

Addressing Income and Wage Equality

An Interview with Leo Hindery, Jr.,
Managing Partner, InterMedia Partners and Chairman and CEO, Trine Acquisition Corp.

EDITORS' NOTE Leo Hindery, Jr., founded InterMedia Partners in 1988 and Trine in March 2019. He was the founding Chairman and CEO of The YES Network. Prior to that, he was Chairman and Chief Executive Officer of GlobalCenter Inc. Earlier, Hindery was President and Chief Executive Officer of AT&T Broadband. He is the author of *The Biggest Game of All and It Takes a CEO: It's Time to Lead With Integrity*. He earned an M.B.A. degree from Stanford University's Graduate School of Business and completed his undergraduate studies at Seattle University.



Leo Hindery, Jr.

COMPANY BRIEFS InterMedia Partners is premised on the philosophy that by bringing extensive operating experience to media private equity, a fund could drive superior returns. Over the course of its seven funds, InterMedia invested in cable television systems and channels, broadcast television, content production, print and digital. Trine AC is a recently formed NYSE-listed SPAC.

Where do you see the U.S. economy today?

The statistics we rely on serve different masters, and the statistic that informs the financial sector may not be the statistic that best gauges the man or woman on the plant floor. The only two things that matter in the economy and in society are income equality and wage equality. If half the nation's wealth isn't owned by less than 10 percent of the population and if women do earn what men earn in comparable positions, then we wouldn't have debates about urban decline. And we wouldn't have such deep concerns about immigration.

In our modern history, America's economy has always prospered more or recovered more quickly when statesmen presidents have sensitively and fairly set the agenda or acknowledged the challenges. Today, as we sit on the precipice of another recession – its extent and degree yet to be determined – we need another FDR who on his own first day in office asked, “What's it going to take to raise up the earnings of our workers and put balance back into the economy?” I certainly don't have this sense of comfort with the current administration, especially as it relates to income and wage equality.

What is it going to take to effectively address these challenges?

You're certainly not going to address them with this administration and with the majority in the Senate being Republican. If in 2020, however, we have a Democrat moving into the White House, if the House continues to be Democratic and if the Senate gets closer to or becomes Democratic, then we will immediately start to address them. And the first areas to be changed must be our tax policies and our tolerance for lobbying.

Right now we have a progressive tax structure that's no longer very progressive. There are thousands of women and men in this country who pay lower rates of tax as the nation's highest wage earners than do women and men who are the lowest wage earners. This is going to have to be fixed in part through limiting the money that influences Congress.

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You serve as co-chair on the Task Force on Jobs Creation. Will you highlight this effort?

After the Second World War, all of our agencies, including the Bureau of Labor

Statistics, started to shift their attention from the War years to the going-forward years. It was at this time that we decided as a country that for political reasons BLS would not count everybody when it monthly counts the unemployed. Consequently, every month there are literally millions of women and men who are simply not counted. These women and men are either what's called “marginally attached” or they are “part-time-out-of-necessity.” The Task Force on Jobs Creation is about counting the uncounted and about addressing the wage challenges of millions of workers who are underpaid. There are about 6 million workers who are today officially counted as unemployed, when by our definition there are actually 12 million unemployed workers in real terms, with millions more underemployed.

With all of the challenges facing the country, are you optimistic that with the right leadership these challenges will be effectively addressed?

For the next 18 months I will have my fingers and my toes crossed hoping that in November 2020 we will have a new president and Democratic majorities in both the House and the Senate. If this happens, then I become very optimistic very fast. If Mr. Trump is re-elected and if the Senate stays Republican, however, then I'm profoundly unoptimistic.

And in the same vein that we've been talking about economic issues and fairness issues, the elephant in the room is immigration. Our country will be more than half non-white in three to five years, and yet we're setting up racial tensions the likes of which we haven't seen since the 1960s. In the Civil Rights movement of the 1960s, which I was a part of, for every bit of pessimism, there was more optimism. Right now, however, in the African-American, Latino and LGBTQ communities, there's much less optimism and more pessimism.

The response is going to have to be structural. What we have to do structurally is put a president in the White House who believes in fairness and balance. We also have to have a Senate that believes in fairness and balance. I'll give you just one example. About 80 percent of the people in the country believe that some form of background checks and limits on assault weapons are imperatives going forward. But you have a single individual, the Senate Majority Leader, who says “no.” This is a pitiful commentary on our democracy. ●