

Speaker 1 ([00:00](#)):

Okay. Next we're going to have an interview style panel and it's going to be with bill Walton and Steve Moore. Bill Walton is managing partner of Rappahannock Rappahannock ventures, a private investment firm and host a weekly podcast. The bill Walton show, he served in president Trump's transition team is a leader of the agency action and landing teams for all federal economic agencies and was chairman and CEO of allied capital corporation. Bill is president of this organization, CMP and a member of CMP action inc board and then his wife and by the way, he and his wife Sarah, who is here this weekend live in Washington and in Virginia. Then Steve Moore, you probably all know him already, but let me just tell you a little bit about him. He is a distinguished visiting fellow for the project of economic growth at the heritage foundation where he focuses on advancing policies that increase the rate of economic growth to help the United States retain its position as the global economic superpower. He works on budget, fiscal, and monetary policy. He formerly wrote the economy and public policy for the watch for the wall street journal and he served on a member as a member of its editorial board. He founded the free enterprise fund and calls for the creation and calls for the creation of club for growth, the defining moment of his career. So please welcome both bill and Steve

Speaker 2 ([01:41](#)):

[inaudible].

Speaker 3 ([01:41](#)):

Well, these are interesting times especially to talk about economics and our money. Steve and I have known each other forever and two weeks ago and we talked about our conversation. The sky was blue, you know, maybe a little cloud here or something like that. Or our 401k was just brimming and we're feeling pretty good about getting on a plane and coming to San Diego. Well that was two weeks ago. Well, it's changed. We are now, it's changed. And we're building on a solid economy, a terrific economy that we haven't seen in a long time, maybe ever. And it's largely due to the accomplishments of the Trump administration. And I think to put everything we're experiencing right now in context, I want to talk with Steve about how we got to where we are two weeks ago and then a little bit later on we're going to talk about about recent events and, and what that means for us. We're also going to be having a breakout session with Mark Scouts and, and, and John. Anyway, we'll come back to me at one 30 and we're going to have a big round table about this big discussion. We'd like to have you all there cause you may know more about some of the things that are going on in particularly with the via virus than we. So it'd be

Speaker 4 ([02:59](#)):

a great way to interact on that topic. Steve, welcome. Thanks for having me bill, thanks for putting this great conference together. By the way, isn't bill a great chairman of this great organization? Thanks everything back. So let me just kind of start by saying, you know, I saw the president a few weeks ago with my buddy Larry Kudlow, but there were various, the best man in my wedding. So he's my best friend in the world. Isn't it cool that Larry Kudlow is the most important economist in the world today? And so we were, you know, we're talking with the president and you know, it's so interesting because it was almost exactly four years ago that Larry and I started working with Trump, you know, putting this economic plan together. And I've been thinking about this bill about, here we are four years later, and I said this to the president, I said, this stuff is actually working better than I thought it would.

Speaker 4 ([03:49](#)):

You know, it's, it has been an incredible economic boom that we're living in. There is a big difference between a recovery and a boom. And by the way, we'll talk, I mean, look, the last two weeks has changed things a little bit, but I wanted to talk about how well the economy has done in the last three years because it didn't happen by accident. This was a result of our policies. They really do work. So, and then bill, why don't we just kind of have a conversation about what you worked on tech policy with the administration when it came in, what were the key elements to that and how's it played out? Sorry. The key elements. So, all right, well let me show you, I'll start with that and I've got a few charts so I'm going to skip forward to that. Have just a, yeah, so, so this was the critical thing.

Speaker 4 ([04:39](#)):

I mean the, the tax cuts, I say there were like four things we did. We did the tax cuts, we did the change in trade policy, we did the deregulation of the energy. So tax cuts were pretty fundamental. This is one the better way. These are, these are charts that I want to make available to everybody because they're a great way to argue with your liberal friends. But this is something we showed Trump. The blue line is just the highest tax rate in the United States over the last 50 years. In the red line is this year of taxes paid by the rich. And you can see, look, the blue line, I mean it's, look what happened to Reagan. Is that amazing? We took the highest tax rate from 70 to 50 then down to 28% I mean that's a gigantic reduction and the red line shows what happened.

Speaker 4 ([05:15](#)):

The tax revenues paid by the rich. Isn't that amazing? It's like a paradox. As the tax rates went down, the share of taxes paid by the rich went up because the economy boom exactly as we had predicted. That's called the Laffer curve effect and it really does work. And then many of you seen this. I though I'd love to just show this. My favorite quote from modern economics, it's John F. Kennedy is a paradoxical truth that rates are too high in revenues are too low in the soundest way to raise the revenues in the long run is to cut the rates. Now, can anybody think of a single Democrat alive today who believes that? I mean by the way, if John F. Kennedy were alive today, he would be a Republican. He would be a Republican. There is no doubt about that. And so then this is the, you know, you asked me about the tax cut.

Speaker 4 ([06:01](#)):

This is it a bell. So the black line, this isn't, you know, the black line on the top, that was the federal tax rate for the last 40 years under the United States, the federal and state rate and the green pillars you're looking at, those are the declines in the rates that were charged by all the countries that we compete with. That's China in India and Mexico and Europe and Australia and all the major countries we can compete with. And we showed Trump this and we said, look what's happening sir. The, the, all these other countries are cutting their rates. They're, they're involved in kind of Reaganomics. And the reason they were doing this is cutting their tax rates. Bill was to steal our jobs in our factories. So what it's cutting the corporate tax rate do for investment productivity growth here in the United States. So it's a great point.

Speaker 4 ([06:45](#)):

So look at where we were in 2016 right when when Trump came to office, we were at 40% and the rest of the world was at closer to 20% so it was almost like we were putting a 20% of the way we put it to Trump is let's, that's like putting a 20% tariff on your own goods and services, right? Who does that? That's just economic massacres. And we showed this to Trump, I mean kind of great story bill. And we said to Trump, you know, we recommend that you cut that tax rate from 40 to 20% so that we're, you

know, where the rest of the world, where you do 28 from 40 to 20 cause that would put us like it's such a classic moment and Trump sits back and says no. He said I want 15% as the first time anybody wanted to cut rates more than Larry Kudlow.

Speaker 4 ([07:28](#)):

And I said, we said 15 interesting. That was the plan. And really this is an interesting insight about Donald Trump. You've heard me tell this, but it's a great little story. So we said, okay, Donald, we called him Donald back then and when he was candidate, now we call him president Trump, and we said, if you want 15 we'll put it in the plan. And from that moment until the, we passed the tax bill on December 20th, 2017 Trump was always at 15 every speech he gave, every declaration, every member meeting you have with members of Congress, 1550 he even said to Paul, Ryan and Mitch McConnell, don't even bother to send me a tax bill if it doesn't have that 15% rate. Well, it's December 17th, 2017 you all remember that we needed to get 50 votes in the Senate to get it passed. And remember, we only come up with 49 on Obamacare and we're sitting there on the, in the white house waiting for Mitch McConnell to come back to tell us if he had those 50 votes.

Speaker 4 ([08:19](#)):

And he walks right into the president. He said, mr president, I'm so sorry I failed you. I did everything I could and I know you're going to be so mad about this. He said, but I failed you. I couldn't get you that 15% tax rate. He said, would you take 20% and Trump kind of jumps out as chair. You know, he was so happy and I learned something, something from that meeting that if you want to understand Donald Trump, you have to read the book, right? What's his book? The art of the deal. And it's so interesting because I do believe, I always say thank God Donald Trump did not listen to our advice and take 20 cause we've started at 20 we would've probably ended up at 25 so we ended up at 20 and now what's happening is we're just sucking in capital from the rest of the world. Bill, one statistic, that's a great one that we should all use since we did this tax cut. Remember we did something called the repatriation where we let countries, companies bring money back to the United States at a 10% tax rate. Bill, you know how much money we brought back over a trillion, a trillion dollars folks. I mean you don't.

Speaker 5 ([09:20](#)):

This stuff works. How many jobs can be created with \$1 trillion. So that was,

Speaker 4 ([09:24](#)):

that was one of the most important things that we did, I think. So what's been the fast forward? It cut it. We brought back some, some capital. We brought back jobs. What's it done for productivity or, well, let me show you what's going on with that because I think it's, by the way, these are kind of fun ones, you know, in terms of whether, oops, whether there's been a Trump effect on the economy, is that not, Oh, sorry, I'm pushing the wrong button. Look at this. Remember, these are all the predictions that I always, if you notice lately that people are saying, because we've got this booming economy. If you listen to what the liberals are saying now, all right, how many of you heard him say this? It's the Obama economy, right? You know, that's what they're saying. Now Trump just Obama himself said that.

Speaker 4 ([10:07](#)):

Yeah, he tweeted it out last week. He said, yeah. I said, is he going to own this economy? Exactly. As soon as he said that the market started to fall. But look at these predictions. But people, you know, if Trump wins, there's a market crash and, and this is my favorite one. President Trump will destroy the

world economy. This is what they remember. This, this is what they said during the campaign. Now we've got the best economy in 50 years. And so now they're taking credit for it. And I was asked recently, Steve, do you think that this is when I was doing CNN, do you think that this is just the Obama effect? I said, yes, this is the Obama effect. It's the fact that Barack Obama is no longer

Speaker 5 ([10:46](#)):

the United States. That's why we have this great Academy. But

Speaker 4 ([10:51](#)):

you asked me what's this? So look at this. This is what I showed to Trump just a few weeks ago. He was doing cartwheels in the oval office. This is what's happened to blue collar jobs. This is, Trump is a blue collar working class president. We're the ones who represent the interests of the working class. They don't care about working class Americans and look at what's happened with mining jobs, construction jobs and manufacturing jobs. 1.5 million new blue collar jobs since Trump took office. That's an amazing one. Then you all know this, our quote, a racist president has created the lowest black Hispanic and Asian unemployment rate in recorded history. Does that sound like the policy of a of a, of a racist and then just you know the what has been the effect? This is my favorite one. Look at the small business optimism folks. This was taken 24 hours.

Speaker 4 ([11:40](#)):

This pole, you see where the red line just go straight up on that chart. That was 24 hours after Trump was elected. I still think he's going to bet a 65% approval rating among small business. Exactly. And look at it. Not, Oh by the way, ask people who do that poll and I fib. They said they'd been doing that for 50 years. They've never seen anything like that. Leap up in puffiness and in has remained positive ever since. And then the other one in the bottom corner, bill is how the American people feel about the economy. This is another poll has been taken for the last 50 years under Obama. Under that, you know, under the the Messiah that never got over 34% never in eight years did the number of people who thought the economy is good or great, the highest number was 34% anybody know what? This is a little out of date, by the way, I apologize. The latest numbers just came out about three weeks ago. The percentage of Americans rate the economy as good or great today is 71 per sec,

Speaker 6 ([12:34](#)):

71% so there's been a real, you know, we can, we can get pretty wonky

Speaker 3 ([12:40](#)):

that fiscal, monetary policy, trade policy, that sort of thing. But there's another policy that I think is important called rhetorical policy. The wet rhetorical making this up as I go. It's when you have a president who says to you, you didn't start your own company, somebody else did that for you. You tend to think, you don't think very good about Trump has come in. And what do you think? Just the effect, I know what I think obviously, but what do you think the effect has been just talking up the economy people, how much of a factor do you think is that in terms of the numbers? You know it's so interesting you ask that bell because you and I worked on the transition. Remember when Trump came in? You were, bill did an amazing job. He was the head of the transition. I was a small cog and Matt [inaudible] plans for 26 agencies and they're not doing any of the good stuff, but they're doing.

Speaker 4 ([13:26](#)):

And remember, you know, you had many of these more meetings than I did, but the way the transition works is basically you sit across the table right from the outgoing administration at some point and you kind of hand the football off and met the people. That's when I saw it first hand. I mean the Obama people hated business, right? They really regarded, their job is to block our businesses from succeeding. And you know, you saw it firsthand. These were like, you know, just left like left wing activists who were running these agencies when you put people in charge who actually want businesses to succeed. And so when people ask me, bill, what's the most important thing Trump has done? I think it's just the change is, you can call it the rhetorical effect. It's the attitudinal effect. Now businessmen, how many of you in this room own or operate a business? I mean a huge number of you, you're the spinal cord of the American economy. It makes a big difference when you change from having a community organizer to an actual businessman in the white house.

Speaker 6 ([14:27](#)):

Right? I mean that makes a huge difference. And I think that's the number one factor that

Speaker 4 ([14:33](#)):

no know that the, this administration is going to hit him over the head with a Billy club. And it was, it was Obama who said as you just put it, you did not build that. And that is, that is just offensive to anybody in this room who built a business, isn't it? It's offensive to say you did not build that. Pocahontas said it to, she said it to send it to. So you've done a lot of work on regulation. What's the, what's life been like regulatory world with, Oh, by the way, let me just show you this. This is really cool. One, this is maybe the most important reason Trump is going to win a massive reelection. This is middle class incomes. I'm not talking about bill Gates. I'm not talking about rich people like Warren Buffett or people like LeBron James or people like bill Walton.

Speaker 4 ([15:15](#)):

I'm talking about middle class median family income under Bush. I hate to tell you it did nothing under Obama. It increased by \$1,000 in eight years. In three years in office. Donald Trump has raised middle class median family income of \$4,200. Can you believe that? So in half the time he is raised incomes four times as fast. And I would submit to you, this is the single most important statistic that people pay attention to. What is happening in their wall is Reagan used to call it, you know, after tax real income. And that's soared under Trump. Now on the regulatory front, this is my favorite chart and you had a big part of this bill. Look at how the trend in regulation under a under Obama and in just the first two years, I don't have the third year numbers yet. He's reduced regulations by one-third. By the way, I hate that they're only doing about 25% of what we recommend. Exactly. Now there's a lot of low hanging fruit. There's a lot to be done. And by the way, Trump did lie to us because remember he said, do you all remember what he said? If, if I'm elected president for every two now for every new regulations I'm going to repeal to, do y'all remember when he said that he lacked for every new regulations we were repealed? 22 regulations.

Speaker 5 ([16:32](#)):

That's a pretty amazing.

Speaker 4 ([16:37](#)):

So the, let's do something specific. What's he done in the EPA? Well, the most important thing he is done at EPA is shutdown the war on coal, the war on oil, the war on gas. And by the way, the re, I'm so

glad you asked about this. I think the one of the most important issues we need to hammer the left arm every single day is this radical anti fossil fuel agenda. We are, we now in the United States, have 9 million Americans who are employed in coal, oil and gas. We have more oil and gas and coal than any other country in the world. You know the idea that we're going to shut this down, it's a lunatic, right? I mean, that is the craziest thing I've ever heard and I'll show you another chart on this if I may. This is what's happened with energy policy. So look at, look at what's happened to our oil output. 10 years ago. We're importing \$200 billion a year in oil and gas. Today we are exporting 200 billion. We are for the first time in 50 years an oil and gas export, or thank you, Donald J. Trump. That's an amazing,

Speaker 5 ([17:48](#)):

we are not going to shut down and

Speaker 4 ([17:51](#)):

Oh, by the way, this is the fun one, bill. I know we were running. These are the Wells there'd be. How many of you live in Pennsylvania, Ohio in the Midwest? How many Midwesterners are here? So Pennsylvania, Ohio's economy had been totally rebuilt by the shale revolution. This is the Marcella shale. And just to put this quick, sees all the red and blue and green dots. Those are were all the Wells had been drilled. Any new Yorkers in this room? Not a single new Yorker. Come on. Oh, the new Yorkers. There's one owner side moved out. I'm sorry if you're live in New York, but you see the Marcellus shale goes up in New York. Do you see the New York and Pennsylvania line there? That's where you see all the Wells there, right at the Pennsylvania, New York border. New York has decided they're not going to allow any drilling.

Speaker 4 ([18:30](#)):

So capitalism is such a wonderful thing. You know what they're doing in Pennsylvania and see the wrong right there at the border, they're drilling down, they're going underneath New York and they're taking out other Island gas. Don't you love that? So this is totally but no serious. There's a serious point here. How in the world if you're Bernie Sanders or you know, or your Bloomberg or your bird, you know any of the killer bees, you know Biden, they've all basically said they're going to shut down oil and gas. We have to make the point that this is going to destroy jobs in Pennsylvania and Ohio. Two of the most important battleground States. We are all in for drilling. And by the way, for those who think, Oh, we can't do this because we have to worry about climate change. Everybody has different opinions on this, but I will say this, this one of the single greatest things. How many of you with me on this? Then one of the single greatest things Donald Trump did for our Academy was pull America out of the anti

Speaker 5 ([19:22](#)):

America Paris climate accord. Thank you Donald Trump. That was an absolutely miserable deal and Trump was a savior. Danger

Speaker 4 ([19:30](#)):

belt. He like sees the future. Remember what he said, went in with people out. He said, we're pulling out cause none of these other countries are going to comply with the deal. Well, here we are three years later and look at this, not one country now, one of them is complying with the Paris climate accord. Now one of them. What a shock that a country would, would not, you know, would violate a treaty that never happens. And not only that, only five countries or even half of the way there. Now here's the kicker on this bill. This is my favorite part of the story, who I will give an a free autographed copy of my, and you

can answer this one cause I know you know it. What country of all the 50 largest countries in the world in the last three years has reduced its carbon emissions the most?

Speaker 4 ([20:14](#)):

Raise. Be honest. How many of you raise your hand if you knew the answer to that, but the United States has reduced its carbon emissions more than for those of you who didn't raise your hand, you can be excused because you never read that in the media. Right? Did you know that by the way, bill? I, I, I'd do it after you told me, cause I raised my hand afterward carbon emissions more than any other country in the world. Now for a bonus quiz question, there's a two word answer that's an answer shouted out if you know it. What is the reason that we're reducing our carbon emissions? I heard a lot of people should gas. It turns out natural gas is a wonder fuel. It's cheap, it's abundant, it's made in America, it's reliable and it's clean burning. It's everything that you want in a fuel, right?

Speaker 4 ([20:58](#)):

And yet the left is against it. By the way, there's one other form of energy that we could use if climate change became, you know, this disaster that AOC thinks it will be, that that would reduce our carbon emissions virtually to zero. And one is that nuclear power, the, I call them the two ends, nuclear power, natural gas. And by what the way the left is opposed to both of those, which means their real agenda here is destruction, shutdown our capitalist free market economy. It's not the clean up the environment, right? I mean this, there's a hidden agenda here. It's not about cleaning up an environment.

Speaker 3 ([21:30](#)):

Well, let's talk about the media and their role in talking down the Trump economy. You've got, he wrote interestingly about Paul Krugman and Steve Rattner and some other people.

Speaker 4 ([21:39](#)):

They were all wrong. Every one of them was wrong.

Speaker 3 ([21:41](#)):

Yeah,

Speaker 4 ([21:43](#)):

I mean we were right. We were, look, this is not rocket science, right? [inaudible] my son would say, this is not rocket surgery. This is this very straightforward stuff. Three markets works. What would Mark Scott was on, was talking about is absolutely true. The goose that lays the golden eggs is the free enterprise system. Trump deregulated, he cut taxes, he promoted NERC and energy and by the way on trade. That's the other force stool at the table. You know, I actually think when I first met Trump, I, he and he asked Larry and I had to work for him. We said we wouldn't, we didn't want to work for him because he was a protectionist and I'll never forget. He said, no, look, I'm not a protectionist. I just want to create a better deals for the United States. And I got to tell you, this is a guy who taught me something about this because aren't you proud of what Trump has done with the U S Canada, Mexico trade agreement? And finally, finally getting a deal with China. We finally have a president who is standing up into China and a major, major way.

Speaker 3 ([22:39](#)):

So let's, let's bring us up to today. Elephant in the room. Coronavirus equity market sell off. I think what the market's looking at, they're looking at the supply chain issues. They're looking at the fact that China, China's 20% of world GDP, we don't really know what's going on in China. And the market in particular is in a, in a, what if mode would people gaming out these fantastically negative scenarios. We're not in what is scenario. I mean, I don't think we know anything and that's, that's why if anybody who know a lot about the core norovirus and come to the breakout, so we can learn about that with this state of play is what does this do to the Trump agenda? What does it do to, how do we respond?

Speaker 4 ([23:23](#)):

A couple of comments about that. First, the, one of the most important points we should learn about coronavirus is the sheer idiocy of this idea of Democrats. You know, talking about Medicare for all and a government takeover or healthcare system. Thank God we don't have a government run healthcare system like China does, right? I mean that should be the takeaway. China has seen this [inaudible] rapid spread of this virus because China, it has a repressive government that could, where the government controls the, the healthcare system. And so that's takeaway number one. We never, never, never want to have the government run our healthcare system, right? Never ever. We're gonna allow that to happen. Suck in a bar. You've seen, you know, I looked at the last four major viruses we have what? Murderer sours and Ebola and the pattern was pretty much the same in every case.

Speaker 4 ([24:16](#)):

Big sell off in the stock market bill. When these things hit cause there was a panic and people get afraid and fear drives the stock market, right? It's fear and greed that drives the stock market. But what tended to happen in every single case is as soon as you had a treatment and as soon as you add a stabilization, the market just started to climb right back up again. And you know, I think there's a strong possibility that that is going to happen. What we don't know, bill, what's unknowable is whether that's gonna happen in two weeks or two months or God forbid, you know, six or nine months. Cause we just don't know yet how severe that says. I will say there've been about 26 markets solo since world war II and the average decline has been about 13 14% I think right now we're at about 10 I think 1111 so we're in that range, but the recovery has been within average recovery is almost as short as four months.

Speaker 4 ([25:04](#)):

Yeah. So when, when Trump came into office, when the day he was elected president, a great story, by the way, remember Paul Krugman, you all know who Paul Krugman is, right? The vehicle up. When he said the day after the election at eight o'clock in the morning on MSNBC, I was watching, he was, he said, will the, when will the stock market recover from the Trump economy? He said, never remember that. He said it will never recover. By the way, half hour after he said that the stock market went up 700 points and it just started climbing. So the Dow at that time was 18,000 it was up to 29,000 we remember we were knocking at the door at Dow 30,000 until the virus head. So even with the virus, where at what Dow 25,000 we're still up 40% on the market, even with this big sell off. Well, I think the thing about Krugman is that he's an actually, he's a great predictor of things economic.

Speaker 4 ([25:52](#)):

That's true. Anytime he says this, you do that. Yeah, exactly. No, that's absolutely true. And he says, go left. You go right. No, it's absolutely true. And that, you know, these are the same people. Now, you made a good point when we were talking earlier, bill, that the danger is the left wants to call this what the Trump virus and they're going to make this hit. They're going to make him own. But I think they do

that at their own payroll. I mean, Americans don't like politicizing a public health issue. And you know, when you look at what, by the way, did you see what Nancy Pelosi said? She said, well, she wants to spend like \$15 billion on all these, you know, government programs to deal with the virus. And she said, well how, who's asked, where are you going to get the money to do that?

Speaker 4 ([26:33](#)):

And she said, Oh, we're not going to spend money on the wall. It's like, wait a minute, you're going to tear down the wall. I mean, thank God Donald Trump took the steps to stop people from coming in with this disease, right? I mean, these people are crazy. I mean, really, I mean, that's a lunatic shot that, okay, come on in. You know, come on at any, we took a visit to the wall or the border this week and it's, it's astonishing because you see the barrier we have and it's, it's fine, but just up on the hillside beyond the barrier, before they had it, it was just an incredible slum that anybody could walk through is completely porous. Yeah. And that's, and think about viruses and disease. That's exhibit a for why we need, why we need the border. By the way, there is one thing that that needs to be done from a policy point of view, bill, that I feel very strongly about in response to what's happened the last two weeks.

Speaker 4 ([27:22](#)):

You know, as many of you know that I was nominated by Trump to be on the federal reserve board. I, I'm not that sorry, I'm not on the board except this week. Cause I would be shouting from the rafters. The fed should have cut rates for days at four or five days ago, as soon as this happened. So what we're seeing right now is a very, very steep decline in commodity prices. Silver prices, copper prices, cotton prices, oil prices, gas prices are just falling like a stone. Because what's happening is there's a big rush on the dollar. Anytime you have a big global crisis like this, people tend to buy two things. What are they? Gold and dollars, right? Cause that's our approach to safety. So there's this massive demand for dollars globally right now and the fed is not accommodating. So when you have a huge increase in the demand for dollars and you don't do something, prices fall, that's a really dangerous thing.

Speaker 4 ([28:15](#)):

So the fed should be, should be doing something immediate. They should not wait until March. They should act instantaneously. And I think that would have a big effect in terms of, you know, stabilizing the economy. What are your friends in the white house saying right now? What's that? [inaudible] Sandy or what's Larry saying right now? Oh, he was saying pretty much the same thing that, you know, look, we just don't know how you've written how many books together. Larry and I have done three. But you know, Larry is basically saying we just don't know how severe this is going to be. It may just turn out to be another kind of bad flu. But he, you know, he basically made the point, the fundamentals of the U S economy really are incredibly strong right now and we are just sucking in capital from the rest of the world.

Speaker 4 ([28:58](#)):

The amazing thing is we've been growing at a time when the rest of the world isn't, you know, so you know, Europe is growing at less than 1%. Japan is practically in a recession. Germany's practical in recession, China's economy will even before this virus for the China economy falling down to a one 2% growth, which country? China. China, we don't, you never know what China is. They lie about their statistics, but they, there are certainly, we're slowing down in Germany by the way, Germany, which has been all in on this green energy stuff. They've stalled out. They've destroyed their manufacturing sector. Everybody's looking at the United States. I mean, it wasn't an amazing, the reception that Donald Trump

got in India. I mean, that was amazing. I mean the people around them, they keep saying mean. I find this so ironic. The left says, Oh, our standing in the world is falling so much under Donald Trump.

Speaker 4 ([29:46](#)):

Everywhere he goes, he's treated like Mick Jagger, right? Everybody loves Donald Trump except the left wing media in the United States. So what advice do you have for us about how to, how to feel right now with what's going on with the equity market? First of all, let me say this, if it cademy stays as strong as it's been for the last three years, and I think there's a high likelihood of that, you know, then people, American people don't vote against prosperity, right? They could put mother Teresa on that stage and by the way, there in front of her mother, Teresa and Trump, I believe Trump is going to win a 40 state reelection landslide. Now if it's Bernie Sanders is the candidate, then I think we could actually win 42 44 States. I mean, you know, it's amazing what could happen under that's not, you know, this is, this kind of dovetails with what narc scholars on was saying. The reason I'm for Bernie Sanders as their candidate is because let's have it out, right? Let's have the American people put side-to-side socialism and capitalism because we know that

Speaker 6 ([30:48](#)):

American people will make your life decisions. We do not have socials in our DNA. It is a failure everywhere.

Speaker 4 ([30:54](#)):

Failure of where, by the way, let me show you a chart on that. I know we're running out of time, but this is kind of a fun one. It comes from a report we do every year at the, Oh, this is so easy. I mean, this is just so simple, but it's such an obvious point. Freedom creates prosperity and it creates better health and everything. So this is just, you know, we do at heritage every year there's economic freedom index over the world and this isn't complicated, right? Look at the most free countries versus the least free countries and the most free countries that are in the United States, Switzerland and a few others. And the least free countries or countries like North Korea and countries like Cuba and countries like Venezuela. And look at this, I mean by the virtue of the fact that we live in this great, great, great, great country, we actually have a five to six times higher living standard than people live in these socialist countries.

Speaker 4 ([31:46](#)):

And by the way, we have better health. We have, we Americans live 20 to 30 years longer than people who live in the socialist countries because they have terrible health, they have terrible education. I remember when Bernie Sanders said, Oh, they have a great literary system, literacy system and Cuba. I mean what the hell was he talking about? All they do is propagandize from that country. But the lesson here is you want to move left on the scale, right? I mean, I shouldn't say right, but you want to move towards freedom and we want to move away from, you know, from socialism, communism, Bernie Sanders is whatever you want to call this stuff. And the tragedy is and maybe since the lights are blinking, I will maybe just end on this point bill. What we need to, we are paying high price, ladies and gentlemen for allowing the left to run our school system for the last.

Speaker 6 ([32:32](#)):

We're paying a very, very high price for that and that cannot continue when you have half of college graduates graduating

Speaker 4 ([32:40](#)):

saying we should be more like North LA, you know, more Devo left on the right. They haven't learned the most important lesson, which again, Milton Friedman put it very well. The most important lesson of the last century is that freedom and free enterprise work and socialism everywhere it has been tried is a failure and any kid who wants to believe in socialism, the Steve Moore policy is let's give those kids a one way ticket to Caracas, Venezuela and spend three weeks there and see how much they like those last words. Okay.

Speaker 6 ([33:09](#)):

That was fantastic. Thank you. We're going to pick it up again at one 30 John Clavix going to join us March Coulson and I'm sure seeing gave, gave a lot of cross for questions. Steve, take another bow. Your hero. Take another bow.

Speaker 2 ([33:25](#)):

Okay. [inaudible].