

## [The Bill Walton Show](#)

Entitlements aka Promises that Governments Can't Keep

Bill:

It's only going to be edited the front then the back, we're gonna run straight through on everything else.

Jim:

Gotcha.

Bill:

So just to talk about style and things like that. What I learned, when we started doing this, I started thinking TV. We originally wanted to do this as a TV show, and it sort of, it looked great, but everybody I saw that tuned in said, "Gee, I love listening to your show." And so we were going through all this trouble to create a nice visual and instead of having a TV show we ended up with a podcast. And so we've decided to simplify it and just focus on the audio portion which is what we're doing now.

Bill:

So with that do you, should we...

Marina:

You guys have a hum, do you hear nothing?

Bill:

No.

Bill:

Nope.

Marina:

Okay so-

Bill:

Marina's hearing a hum. Are you hearing a hum?

Jim:

I am not.

Marina:

I don't know what it is. It might just be these headphones. Cause I'm hearing it consistently then...

Marina:

So we don't want that to happen...

Bill:

So what are you working on now, Jim?

Jim:

I am working on an article about solar energy.

Bill:

Oh.

Jim:

Daughter took the SATs this past spring.

Bill:

Yeah.

Jim:

There was an essay in the reading portion. It allegedly, according to the SAT, is based on real high quality sources. That is essentially an industry propaganda article for solar energy.

Bill:

Yeah.

Jim:

It's got a lot of misinformation and a lot of misinformation that could harm people if it's acted upon.

Bill:

Yeah. So you really ... by the way one of the, the bigger theme I've got with this is, is I think we've got an entitlement explosion. I'm gonna call us the entitlement society. We're essentially paying for all these current transfer payments with huge deficits. My conclusion is we're engaging in generational theft. Our children are gonna have to pay for all the Medicare and Medicaid we're getting. Nobody's, none, and even today or yesterday we've got Marco Rubio proposing in a new entitlement. Did you hear about that? He wants to-

Jim:

Is this the-

Bill:

He wants paid leave.

Jim:

Paid leave.

Bill:

Paid family leave yeah.

Jim:

Yeah.

Bill:

Let me just do a subject matter check. You're good, you're exhaustive on social security, your health care stuff is great, you know a lot about Medicare. You know a lot about Medicaid.

Jim:

But I'm not really, I didn't brush up on those figures before this shop. So if you start venturing there, I won't have specifics.

Bill:

Okay, well I was interested in your, your judgment as I am your numbers. Because that's the problem. So I've got the, just taking off the entitlements that we've got. We're, we've got income maintenance, Medicaid, Medicare, social security, unemployment insurance, disability and we got programs aiming at mitigating old age and aging. Which would be social security and Medicare but then we've got unemployment, we've got poverty, low income. It's astonishing and before 1965 none of these existed, except social security.

Jim:

Unbelievable. I have some data that speaks to that, I'm digging it up right now.

Bill:

Take a minute or two.

Jim:

I have but I want to give you the exact figures. In 1960, 21% of all federal spending was on social programs, like the kind you just mentioned.

Bill:

Yeah.

Jim:

You have an idea for what the figure might be now?

Bill:

75%.

Jim:

63%.

Bill:

Yeah, I've got, do you know Nick Eberstadt?

Jim:

I know the name, I don't know him.

Bill:

I was [inaudible 00:04:27] at AEI, he's one of the fellows at AEI. He's written on entitlements and he, he's estimated it's three quarters.

Jim:

Well, it depends on how you consider certain payments so-

Bill:

You know what, we're actually stealing from our show here. [crosstalk 00:04:48]. Let me get into airplane mode, get my battery, get my timer on.

Marina:

[inaudible 00:04:58].

Jim:

It's nice though, it's a nice relaxed conversation. I like the tone of it.

Bill:

Well, this is what I've been told I've got the Radio America is helping me distribute this so they are distributing it. They said "This is a conversation that most people are gonna listen to with earbuds." So it's a conversational back and forth. Two friends talking about a big problem and maybe offering up some solutions and things like that. That's, we're fortunate we don't have to hit the, the six minute mark and run an ad or something like that. We've got a chance to get a little deeper in the stuff.

Bill:

Let me just, I'm trying to find my, how to turn off my-

Marina:

The thing on the side, that will help as well, there's a little button.

Bill:

Yeah.

Bill:

Okay.

Bill:

Okay, so Jim I'll probably have some stuff in here that you haven't heard about or maybe you have heard about it and you can amplify.

Marina:

[inaudible 00:06:25].

Bill:

How come?

Marina:

I think you're okay. Yeah, you're good.

Bill:

Okay, all right.

Marina:

Whenever you're ready.

Bill:

Okay.

Marina:

[inaudible 00:06:43].

Bill:

Welcome, we're, today we're going to do a deep dive into the entitlement society. I'll get into the details of that in a minute. It's a big subject that affects everyone. The more you learn about it, you begin to feel like that's the Titanic. All the other public policy issues we go back and forth about or rearranging deck chairs. One of the reasons I started this show last year was that I very much enjoyed and I hope you enjoyed taking deep dives into topics that might be interesting, alarming, important and understanding how they might affect you personally.

Bill:

As an example of that, I had a show a couple of months ago, it was about China. We did three of four of them. What I learned when we put this out there was that a) China's a big problem, we need to be thinking about how we want deal with China strategically. They need not be a problem but they could be unless we think it through. If you go on my YouTube comments board for the shows, you'll also learn the Chinese don't like us very much. Matter of fact, the most recent comments somebody came on said "The host and the two guests will soon be arrested."

Bill:

I'm not, I haven't figured out by whom I would be arrested and when or where, but it is an indication of how they're thinking about our show and I think you'd find that one interesting.

Bill:

Today to help me understand entitlements is someone, a man who knows as much about this as anyone. Jim Agresti, who founded Just Facts, which is a public policy think tank. Aimed at publishing

rigorously documented facts about public policy issues. Jim has done a lot of work on social security, Medicare, Medicaid, entitlements program generally. We want to learn from him and I've got a couple things I want to share with you. So here we go Jim, welcome.

Jim:

Bill, thanks for having me on, it's a pleasure to be here again.

Bill:

You recently published a paper on social security and about how there's a lot of misunderstanding about how social security's funded, size of the program and it, it's a real barrier for reforming social security. Although everybody thinks that that needs to happen.

Jim:

Yes I did. There's a, I love talking about this topic because there, I feel like it's fruitful time because a lot of people are very misled about how it operates. I like sharing facts that tell people how it works, because we're never gonna solve a problem if we misdiagnose it.

Bill:

Well, how's it misunderstood, let me start off. A lot of people have the view that you got a social security account and you get a deduction from your paycheck and it goes into your social security account and it's got your name on it. That's going to be invested for you, for your old age and that's part of your personal savings. I believe that that's flat wrong. Want to amplify?

Jim:

There's no question it's wrong. It is very, very common. A lot of people would object to calling social security entitlement. Well, say it's not an entitlement, the government took my money, is saving it for me and is just giving it back to me, what is mine. They'll also even go as far as to say it's not really government spending. Again, they're just kind of acting as caretakers for my money. But the reality is that social security is primarily a pay-as-you-go system.

Jim:

Which means that, the money you're receiving, if you're receiving, is not your money. It's money that they're taking from younger people who are working and paying into the system right now. The same applies if you're paying into the system, if you're paying payroll taxes. The government is not putting that money away. They're basically giving it out as it comes in just like any other social welfare program.

Bill:

Well the baby boomers are gonna benefit because all the current taxes are going into the entitlements that they get, social security, Medicare.

Bill:

On a personal level, four decades ago, I heard people saying social security's gonna go broke, it's gonna go to broke, go broke, you can't count on it, you gotta do something. My personal strategy was, well let's go to business school, get a degree in accounting and go into business and make some money, and I did.

Bill:

Problem solved, maybe, but then decades later, I find myself happily receiving a social security payment every month. Also, Medicare's great. It's hardly going. It's great if you're a current recipient, but a lot of older people listen to this show. I think this show should really be listened to by millennials, because the odds of this kind of pay-as-you-go scheme resembles an awful lot like a program that was designed by a guy named Charles, what was his last name? Ponzi.

Bill:

Where you take the money from your current investors and give it to your past investors and make them think they're making money, am I right?

Jim:

You're right and you mentioned four decades ago and what the situation was then. People were saying it's going bankrupt, it's not gonna last. Proponents of the program will say, "Well, look here it is." Yes, here it is because they have continually raised taxes on the people who are working. They've added income taxes on social security benefits to people who are receiving benefits but have other sources of income. They are transferring money from the general fund to the U.S. Treasury like they did in the recent payroll tax holidays.

Jim:

So yeah, any program can look sustainable if you keep raising the taxes on the people who are paying into it. If we don't do something about social security now, by the time the baby boomers are retired, around 2033, and the trust fund is exhausted-

Bill:

You mean the last of us have retired, or the-

Jim:

The last baby boomers have begun, finished retiring.

Bill:

Yeah.

Jim:

It's the generation is all retired, we'd be looking at another 30% increase in payroll taxes to keep the program paying out full benefits.

Bill:

That's not gonna happen. Because the politicians are never going to make that happen, how do we, how do you find the political will to do something like this?

Jim:

I'd say it's gonna happen and I'll tell you how it's gonna happen. Older people, particularly those who are receiving social security Medicare and are dependent on it, vote. They vote in massive numbers compared to younger people. Right now, social security's referred to as the third-

PART 1 OF 3 ENDS [00:14:04]

Jim:

And right now Social Security is referred to as the third rail of politics for that reason. Older people have paid into the system their entire life. This money has been taken from them that they could have invested and done other things with, and a lot of them are dependent on the program. And if you try to say, "Well, we're not going to pay full benefits," anyone who did that would be political suicide. So, they're going to do one of two things. They're going to either increase payroll taxes, or a combination of two things, or they're going to borrow the money and push it on to further generations. But to say that the benefits will be cut just like that, I don't see it happening just from a political perspective.

Bill:

So, you don't see benefits cut. I don't either. One of the other things that goes along with Social Security ... Social Security's been with us since the Great Depression. Was it 1935, 1937 when Social Security first kicked in. And it went along as probably one of the only significant federal entitlement programs or transfer programs until the mid-'60s when we had the Great Society, and that launched the Medicare and the Medicaid program. And the word entitlement didn't even come into the English language in this sense until 1942 when some bright politician, I think, figured out how can we create a very attractive word for something which is basically going to be another tax on us, so they called it entitlements. And entitlements have just exploded in the last 50 years if you count all six or seven major programs. Medicare is not more fiscally sound than Social Security, is it?

Jim:

It's basically in the same position. There are different ways of measuring the financial condition of these programs, many different ways, but I think the most honest and intuitive way is something called a closed group obligation, which, by the way, approximates the manner in which the government forces private businesses to report their finances. They have to use these generally accepted accounting principles, and what it means is this. Let's look at everyone involved in the program at the moment, taxpayers, beneficiaries, and let's estimate how much in taxes they're going to pay over their lives, how much in benefits they're going to receive over their lives, and look at the difference, and that approximates the burden passed on to future generations. You know what the difference is for Social Security? It's about \$32 trillion.

Bill:

Wow.

Jim:

People have a hard time wrapping their head around a figure that big, but it's much bigger than our national debt, and it amounts to \$187,000 for every person currently paying Social Security taxes. That is what the program as it now stands is passing on to the next generations.

Bill:



Well, that's just Social Security.

Jim:

Yeah.

Bill:

That's a stunner. We call our national debt, I think it's now \$22 trillion. It seems to me, and the reason I think this is such a concern to everyone is that we're running these huge budget deficits, and I don't think most people appreciate what percentage of our federal budget goes towards transfer payments, whether it's Medicare, Medicaid, Social Security Disability, whatever. You and I were talking about this before the show. Why don't you do the math?

Jim:

Sure. In 1960, 18% of the federal government spending was for social programs.

Bill:

1960, how much? About a quarter?

Jim:

Eighteen percent.

Bill:

Eighteen percent. Okay.

Jim:

So, about a fifth.

Bill:

A fifth, okay.

Jim:

About a fifth. These are the wide variety of programs generally favored by people on the left that socialize the risk of living, whether it's old age, whether it's your health, whether it's if you lose a job, if you don't have money for food. These are essentially the progressive agenda items. In 1960, 18%. Come to 2016, which is the latest data from the Bureau of Economic Analysis, it's up to 63%. It's more than tripled.

Bill:

So, that means that the federal government is not ... People talk about we're spending money on the military, we're doing infrastructure, things like that. Doesn't seem like there's a lot of room to do that if we've got that kind of transfer payments. It seems like the federal government's just basically turned into one big pay agent. Is that ...

Jim:

Someone ... You mostly described it as a retirement plan with a military as our central government.

Bill:

Oh, is that right?

Jim:

Yeah.

Bill:

That's right. That's the way they used to describe General Motors, a retirement plan with a couple automobile companies underneath it.

Jim:

Right now, military spending is approximately 18% of all federal spending. If you go back to 1960, the military was 53% of all federal spending. So, social programs and the military have essentially swapped places. I've got a really neat chart on our website at [justfacts.com](http://justfacts.com). Click on National Debt and Causes of the National Debt and you can see the change over time is really dramatic.

Bill:

Yeah, I should have mentioned that. You can be found ... And you could probably just watch or look at the website while you listen to this. It's [justfacts.com](http://justfacts.com) and you've got all this data on there?

Jim:

It is, and it's all documented, rigorously documented, but with credible primary sources. One of the things we do that's unique is we dig back to the original source of the data. We don't go to someone's interpretation of it. We go straight to the data source.

Bill:

I think I'm looking here through my pile of papers in front of me, because we did a little research on this before the show, but the percentage of the federal budget or the percentage of GDP that was spent on defense in 1960 was about 7%. And even with the Iraq war and the war in Afghanistan, I think in 2016, that percentage of GDP had dropped about 3%. So, people talk about military spending, but at the same time, the percentage of GDP that's devoted to federal transfer payments ... You probably have that number. I think it's gone from like 13% to 30%? Does that-

Jim:

I don't know off the top of my head. That does seem a little high, though. I don't think it's quite that high. But just take the defense figure and multiply it by 3 or 3.5, and there's your figure. It's probably about 15, 14%.

Bill:

Okay. Well that's a big number. The political problem here interests me because we've been talking about Social Security and we talked about Medicare, but some really big programs that have started up have been disability and, let's see, the SNAP, the food stamp program, other things like that. And if you look at these entitlement programs and you look at a map of the United States and you do it by county,

by county, by county, the hundred largest ... The states which use the most transfer payments, entitlement payments, receive the most. Of the top hundred states which are receiving on average, I think, about 55% of their income from entitlements, 75% of them voted overwhelmingly for Donald Trump. There're red states. And when you think about the political issues, Trump country is rural, in large part, and so are the recipients of these programs, and they're red.

Bill:

And so, whatever you think about Donald Trump, and I think he's doing a pretty good job in many ways, one of the reasons I don't see him trying to go after these programs is (a) his voters are big beneficiaries, even though they talk about smaller government. And that's both in the rural areas, but it's also the retiree class, which I think voted for him about 60%. So, as you pointed out, they're not likely to vote the cut their Social Security. If I'm a millennial, I would start trying to figure out how to do something about this because it's not a ... This train is not going to end up with anything other than in a wreck status.

Jim:

Hmm. Early on in Trump's campaign, he made very clear and emphasized, "I'm not going to touch Social Security and Medicare." I think he has very good gut instincts about politics and realized, hey, let's just take these things off the table. So it is correct that a lot of older people who are receiving these voted for Trump, but I think it's a mistake to break down these demographics and political trends by state, because within states, there's a lot of variation. What you have is a lot of the people receiving means-tested welfare, they're generally voting for Democratic candidates and there happens to be a lot of those people in the poorest states. But I think if you were to drill down to a county or a district level, I think you'd see more that the people who voted for Trump, middle class, upper middle class, are not receiving a lot of these programs except for the retirees. Most of the blue collar workers are not getting much of this, although they will as they get older.

Bill:

Well, so what do we conclude? That he would find a mandate if he wanted to go after this? Because this is by far and away, as I said at the outset, I think our biggest problem. Politicians want to please their voters to hold power, and you find Marco Rubio now wants to provide another entitlement program, retirement benefits for family leave. Now regardless of the merits of people needing leave, this is a program which we ... And he wants to pay for it through taking money from Social Security. But what will happen, in fact, is we'll end up with this program, but then we won't end up taking anything from Social Security, so we'll just be piling on. And so you've got a Republican who's all for an entitlement, and he'll probably find others that will support him in this.

Bill:

The other things I've noticed about politicians ... I think I mentioned that I studied accounting. Most of them don't do math very well.

Jim:

Exactly.

Bill:

They don't really understand the spreadsheet that this ... You run these numbers out, it ends very badly. The other thing is that politicians are so short-term. We're talking about a longterm problem that I don't

find the political capital or political will to address. Now you've been thinking about this a lot. How would that happen?

Jim:

Well, how do we address it or what are some of the dynamics applying [crosstalk 00:25:54].

Bill:

We've identified problems. I've always liked to find lines of action.

Jim:

Okay.

Bill:

Is there anything we can do? Anything that would be a policy strategy? I've got some personal strategies I think people should pay attention to, but if you were king, what would you do?

Jim:

Gotcha. I just want to say I think you're right on about the potential for these programs to grow. But when LBJ started Medicare, he said, "The most it's going to cost you is a dollar per person, per month."

Bill:

Yeah. How'd that turn out?

Jim:

Now, it's essentially unlimited because they took the cap off the payroll tax. And also long term and politicians' ability to do math, one of the big problems with both of these programs is that people are living longer, which is great. Hey, it's modern technology. It's progress, but these programs are-

Bill:

I'm not suggesting people living shorter lives would be the good side.

Jim:

Yeah. But government from a financial perspective has a stake in you dying young. Right?

Bill:

Yeah.

Jim:

It's less money they have to pay you. So that's not a good dynamic to have in play there, for whatever it's worth. But the average person, the average male, 65-year-old male, now receives Medicare for 41% longer than he did in 1965 when the program got started. So, one of the simple things we can do to help both of these programs is index it to the average life expectancy of a 65-year-old. Now people who are opponents of this will say, "Wait a minute, you can't do that because the birth rate of people ... Infant mortality's gone down and we have to look at ... It's not a fair measure of life expectancy."

Bill:

Right.

Jim:

They're not hearing what I'm saying. I'm saying the average life expectancy of a 65-year-old, we have data on that. We index it to that, that would resolve a major part of the problem. Another thing that could be done and has been done in dozens of countries is to give ...

PART 2 OF 3 ENDS [00:28:04]

Jim:

... has been done in dozens of countries is to give Social Security an element of personal ownership. See, people think the money's theirs, the government saved it for them, and that's why they support the program. But the program doesn't work that way, and it could work that way. It can be a gradual transition. What we can do is instead of the government taking the money and spending it, would actually go in a guarded account that we could invest within certain confines that say, well, you can't toss all the money into the lotto or gold or whatever you want to do. It would be a controlled fund or a series of funds to some degree. These have worked out tremendously well in other countries.

Bill:

Why hasn't that happened here?

Jim:

I think it's a political issue. When Bush proposed it when he was president, the second Bush, the Democrats went out and said, "Oh, he wants to gamble your money in the stock market," and people just collapsed. It just couldn't get any traction. But they're not understanding how it works. There's risk inherent in everything. If the stock market collapsed, government income would collapse, and it did during the Great Recession. There's risk inherent in everything. But if you look at the market over the long-term, which is what this would be, a 40-year period, the return on investment is so much better than what Social Security gives people. Even under the worst 40-year scenario, the risk is much greater keeping the program as it is than moving through a system like this.

Bill:

Well, a Social Security system's based on no return at all except compounding for inflation. Essentially there's no build up of your capital based on some sort of market return. You're right. I mean the idea if you get a long-term investment portfolio, equities are by far the best place to be. You may have a year like 2008 where you want to go shoot yourself because you've lost half its value. Then you look at what's happened since 2008, the S&P just celebrated its longest bull market run in history just recently in August of 2018. That equity market'll go down, but it's going to come back up. I think the average returns have been, what, about 6, 7%, 8%, by far being bonds and commodities, so I'm with you on that. But I remember Bush pushing out that strategy or that policy, I think it was 2004. He didn't really articulate it very well. Didn't sell it very well. He just kind of set it out there and let it simmer and nothing happened. He didn't seem to have the political will to want to make it happen personally, and I wish he had.

Jim:

We all know he wasn't great in front of a camera, so he didn't articulate a lot of things very well.

Bill:

No, but he was working hard. He was always working hard. Remember he was always-

Jim:

You got that Bush head shake when you did that.

Bill:

"I've been working hard. We've been working hard. I'm the decider." I think he didn't ... I mean he's not one of my favorite presidents, but that's a subject for a different day. One of the things I think about this is listening to people ... If you're listening to this, you're wondering, "Okay. Well, these guys are talking about some sort of doomsday scenario for the financial commitments that we've made to people and can't keep." I call this a bubble in government promises. I mean government has promised us all these programs. They're working now because we're doing pay-as-a-go deal, but it's really not sustainable. As an individual, what would you do if you're, let's say, Jim Agresti 40 years ago and you know Social Security's going to broke, what's your personal strategy?

Jim:

I think I probably would have done what you did, which is go after money and establish some sort of security for my family. Even if you have a lot of money, a scenario like this can turn really ugly pretty quick. Government has in the past had very high confiscatory tax rates for certain people in certain situations. The fact of the matter is the 1% that people ... the government, the media and the Democrats harp upon, they're an easy target politically because they're only 1% of the electorate. The media makes that very easy by constantly misleading people about the contribution of the 1% to taxes. They trot out misleading figures that don't count all taxes or all income. Really when you look at the effective tax rate, all taxes divided all income, the 1% pays about 34% of their income in federal taxes as opposed to 12% by the middle class.

Jim:

Just Facts every year does a poll of public knowledge about public policy. This is one of the figures, the facts, that the public is totally misinformed on. In upwards of about 68% of the general public thinks the middle class pays a higher effective tax rate than the upper 1%. It's dead wrong. It's not even close. Yet the media continually propagates that narrative. So you could sock away a ton of money, put yourself in a great place, but when the stuff hits the fan, the electorate will turn on you because they're miseducated about this issue. They see you as a cash cow. And they'll come after your money. They've done it before, and I think that's where this is headed. Even if you invest and save and put away money for a rainy day, it might not be there.

Bill:

Well, I'm more optimistic. I think probably your personal strategy still ought to be get out of debt, save your money. My other personal strategy is invest in yourself. In other words, get yourself educated and get yourself some marketable talents. There was a saying about the Jews exiting Europe when fleeing from the Nazis in the '30s. One of them said, "The only thing we could take with us was what we could put in a toothpaste tube and what was between our ears: our talent and our brains." They've done well. They've prospered. I think of wealth as really what you know how to do. If I'm 35 years old and listening

to this and I'm hearing these two old guys talking about how there's going to be confiscation, that sort of thing, I'd invest in marketable strategies that let you thrive in any political climate.

Bill:

Getting back to one of the points you made, the distortions in this 1% world, this income inequality world, are astonishing when you look at what our topic is. When we measure income and equality, and Phil Gramm wrote a piece on this in the Journal not too long ago, we use something called the Gini coefficient which is the ratio of ... If everybody earns the same amount, it's zero. If one person earns everything, it's 1. By that measure I think the US according to the conventional calculation is about .38 and puts us very high in terms of income inequality.

Bill:

Then you dig into that, and it turns out that the calculations don't include the entitlement programs. It excludes Medicare and Medicaid, and it also includes another federal redistribution programs. If you take a look at the total, it's about \$1.3 trillion that isn't included in people's income that's coming to them through an entitlement program. If you look at our Gini coefficient, if you add that in, we're below Japan in terms of income equality. We're below Australia. We're below the United Kingdom and really pretty much on a par with Canada. So these facts that people use in public policy are not ... Wait, I should give a guy called Jim Agresti a call, a guy who's got a firm called Just Facts and get it straightened out. Were you aware of that distortion?

Jim:

Yes. There's another really important distortion. By the way, what you're saying reminds me of something that my high school statistics teacher said on the first day of class which is that statistics don't lie, but liars make statistics.

Bill:

And politicians.

Jim:

Yeah. What you say is true. There's another factor too. Even if you include transfer payments and entitlement programs and everything, benefits, and you look at all, there has been a pronounced increase in the Gini coefficient for households over these past decades. When you chart it out, which we've done in our research on income wealth and poverty, you see a pronounced rise. However, that's for households. We've had a tremendous shift in this country in households separated, divorces, single family households, whatever it may be, people living longer on their own as singles. When you look at the Gini coefficient for individuals, which is really what matters here, it hasn't changed at all. It's been essentially flat. Again, I see these charts in the media. I see them put out by think tanks: "Oh, it's so horrible. It's getting worse and worse," I hear it from politicians, but they only give you half the story, and sometimes half the truth can be a total lie.

Bill:

That sounds like a very wise statement to end on. Jim, where can we find you, at justfacts.com?

Jim:

Yep, you can find us there. We also have a fact check website, [justfactsdaily.com](http://justfactsdaily.com) where we hold the media and academia and also these so-called fact checkers to account because a lot of times what they're doing is not really looking at facts but calling up expert side that happens to agree with a certain viewpoint. That's not facts. That's opinions.

Bill:

Well, thank you. I want to just wrap up here. My takeaway is that we can agree that entitlements have exploded in the last 50 years. We're not paying for them with savings. We're paying for them with huge deficits and that the amount that's going to these amount to two thirds or by some estimates almost three quarters of the total federal budget. The political will to change it is really not there. My conclusion is you need a personal strategy to deal with this, and then we all ought to become activists and get the politicians to do the right thing but be prepared for tough times when the numbers no longer work for everyone. Anything to add, Jim?

Jim:

That makes perfect sense, Bill. I thank you for this time. It was great to be here.

Bill:

Thank you.

Jim:

I thought it was a very meaningful discussion.

Bill:

Very interesting. Jim, we'll have you back. There are a lot of facts that we got to dig in to, so thanks for your work on Social Security and entitlements today.

Jim:

Pleasure.

Bill:

Thanks everyone. Thank you. Talk soon. Bye.

Maureen:

Great show.

Bill:

Great. Lots of stuff in there.

Jim:

All right. It's a wrap. Thank you. Really did appreciate it and enjoyed the [substantive 00:40:11] discussion.

Bill:



Well, I'd like to get you back on. We'll find another topic because one of the reasons I wanted to do this, we can do these show a lot more often. I was stuck into a schedule once a week with the people in the studio and production and things like that. We do these spur-of-the-moment, so if you get something that you think has got appeal right now, you want to get it out there, I'll help you be one of your soapboxes.

Jim:

I appreciate that. How should I do that? Just write you or-

Bill:

Just drop us an email. We're very informal.

Jim:

Okay.

Bill:

Just shoot an email, text, something like that: "I've got something here I think we ought to get out there."

Jim:

Okay.

Bill:

I also might get you on with somebody else who ... I don't do opposition stuff. I think there's too much of that. I'm more interested in taking big topics and breaking them down with facts and with argument and not necessarily having two people who are never going to agree sit there and shout at each other. So I might get you back on with somebody else who offers a different take on the same thing but agrees pretty much with our philosophy. Is that-

Jim:

Mm-hmm (affirmative). Yeah, be happy to do that.

Bill:

Okay.

Maureen:

Yeah, great.

Bill:

So we got a future date.

Jim:

All right.

Bill:

All right, Jim.

Jim:

Tell Maureen, take care.

Maureen:

[crosstalk 00:41:30].

Bill:

Take care. Bye.

Maureen:

All right. All right, end meeting.

Bill:

You know-

PART 3 OF 3 ENDS [00:41:39]