

Minutes for April 18, 2017 Luncheon Meeting

1. The luncheon meeting was held at Triton College where the Hospitality department created a luncheon just for our group.
2. Approximately twenty-one individuals attended.
3. Registration started at around 11 AM. The registration table was overseen by Bob Anthony and Connie Allekian.
4. At 11:30 AM **Michael Gong, President** welcomed everyone to the luncheon and then held a brief TCAA business meeting.
 - a. **Ann Sullivan** reported because of SUAA and TCAA dues increase our ending balance has increased to around \$2500.
 - b. **Connie Allekian** reported on SUAA focus and funding
 - i. The purpose is to help legislators who support us or will support us.
 - ii. The money collected from members is used for helping sponsor events, and advertising.
 - iii. SUAA has sent a letter out to all members in SUAA chapters to ask them to contribute to the SUAA fund as the state house of representatives are up for election in 2018.
 - iv. **Michael** added Senate Bill 3, which could have an impact on our pension, was defeated by only three votes.
 - v. **Michael** mentioned the importance of maintaining membership in TCAA (SUAA) and encouraging others to join TCAA (SUAA).
5. **Michael** then invited the members to start the buffet line and gather the food of their choice. The menu was a wonderful salad, three different types of entrees, and too many delicious deserts to choose from.
6. **Michael Gong** introduced **Tom Porebski** from the Business and Social Science department who has been and currently is teaching Economics at Triton College.
 - a. **Tom's topic was "Obama, Trump and the Economy"**.
 - b. Tom started off by asking members if they were surprised by the election because of the polling data which was given to the public.
 - i. He felt a lot of information was coming from personalities of individuals running and feelings of commentators.
 - ii. He also felt the economic condition of the United States now also was having an impact on who people felt would help them most.
 - iii. Obama and the economy:
 1. Unemployment - 4.9%
 2. Inflation – 2.6% for 2016
 3. Gas prices were low; interest rates low;
 - iv. Tom spent some time speaking of **Ray Fair economic model** which is based on a two-party voting system. (Republican and Democratic)

1. The Gross Domestic Product (GDP) usually determines who may win.
 - a. People tend to vote their pocket book.
 2. Inflation is something which is a concern within this model.
 3. If the candidate is running for re-election is another concern in the model.
 4. Duration the current party has been in office is another condition in the model.
 5. This model has predicated the winner in all but three presidential models since 1916.
- v. Tom spoke of economic growth in recent recoveries:
1. 1982 – 89 -4.5%
 2. 1991 – 98 -4.2%
 3. 2001 – 2007-2.8%
 4. 2009 – 2016- 2.1%
- vi. Usually after a recession the economy grows. It did not happen this time
1. Why GDP slow down.
 - a. Some individuals blamed the Obama administration because of Health Care, tax increases, and the increase in regulations.
 - b. Others felt we under estimated the recession and one or the other party from blocking legislation.
 - c. Some felt the stimulus bills which were passed were not enough to help stimulate the economy.
 2. Long term changes in the Labor Force could have also brought about changing trends such as
 - a. Aging population
 - b. Shorter work weeks
 - c. Retirement
 3. Other changes could have been use of computers; not measuring GDP correctly.
- vii. Tom presented another economist named **Gordon view**.
1. He feels innovation is not as great as it was in the past and this will tend to keep GDP at a lower rate.
 2. Gordon feels we should just get used to a slower rate of growth in the GDP.
- viii. Then Tom presented the Trump plan.
1. Would like to see a GDP of 4% per year.
 2. Increase military spending

3. Increase spending to one trillion dollars on infrastructure over the next ten years.
 4. No changes to social security or Medicare.
 5. Tax side:
 - a. Corporation tax rates from 35% to 15- 20 %.
 - b. Cut personal income tax rate to 12%, 25%, and 33%.
 - c. Reduce the number of tax brackets from seven
 6. Increase budget deficits and national debts. But the question is where does the money come from:
 - a. Cut government programs?
 - b. Cap standard deductions?
 - c. Have a border import tax? (NAFTA)
 - d. Have a value- added tax? (VAT)
- ix. Tom concluded by asking for questions. The following questions were asked.
1. How is the increase in rates by the federal reserve going to impact the average person?
 2. How and will the government continue to fund Amtrak?
 3. Impact on the health insurance law and funding of it.
 4. Health insurance in other countries and its impact on them.
7. **Michael Gong** thanked Tom for his unbiased presentation and the information which was provided for the group.
 8. **Michael** thanked the group for their attendance and concluded the meeting around 1:45 PM.