of these big agenda items that you all are pushing for as important as you might think, for example, the \$15 student loan bill might be? Are you willing to compromise on that in order to get money in people's pockets now?*

*KHANNA: Yes, Abby. I will vote for the final package but my question is why isn't this question asked of the moderates? Why don't they have to compromise sometimes? I mean I have voted for every single Cares package to date in the Congress. And there are many times there were provisions I didn't like. I didn't like the fact that it gave billions of dollars to Mnuchin or more money to the Fed to give to financial institutions, but I still voted for it because of the urgency of getting money to people. Now, my question is why not have the same question for the moderates? Maybe they disagree with the minimum wage but the overwhelming Americans agree with it. So they can vote for the final package even if they disagree with some of those provisions.*

*PHILLIP: I suspect we will be asking those questions of the moderates, too. You know, on a different topic we were just talking about Texas a few minutes ago. You are the chairman of the House Oversight and Reform Subcommittee on the Environment. And you have said that you're planning to hold some hearings about what happened down in that state with the electrical grid failures. What are your initial concerns about how this was handled? And who are you planning to call to Washington to testify?*

*KHANNA: We will be holding hearings. We need to hear from the ERCOT CEO. As Paul Begala said, this was an anticipatable problem. Ten years ago they had the same issue.*

*Why did they not weatherize their equipment? Why did they not take appropriate regulatory action? Texas has had an attitude of we don't need to invest in the weatherization, we're just going to allow deregulation. Why were those decisions made?*

*And then most problematic, why are people on television telling lies to the American people about blaming renewable energies? Where did these conspiracy theories come from? We will get to the bottom of this.*

*PHILLIP: And lastly quickly before you go there has been a spate of attacks, some of them in your state of California on Asian-Americans in the last year, thousands of them recorded by some advocacy groups. What do you think needs to be done about that?*

*KHANNA: I appreciate your raising that, Abby. It doesn't get enough attention. There has been increasing xenophobia and hate against Asian-Americans, some of it was the tone of the last administration.*

*But one thing we have to be careful about, and I'm all for tough, fair policies with China, but we cannot be inflaming those tensions in ways that are going to create a new Cold War and form (ph) anti-Asian sentiment in the United States. So we all need to be responsible in our rhetoric.*

*PHILLIP: And these attacks are so tragic and horrifying and hopefully all of them will be fully investigated.*

*Congressman Ro Khanna, thank you so much for joining us on INSIDE POLITICS this morning.*

*KHANNA: Thank you for having me, Abby.*

***‘Citizens Deserve Better’: Justice Clarence Thomas Dissents In PA Election Case***  
*Jon Brown*



*Chip Somodevilla/Getty Images*

*Justice Clarence Thomas issued a vigorous dissent Monday in response to the Supreme Court’s decision not to hear a challenge against the Pennsylvania state court’s ruling that permitted ballots to be counted even if they were received three days after Election Day.*

*“One wonders what the Court waits for,” Thomas [wrote](#).*

*“We failed to settle this dispute before the election, and thus provide clear rules. Now we again fail to provide clear rules for future elections. The decision to leave election law hidden beneath a shroud of doubt is baffling. By doing nothing, we invite further confusion and erosion of voter confidence. Our fellow citizens deserve better and expect more of us. I respectfully dissent.”*

*Thomas acknowledged that the case before the Court would not have changed the outcome of the 2020 presidential election, but he also warned that the unwillingness of the Supreme Court to deal with the issues presented in the case now could hold potential problems in the future.*

*“We are fortunate that the Pennsylvania Supreme Court’s decision to change the receipt deadline for mail-in ballots does not appear to have changed the outcome in any federal election. This Court ordered the county boards to segregate ballots received later than the deadline set by the legislature. Order in Republican Party of Pa. v. Boockvar, No. 20A84. And none of the parties contend that those ballots made an outcome-determinative difference in any relevant federal election.”*

*“But we may not be so lucky in the future. Indeed, a separate decision by the Pennsylvania Supreme Court may have already altered an election result,” he said, going on to mention a state Senate race.*

*“That is not a prescription for confidence,” Thomas continued.*

*“Changing the rules in the middle of the game is bad enough. Such rule changes by officials who may lack authority to do so is even worse. When those changes alter election results, they can severely damage the electoral system on which our self-governance so heavily depends. If state officials have the authority they have claimed, we need to make it clear. If not, we need to put an end to this practice now before the consequences become catastrophic.”*

*“That decision to rewrite the rules seems to have affected too few ballots to change the outcome of any federal election. But that may not be the case in the future,”*

*Thomas warned. “These cases provide us with an ideal opportunity to address just what authority nonlegislative officials have to set election rules, and to do so well before the next election cycle. The refusal to do so is inexplicable.”*

*Justices Samuel Alito and Neil Gorsuch also dissented in the case.*

*“There is ‘reasonable expectation’ that the parties will face the same question in the future,” Alito wrote in his dissent, echoing Thomas’ warning about potential future problems. “And that the question will evade future pre-election review, just as it did in these cases.”*

*“These cases call out for review, and I respectfully dissent from the Court’s decision to deny certiorari.”*