



THE CHINESE CHAMBER OF COMMERCE OF HAWAII

夏威夷中華總商會



LANTERN

NEWSLETTER

April, 2021

OFFICERS 2020-2021

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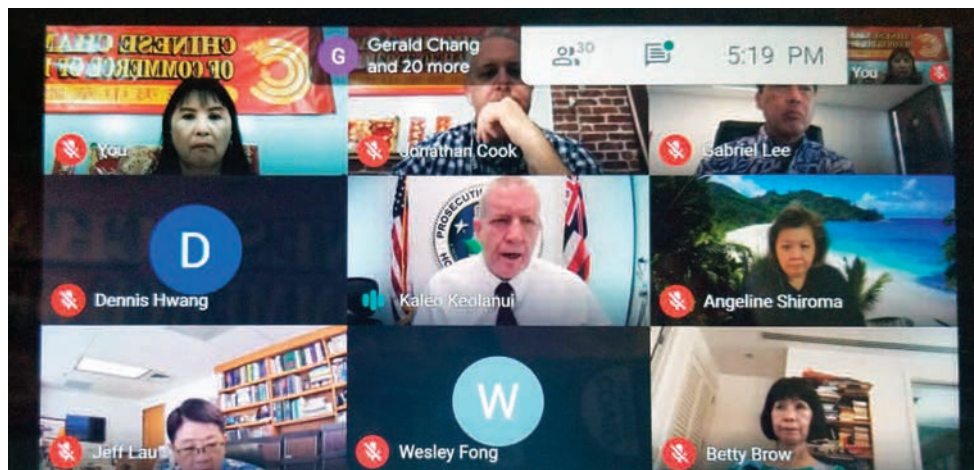
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City Prosecuting Attorney Steven Alm presentation at the Board of Directors' meeting

COVID-19 Update

Earlier in April, the CDC acknowledged that the SARS-CoV-2 virus is transmitted through the air and very rarely, if ever, from surfaces. That means less need for the “theater” of disinfecting non-porous surfaces multiple times a day. In addition, 200 million vaccinations (39% of Americans; 70-85% needed for “herd immunity”) have been delivered before President **Joe Biden**’s first 100 days goal and 100 million Americans are “fully vaccinated” with the two-shot Pfizer or Moderna or the one-shot Johnson & Johnson regimes. Nevertheless, face masks are still recommended for the protection of others. What this means is that those who have been fully vaccinated are protected from becoming infected and symptomatic may still pick up the virus which would lurk in their nasopharynx cavity and can be passed on to the unvaccinated as they breathe. Otherwise, the standard mitigation

measures – mask up when outdoors in crowd situations, maintain physical distancing, and wash/disinfect your hands, as necessary – remain “best practices.”

In addition, on April 19, the State Department synchronized its “Do Not Travel” list with the CDC: 80% countries of countries worldwide (for perspective, the UN has 193 member nations, most of which Americans are not eager to visit) will be on the expanded list. The TSA weighed in, on April 30, extending the mask-wearing requirement on airplanes, in airports, and on commuter buses and trains, that was to expire on May 11 to September 13. As for COVID-19 deaths, there have been over 583,000 in the U.S., some due solely to COVID-19 while the majority have been due to “underlying health conditions.” Despite that grim number, keep in mind that the current 628 deaths per day is down from around 3,400 in mid-January.

Chamber Officers, 2021-22, Elected

The board of directors held a special virtual meeting on Friday, March 26, for the election of officers, who will serve from June 1, 2021 to May 31, 2022. President **Russell Lau**, President-Elect **Jon Cook**, First Vice President **Angeline Shiroma**, Second Vice President **Michelle Wong**, Third Vice President **Michael Young**, English Secretary **Yu Shing Ting**, Chinese Secretary **Cy Feng**, and Treasurer **Sherman Wong**. Immediate Past President is **Elvira Lo**.



President
Elvira Lo

Aloha members, directors and friends,

There are some wonderful news to share with you on the progressing of vaccination which will lead to opening up more on the economy and business. On April 24, number of people vaccinated with at least One Dose are 684,126, 48.13% in population, and people Fully Vaccinated are 457,517, 32.17% in population in the state of Hawaii.

As of 6 a.m. EDT April 22, a total of 89,245,776 Americans had been fully vaccinated, or 26.9 percent of the country's population, according to the CDC's data.

Travel news update effective May 11, individuals fully vaccinated in the State of Hawaii may travel inter-county without pre-travel/quarantine starting the 15th day after the completion of their vaccination.

On the other hand, **CCCH March activities** keep busy, on March 24, we hosted a group of 13 U.S. Air Force Air War College students, who are visiting Hawaii and would like to meet with CCCH and learnt about history of Chinese in Hawaii. COL Wesley Fong past president gave the over view on Chinese-American history in Hawaii as well as the CCCH itself. We are fortunate to have the **President of East-West Center Dr. Richard Vuylsteke** gave a talk for a hour on "Framing thoughts on US-China Relations," US/China Relations and Understand-

ing the Indo Pacific Region to the students, President elect Russell Lau offer his Finance Factor training room to hold the presentation. We received donation from Elvira, Russell, and Dr. Richard Vuylsteke as a survivors for the visiting students. Thank you to the Chamber staffs who put together a beautiful binder containing a copy of the CCCH monthly newsletter Lantern, the program, bio of Wesley Fong and Dr. Richard Vuylsteke for the students to take home.

On March 25, it's the first time for CCCH to offer an exclusive invitation from Merrill Lynch Webinar feature topic "Market Outlook and Merrill's Investment Principles for 2021 and Beyond" **Analyst Derek Harris** - managing Director and head of Global Wealth Management Portfolio, along with Investment Strategy for Global Research **analyst Justin Devery**, both are from N.Y. with real time speaking to the CCCH members at noon PST. We extended the invitation to the Quad Chambers to join the event. The attendance was a blast, due to ML security measure, (CCCH is not a client) we have only 2 weeks to promote the event, and had over **40** people attended the webinar. Thank you to past president Betty Brow who help to organize and moderate the webinar.

On March 30, we had a virtual presentation on "What does the City Want to Do About Chinatown" by the **City Prosecuting Attorney Steven Alm**, it was very informative and well received. Mr. Alm was glad to know CCCH as the leader of the Chinese Communities have been attentive to the Chinatown merchants and business people's voice, hopefully can provide more assistant in languages and translation of City & County's message for them.

Chinatown membership drive walk, organized by 3rd VP **Michael Young** on April 3, Saturday, met at the Chamber office at 1 pm, gather poster of events and Chinese brochures, business cards. Then walked in the group of 2 and 3, with one Chinese speaking person in each group, thank you to Jonathan Cook, LeeAnn Choy, Mike Young Wen Chung and myself who spent 2 hours visiting the businesses and greet the owners. We all felt it's a great way to reach out to the Chinatown businesses, in person visit is important to them, invite them to attend our functions, and encourage them to call the Chamber office for any business related assistants and enquire about CCCH membership . We were able to recruit one business to join as the member.

March 5, was the General Election for directors, Congratulation to all the re-elected directors, **Tina Au, Ina Chang, John Chang, Michael Ching, Lishan Chong, Lee-Ann Choy, Bradford Chun, Cy Feng, Deanne Ho, Joanna Mak, Sarah Moy, Lawrence Tseu, Michelle Wong, Angela Wu-Ki**. Welcome and Congratulate the 2 newly elected directors **Gordon Au and Steven Tom**. Also extends to **Kelfred Chang** who got transfer to Emeritus Director.

The Election of Executive Committees was held on Mar 26, **Congratulation to 2021-2022 President Russell Lau, President Elect Jonathan Cook, 1st VP Angie Shiroma, 2nd VP Michelle Wong, 3Rd VP Michael Young, English Secretary Yu Shing Ting, Chinese Secretary Cy Feng, Treasurer Sherman Wong**, Under the new leadership of Russell, who will continue to promote the mission statement of CCCH on business development and preserve Chinese cultures, and bring another year of great success and opportunity to you and the Chamber.

Your continue support to the CCCH is highly appreciated, please help us to celebrate the installation dinner which are scheduled on July 14, at Jade Dynasty Seafood Restaurant. More details will release by the Chamber office in the near future.

Thank you, Mahalo and Aloha
Elvira Lo



U.S. Air Force Air War College Student visitation and presentation

Air War College Student Visitation

by Russell Lau, with Wesley Fong

For the first time, on March 24, 2021, at the request of the U.S. Air Force War College, the Chamber hosted a two-hour seminar on the topics of the History of Chinese in Hawaii, the Chinese Chamber of Commerce Hawaii, and U.S.-China Relations in the Indo-Pacific region. The venue was provided by President Elect **Russell Lau** in the Finance Factors Center’s training room. In attendance were twelve students (lieutenant colonels and colonels) including the Assistant Dean and an Assistant Professor from the War College. COL (Ret.) **Wesley Fong** from the Chamber presented the Hawaii comments about Chinese in Hawaii, the CCCH, and racial biases. We provided an in- depth history of the arrivals of Chinese to the islands and their assimilation into the Hawaiian community. He also mentioned how despite the U.S. Chinese Exclusion Act of 1882, which wasn’t repealed until after the Cairo Conference in 1943, quite a few local Chinese males volunteered to serve in the U.S. military during World War II. We also described how the Chinese Chamber of Commerce was established.

Dr. **Richard Vuylstreke**, President and CEO of the East-West Center provided a very insightful talk about the politics and mind-set of the Chinese government. Having been the President of the American Chamber of Commerce in Hong Kong and Taiwan, Richard had a very unique approach to the inner thinking of the Chinese government. His talk touched on many topics, but one that was particularly interesting was his perspective of the difference of the traditional and contemporary role of ideology in China’s actions. “Traditional” being historical materialism using economics as a driver, class struggle where society must be controlled, and the faith in social planning to shape the people. “Contemporary” being that individual interests are subordinate to national interests, nationalism as a driver of the Communist Party legitimacy, and political rhetoric of influencing public policy.

President **Elvira Lo** welcomed the delegation and donated boxes of her unique chocolate macadamia nuts and President Elect Russell Lau gave the closing remarks and provided touchless door openers to the attendees.

Membership Committee Chinatown Walk-About

by Michael Young

On Saturday, April 3, several members of the Executive Committee and Board of Directors set out on foot through Chinatown. We brought flyers, a picture board, and welcoming personalities with us as we greeted most of the merchants and businesses open along King Street, Maunakea Street, Hotel Street, Smith Street, and Nuuanu Avenue.

Many of the merchants expressed concern about the number of homeless in Chinatown.

I think the walk was a great success, with many initial contacts and one on-the- spot membership sign-up of the Chinese calligraphy and painting master **Ding Quan Liu**, of Classic Art Gallery. Chamber President **Elvira Lo**’s ability to speak in Chinese and Executive Vice President **Wen Chung Lin**’s relationships and rapport with many of the Chinese-speaking merchants was indispensable to our effort.

We will follow up with the contacts we made and look at what Chinatown businesses/areas we haven’t covered yet.



Dining Out?

As restrictions on restaurants and bars are eased, there are considerations for the owners and their customers. For owners, there's a need to assure diners (as well as their employees) that the location is safe. **Chris Mooney** had an article in the February 10 *Washington Post* on the use of carbon dioxide (what we all breathe out) monitoring devices in restaurants and another article in the April 14 *WaPo* about the \$30,000 state-of-the-art system – tabletop mini-purifiers, precisely located HEPA air purifiers, an upgraded heating and air conditioning system, and four real-time air quality sensors – in the cliff-top Sierra Mar restaurant in Big Sur's Post Ranch Inn, which caters to eco-conscious guests. In the March 3 *Los Angeles Times*, **Jean Harris** had an article on the eye-popping fees charged restaurants for food delivery service: 18% per order to Caviar, 20% to Postmates, 18% to Doordash, 20% to Uber Eats, and 3% to Chicago-based Tock while ChowNow charges a flat \$119.00 a month on a one-year contract. The title of her article? "The next time you order, call the restaurant."

"The virus has been brutal for the restaurant industry. The National Restaurant Association estimates a loss of \$240 billion in bar and restaurant sales and 2.5 million jobs during 2020."

Meanwhile for customers, the chicken sandwich wars have resumed, with offerings from McDonald's (crispy, spicy, and deluxe, and only in Singapore, a Chicken 'N' Cheese sandwich), Wendy's (classic, spicy or grilled), and KFC (classic or spicy classic). And in the March 19 *WaPo*, **Emily Heil** and **Tim Carman** offer considerations in deciding whether to dine out in a partially vaccinated world.

And last month, Senator **Brian Schatz** sent out information regarding the \$28.6 billion Restaurant Revitalization Fund, to be administered by the Small Business Administration. This time around, unlike in 2020, publicly traded companies and businesses with more than 20 locations are ineligible for the fund. Qualifying businesses may apply, starting at noon on Monday, May 3, but for the first 21 days, the SBA will approve claims exclusively from businesses that are majority-owned by people who fall into "priority groups" designated by Congress, including "individuals who qualify as both socially and economically disadvantaged." The latter group includes those who meet certain income and asset limits and are Asian-Pacific Americans. An early e-mail notice was quickly sent out to Chamber members on April 27, and be warned that the funds may run out before the end of the 21-day exclusive period for exclusive groups.

Biden Relief Plans

Following enactment, with a straight party-line vote (50-49), of the \$1.9 trillion American Rescue Act on March 6, a third round of relief checks were sent out to most middle and working class Americans, some of whom desperately needed that lifeline. (There is some speculation that a fourth round of checks may be under consideration, if not in the works). President Biden has followed that up with introduction of the

\$2.25 trillion American Jobs Act on March 31 and the \$1.8 trillion American Families Act on April 28. (It should be noted the polls of Americans have shown that features of each plan are quite popular with a majority of Americans, and quite a few Republican governors and mayors were in favor of the ARA's \$65.1 billion for state and local aid while congressional Republicans are against all three plans as "too big" and involving tax increases for the ultra-rich and big corporations).

Size. For those with short memories, President Biden's plans total around \$6 trillion, but even before the onset of the 2020 pandemic, thanks to the "King of Debt" (who had promised to reduce the national debt), the national debt of \$19.95 trillion on January 20, 2017 grew to \$23.2 trillion by the end of 2019. (According to the CBO in 2018, the Tax Cuts and Jobs Act of 2017 would add \$1.9 trillion to the national debt over 11 years). Then came the pandemic and another \$4.6 trillion was added before January 20, 2021, for a total over four years of over \$7.8 trillion.

"Core Infrastructure" and R&D. Another criticism is that much of the funding goes to other than traditional or "core infrastructure" like roads, bridges, harbors and the like. What this overlooks is that "infrastructure" has changed over the years, like canals and ferries, then the intercontinental railway in the nineteenth century and telephones and electricity in the twentieth. Then in the middle of the twentieth century, **Dwight Eisenhower**, who had been an observer on the 1919 Transcontinental Motor Convoy, which took from July 7 to September 9 to get from Washington, D.C. to San Francisco, and also served during 1945 as military governor of the American Zone of Occupation in Germany and saw the *auto-bahn* at first-hand, was elected president. A result of his experience was the Federal Aid Highway Act of 1956, marking the start of the Interstate Highway System (major parts of which are now aged and crumbling, in dire need of repairs or replacement).

That legislation, along with the Soviet launch of *Sputnik I* and *II* in 1957, kicked off decades of federal spending on or "investments" in research and development, infrastructure, and workforce training as well as boosting higher education. (According to OMB data, mandatory spending and investment in 1970 each accounted for around 30% of total federal spending; by 2019, mandatory spending had doubled to around 61% and investment had fallen to 12.5%). In addition, it was none other than President **Ronald Reagan**, who proposed in a 1982 address to the British Parliament in Westminster, "to foster the infrastructure of democracy, the system of a free press, unions, political parties, universities," setting out the framework for what soon became the National Endowment for Democracy, the International Republican Institute, the National Democratic Institute and their sister organizations.

Tax increases. In order to pay for those plans, tax increases are proposed on big corporations and the rich who make over \$400,000 a year. Remember that in 2017, the Tax Cuts and Jobs Act (TCJA) was passed, slashing corporate tax rates from 35% to 21% and top marginal tax rate for individuals from 39.6% to 37%. According to Bloomberg and other news sources, the TCJA failed to bolster wages or business expan-

sion and instead resulted in huge pay-outs to shareholders and top corporate executives.

According to an April 2 Institute for Tax and Economic Policy (ITEP) report, in the following three years (2018-20), 26 big corporations paid no income taxes, and in 2020, they were among 55 of the largest U.S. corporations, such as Fedex and Nike, that paid no income taxes and some even received multi-million dollar refunds or rebates. (The 55 avoided \$8.5 billion in taxes on profits of nearly \$40.5 billion and received \$3.5 billion in refunds, a total of \$12 billion). According to Nobel laureate in economics **Paul Krugman's** April 8 *NY Times* column, more than half of the profits from some big corporations' "overseas operations" come from tax havens like Ireland, the Bahamas, and the Cayman Islands, where they have no business at all, and the huge GDP for those havens has no basis in fact. So under the TCJA, those corporations had few, if any, jobs to actually bring back to the U.S.

(In order to crack down on some of these "overseas operations," Senator **Elizabeth Warren** has proposed the Real Corporate Profits Tax Act, which would apply to corporations – about 1,200 of the largest U.S. corporations – reporting profits to shareholders ("book income" versus "taxable income" reported to the IRS) above \$100 million earned in the U.S. and overseas. The 7% surtax would bring in an estimated \$1.05 trillion over a decade from the country's richest businesses, according to UC Berkeley economists **Emmanuel Saez** and **Gabriel Zucman**).

Bloomberg also reported that pre-pandemic polls found that only a minority of Americans approved of the TCJA and most reported little effect on their wallets. And over the weekend, one Republican senator claimed that U.S. corporations pay the "highest taxes in the world.;" what she apparently doesn't grasp is that those are the "statutory tax rates," NOT the far lower "effective tax rates" that they may have paid, if at all. As ITEP Fellow **Matt Gardner** said, "21% of nothing is pretty much the same as 28% of nothing."

So if you've already filed your state and federal income tax returns or maybe are in between filing them, you may be unhappy to learn that the Treasury Department IG reports that \$2.4 billion is uncollected from wealthy individuals, and IRS Commissioner **Charles Rettig** recently testified to Congress that tax evasion is costing \$1 trillion a year, according to March 15 and April 13 reports in Bloomberg. In the last ten days, however, President Biden has said that he wants an extra \$80 billion for the IRS and more authority over the next 10 years to help crack down on tax evasion by high-earners and large corporations as well as unincorporated business entities. Perhaps in FY 2022, which starts this October 1, there will be serious efforts to make sure that everyone, including the top 1%, pays "their fair share."

2021 Economic Outlook Updated

On April 29, the Commerce Department's Bureau of Economic Research announced that U.S. gross national product for the first quarter of 2021 was 1.4% or 6.4% on an annualized basis.

According to CNN's **Christine Romans**, that was the best quarterly figure since 1984. With the expedited rollout of vaccines, beginning in mid-January, the \$1,400 relief checks sent out to most Americans, and the gradual reopening of business, prospects are good for a booming economy in 2021 and into 2022.

Despite President **Joe Biden's** announced plan to raise taxes on big corporations and the rich in order to pay for the \$2.25 trillion American Jobs Plan and the \$1.8 trillion American Families Plan, this has had little, if any, effect on the stock market. Again, according to Ms. Romans, following his election on November 4, the S&P 500 (an index with the 500 largest American corporations) has been up 24.2% compared to 8.8% for "the previous guy" and up 8.6% since inauguration day and a paltry 2.5% for President Biden's predecessor. So much for his predecessor's forecast that if "Sleepy Joe" was elected, the stock market would crash and there would be another depression. (That conveniently ignores the massive pandemic recession, second only to the Great Depression of the 1930s, and the loss of 22 million jobs, ushered in by his mishandling of the coronavirus pandemic, downplaying its seriousness, and suggesting that warmer weather in the spring or else hydroxychloroquine, injecting disinfectant or insertion of "strong light" were possible cures). So with a roaring new bull market following the brief bear market in March 2020 that ended the previous eleven year-long bull market, as Ms. Romans has noted, "There is a disconnect between Wall Street and Main Street" where over eight million who lost their jobs in the spring of 2020 are still unemployed; many of those jobs and businesses will not return. So in graphic terms, this is a K-shaped recovery, with those at the top doing quite well and everyone else, not so much. (During President Biden's first 100 days, according to Bloomberg, the wealthiest Americans got \$195 billion richer).

At the same time, with a rapid vaccine rollout since mid-January, the \$1,400 checks under American Rescue Plan, and the rising stock market, a majority of Americans were optimistic about the direction of the country for the next year: 64% of Americans and nearly 40% of Republicans, according to an ABC News/Ipsos poll released on May 2. (The last time Americans came close to that level of optimism was 61% in December 2006). The poll also showed that 9% think the president is compromising too much with Republicans, 51% think he's compromising the right amount, and 39% think he's not compromising enough. On the other hand, 68% think congressional Republicans aren't compromising enough, 22% think they're compromising enough, and 10% think they're doing too much.

In addition, Americans are increasingly optimistic about the economy. According to the latest CNN/SSRS poll, 55% of voters see the state of the economy as good while 44% view it as poor. Among all Americans, the split is 54% to 45%. By way of comparison, that 54% is up significantly from 43% three months ago and 34% in May 2020. As for the 40-year old jibe from **Ronald Reagan** that "government is the problem" and the eulogy from **Bill Clinton's** 1996 State of the Union address that "the era of big government is over," the pandemic and

CALENDAR OF EVENTS

Apr 20 • Tue

Executive Committee Meeting

Chamber Office – 6:00 p.m.

Apr 27 • Tue

Board of Directors Meeting

Google Virtual Meet – 12:00 p.m.

May 18 • Tue

Executive Committee Meeting

Chamber Office – 6:00 p.m.

May 25 • Tue

Board of Directors Meeting

Google Virtual Meet – 12:00 p.m.

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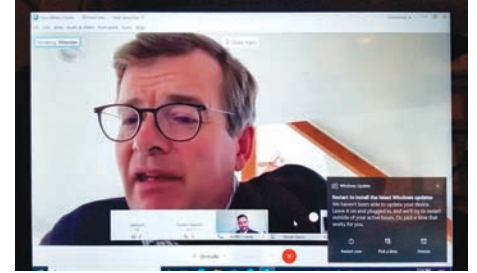
Staff: Wen Chung Lin, Tina Ge

severe 2020 recession have shown that there are some problems that only big government can handle. As a result, according to the most recent NBC News poll, 55% of Americans said that government should do more; a dozen years ago, only 47% said the same.

As for President Biden's plans, according to a late April Monmouth University poll, 68% of Americans support the \$2.25 trillion American Jobs Plan and the proposed corporate tax increases to pay for it. While the \$1.8 trillion childcare/healthcare American Families Plan had not yet been unveiled at the time of the poll, 64% supported the concept, 64% supported raising taxes on big corporations, and 65% favored taxing those who earn over \$400,000 a year. (According to Gallup polls over the last decade or so, "Tax the rich" is NOT a recent development). At the end of April, the White House clarified that only couples making more than \$509,000 and singles making more than \$453,000 would see a tax hike.

Member News

Congratulations to Chamber Treasurer **Sherman Wong** has joined Lili'oukalani Trust as its director of design and construction, leading a team of managers in the planning, design, development, and construction of projects. With more than two decades of experience, Sherman has worked on complex projects for the University of Hawaii, Kiewit Building Group, Castle & Cooke, and Hawaiian Dredging.



Merrill Lynch analyst Derek Harris from N.Y.



Merrill Lynch Investment strategy slide presentation



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