

RALPH NADER RADIO HOUR EPISODE 511 TRANSCRIPT

Busboys & Bogle Heads

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

David Feldman: Hello.

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

Ralph Nader: Hello, everybody. A little counterintuitive program today. Stay with us.

Steve Skrovan: That's right, Ralph.

For your entire career, you've been confronting power and holding it accountable, both governmental and corporate. For more than 60 years, Ralph has been a critic and a gadfly. But Ralph would also argue that it's possible to be a responsible corporate citizen and still be successful. In his latest book, *The Rebellious CEO*, he offers 12 examples of CEOs who did it right. He holds these up as role models for business leaders, as an antidote to the toxic principle that greed is good and that the only value that matters is shareholder value. The success of these rebellious CEOs demonstrates that profits don't have to come at the expense of worker safety, public health, clean air, water and land, not to mention a functional democracy.

On today's program, we're going to highlight three of the rebellious CEOs that Ralph profiled in his new book.

First up, we're joined by Andy Shallal, the founder of Busboys and Poets restaurants in Washington, D.C. Busboys and Poets doesn't just provide tasty/nutritious food. It's also a gathering place for artists and social/political activism. And Mr. Shallal's business practices conform with what he preaches.

Next up, we welcome Rick Ferri, a financial advisor and a proud Boglehead. What's a Boglehead? Bogleheads follow the investment principles of the late investor, advocate and founder of the Vanguard Group, John Bogle. Mr. Ferri is the host of the *Bogleheads on Investing* podcast, which is sponsored by the John C. Bogle Center for Financial Literacy and features well-known figures in the investment world. What makes John Bogle's investment philosophy different from the rest of the pack? Stay tuned to find out.

To wrap up our review of *The Rebellious CEO*, we welcome Robert Townsend, Jr. to talk about the legacy of his father and iconoclastic Avis CEO, Robert Townsend, Sr. who authored a *Up the Organization: How to Stop the Corporation from Stifling People and Strangling Profits*, a groundbreaking book on business. It was a leadership manual that outlined how to get the best

production out of your workforce with a shocking strategy—treating people like human beings, not like cogs in a machine.

Finally, we're going to shift gears to close out the show because Ralph has some thoughts on the recent calls for peace in Gaza and the mounting public pressure in favor of a ceasefire. And as always, somewhere in there, we'll check in with our steadfast corporate crime reporter, Russell Mokhiber. But first, let's eat. David?

David Feldman: Andy Shallal is an activist, artist, and social entrepreneur. Mr. Shallal is the founder and proprietor of Busboys and Poets restaurants in the Washington, D.C. area, which feature prominent speakers, poets, and authors, and provides a venue for social and political activism. He is co-founder of The Peace Cafe, a member of the board of trustees for the Institute for Policy Studies, and a member of the advisory council for the American Museum of Peace.

Welcome to the *Ralph Nader Radio Hour*, Andy Shallal.

Andy Shallal: Thank you very much, David.

Ralph Nader: Yeah. Welcome indeed, Andy. I've called you democracy's restaurateur. You've broken the usual model for a restaurant.

You have a bookstore in each of your several restaurants in the Greater Washington, D.C. area. It's an open bookstore as people walk in, and then you have a dining area that looks straight out at the kitchen part. They can see the kitchen workers working. Then you have a room, which I've called a civic dining room, where you have people speaking, reciting poetry, people running for election, civic leaders, authors, and people can have dinner, listen, and engage in the discussion afterwards.

This is a model that I said you might want to diffuse around the country. There are certain restaurants that have community sections. Even bookstores do now, like Barnes & Noble and other independent bookstores. But tell us a little bit about your vision for the restaurants, and whether you think it could spread around the country, because community gathering spaces are needed. And patrons are informed by the kind of presentations you have in your restaurants. You even have debates on controversial topics, and that's needed all over the country. So talk about Washington, D.C., and then what you'd like to see across this country.

Andy Shallal: Well, if you recall, Ralph, I don't know if we ever talked about this specifically, but the idea of Busboys and Poets came from a conversation that you had with me. When I had my restaurant, Skewers, which was right nearly across the street from your office at the Carnegie Building, and I was co-chair for Jerry Brown's campaign in Virginia, Jerry Brown used to come on a regular basis to us while he was running for president in 1991 when he was running for president.

And I remember having many conversations with you at the table, with Jerry and others, to talk about how we could advance the agenda of the platform that Jerry was putting forward. The

platform was very progressive, in fact, it was way ahead of its time, as it oftentimes is for visionaries like Jerry Brown. And as we saw that it looked like Jerry Brown was not going to make it to be president, you mentioned an idea about having a meeting place for civic engagement in a bookstore.—Ralph, you said we should have these types of places that can promote some of his platform, that Brown referred to as a *platform of progress*, to create civic engagement for ordinary people that are going shopping or going somewhere. You suggested that we put these small shops in malls all over the country so that people going there to buy a pair of shoes, get something to eat or whatever, could drop in there and pick up a piece of paper or some information about how a bill becomes a law, learn about their elected officials, and see how they could get engaged in their community.—and so on.

Your idea started prickling in my head. I thought, yes, wouldn't it be great to have places like that, where ordinary people could actually walk into and be able to learn so much about democracy and about civic engagement. And that came about. It started with the bookstore that we ended up putting above Skewers, which was called Luna Books and Democracy Center. There we had a mini-version of what Busboys and Poets is today.

The Skewers location had a bookstore, a little sandwich and coffee place, and some sitting area. We invited many notables to come speak, sit down in roundtables, and have a conversation. The place was small, upstairs, and out of the way with capacity for only about 40 people or so. I wanted to be able to bring that/put it front and center, and have it be in the open so that people could walk in, and passersby could get a sense of how to engage and get involved, and maybe sit down for some poetry, learn something about someone running for office, and talk about important issues of the day. So that was the start of it.

That's where we are today. Opening up the first place, I wasn't sure that it would be successful, because you don't know whether there's enough people out there who are interested in this. And then I realized that, yes, people are very much hungry to learn, hungry to connect with other people they otherwise may not have a chance to connect with, learn something about their environment, their community, people running for office, and so on. Now, since opening the first one, we have eight places. And I never thought I would go beyond one.

Ralph Nader: We're talking with Andy Shallal, who is profiled in my new book, *The Rebellious CEO: The 12 Leaders Who Did it Right*. And you can get this book by going to Rebellious. CEO.

The reason why I picked Andy—and he's the only retail CEO in the book—we have CEOs Yvon Chouinard of Patagonia, Ray Anderson, transforming his company into carbon-neutral for carpet tiles in Atlanta, Sol Price, who started the Price Club, and others, which we'll discuss—is because he really affected the community. He put people together in hundreds of meetings. He takes controversial positions. He doesn't worry about the impact on his business. He's a justice fighter, son of an Iraqi immigrant. And when Bush and Cheney unleashed their criminal invasion and sociocide of Iraq, he was right up front about it, even demonstrated.

And because Busboys and Poets, the name of which was taken from a poem by Langston Hughes [who worked at a hotel as a busboy before becoming recognized as a poet], it gets so much

attention, he doesn't even have to advertise. I've never seen an advertisement in the *Washington Post* or anywhere else. The restaurants are almost always packed, multiracial, multiethnic. The cuisine is nutritious, reasonably priced. He treats his workers very well. When he started, he paid his workers more than restaurants pay their workers in Washington, D.C. He's very concerned about waste, recycling, environmental issues.

So the whole idea of this book, *The Rebellious CEO*, is to show that these 12 CEOs reversed the business model. They didn't just have a vision and say we're going to squeeze workers and consumers and environmental indifference to maximize the profits. No. They started out saying we're going to treat the workers well, we're going to treat the consumers well, we're going to confront the environment, we're going to speak out against injustice. And they all made money. Every one of them in the book said they always paid attention to profits because without profits they couldn't do all the things they wanted to do.

So let me ask you, Andy, do you have other restaurant owners from around the country who say, "This is a great model, and we'd like to replicate it. Can you help us?"

Andy Shallal: I've been approached by many different cities all over the country that want to have a Busboys and Poets there. And I always wonder why are you flying me out there, having me meet with the mayor and with economic development people? They can get any restaurant they want to with the kind of offers that they oftentimes make.

And I think part of it is creating that community that other places don't necessarily do. A lot of places don't have multiracial, multicultural kinds of spaces. And as we are going through a lot of racial reckoning in this country, a lot of changes that are happening demographically, many cities are really anxious and want to have a way that people can connect with one another at a higher level.

And places like that tend to make the community more cohesive. When people are sitting down, like in our places, for instance—white people, black people, and others—all sitting together in the same space, that's kind of unusual and strange in this country. In a city that's 50% black here in Washington, D.C., I noticed when I opened Busboys and Poets at that time, there were hardly any places, I knew of that had a mix of blacks and whites in the same space. Black people had their restaurants and white people had their restaurants, and there was a sprinkling of both in each, but there was never a place that felt organically comfortable for both to come together.

Creating a space that made that possible was really my intention and why I went ahead and did it. The other thing that comes through in the book, Ralph, is that all of these people are not businesspeople. They're really entrepreneurs, people that see a need out there and try to fix it through business, so it becomes very personal. And when it's personal, it's hard to separate yourself from the business. You know what I mean?

So everything that happens in the business, it's not a one-off. It's about me. If the business is treating my employees badly, it means Andy Shallal is treating his people badly. That's a very personal way, and it's a way for a lot of these folks that you write about in the book to stay on

mission and feel like their name, legacy, and entire being is on the line. That's why folks that you write about have such a deep appreciation for their workers and for the business as a whole.

Ralph Nader: You're right. They do have varying personalities, as I covered in the book, but they have very common character traits. For example, they not only treat their workers and consumers well, they speak out against injustice. They're not indifferent to criticizing other companies in their own industry. They basically come from stable family environments that support them strongly, and they want to create a legacy. So, it's hard to describe the very wide range attitude of all these people, without reading the book.

People should know that Andy got a biology degree at Catholic University, and he went to work at National Institutes of Health for a while before he started in the restaurant business. Illustrating what he just said, for example, once I called him up and I learned that he'd just spent the weekend at the People's Climate March, challenging Trump's repeated disbelief that there is any man-made climate disruption or even an approaching risk from more burning of fossil fuels.

I remember when you were just getting underway, the French government was resuming nuclear bomb tests in the Pacific Ocean in 1995, and you led a protest at your Cafe Luna, where you poured out bottles of French wine to protest the French government's action. When people say, "Where's Andy Shallal," I say, "Everywhere. Try and find him." Tell me about how you recruit your workers.

Andy Shallal: When we hire people, one of the things we do, and I used to do it more because we were a much smaller company, but now we do it online and we do it through videos. Basically, I used to sit with them and now I still do it with our management team, but our regular line staff gets to see this through videos and other ways.

When we hire them, we bring people together and have a conversation around race. And people might wonder what a restaurant has to do with race, and why we're talking about that. But race is one of those fundamental issues that this country has had a very hard time addressing and dealing with, and oftentimes pops up in very unexpected ways that people are surprised about, like why is this happening? It's happening because we don't really deal with it.

And I believe that restaurants have always been a major part of this country's segregation and then desegregation. I remember seeing a video of the Woolworth counters with young people trying to break the race barrier, sitting at the counter and being accosted by others that were standing around jeering and shouting at them. And I thought, this is really strange how eating is such a personal thing and people just want to be safe and comfortable where they eat. And those that are racist and prejudiced don't want to be around people that are different than they are.

So, I wanted to break that barrier, because I noticed restaurants in this city were not integrated. Even though we're way beyond that time of history, still today, restaurants in this city are not that integrated. And I wanted to create that. But in order for me to create that, I had to really infuse that into the staff. That's why we have this very honest conversation about race, so that when they're confronted with race and racial issues, they don't pretend like they don't see it. Because if you pretend you don't see race, you're probably going to be a racist in this country. I wanted to make

sure that we highlighted it and talked about what racism looks like to someone walking in from the outside. One of the trainings we do is to teach the host that if a black couple comes in and the restaurant is mostly empty and you seat them in the back in the corner, they're going to feel like you're trying to hide them by putting them away from the front. And they may feel a certain way, like you're not really being respectful or you're being racist whereas if you seat a white couple in the same corner, their perspective or feeling might be that you're giving them a nice, private little space.

Understanding those dynamics and how race plays out in this country and how people interpret and see race, it's really a very important part of our training to make sure that people do not fall into the trap of saying, "I don't see race." because race sees you. And unless you are proactive in how you deal with people as they walk through the door, you're probably going to make mistakes and will look bad. Since part of our mission, is to create a place that honors and brings all kinds of different people together, it's important that we start there.

So right now, when we're talking about diversity, equality, and inclusion (DEI) and all the initiatives that have been brought about since the George Floyd and the Black Lives Matter movement ~~and all that~~, we were way ahead of that. This is not just a checkoff through the HR department, but this comes all the way from the top. And you can see the difference between an organization that is just trying to check the box and stay out of trouble and an organization that really has that in its DNA. And I feel like way ahead of that conversation. We didn't have to really deal with it in the same way other organizations had to deal with it, being dragged into it.

Ralph Nader: Another series of characteristics that these CEOs have—we're talking about my book that just came out, called *The Rebellious CEO: 12 Leaders Who Did it Right*, and you can get it by going to rebellious.ceo. Key characteristics include 1) They weren't secret. That is, they were very willing to share their successful business strategies with their potential competitors. 2) They admitted mistakes in public. Jenou Paulucci, who started 70 companies selling a lot of Chinese food and other products, also had restaurants, and he would immediately talk publicly about why some of his restaurants failed. When I asked him why he did that, he said, "because it makes me under pressure to correct the situation, not try to cover it up or postpone it for the next time."

And the other thing that was interesting is they almost never complained about regulation. They were way ahead of the regulators. Chouinard of Patagonia was way ahead. Paul Hawken, founder of Project Drawdown, is in the book. People like John Bogle of Vanguard, the giant mutual fund company, and the amazing Anita Roddick of Body Shop, are in the book. You should see how Roddick took on the beauty industry, and just tore it apart for the way they manipulate youngsters and overcharge them and exploit their fantasies.

Do you find yourself in that category? I mean, you're not secretive at all. You have admitted your mistakes. You're an artist. And I'm sure when somebody pointed out the murals in your restaurant from the point of view of an art critic that you took it in an expeditious manner. But generally speaking, does that describe you?

Andy Shallal: It was interesting. You said that they're not secretive, which is a really key point you make there. Because the reason why I think many people that you write about are not secretive is because their companies and their businesses are really a labor of love.

I always say we can go to 100 places that serve a hamburger. The idea of not giving the recipe, like, "Oh, no, we're hiding the recipe, we're not going to give it," people don't really care about that as much. There's maybe small variations in how good something is compared to another one, but the real flavor comes through from the ambience that is created in the space.

Many of us remember the most amazing meal in our lives, and it's oftentimes not because it's so spectacular from the food, but it's really because of the way it's served, because of the atmosphere, because of who served it. All of those things are really what makes the difference. So that's why I think a lot of us are not secretive, because I can give somebody the recipe but they're not going to duplicate what I do. It's just never going to happen because there's only one of me and there's only one of them. And that personality and that part is going to come through in whatever they do, whether it's serving or whether it's the atmosphere, whether it's the programming or anything like that.

That's why when somebody from other cities say, "You should franchise this," and when I looked at it, there's no way to franchise something like this because how do you franchise an idea like that? It's one thing to franchise an ice cream store or a cookie shop, but you can't franchise something so personal. One of the limitations for a lot of these organizations is they end up struggling with the idea of how do they expand and stay small.

Ralph Nader: How frequent are the events at your restaurant? And give us your website for listeners who want to find out more. How frequent are your events?

Andy Shallal: Well, we have events every single day, and lots of them. We have over 30 poetry events a month alone between all the locations. The website is busboysandpoets.com.

Right now, for instance, we're doing events around Gaza. When the invasion started on October the 7th, about three or four days into that, when the response was so horrific, immediately people wanted to get together and talk, because in isolation we lose, as a community we lose and we end up being separated. So we put up a thing saying, "Come to talk about Gaza."

And we got a lot of angry people saying, "Why are you talking about Gaza? Why are you speaking about that?" But again, like you said, it's not just about pandering to the lowest common denominator. It's really about standing up for something that you believe in. And for me, social justice and antiwar have been in my DNA from the beginning.

So I'm not going to just, for the sake of business, promote something or be silent. My family moved to this country in 1966 from Iraq. We didn't go back because of the political climate that was in Iraq, Saddam Hussein, and all that. I'm not going to kowtow by being quiet and keeping to myself here in the United States. We came here because this country has the opportunities.

As an immigrant, I am the insurance policy for this country because immigrants feel fascism and feel the disconnect between the values and what really happens much sooner than other people that have lived here. The idea of Busboys and Poets was to reignite my interest in this country. When I saw 9/11 happen, it was really depressing how we responded to that and how we went insane all over the world, by killing lots of innocent people and destroying lives. I didn't want to live in a country that believed that's the solution.

So I really wanted to find my tribe. I wanted to find these people. Who are these people? And when I created Busboys and Poets, the tribe came. And it gave me this reenergized love for this country, really, in that there are a lot of people that feel like we can do better. I wanted a space where I can gather these people and really feel that sense of power of that energy coming together under one roof.

Ralph Nader: Well, in conclusion, Andy—we're talking to Andy Shallal, the founder and manager of Busboys and Poets, about eight of them now in the Greater Washington, D.C. area. I was very taken by how calm and purposeful and coordinating you were when Bush and Cheney destroyed your ancestral country in a criminal invasion. You were always bringing people together, educating them about the history of Iraq, going back to Mesopotamia. And you're very level-headed in that way. You've gotten a lot of prizes, deservedly, and you're not winding down. You're always thinking of new ways to bind the community together. So thank you for all that, Andy.

Andy Shallal: I am always so really shocked by the way that we conduct ourselves sometimes, and especially right now, what's happening in the Middle East and Gaza and how we are aiding and abetting a genocide of an entire population—ethnic cleansing and feeling like this is the right thing to do. I continue to be truly shocked.

But, yeah, I am not going to stop talking. I'm not going to stop raising hell because I think that's what democracy is supposed to look like. The other thing is that the restaurant industry touches so many other industries. It touches how we bring food about to the table. It touches how we create energy, sustainable and otherwise. It touches labor laws, it touches business laws. It touches lots of different elements that really come together. And that's why I think the restaurant industry has even a higher responsibility because we're able to make impact on many different types of industries.

That was also my interest in it. If you take the restaurant association, for instance, oftentimes these types of places tend to be very conservative. They just want to maintain status quo, and it requires an alternative type of seeing things. A place like Busboys and Poets here in D.C. has a responsibility, because if we can show that change is possible, others can come on board as well. So I speak up because it's important to let other people know that change is possible and it's not as painful as they may think it is.

Ralph Nader: Well said. We're out of time, Andy. Is there anything else you'd like to say that we haven't mentioned? And then please give your website again for our listeners.

Andy Shallal: No. Thank you. I really appreciate being included in the book. I'm honored and humbled.

The website is busboysandpoets.com and my name is Andy Shallal I'm on Instagram and Twitter. I'm always speaking out on various things. So thank you for allowing me this platform.

Ralph Nader: Thank you very much, Andy.

Andy Shallal: Thank you.

Steve Skrovan: We've been speaking with Andy Shallal. We will link to Busboys and Poets at ralphnaderradiohour.com.

Up next, we're going to Bogle your mind, 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, December 22, 2023. I'm Russell Mokhiber.

Medicare Advantage plans routinely reject claims for necessary care. That's according to a report from NBC News. The CEOs of hospitals in rural areas told NBC that the Medicare Advantage plans routinely deny reimbursements for necessary care. "In 2006, we went from being in the black to losing \$1.6 million overnight," Dr. Kenneth Williams, CEO of a Mississippi hospital, told NBC News. That hospital has since been forced to close its doors. "We went from smiling to crying," Williams said. The federal government says that Medicare Advantage plans deny payments for nearly 20% of claims that meet Medicare rules.

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.

Other financial gurus would try to boggle your mind with complicated investment portfolios. Our next guest is going to talk about the man who advocated a much simpler investment philosophy. David?

David Feldman: Rick Ferri has worked for 35 years as a financial advisor, and he is the host of the *Bogleheads on Investing* podcast. Mr. Ferri was a pioneer in low-fee investment advice and portfolio management using ETFs and index funds. He has authored seven investment books and hundreds of articles published in *Forbes*, the *Wall Street Journal* and professional journals. And he is the former president of the John C. Bogle Center for Financial Literacy.

Welcome to the *Ralph Nader Radio Hour*, Rick Ferri.

Rick Ferri: David, thank you so much for inviting me today.

Ralph Nader: Welcome indeed, Rick. The occasion is obviously the profile of John Bogle in my new book, *The Rebellious CEO: 12 Leaders Who Did it Right*.

John Bogle got out of Princeton, applied his senior thesis to his immediate job in the mutual fund industry, didn't like what he saw, too high fees and stagnant imaginations. So he started Vanguard, which is now a \$7 or \$8 trillion multiple mutual fund, index fund mutual firm.

He started it as a mutual, which means if you invest in Vanguard, you're technically a part owner. He didn't want to have shareholders and have to take the calls of Wall Street analysts berating him for every quarterly earnings forecast he may not have met. And he became a philosopher. He became someone who diffused his new way of protecting investors and having them get an adequate return over the long run and not be induced to engage in in-and-out market manipulation in buying and selling stocks.

He pioneered the index fund, which has proven again and again to be the best way for long-term investors to invest and get a stable return. He wrote a book before he passed away, one of several books called "Enough", where he was, in effect, counseling his peers and the young people coming into the industry not to be too greedy and to reflect on the purposes of life in a larger sphere.

When someone asked him, what do you credit your career success to? He said, "Not to brilliance or complexity, but to common sense and simplicity," or, as one observer said, the uncanny ability to recognize the obvious. And he said something about complexity as a form of control in the marketplace. Look at the fine-print contracts, for example, that produce consumer peonage and consumer servitude for hundreds of millions of consumers.

He said this about complexity. "Mark me down, too, as an adversary of complexity, complexity that obfuscates and confuses, complexity that comes hand in hand with costs that serve its creators and marketeers, even as those costs thwart the remote possibility that a rare sound idea will serve those investors who own it."

You knew John Bogle over the years. The Bogleheads were formed by people all over the country, not just in admiration of John Bogle, but to spread the investment strategy and the accountability and the long-range stability that he pioneered. Warren Buffett once said that John Bogle is one of the few people who actually has revolutionized his industry.

Mutual fund fees are a lot lower among Vanguard's competitors because he forced them to go lower, otherwise, they were going to lose a lot of mutual fund business. What's your view now of John Bogle and his legacy? Tell me a little bit about the man.

Rick Ferri: He was very determined. He believed in giving investors a fair shake on Wall Street. He believed that we should get our fair share of market returns. He believed that there was a conflict of interest in the investment industry between the people who owned the investment companies and the investors in those companies, the people who bought the mutual funds.

And he said that you cannot serve two masters. So when he created Vanguard back in 1974, he decided it was going to be a mutual benefit company and that the owners of the mutual funds would own the company. That helped to drive costs very low, because Vanguard is basically an at-cost company, and it's been a tremendous benefit to all of us. It has saved investors billions and billions of dollars in fees that otherwise would have been lost to advisors, the investment industry, mutual fund companies, and so forth. He is called St. Jack by a lot of people, and for good reason. He has really helped us all.

Ralph Nader: And tell us about how The Bogleheads got underway and what they're doing now around the country, and give a website.

Rick Ferri: The Bogleheads was started in the late 1990s by a fellow by the name of Taylor Larimore, who will be 100 years old this January, this month coming. He started it on the Morningstar forum, where you could talk about stocks, you could talk about various investment topics. And he asked Morningstar if they could start a Vanguard diehard forum, which were people who wanted to just discuss Vanguard mutual funds.

And Taylor started this. The second person to join was Mel Lindauer. And this was the beginning of The Bogleheads. It wasn't quite called The Bogleheads back then. It was called Vanguard Diehards. But what happened over time, was we moved off of the Morningstar forum and onto our own website called bogleheads.org. And the word Boglehead was a derogatory term at first. All these people who are Bogleheads, they're following this indexing strategy. I mean, how foolish is that? And we like the term Bogleheads, so we started calling ourselves Bogleheads. And when we created our website and got off of the Morningstar site, it became bogleheads.org.

Then Jack started a nonprofit organization called the John C. Bogle Center for Financial Literacy, and that became one of the funding sources for creating the content and for helping to run the bogleheads.org website. But it's all nonprofit. We're all just people helping people. We're all advocates of low-cost investing, following the principles that John Bogle laid out years ago of thrift, low-cost, don't time the market, be diversified, and there are several others.

This has grown to a very, very large organization. The nonprofit organization has its own website, and that is boglecenter.net. From there, you can get to The Bogleheads site and to the podcast. We have various chapters all around the country. We have a Wiki, we have Facebook, we have Twitter, we have Reddit. And so we have followers not only in this country now, but all over the world, millions of followers who are now happily calling themselves Bogleheads and saving a lot of money and learning. Everybody's helping each other.

Ralph Nader: Bogle is spelled B-O-G-L-E. So it's Bogleheads. Go ahead, Rick.

Rick Ferri: Correct. Bogleheads. We run a conference every year. Last year we had over 500 people, and everybody pays to go. I paid to go to the conference. Even though I was on the committee, and I helped run the conference, I still bought a ticket. Everyone volunteers their time, and we have great speakers. It's done once a year. Last year it was in Bethesda, Maryland, and next year it's going to be in Minneapolis, Minnesota. Two years ago, it was in Chicago. So we move it

around the country, but it's open to everyone. We keep the cost at-cost. And it's just a great event for three days for people who are new to Bogleheads and also people who are very experienced and been coming to these things for a long time.

Ralph Nader: John Bogle had a sign on his desk, and it was from Albert Einstein's famous quote. "Not everything that counts can be counted, and not everything that can be counted counts," to indicate how qualitative he was, not just quantitative. He was good with numbers, but he had a bigger vision. Anything else you'd like to tell our listeners about what The Bogleheads intend to do in the coming future?

Rick Ferri: We hope our conference continues to grow, and we hope to expand the number of local chapters, not only here in the United States, but all around the world. As this spreads, more and more countries are adopting the indexing strategy Eric Balchunas from Bloomberg has called "the Bogle effect". It's not only in this country, but it's growing everywhere. And it's really just saving people a lot of money, learning how to invest simply in a low-cost, tax-efficient way. And we believe this is the best way for most people to invest, and they'll end up with a higher wealth because of it. That's our mission—to build a world of well-informed, capable, and empowered investors. And that's what the Bogle Center and The Bogleheads are all about.

Ralph Nader: Thank you. We've been talking with Rick Ferri of The Boglehead group that's spreading, as he said, all over the country. John Bogle was interested in investors investing, not speculating, and he passed away in 2019, almost reached the age of 90, had a large family and really was a complete human being, if we can ever describe that kind of personality. Thank you very much, Rick.

Rick Ferri: Thank you again for having me.

Steve Skrovan: We've been speaking with Rick Ferri. We will link to his work and his podcast at ralphnaderradiohour.com.

[Music]

Steve Skrovan: My father was a businessman, and I can remember on his bookshelf was a book called *Up the organization*. My dad was very good with people, and now I can see the influence that book had on my father's management style. David?

David Feldman: Robert Townsend, Jr. is the son of Robert Townsend, who was president of Avis Rent A Car from 1962 to 1965 and the author of the best-selling and iconoclastic business manual *Up the Organization*.

Welcome to the *Ralph Nader Radio Hour*, Robert Townsend, Jr.

Robert Townsend, Jr.: Thank you.

Ralph Nader: Welcome indeed, Robert. People should know that *Up the Organization* is an all-time classic. It's as relevant today. And what Robert Townsend did was highlight a different definition of bureaucracy and hierarchy than we're usually cognizant of.

Those two words, bureaucracy and hierarchy, are usually applied to giant government agencies. And he took on corporate bureaucracy and corporate hierarchy in terms of his writings, his lectures, the way he ran Avis Rent A Car, creating that slogan, "We try harder", because we're number two to Hertz," and also in a follow-up to *Up the Organization* that he also published.

Robert, you obviously saw a different side of your father, and you have personal information, which is not in this book, about what drove him to basically take on enormous pushback forces by corporate bosses who basically said, "How dare you say this," and "you don't know what you're talking about." And he would always smile and keep going. He was a Princeton graduate, and he displayed that self-confidence. Tell us about your dad.

Robert Townsend, Jr.: Well, he was definitely an iconoclast, but I don't think he saw himself that way. He didn't just believe in partnership. He saw that partnership and teamwork were the only things to accomplish. He found, just through serendipity or synchronicity, partners everywhere he looked. And I was aware of all of this growing up when this was happening. As a little kid, my dad never treated me like a kid. He treated me like a partner. And he was like that through his whole life.

Ralph Nader: Tell us about your siblings and the revered Claire Townsend.

Robert Townsend, Jr.: Claire was my younger sister. I opted out at basically a guaranteed entry into Princeton, which I thought would be a waste of an opportunity. My father agreed. I was interested in rock and roll at that time. I was like 18 years old. And so Claire, who's two years younger than me, was the obvious candidate. And when she graduated from Miss Porter's School, she served as one of Nader's Raiders, and she edited the book *Old Age: The Last Segregation*, which is still a brilliant accomplishment.

Ralph Nader: This is a great story, listeners. She came down to Washington with some of her classmates. They were at a high school in Connecticut. They had spent some of the spring volunteering in nursing homes. They were appalled by the conditions. And we thought, okay, let's take them to Washington with supervision of one of their teachers, and they're going to investigate the files of the government on nursing home inspections and get a lot of information together. And they produced this little paperback. And in what would never happen today,

They were invited. at 18 years old, to testify before the US Senate and the House of Representatives. They were on national TV. And they actually put forces in motion to improve somewhat nursing home conditions, which are a never-ending challenge, by the way, considering what happened during the pandemic.

But here they were being told they were too young to do this serious work, and Claire Townsend and her classmates proved them completely wrong. The book is an example of that, in addition to their well-considered testimony before the US Congress.

Tell us about Robert Townsend's lecturing and consulting to try to shake up these corporate bureaucracies and the pompous hierarchies.

Robert Townsend, Jr.: This occurred after his leaving Avis, which you point out accurately, was due to Avis' acquisition by ITT and the reversal of all that he had accomplished as taking over Avis Rent A Car when he did.

So he embarked on a new career of consulting. And I talked to him about this all the time. He would come back from consulting with somebody or other and finding out all they wanted was me to tell them they were doing it right. And nothing I said actually made any difference. And one corporation he was working with, CRM, the publishing George Reynolds, the publishers of *Psychology Today*. And they had called him in to advise them when they were diversifying and coming out with new publications, and my dad advised against it.

And they said, they'd take that under advisement, but didn't really at that time. They did eventually. He actually wrote *Up the Organization* as a memo to the staff and board, the entire organization. Over the course of a weekend, he wrote a prototype of *Up the Organization* to the management and staff at CRM in Southern California and put a copy on all the desks. He spent a couple of days over a weekend and made copies of it on their copy machines and put a copy on everybody's desk and left. That's the origin story of *Up the Organization*.

Ralph Nader: Robert, the subtitle tells it all. It's *Up the Organization: How to Stop the Corporation From Stifling People and Strangling Profits*. That's the subtitle. He did practice what he preached. When he came on to head Avis, the top boss wanted to pay him a \$50,000 annual salary in 1962, and he insisted that he be paid \$36,000, "Because that's the top salary for a company that has never earned a nickel for its stockholders." That's how irreverent he was.

Robert Townsend, Jr.: He was like that in every way. Actually, that seemed normal to me and made sense growing up in his shadow, as it were.

Ralph Nader: Another one of his sayings was, "The way forward is to create an environment where people motivate themselves. That cannot happen without the top persons in a company going to the bottom level where sellers and buyers interact." So that is needed more than ever before in these pompous, giant multinationals where the levels between the top and the bottom may exceed 2025 levels. And they don't know what's going on at the bottom in their company. They don't get the feedback. They're up there in executive suite surrounded by sycophants.

I know one of the first things he did when he took over Avis was not to have a secretary. He would answer telephone calls. He reserved every day between 11 in the morning and noon to return the telephone calls one by one.

Robert Townsend, Jr.: That was my dad.

David Feldman: You said your father raised you as a partner. What does that mean?

Robert Townsend, Jr.: For a few years, there were five of us siblings and my mom. Every night there was a dinner at home for a few years while we were all there, and my dad was still at home and commuting to Wall Street. He'd have dinner with us, and conduct it like a board meeting. He'd go around the table and ask each one of us what happened today and is there any problem or are you having any problems? And if somebody dared to say, "Oh, I got an A on this," he would dismiss that immediately and say, "No, I'm interested in what the problem is, and let's fix it." So we were operating as a team from the get-go.

Ralph Nader: Listen, if you want to read an all-time bestseller, which is still selling, read *Up the Organization*. It applies almost everywhere in our bureaucratic society and empowers you with insight and verve. The book includes Robert Townsend's many examples of how to take a top-down organization and make it more bottom-up and for the benefit of the people. Thank you very much.

Robert Townsend, Jr.: Thank you.

Steve Skrovan: We've been speaking with Robert Townsend, Jr. We will link to *The Rebellious CEO* at ralphnaderradiohour.com.

So, Ralph, you wanted to update us further on the situation in Gaza? What do you have for us?

Ralph Nader: It seems to be an army that's in a riot stage. They're hitting Christian churches. Snipers just killed a mother and daughter inside the third oldest church in Christendom where people were being sheltered. They're bulldozing cemeteries, crop lands. They just bulldozed a healthcare facility with wounded people, burying them alive. They're not under any kind of military discipline. And what's going on is fatalities are being severely undercounted. The conventional number is 20,000 but as I've pointed out, you can't have 2.3 million people, 85 of them now homeless, wandering around in a tiny enclave being bombed 30,000 times by missiles and F-16 bombs on schools, water mains, hospitals, clinics, homes, apartments, mosques, churches, marketplaces, and have no healthcare, no medicine, no food, no water, no electricity, and only lose 20,000 lives. Thousands of people are missing. Thousands of them are under the rubble, a great percentage of them children. And the full casualty toll is going to stagger the world when it comes out.

But a ray of light occurred in the December 13th *New York Times* newspaper. It was a paid notice by the legendary Israeli civil liberties group, B'Tselem, signed by 16 other Israeli human rights groups, representing Rabbis for Human Rights, military reservists and other human rights groups in a repressive climate in Israel for dissent against the Netanyahu coalition that has basically demonstrated its original genocidal language of a total siege, no food, no medicine, no electricity, no fuel, no water. Nobody can survive that. And we're onto our almost 80th day of such a siege of civilians, the entire Gaza Strip.

And these human rights groups titled their letter to Joe Biden "The Humanitarian Catastrophe in the Gaza Strip". And they said, "Since the war began, Israel's policy has driven the humanitarian crisis in Gaza to the point of catastrophe—not only as an inevitable outcome of war. As part of this policy, soon after the fighting began, Israel stopped selling Gaza electricity and water, closed its crossings and blocked all entry of food, water, fuel and medicine." They cited international law and committed war crimes.

Then they talked about the helplessness to help by UN agencies and other humanitarian organizations, about how infectious diseases are spreading, starvation is spreading, and all kinds of children and other people are dying because there's nowhere to help. They don't have fire trucks to put out spreading fires. Their ambulances have been the target of the Israeli Air Force. And it shocks the most poignant description of what people are observing and experiencing there.

And then they put it to Biden, by saying "You, Mr. President, have the power to influence our government to change his policy and allow humanitarian aid into Gaza in accordance with Israel's legal obligations. We are in the final throes of an emergency," This is at a time when Biden is pushing for 14.3 billion more dollars, charging the US taxpayer for Netanyahu's colossal defense blunder on October 7th. And there's every indication that early next year this genocide tax is going to go through a compliant Congress. If it does, that means more military capability and ammunition and weaponry to be used on what is left of the survivors in Gaza.

It is important to recognize that if you criticize what's going on over there, just focus on the Israeli regime of Benjamin Netanyahu, which has hijacked Israel. And there's still a lot of people in Israel and a lot of groups who are horrified and are trying to counter the jingoism and militarism that has taken over the country after October 7th. I think we've got to, as Americans, keep saying what Jewish Voice for Peace and IfNotNow are saying all over the country in protests, nonviolent civil disobedience—"Not in our name" and "Never again for anybody."

Look up their websites and support their efforts.

Steve Skrovan: Thank you for that update, Ralph. I want to thank our guests again, Andy Shallal, Rick Ferri and Robert Townsend, Jr.

For those of you listening on the radio, that's our show. For you podcast listeners, stay tuned for bonus material we call "The Wrap Up" featuring Francesco DeSantis and "In Case You Haven't Heard". A transcript of this program will appear on the *Ralph Nader Radio Hour* Substack site soon after the episode is posted.

David Feldman: Subscribe to us on our *Ralph Nader Radio Hour* YouTube channel. And for Ralph's weekly column, it's free, go to nader.org. For more from Russell Mokhiber, go to corporatecrimereporter.com.

Steve Skrovan: The American Museum of Tort Law has gone virtual. Go to tortmuseum.org to explore the exhibits, take a virtual tour and learn about iconic tort cases from history.

David Feldman: We have a new issue of the *Capitol Hill Citizen*. It's out now. To order your copy of the *Capitol Hill Citizen* -- Democracy Dies in Broad Daylight, go to capitolhillcitizen.com.

Steve Skrovan: And remember to continue the conversation. After each show, go to the comments section at ralphnaderradiohour.com and post a comment or question on this week's episode.

David Feldman: The producers of the *Ralph Nader Radio Hour* are Jimmy Lee Wirt and Matthew Marran. Our executive producer is Alan Minsky.

Steve Skrovan: Our theme music, "Stand Up, Rise Up", was written and performed by Kemp Harris. Our proofreader is Elisabeth Solomon. Our associate producer is Hannah Feldman. Our social media manager is Steven Wendt.

David Feldman: Join us next week on the *Ralph Nader Radio Hour*. Thank you, Ralph.

Ralph Nader: Thank you, everybody. Please remember the motto, "Readers think, thinkers read".