

The
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The Economic Club of New York

114th Year
600th Meeting

Ben Hecht
President and Chief Executive Officer
Living Cities

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Webinar

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President and Chief Executive Officer
Federal Reserve Bank of New York
Chair, The Economic Club of New York

Welcome everyone. This is Barbara Van Allen, President of the Club, and we'll get started in 30 seconds. Thank you.

Introduction

Chair John C. Williams

Well, good afternoon and welcome. Today marks a very special milestone for us at the Club. This is our 600th meeting in our 114th year. So that's quite an amazing accomplishment, and I'm honored to be the Chair of The Economic Club of New York. I'm John Williams. In addition to being the Chair of the Club, I'm the President and CEO of the Federal Reserve Bank of New York. So, 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 together, people together as a catalyst for conversation and innovation.

This past fall, the Club kicked off its Focus on Racial Equity where we have been leveraging our platform to bring together prominent thought leaders to help us explore and better understand the various dimensions of racial inequity and highlight strategies, best practices and resources that the business community can use to be a force for change. And we're not alone in doing this work, and we'd like to give special thanks to

our corporate partners – Mastercard, Bloomberg, PayPal, Taconic Capital, S&P Global and BlackRock as well as the many members, speakers and subject matter experts that are now and will be engaged in this work.

A special welcome to the members of The Economic Club of New York's 2021 Class of Fellows – a select group of diverse, rising next-gen business thought leaders. And welcome also to the graduate students from the City University of New York Graduate Center and the Gabelli School of Business at Fordham University.

So it's a pleasure for me now to welcome our special guest today, Ben Hecht. Ben is the President and CEO of Living Cities, a collaborative of 18 of the world's leading foundations and financial institutions who work together to boldly fight poverty in America's cities. Under Ben's leadership, Living Cities has established a new data-driven model of social justice that brings together local business, government, philanthropic and community leaders to disrupt long-obsolete systems and close the racial gaps in income and wealth.

Prior to joining Living Cities, Ben co-founded One Economy Corporation, a non-profit organization focused on connecting low-income people to the economic mainstream through innovative online content and increased broadband access. Ben received his JD from Georgetown University Law Center and his CPA from the State of Maryland.

For ten years, he taught at Georgetown University Law Center and built the premier housing and community development clinical program in the country.

So the format today will be a conversation. I'm very fortunate to be moderating. Any questions that were sent to the Club were shared with me beforehand. So we'll end promptly at 2:45 as always. And, as a reminder, this conversation is on the record as we do have media on the line. So without further ado, it's time to get the conversation started.

Conversation with Ben Hecht

CHAIR JOHN C. WILLIAMS: So, Ben, welcome to The Economic Club of New York.

BEN HECHT: Thank you, John. It's great to be here, great to be here with you.

CHAIR JOHN C. WILLIAMS: Terrific. So, you know, we have a whole bunch of topics that we thought we could cover in this 42 minutes that we have. So let me just dive in, throw you the first question if I can. So, as I mentioned, at Living Cities, you're dedicated to disrupting the long-obsolete systems and closing racial gaps in income and wealth. So, can you talk a little bit more about what are these obsolete systems you're referring to and what's the strategy to disrupt them?

BEN HECHT: Yes, so, so many of them are based on the fact that, you know, once things are built, they're really hard to change. So if you think about education, for example, why do we have – if we put last year aside, and you're saying the normal K-12, you have the summers off. And summers were not, kids didn't go to school in the summer so they could work the fields. Right? When public education was happening, a lot of kids around the country had to work in the fields during the summer so you didn't have school, yet everywhere in the country we still largely have schools that are closed in the summertime.

And so you could look at almost every system that we have and if you were asked would you build it that way now, the answer would almost always be no because it really doesn't make sense. You're sort of stuck in old ways of working and you're not thinking them through and you're not saying how can we do things differently.

So I'll give you a practical example of how this played out recently in work that we did in Minneapolis and St. Paul. They had done what many cities and places do is they built a light rail line from the airport to Downtown Minneapolis. And they built it, they spent billions of dollars, and at the end of it they looked at it and the civic leaders said, well, now we have a rail line but we actually don't have anything else that we planned to benefit from the rail line.

And so we worked with them and others and we said let's bring all the leaders together – public, private, philanthropic, universities, elected – and let's say this time, let's make sure that when we build the rail line that we actually have intended benefits beyond the rail. And so they articulated for the next five years what they wanted to see – affordable housing for certain types of populations within a half mile of the rail, make sure that none of the businesses that were on that rail line were going to go out of business because of the construction. All that kind of stuff.

And monthly all those leaders met. And at the end of the five years they actually looked at their blueprint, at their scorecard, and they had met substantially all of their “beyond the rail” goals because they actually decided to work together differently and to define what success was going to look like instead of just like, you know, let's just do it like we always have. And so it's attacking all of the systems that actually create the disparities that we have in that kind of light.

CHAIR JOHN C. WILLIAMS: Well, and when you think about what you disrupted, using that example of bringing together the various stakeholders, what was the disruptive part of that? Was it kind of the traditional siloed approach that various groups bring when they've tried to solve problems?

BEN HECHT: It is. Siloed is a big part of it. And really one of the greatest goals was

agreeing on that scorecard because then each of the players around the table, so, for example, when my staff would go to these meetings in Minneapolis, and St. Paul, every month and the leaders from all the institutions would be around the table, not their deputies, not their assistants, not the director of whatever, but the people who led the institutions, and they would go around the meeting and they would start and they would say tell us what you contributed towards these results last month.

And so there was this extraordinary accountability, joint accountability by the people who controlled the resources. And this very public accountability because of the scorecard. And so you had people agreeing on results. You had people agreeing that they were going to contribute to those results and then actually having ways to hold them accountable. Those are fundamentally different than things are still done mostly around the country.

CHAIR JOHN C. WILLIAMS: These are the kinds of experiences and stories I've heard over the years, and I always ask myself why isn't that already happening? I mean what's the failure, the groups, because I'm sure they're all very, you know, intentional in terms of what they're trying to accomplish, why aren't they naturally coming together? And how do you see your organization as being a convener in making sure that they come together?

BEN HECHT: Yes, so there's a number of reasons why it doesn't happen. One is that the status quo is just so powerful. Right? There's very little forcing mechanism to change the way people currently act. And generally speaking, if you ask people do you want to collaborate, they'll say, sure, as long as everybody does what I want to do. Right? And so what we found is that you have to have a critical mass of leaders in a place. So, like one leader who kind of promotes this and is the proponent is good. Two is better. Three is even better. So you have this redundancy of leadership. Because over time leaders change too. That's the other challenge.

But, number one, there's really no forcing mechanism. It's really just people's goodwill, which rarely is something that can be sustained. And then the other is, there's usually not a cost that if you don't do it, there's really nothing you're going to lose. And so those are some of the dynamics that you try to build into these systems so you can actually have people work differently over an extended period of time.

CHAIR JOHN C. WILLIAMS: Well, you know, this past year has been a year of reckoning for racial justice, so what has this meant for your work with cities across the country?

BEN HECHT: Yes, I mean it has, so we, for the last six or seven years, we really have put racial equity at the center of our work. I mean we're a 30-year-old organization this

year and we looked at ourselves, and this was really generated – I wish I could say this visionary White leader took us on this journey, but it was my senior managers of color who really pushed us to look at our results over the first 23 years and say, yes, we've made progress as a people, as a society, but we actually haven't closed racial gaps in income and wealth. And if we ask ourselves why, we really had to reach the harsh conclusion that there was racism sort of in the ground water.

And so we started down this path to say how can we work with cities and help cities to do things differently? And what we're seeing now, you know, after George Floyd's murder, the extreme disparities that you can't look away from, from Covid, is that more and more places are now saying, okay, maybe I saw it before but I didn't take it seriously or maybe I didn't see it at all. But we know we have to change.

And so we see some really exciting things happening. Like here in New York, a couple of weeks ago they announced the New York City Racial Justice Commission, which is essentially a bunch of leaders from, across sector leaders, coming together to say we're going to look at all aspects of the way our government works to try to see institutional and structural racism.

You know we're not largely talking about the bad acts by individual people. Yes, those exist. But what we're really talking about are these structures that again, like we were

saying about education, that have just built into our system that were racist at their core if you think of our history in America and they just have never been changed.

And so what we're seeing is government taking a very intentional approach to doing that. We're seeing businesses take a very intentional approach to doing that. And we're seeing citizens essentially demanding that a lot of issues are re-thought. You know if you just take policing as a great example. Let's make sure we're going to, you know, people use the words defund the police, which gets people's backs up. But really what they're saying is let's think through, is every problem we have that we use police to solve really the right solution? And should we have police work on police issues and have other, social service and other health professionals, work on the others? So we're really seeing this deep response. Whether it sticks is a different question, but we're seeing a really, really exciting and deeper response.

CHAIR JOHN C. WILLIAMS: You know, you mentioned businesses in your answer to the comments just a moment ago. And back in June you wrote an article in the *Harvard Business Review* about organizations needing to move beyond diversity toward racial equity. So what kind of response did you get back on that? And what have you seen come out of that?

BEN HECHT: Yes, so that article really was a response to what I had heard from them?

So in 2018 and 2019 I spent some time with others, meeting with about 20, 20-some kind of CXO, Chief Executive Officers, type of officers from different companies, from different sectors, and it was this conversation with them about diversity and about racial equity. About a third of my members at Living Cities are financial institutions so we have this mix of foundations and financial institutions. And they were part of those going on this journey with us, through this process.

And when I spoke to these leaders, these private sector leaders, what they said was racial equity is to the 21st century what diversity was to the 20th century. We know that. What we don't know is what to do about it, and we will tell you, it scares the bejesus out of us, that we don't feel like we have the competencies, the tools to respond. And from those conversations and from our own experience trying to do this in our own institution, I wrote that piece. I wrote it essentially for White leaders from a White leader trying to share kind of what we had learned doing it, doing that work and kind of what it takes, which is really about fundamentally changing your culture. Not doing a program. Not doing critical conversations, but actually changing a culture, which all of us who know, who try to build and sustain culture, you know, is a never-ending process.

And the response has been really powerful and one where, especially since George Floyd's murder, where I think even more people realize this is something they have to do internally, I think we just see more and more places saying this has to be part of the

way we run our own business.

CHAIR JOHN C. WILLIAMS: You know we're also, you mentioned this too but we're seeing a significant number of new resources and commitments from businesses and individuals pledged in support of racial justice work. Do you see this as a game changer? Is this an important kind of inflection point?

BEN HECHT: Yes, I think it is a really important inflection point, and I think its potential for huge and important long-term change really are two-fold. One of them is we're seeing more and more philanthropies, companies giving away their charitable knowledge. They're going to Black and Brown-led organizations, which has been uncommon. And they're going without restrictions, they're going as operating support, which has also been really uncommon. And essentially, you know, we have an amazing philanthropic community in the U.S. but we still starve our non-profits. And non-profits that have been built and run by people of color starve much more than those like me who are run by White leaders. So that trend, if that can be sustained and, you know, multi-year commitments with unrestricted money, will be really important for building that, building out the racial equity field as a field.

And then the other is what I was just referring to, John, which is, I think if it only is companies making statements and companies using their philanthropy, I think it's kind

of a one and done. If they truly do, say we're going to change the way we hire. We're going to change the way we do our procurement. We're going to really change the culture so people of all different types can come in and be themselves at work, the same self they are when they're outside of work, you know, those kinds of things, if that doesn't change, I think it is unfortunately going to be an opportunity missed.

CHAIR JOHN C. WILLIAMS: So let me turn to the topic of cities and I know we'll have time to talk about New York City, which is, I'm sure, on everybody's mind, and the future of New York City. But let's maybe start kind of more generally and, you know, in the past you've done work on how to use technology to connect low-income people with opportunities. So especially looking over the last few years, what do you see the promising approaches to using technology to create more opportunities for low-income people, and especially maybe in urban areas, but more generally?

BEN HECHT: Yes, yes, so, you know, as you had said in my bio, 20 years ago, which is hard to believe, 21 years ago, myself and others founded a global NGO called One Economy to get broadband, make broadband ubiquitous in US cities and everywhere but also around the globe and to have content that people could use to help themselves. Today, it seems, well, of course, you would do that whereas 21 years ago the first browser was only four or five years old at the time.

And at the time, we and others, in fact, Andrew Rasiej, who many know in New York, was one of these leaders around the world and around the U.S. trying to really push innovation and technology to make it ubiquitous, to make it so they could compete with cable companies and telecoms. And really what happened was, a number of things, but essentially we were shut down. It was literally prohibited, state laws particularly, soon came into place in the early, you know, 20-aughts, that limited innovation with the delivery of broadband and technology to communities. And what we're seeing, and so what we have is when we had a pandemic, we had people of color and poor people in particular not getting what all of us have had for 20-some years, and the impact for their children is going to be generational.

And so I think what we're seeing now is we're seeing stimulus money being able to go to broadband. We're seeing cities putting money into trying their own innovative ways of getting broadband as well as devices to families. And I think, and I hope that we're going to see some of these restrictions that have really kept innovation from happening be lifted at the state level, at the federal level, and we'll just see innovation in the delivery of broadband for all to equal or come close to equal to delivery of the innovation for apps that you use on your phone. And the energy is there, the smarts are there, but it's literally been constrained by statute.

CHAIR JOHN C. WILLIAMS: Well, you definitely, you know, especially when you talk

about education or so many other things, you see this when you travel around this region, with kids in school remotely, the availability of broadband, the technology and all of that is, you know, absolutely critical.

BEN HECHT: Yes, it's just and, you know, and people say, you know, almost everyone has a device. Almost everyone has a smartphone. And it's true, the numbers, all incomes, all races and the like, they have smartphones. But what you can do with a smartphone and what you can do with your math homework and what you can do in running your business, it's radically different in the bandwidth that you need to do it, and the affordability of that bandwidth, you know.

So you're right, it is, you know, what we said in 2000 when we started One Economy is unfortunately – I think more people are seeing today – which is broadband needs to be viewed like water and sewer and electricity were in the 20th century. It's just a utility that has to be in every home. And that we, as a population, have to make sure that happens. And when the market won't do it in a way that makes it ubiquitous, then we have to allow others to step in and do it, like we did with the Rural Electrification Act, you know, in the early 20th century, which got electricity everywhere.

CHAIR JOHN C. WILLIAMS: So I can go back in time to before the pandemic.

Everybody in the U.S. was talking about the cities, or the future, people being drawn to

the cities. We have New York and San Francisco, Chicago, LA and other cities were growing and then the pandemic hit. And that's challenged a lot of people's kind of faith. Are people going to come back to the city? What's going to happen? So let's start with very broadly. I mean how do you see the future of cities after the pandemic? Where do you see the greatest opportunities? Where do you see the gaps, the challenges?

BEN HECHT: So, you know, I'm an urban optimistic, whatever you call it, but I think history supports the idea that cities thrive in the long term. Think of San Francisco, Seattle, New York, you know, when I was a kid in the 70s, you know, you would never think New York would come back. Right? And so cities renew themselves. How fast they renew themselves, what the renewal looks like, you can't always determine or forecast. But I'm bullish because I think history tells us that they will. I think what's important is to think about if we're at this inflection point, how can we influence it in ways that what's built back is the city that we've always wanted, not the one that was just sort of happening to us.

And so if you think of San Francisco and New York, two cities you and I both love, but they're two good examples in that over the last 15, 20 years they've become these barbells, you know, of extreme wealth or extreme poverty. And they've become these places where you either can live there because you have means or you have to live hours away because you don't. You can shop at the Big Boxes or at, you know, Fifth

Avenue high end stores, but you can't shop at local businesses and the like because they can't afford the rents.

And I feel like in many ways one of the big things that's going to happen in cities, and I think again, New York, is there's going to be a radical shakeout in the office building market. And I think, and the *Times* did a pretty big piece on this a couple of weekends ago, I think it was, on ways that people are thinking about and people buying up office buildings. And again it's not anything new. It's happened in the past. But I think what we're going to see is a radical shakeout among, in the building stock, and we're going to see two things from that.

One of them is we're going to see a renewal of affordable housing. We're going to continue to see not-affordable housing, but I think we're going to see a renewal of affordable housing, and I think that's consistent with people's response to Covid, to, you know, sort of the increased humanity we're seeing coming out of Congress. And I think we're going to have, we're going to see, that we saw in Covid, these pop-ups of retail, of local retail and local artists and that's going to become in many ways the local economic renewal for many communities. And to me, that will be welcome but there will be a lot of people who will hurt along the way.

CHAIR JOHN C. WILLIAMS: So one of the things that you mentioned that, you know,

we've all observed and seen is that the disparities in health and housing and wealth that were present in places like New York, but throughout the country, during the pandemic these disparities became far more apparent, really were highlighted especially in terms of health. So how do we think about, you gave this kind of a vision of creating a city that we want to have, not the one that we just happened to have, how does that fit in there, thinking about health, housing?

BEN HECHT: So I think, you know, we just launched a few months ago what we're calling a Closing the Gaps Network. It's a network of cities around the country who we've been working with for years, but a smaller number of them who said, and this is before George Floyd, but who said, you know what, we realize that we actually contributed significantly to the racial disparities that we have in our cities. You know, whether it's redlining or an array of different, where our education dollars went, our property taxes. And so because we played a disproportionate role in that and because all of the citizens are our customers, not just some, we should figure out how to play a disproportionate role in that.

And so we have a coalition of the willing. It's about 20-some cities that are part of this Closing the Gaps Network. But a smaller subset of those, six of them, are going through, are part of the cohort that has said over the next ten years we want to be proof points of what we can do when we work on all these mutually reinforcing issues

together to show that if you work on them together, education, housing, healthcare, jobs, business starts and growth, that if you work on all those things together and you have this intentional racial equity focus and you track the results like they did with the Central Corridor Line in Minneapolis-St. Paul, that we can make a difference.

And so one of the things that they're doing there that other communities have done too and I think we'll see more of is that when you know that you need to change the systems, what you have to realize is that systems are only made up of people. And so the first year of that work is what we're all calling a year of reckoning, which is these leaders are actually understanding their own racial history in the city. They're re-learning or un-learning what they learned in school about our own American history. And then they're saying, okay, now that I have this knowledge, now that I understand and I can see things I didn't see before, how do I show up differently in my role as the head of health, as the head of housing, you know, as the chief of staff, as the head of budget? How do I show up in that role and actually use my new knowledge and vision to change the systems in the ways that I can, given the authority I have?

CHAIR JOHN C. WILLIAMS: And do you think, is that also kind of helping people to break down some of the silos that we were talking about earlier? We were talking about Minneapolis before.

BEN HECHT: It totally does. And part of it is that, you know, what we found, especially when you're going through this racial equity training together, is that you actually, you know, it's like any cohort of friends or cities or leaders, you talked about the Economic Club Fellows, right, any time you have this cohort of folks who have a unique experience together, you have the ability to do things together because you've built trust over time. Right? You have the shared understanding. You have the shared language.

And when you do that and you see the interconnectivity of all these things and how it's important to work together, yes, it does do that. And it's also part of what you talk about, you know, and you say that's the charge we have, that if we've taken this on, we have to decide that we're actually going to do it differently. Because, you know, rhetoric does not immediately turn into change. It actually requires the middle step, which is everybody actually changes their behavior.

CHAIR JOHN C. WILLIAMS: Well, you know, another thing you mentioned a few times is acts of Congress and government, and you think about the various programs that have been instituted during the pandemic, a lot of that was financial support directly to families through unemployment or stimulus checks and to small business through various programs. And this was, you know, unprecedented amounts of support. How do you think, well, first of all, what kind of effects do you think that that's had in the various communities that you work with? And maybe talk about what you think works and what

would work even better from your perspective.

BEN HECHT: Absolutely. Well, so I think, you know, the number one thing that I've seen, of course, is getting the vaccine developed and then rolling it out, of course, is number one most important to get us back to normal. And until we get to normal, all of these social goals become so much harder. Right?

Assuming that that is on track and luckily it seems to be, the real question then is how do we, can we create a place where we actually are just more humane, that we actually care about our neighbors and we actually show it in the policies that we support and enact. And to me that's one of the greatest things that's come out of this, is that for the first time, at least in my lifetime, what we've seen is the citizenry and then the body politic respond to suffering, you know. And we saw what was going on during the pandemic and Congress and legislatures, state and local, responded to that and they literally got people money so they could not be suffering.

And, you know, I believe that many Americans, in fact I would argue most actually don't want their neighbors to suffer. And so what I'm hoping is that the combination of the racial reckoning that we've seen, which has allowed people to see suffering of their Black and Brown brothers and sisters that they maybe didn't see before, where they just were able to ignore, and to see how many people have suffered financially from the

pandemic of all, you know, races, creeds and colors, that we've sort of softened up Americans to a place where it's not like we're ever going to be this incredible Scandinavian safety net. Whether we should or not, I think, should be a debate. But I do believe we have a long way to go from the "safety net" we had before to a place where people literally can be safe, you know, to make some choices about changing jobs, to move, you know, all the things that make for economic mobility that we all believe is critical.

And then the other part of it that we've seen is that this, giving many of these families hundreds of dollars, right, we're not talking tens of thousands of dollars, but giving them hundreds of dollars, we've seen the child poverty rate go down dramatically. And so we can't ignore that going forward. Right? I just would hope, as a people, as a wealthy nation, as a nation of values that I think have historically been values that the world looks at with envy, that we wouldn't lose that.

And then the last thing I'd say, you know, Michael Tubbs, the former mayor of Sacramento, California, you know, who did the UBI, Universal Basic Income, as well as a bunch of other cities around the country are doing these Universal Basic Income pilots, I think those are all connected. It's all this idea that as a people, we need to figure out what does it take, especially as the picture of work, the way work is playing out, the gig economy and all that, how do we make sure that we don't stay stuck? If you go back

to where we started the conversation, we don't stay stuck in a system that is based on the economy of 1900 versus the economy of 2020 or 2030.

CHAIR JOHN C. WILLIAMS: So, on that theme, we'll turn back to New York City and focus, I know you've already commented a little bit on New York. But I think in the last few minutes we have, talk about the future of New York City and the region. And one of the big questions people have, is are people going to come back? Is the city going to be the city it was, which was only 14 months ago? Or are things fundamentally changed? You gave a couple of examples where you think things had changed, but what do you think is going to be critically important for New York to come back? Or for, obviously based on your work and your organization's work, what do you think is going to be the key for New York to successfully come back?

BEN HECHT: Yes, I mean I think it's the same basics that have always been important that are important in every city, and the first one is housing. You know, I think if we can really take advantage of this shakeout in real estate and really figure out how to create housing opportunities in the whole continuum and including not being afraid to redefine housing in different ways where everybody doesn't necessarily have to have every amenity that every unit has, and people are willing to live in more shared accommodations.

And, you know, like I think we have to challenge some of these ways of thinking about what a roof over your head means and whether or not you can really create a way where you can have a step ladder to different types of housing over a time, but those step ladders have to be there, not just an aspiration, that you lead people to figure out how do I go from homelessness to, you know, the Upper West Side. So I think housing is critically important in the continuum of them.

And related to that is I think we have to continue to figure out how do we sustain the transit system. You know, New York remains the best and most important transit system in the U.S. It's a melting pot. It's the way that everybody gets to work, almost everybody of all kinds of income, race, creed and color. It can get you almost anywhere in the boroughs, and to be able to sustain that, to improve it. You know we were on a course to improve it. You know there was infighting between the governor and the mayor but we were on a course to improve it. I think that's really critical.

And then I think the role of the government is really important. You know, the Racial Equity Commission that I talked about earlier, you know, New York rolled that out, but other cities have been doing that for a while. And it's important that we stay on course to figure out, you know, there's two fundamentally, highly resourced institutions in the U.S. that have to help redefine the future of New York and every city.

One of them is government because it has, its coffers are always going to be, you know they always get filled up. Right? From tax dollars. And the other is the private sector. Philanthropy is like, you know, pennies compared to both of those. And so the behaviors of government on what they do to help create that environment we want, whether it's housing, whether it's jobs, whether it's broadband, and the private sector's response to supporting those changes, including what they do with their employees, I think ultimately are going to create that environment.

The last thing I'll say because I know I can get going, but, you know, the one thing that we have to figure out is how do you sustain the arts and culture. New York, one of the things I miss most about this pandemic is walking out of my office at Bryant Park, one night when I've had a long day and trying to get one ticket to go to a Broadway show to lift up my spirits. And that remains so important, whether it's theater, on Broadway, off Broadway, whether it's museums, art of every kind, in community, you know all of those things are what make New York and what we have to make sure comes back but comes back in an even more intentional way to reduce the barbell effect.

CHAIR JOHN C. WILLIAMS: So, Ben, it's kind of funny, you started saying, well, the one thing I'll start with, and then as you talk, you mentioned pretty much everything you had talked about when you talked about the experience in Minneapolis and some of the other examples. It's really about a healthy community across all these dimensions and

the creative place, it's just a really important part of our community. It's what draws people from around the world. And I think, you know, and maybe I'm doing my own psychoanalyzing friends, it's because it's been gone, people forget that it's going to be there and it's going to be a, obviously it's a huge draw for people in New York who live here, but from around the world to be able to go to theater or other entertainment.

BEN HECHT: And it makes us love New York. Right? Yes, it makes you happy when you get to go. Right? But it also just makes you proud. It makes you; you see the artists on the street and you see the art in the subway, it's just, it makes for who we are as New York.

CHAIR JOHN C. WILLIAMS: So I've got two more questions, I think we've got time for just these two. So, you know, at the beginning we talked about obsolete systems and being disruptive, so what are the big problems in New York that you think have to be done differently to be successful?

BEN HECHT: Yes, I mean I talked about housing, and I really do think, you know, New Yorkers can be so progressive except when it's in their backyard. And they're no different than Bay Area people either. Right? Some of the most liberal Americans will have a sign that says Black Lives Matter in their yard and they'll say no more development right next to it. And I think that we have to really force us as people to

figure out how do we enable our neighbors to live next door to us no matter where we live and that it's affordable. And we just have not made progress on that as Americans anywhere, anywhere. And I think in New York, I mean my grandparents – you know, I am not far from an immigrant in this country – my grandparents came to this country and they were able to find a place to live and to move their way up. Those are really hard today in New York City or anywhere. Housing is number one.

I think education is another. New York has made huge progress for Pre-K and they've led the nation on that, but we still have such disparities in success that comes out of the schools, and we have to be able to do that. You know there's been all this very public conflict about who gets to go into the sort of premier schools? And, you know, if you look at how, this is one of these obsolete systems, you know, if you leave things the way they've always been done, what you get are the same people for 150 years going to the Bronx High School of Science, and so you have to change the way those work. It doesn't mean that the old system was good or bad, it means it's not working for today. Right? We need a new system.

And then finally I think we really need to figure out, New York needs to, I think, spend more time focusing on what pretty much every other city in America has focused on because they had to, because they didn't have the other industry, which is the role of universities and hospitals as an economic driver. And I think that it is not, New York is

not as advanced in that as it is in Baltimore, as it is in Chicago, as it is in Albuquerque. Right? And so, there's a lot, because they remain such key long-term actors that aren't going anywhere, certainly like we were talking about you, John, you're building downtown, you're not going anywhere. Right? These folks aren't going anywhere. And so how to figure, how to build them into the economic fabric better, I think is really important.

CHAIR JOHN C. WILLIAMS: Okay, so we've got time for one question. I'm going to give you 30 seconds to answer. This is a very big question. So every year the Edge Foundation asks a very simple but powerful question to artists, scientists, and other intellectuals. So here's the question. Great minds can sometimes guess the truth before either they have the evidence or the arguments for it. So here's a question for you, Ben. What do you believe is true even though you can't prove it?

BEN HECHT: Okay, that's such a good question. Thirty seconds. If we had enough people, not everyone, but enough people that wherever they sat, whether it's at home or work or their religious institution, that if they decided wherever they sat that they were going to use their personal agency to root out systemic racism in the systems that they influence from where they sit, than in ten years we would actually see those gaps in income and wealth close and we'd actually see our overall economy stronger than it was pre-pandemic.

CHAIR JOHN C. WILLIAMS: That was 30 seconds. Well, thank you, Ben, really for the discussion, sharing your time with us, with the Club today. I really appreciate it. So from now, I'm just going to go to what we've got coming up in the future. I'm pleased to report that we've got a number of speakers lined up, great speakers, and we encourage you to not only attend, but to invite your guests.

So next up, we have Dambisa Moyo, the Co-Principal of Versaca Investments and author. She's coming on May 4. We've also invited, the Club has invited the top five New York City mayoral candidates to come to the Economic Club for events. We've had confirmations from Eric Adams and Ray McGuire for May 6 and May 10, respectively. Stay tuned for more announcements on those events. Coming up on May 13, we've got Dr. Lisa Coleman, the Senior Vice President for Global Inclusion and Strategic Innovation at New York University. And then on May 20, we have Dr. Wayne Frederick, the President of Howard University. And, of course, we've got many more things lined up so please check our website and look for your emails to see what events we have in store. And if you joined as a guest and you'd like to become a member, please email the Club at the address on the screen.

And finally, I'd like to take a moment to recognize those of our 332 members of the Centennial Society joining us today as their contributions continue to be the financial backbone of support for the Club and help enable us to offer our wonderful, diverse

programming both now and in the future. So thank you again. Stay safe, stay healthy.