

The  
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The Economic Club of New York

114<sup>th</sup> Year  
611<sup>th</sup> Meeting

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Andrew Yang  
Candidate for Mayor of New York City

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Webinar

Moderator: Shelly Banjo  
New York Bureau Chief, Bloomberg

Good evening. This is Barbara Van Allen, President of the Club, and we will get started in exactly one minute. Thank you.

## Introduction

Vice Chairman Michael O'Neill

Welcome to the 611<sup>th</sup> meeting of The Economic Club of New York in our 114<sup>th</sup> year. I'm Mike O'Neill, Vice Chair of the Club. As many of you know, The Economic Club of New York is the nation's leading nonpartisan forum for discussions on economic, social and political issues, and our mission is as important today as ever as we continue to bring people together as a catalyst for conversation and innovation. A special welcome to members of The Economic Club of New York 2021 Class of Fellows – a select group of very diverse, rising next-generation business thought leaders and also welcome to the graduate students from the Gabelli School of Business at Fordham University, Rutgers University, CUNY Graduate Center, and the NYU School of Business.

We're pleased to be hosting this special series with New York's top mayoral candidates. Last month, we hosted Eric Adams and Ray McGuire and now it's a pleasure for me to welcome Andrew Yang. Andrew is an entrepreneur, author, philanthropist, non-profit leader, and former 2020 presidential candidate.

Andrew spent his undergraduate years at Brown University and holds a law degree from Columbia University law school. He's a very decisive man. After spending five short months as a corporate lawyer, Andrew joined a few startups, launched his own company and eventually became CEO of an education company. Corporate law was not for him apparently, and I understand.

He started Venture for America, a national entrepreneurship non-profit, which worked to empower thousands of young entrepreneurs to bring the dynamism of New York City to communities across the country. Andrew was named a Presidential Ambassador of Entrepreneurship by the White House under the Obama administration and a Champion of Change for his work with Venture for America.

Initially dubbed a "longer than long shot" candidate by the *New York Times* in 2018, Andrew became a top-tier contender for the presidency, raising nearly \$40 million in grassroots funding. As you may remember, his vision included rewriting the rules of the United States economy through a "Freedom Dividend" of \$1,000 a month for every American adult. With many people questioning whether New York City will ever be the same, Andrew is looking forward to the possibility that he might be able to contribute to the city's revival as both an incredible responsibility and an opportunity.

There's one reason why Andrew founded the non-profit organization, Humanity

Forward, after exiting the presidential race, which provides basic income grants to New Yorkers struggling due to the Covid-19 pandemic.

The format today will be a conversation, in which we are fortunate to have Shelly Banjo, New York Bureau Chief at Bloomberg, doing the honors of moderating. We'll end promptly at 8:00, and as a reminder, this conversation is on the record as we do have media on the line. So, Shelly, without further ado, the mike is yours.

#### Conversation with Andrew Yang

SHELLY BANJO: Thank you so much, and thank you, Andrew, for joining us. I want to start off with a quick story from this morning. I was just telling some folks from The Economic Club of New York that I took an Uber this morning, asked the cab driver who are you interested in voting? And he said, you know, I don't know much about this race, but I'll probably vote for that Andrew Yang guy. And, you know, it spoke to this idea of, you know, this name recognition that you've been able to accomplish. And I wanted to ask you, as I've asked all the candidates so far for The Economic Club of New York, what's the one particular moment that cemented your decision to run for mayor?

ANDREW YANG: Thank you, Shelly. It's great to be here with you all. The moment that I decided to run for mayor was when I realized just how, how much of a crisis the city

was in and how much good the next mayor could do. Now, I think most people remember me running for president. Then I dropped out and became a surrogate for Joe and Kamala. And my mission throughout most of 2020 was try and get Trump out. Hopefully, most of you are aware of that. (Laughter) And then I was in Georgia trying to help win the Senate. But during that time I had many people ask me to run for mayor, and it was really only after Joe and Kamala won that I weighed the opportunity and was compelled by it as soon as I realized just the enormity of, again, the crisis and the kind of impact one could have.

Now I'm even more excited because the pain of the city is so real. I imagine most of you all live in the city. I'm going to be blunt, where most of us have friends who have left the city because they're concerned about crime, homelessness, quality of life, taxes, whatever, some mixture of those things, and these are not people that you want to lose. These are not people that are going to be lightly felt in terms of their departure.

So we have to turn it around as quickly as possible and we don't have unlimited time to do so. So my first task will be bringing down the crime rates, the shooting rates, and the rate of violence. Only then can our economic recovery take hold.

SHELLY BANJO: Did you learn something, a preconceived notion, or can that not be true \_\_\_\_.

ANDREW YANG: Oh, yes. I mean, so one thing I'd say is I've lived in New York for 25 years, but I had never been to at least a dozen of the communities and neighborhoods that I've visited since I've been running. So you get a sense of the incredible diversity of New York City and the communities and the people that are building a life for themselves and their families here. So that's been exciting and a lot of fun. I'd be the first to say that I've learned a ton over the last number of months.

SHELLY BANJO: You mentioned your priority is crime. But in the first 100 days, is that your top priority and do you think you can actually accomplish something tangible in 100 days?

ANDREW YANG: It is, and yes. So last week I was endorsed by the Firefighters Union of New York City. Today I was endorsed by the Police Captains of New York City, a union, which, by the way, is Eric Adams' old union. It's the group he was a part of for years. So I want everyone here to reflect on the fact that Eric Adams' union of officers who knew him best endorsed me for mayor. But they endorsed me because I am laser-focused on delivering public safety to New Yorkers and there are things we can do immediately that will be felt immediately.

Part of it does hinge on the morale of NYPD officers, and I'm going to share a story with you all. I was riding the subway as mayoral candidate; it was maybe three months ago.

And a Latino woman came up to me, she had a sweatshirt on. And she pulled her sweatshirt up to show a badge. She was a police officer who, I think, might have been under, like it didn't seem like she was off-duty necessarily. But she came up to me and leaned into me and said, Andrew, we need someone to speak up for us and that, as a police officer, she felt that they were scape-goated and villainized by politicians and that no one really supported them or had their back.

So my first order of business will be to go to the police officers and say to them we need you. The city needs you. We need you to do your jobs professionally, responsibly and justly. We will have your back because I will have your back. And what do you need from us? Like what do you need from us to help get the city's crime and violence and shootings heading down instead of up?

SHELLY BANJO: An endorsement isn't necessarily something \_\_\_ when all of the \_\_\_ that you watch, because there is still a sense that the police, \_\_\_\_, over police in recent months and that adding more police officers hasn't really begun to lower crime rates. It is shooting up to 73%. Is embracing the police, actually helps, is embracing the NYPD and catering to their needs actually going to help bring the crime down?

ANDREW YANG: Being endorsed by the police captains, I think, is an enormous signal for rebuilding the relationship between the police and the community. I am for very

significant reform measures like having a civilian commissioner who is not a part of the NYPD, like having new police officers live in New York City, like having the new recruits – and we need to replace 5,000 retiring police officers in the next number of months – having the new recruits be Black and Latino and Muslim and Asian and Jewish and women and groups that reflect the composition of our city. And I will be working hand-in-hand with the leadership of police to deliver public safety for New Yorkers and also help advance the police into the 21<sup>st</sup> century. And I was so thrilled to have the leader of the captains say that we need to bring the police force into the 21<sup>st</sup> century, said that, you know, the police force should be evolving.

So this is a situation where it's not that you only try and serve one goal. You can serve multiple goals. But the overriding necessity for New Yorkers is that people feel safe when they are on their own streets or riding the subway. And if we fail in that, then our economy will never recover. I want you all to remember when those three tourists were shot in Times Square, including a toddler. And thank goodness that they all survived, none of them were mortally wounded. But I want you all to imagine the number of people around the country who saw that headline and thought I'm not going to New York City because if you can't walk Times Square safely, like you think to yourself, well, where could you walk safely because Times Square is obviously heavily monitored and policed.



There's not going to be an economic recovery until people feel safe, both being here in New York and visiting New York. The 66 million tourists that visited New York City in 2019 support 300,000 of the about 500,000, let's call it 540,000 jobs we're missing. So if we deliver on safety, then we can start getting jobs back.

SHELLY BANJO: Rather than going to the police officers, you know, hand-in-hand, what can you do in the first 100 days that will bring that shooting rate down in particular?

ANDREW YANG: Yes, so some numbers. Two-thirds of the shootings in Brooklyn, which is the worst hit borough right now are gang-related. Only one out of four shootings is solved. I want to repeat that. Only one out of four shootings is solved. So if you have gang shootings that are unsolved, would you expect shootings to ever come down? So then the next question is why are three out of four shootings not being solved? And the reason, for those of you who are business people and operators will be familiar, what's happening is that there's one detective assigned to the shooting. He gets a shooting on Monday, then there's another shooting on Thursday, another shooting on Saturday, and then he never solves the first shooting.

So what you need to do is assign multiple detectives to shootings, staff up in the precincts, staff up in the Young Violence Suppression Division and then build a new

anti-violence and community safety unit with plainclothes officers who go into hard-hit neighborhoods and try and get the guns out, utilize focused deterrents where you talk to the people about everyone that the community is scared of. And you say to them if something happens anywhere near here, we're going to come to you first because we will think you have something to do with it.

So these are things that we can do affirmatively. But right now none of these things are happening. Someone in law enforcement told me that 1,000 New Yorkers are going to be shot between now and the end of the year. And given that there were two people killed and 19 people wounded this past weekend, that number seems probably realistic. And we are not actually investing proper resources to try and solve this set of problems. It's a failure of leadership. It's a product of the completely dysfunctional relationship between our current mayor and law enforcement. So we need to actually start solving these shootings if we ever expect to get the rate down.

SHELLY BANJO: I want to move on to another topic, but real quick, what is the number that you would want to add in terms of that?

ANDREW YANG: I want to double the number of officers in the Gun Violence Suppression Division from 200 to 400. And then I want to see to it that two detectives are assigned to every shooting instead of one in the precincts. There are a number of

precincts that are much harder hit by these shootings and others and again that overlaps with gang activity.

SHELLY BANJO: You mentioned the wealthy residents and the business owners, small business owners, big business owners, CEOs, that are leaving or, you know, have rumored to have left. Office vacancies here where I'm at, in Midtown Manhattan is around 16%. So, you know, what will stop these businesses from fleeing, other than crime, and making it a place that's actually attracting people, but also investment?

ANDREW YANG: I just want to be clear, Shelly, are you saying that Midtown Manhattan where you are is 16% occupied or unoccupied?

SHELLY BANJO: Greater New York, not just in Midtown Manhattan, has about 16% of its offices occupied.

ANDREW YANG: Yes, yes, I know. It's a ghost town in a lot of parts of the city. And so this is what we have to turn around as quickly as possible and also recognize that even if we do turn it around, we're not going to get back to 98% or whatever it is. There's going to need to be adaptation and re-purposing of at least some of the weaker office buildings.

So, first, we have to try to get people back in the office. If you're in the city, you have to get people back into schools. And as a public-school parent, it's very frustrating that, you know, schools have been closed for so long and that we're still figuring out whether schools are going to open in September in full. It's a failure again for our families, for our city, but if you get schools open and then we get Broadway open, which is another big task. When I talk to corporate leaders they say that people will be back in the office in September in some measure. It's not five days a week for a lot of firms. They have gone and asked their staff as to what they want the arrangement to be moving forward. Maybe some of you have done this. And then what they've heard back is not five days a week in the office, which is probably not surprising to a lot of people.

I will say if you're in New York City, you would want it to be five days a week back in the office. Zoom is not our friend. New York City is a place-based economy. People are paying a premium to be here and they're paying a premium because of this essential truth, that people are more innovative, creative and collaborative if we're in the same physical location. Now, that is borne out by fact, and so it's true. We have to fight for that value proposition.

So the city has to lead by example and have its own several hundred thousand employees in physical offices. We have to support organizations that are trying to bring people back to the office in any way we can, including clearing out any safety concerns

or quality of life concerns that are giving employees pause in terms of returning. We have to help, have a sense of unity among firms and certain industries because the last thing you want is one firm saying, hey, you know, you can be virtual all you want, and then other firms are like...(Laughter) And this is something where hopefully the city can be helpful in building consensus and having a sense of purpose around bringing people back to the office.

So there are a lot of things that we need to do. Not all of it will, again we're not going to get back to 98% office utilization, but it can't be 16%. If it's 16%, the city will never recover.

SHELLY BANJO: What can the city do to set an example? Like if you're on the phone with Jamie Dimon from J.P. Morgan, what are you going to tell him to help get his folks back in the bank?

ANDREW YANG: Well, what I'll do is I'll say to Jamie, okay, like what are your current plans? What are the issues? What are you hearing from your employees? And then get a list of like the, let's call it like five biggest concerns for employees, and I'm sure safety would be one of them. And then put the resources of New York City to work to address these and ensure that we're addressing them.

Show people who are going to need to commute back into Midtown, so like, look, this is your commute. The train is going to bring you to Grand Central and Grand Central is 100% secure. Your walk between Grand Central and your office building is 100% secure. All of the eateries and all the places you want to enjoy are open for business and there to welcome you. The streets are clean. There are police very visible and evident. And then you look at, you know, whatever the next set of concerns are and you can go, I'll stand there with Jamie and say, hey, everyone, the city is partnering with J.P. Morgan Chase to make sure that everything you need is provided for. And then do it again for as many firms as want to stand with the mayor.

But this is the kind of thing we're going to have to invest in and be very, very deliberate about. If we just look up and say, oh, things will come back on their own, then firms will do different things. And the worst-case scenario is you have firms competing over who can be the most accommodating of employees, which will mean, you know, like being more virtual as opposed to being back in the office.

SHELLY BANJO: Can you explain a little bit about the federal stimulus funds to revive the economy? Actually criticizing the mayor to hold some of that money back. What is your plan to deploy those funds right now if you were mayor, and particularly how to bring back jobs in the city where unemployment is still double the national average?

ANDREW YANG: I love this question because it speaks to the way we should be spending the federal aid. We have a two-year window to get this right. I want everyone here who is numerate, which is probably most everyone, just to reflect on this. You know, you have a multi-billion-dollar deficit, some say three, some say five-billion-dollar deficit that kicks in, in 2023, which is not long from now, like two fiscal years away. The third fiscal year, everyone knows there's a whole sea of red ink. We'd be in the red ink right now if not for \$12 billion in federal aid, a lot of it for schools specifically. Now, some of that money theoretically needs to get spent in two years, but spent can mean, you know, like, I don't think they would mind if you, like spent it on like a rainy-day fund. I mean, you know, that would be fine. So, right now Bill de Blasio is spending the majority of the \$12 billion up-front in year one. Now I don't have a problem with spending up-front if the money is generative, if the money is value-add, if the money is driving a recovery.

I'll give you an example. Sixty-six million tourists spend \$47 billion in New York City in revenue on a good year, 2019 let's call it, \$47 billion. Let's say you were in charge of New York City, which I may be, what's an appropriate level to spend to try and accelerate the recovery of the \$47 billion in tourist revenue? You could come up with just about any number under the sun and it would be appropriate. If I said \$1 billion, \$2 billion, you know, it would be appropriate, if you could deploy it effectively.

Now, one thing you could spend it on would be marketing. You could be like, you know, a successor to an “I Love New York” campaign. That could be part of it. The main thing, though, is you have to get the fundamentals right. So the fundamentals could be around cleanliness. It could be around public safety. It could be around infrastructure. I talked to Danny Meyer, who is the Chair of the EDC, about this and we talked about the experience of arriving in New York City because he’s a hospitality guru as you all know.

And so when someone arrives in JFK or LaGuardia or wherever it is, you know, what are they experiencing? How they get into the city, what they’re experiencing? Right now, it’s not going to work if the streets are unclean and unsafe. You know, like you could have whatever marketing campaign you wanted and it would not bear fruit for you if people’s social media photos were of dirty streets and stepping over homeless people and feeling unsafe on the subway. So if you’re spending money in targeted ways that help regenerate that \$47 billion in revenue, I’m all for it.

But that is not where most of this, let’s call it \$7 or \$8 billion that Bill de Blasio assigned in the budget is assigned at all. It’s assigned to not making hard decisions. It’s assigned to just letting like the cost creep continue and in setting up the next mayor, who again might be me, to make brutally difficult decisions two years from now. That’s a recipe for failure. He’s setting the city and the next mayor up for failure. If people looked at this subjectively, they would be angry. I have no idea why people are not more angry about



it.

SHELLY BANJO: I think people like me see, oh, he's fully funding Pre-K for my three-year old, so I'm okay with that money going there, or I'm okay with my money going here. How do you make the argument that stimulus funds should create stimulus? They should be used now, not necessarily, or you know, to fill a rainy-day fund, when the city's budget is kind of, you know, okay, and that these programs eventually will help the overall city. But you're saying, no, we should hold on to it or no, we should spend it in a different way? And where would you put that money?

ANDREW YANG: Yes, we have to be very deliberate about it. I'm personally a fan of both universal Pre-K, which I think is good for New York, like it's a fine investment, 3K, a fine investment, summer youth employment, a great investment because the money goes straight to families and will help get crime down. So I'm not anti-spend. I'm anti, like, you know, profligate spending and avoiding difficult decisions.

So anyone in this environment, if you had a budget of \$90 billion+ would be saying, okay, let's take some money and spend it on things that we think are great and you could have some of the things we just described in that list. And then you'd also look up and say are there other areas in this vast boat, like 67 agencies, that we can bring back, scale down, to make it so that the deficit isn't quite as big two years from now. Common

sense. They're only doing the first part. They're not doing the second part.

No one is being asked to bring to bear, like okay, are there inefficiencies you can find?

Are there things that we can cut back on that don't have any impact on city services?

And so that's the part that we should all be really troubled by.

Now, you know, there are things we can spend money on that are great and, you know, if you look at my platform, I have a lot of ambitious plans too, but we have to try and maximize the impact of the relief money in the two years we have or else two years from now what's going to happen? You'll have a multi-billion deficit. You will be cutting services and then people will be looking around, if we haven't recovered by then, and say, what?, you're like cutting services? And then taxes high, services heading down. If we're still in a very uncertain environment, then things can become very negative for a sustained period of time.

SHELLY BANJO: And probably the people that have been hard-hit the most, you know, have been areas of the city that, you know, we saw these levels of inequality that have widened over the pandemic and continue to. So as many of us go back to our jobs and go back to kind of the same way of life, a lot of people still don't have jobs, went backwards in terms of economic inequality by race, gender, income. You know, you preferred, you know, a version of your universal basic income for New York. Do you still believe that's the best solution to bridging that divide and making the city work for

everyone?

ANDREW YANG: I want to combat poverty in multiple ways, Shelly. So most people remember me from my presidential campaign. The plan I proposed in the presidential arena does not work in New York City. It's just a different operating landscape. But I do think targeted cash relief can help people stay in more stable situations. The fact is if someone winds up in our sheltering system, we're spending \$6,000 a month housing a family in our sheltering system. If we spent a very small fraction of that and keep you out of the sheltering system, it's a win. Worse, if you wind up in our criminal justice system, then we're spending, you know, several hundred thousand a year. So targeted cash relief is one.

Getting people bank accounts. Eleven percent of New Yorkers don't have bank accounts, which means they're disconnected but they're also getting gouged by check-cashing fees and pawn shop lenders. Trying to get people internet that don't have it. Twenty-nine percent of New Yorkers don't have high-speed internet at home. Can you imagine trying to educate your kid remotely and not having high-speed internet? Like the whole thing, we have failed the poorest New Yorkers the most. So I want to combat poverty in a variety of ways. And I want to start a people's bank that helps channel some of this federal aid into Black and Brown neighborhoods that are not going to recover without some sort of aid or relief.

SHELLY BANJO: The last thing I wanted to ask was to, you know, comment on some of the recent polling that's happened. You know, for months you were leading in all these polls and recently, over the last few weeks, the polling numbers have shown you really fell down, from a leading perspective. Are you worried that the message that you had at the beginning of your campaign, you know, bringing people out and bringing the economy back, you know, at times we were really worried about health and COVID, just aren't the same anymore and might not be resonating as much now that health has really reduced as people's number one concern whereas like crime and quality of life has really increased, causing people to, you know, look for a more experienced manager?

ANDREW YANG: Thank you, Shelly. So I want everyone to have a, I should have gone back on this. I mean I think, you know, Michael joked about how I was a corporate attorney. Corporate attorney, I ran a small private company that became number one in the country and was bought by a public company. I started a non-profit. I created thousands of jobs. I started a national movement that is where you all know me from. But I'm a non-ideological problem solver through and through.

The number one issue facing our city right now is public safety and crime. I was endorsed today by the Police Captains' Union and the Firefighters of New York, the two groups that are most responsible for keeping us safe. So I'm going to do whatever is

necessary to help get New York on its feet again and New Yorkers sense this about me. Our numbers show that we're poised to win this race. I would certainly love to support and help the people who are on this call tonight if you think that my approach and vision are familiar or resonate with you. But we feel great about where we are. And I could go through some of the voting numbers and whatnot or our internal polls, but we feel like we're in a great position to win.

SHELLY BANJO: Your internal polls show different?

ANDREW YANG: Yes, yes, our internal polls show it as essentially a toss-up. And then there are a bunch of other numbers that seem very positive for us, including the fact that over 30%, that the people who voted so far, first-time voters, which bodes very well for us.

SHELLY BANJO: If someone is undecided, what would put you over the top, for people who have actually been following the race? What do you think you can do in the last week or so to really cement that among people?

ANDREW YANG: I think people know me as like, well, a lot of people like me. They think of me as like a likable person, but they're concerned about whether I have the experience and chops to run our city in a time of difficulty and crisis. So the fact that

both the police captains and the firefighters have endorsed me and said, look, this is the person to help lead New York City, I think that's going to be very compelling to a lot of voters who, again, like me, think that I'm well-intended, but worry about whether I have that gravitas. You know, the most powerful validators of our city in terms of providing public safety have decided I'm the man for the job. I am the man for the job.

SHELLY BANJO: Thank you so much. I want to wrap up because I know we're worried about time. So over to you, Michael.

ANDREW YANG: Thank you all. I appreciate it.

VICE CHAIR MICHAEL O'NEILL: Thanks so much. And thank you as well, Shelly. For the rest of you who have tuned in, please check our website. That's always the best place to see who we've got on tap. We have a good schedule coming up, and I hope that you will continue to tune in. Thank you very much.