

Episode 146: “These People Are Crazy” with Steve Moore

Speaker 1 ([00:04](#)):

Welcome to The Bill Walton Show, featuring conversations with leaders, entrepreneurs, artists, and thinkers, fresh perspectives on money, culture, politics, and human flourishing. Interesting people. Interesting things.

William L. Walton ([00:24](#)):

Welcome to The Bill Walton Show. I'm Bill Walton. Today, I want to do a deep dive into the economy, specifically the Biden economy with my good friend, Steve Moore. Steve Moore, most of you know is with Freedom Works. He's a Fox News contributor. He hosts a terrific show, The Steve Moore Show on WABC in New York City. He was also an advisor to President Donald Trump, and he's got a new book coming out that's aptly called Govzilla, which is going to be coming out in September, and want I to dive right into everything we've got to talk about. I highly recommend the book, although I just finished reading the first chapter and-

Steve Moore ([01:04](#)):

A little depressing.

William L. Walton ([01:08](#)):

You redefined depressing. Anyway, it's great. Hey, Steve. How are you?

Steve Moore ([01:13](#)):

I'm good. Bill, first of all, thanks again for having me as a repeat performer on The Bill Walton Show. Look, I think this is an extremely dangerous time for our country. And I think what happens over the course of the next three or four months will have decades worth of repercussions. The people who are running Washington right now are out of control. I think they're crazy. I think Joe Biden, Pelosi, and Schumer have an agenda to truly radically transform our country in ways that haven't been done in many, many decades. I think that when I first arrived here in Washington in the early to mid-'80s, we had the Reagan revolution and that was a fundamental shift. No question about it. I don't know if you'd agree with me that on that, Bill.

William L. Walton ([02:01](#)):

I would agree.

Steve Moore ([02:02](#)):

What Reagan did was just reinsert the free enterprise system and free markets.

William L. Walton ([02:09](#)):

This may be a good time to ask this question. Demand-side versus supply-side, Art Laffer, you, and Larry Kudlow were really behind the supply-side revolution. Not many people know what supply-side means, because it's an important thing to understand.

Steve Moore ([02:25](#)):

[crosstalk 00:02:25] It is. It's the productive class, the people who produce things, the people who work, the people who save, the people who invest, the people who start businesses. They're the contributors to the economy. The left seems to think that it's people who are consuming. It's not consumption that causes growth, it's the creative class, the people who work. And you have to reward that. You want to incentivize. I mean, economics is all about incentives. We just had this experiment on unemployment insurance where we paid people more money to not work than to work. Well, what is the incentive? The incentive is to stay home on the couch and watch Netflix. Guess what people did, they stayed home. And I estimate we would probably have 5 million more people working today if we hadn't done that. So what government does and how it affects the incentives of people to work, and save, invest, start businesses, and so on has a big, big impact.

William L. Walton ([03:24](#)):

At 35,000 feet, that's the big difference between the economic policy, which worked for people, and the policies which don't work for people, which is what Biden, Pelosi, and Schumer are pushing our way.

Steve Moore ([03:37](#)):

I've become a little bit more cynical, almost as cynical as you are. I mean, I think for the left, I don't think that there's any kind of philosophy except for the fact that they want power. I think we make a mistake, Bill, in calling the left socialists. They're not. I mean, look, socialists want to have a welfare state and they want to take care of people and maybe they're good-hearted, but they're misguided. But I think we're up against statisticians who want to tell you what to do and control so many aspects of our lives. That's why what happened with COVID, you saw the left wanting to take the power to shut down businesses, to tell people they have to stay home, to have curfews. Now you have all these new, as we see the Delta variant, oh, this is another opportunity. They take a crisis, this is what the left does, they take a crisis and they say, this is why we need bigger government. This is why you need to surrender your freedoms and give it to politicians. That's why this is a time of choosing for the American people.

William L. Walton ([04:41](#)):

Well, I'd go further. I mean, they're all in their 70s and 80s, and they're basically saying we want power now today and devil take the hindmost for what happens tomorrow. And because of the level of economic ignorance in the country, the kids who think it's kind of nice and socialists have no idea what cataclysm befalls them. I mean, at a bigger picture level, we could take a look at the national debt as a percentage of GDP. And as you point out in the book in one of your charts, debt is a percentage of GDP matters. The more debt you have, the more the economy begins to stall out. And I think we're reaching a point now where debt as a percentage of GDP is the highest level since World War II and by far the highest level in the country's history.

Steve Moore ([05:25](#)):

That's right. And so look, my feeling about this ... Incidentally, you've got those numbers right. What we've done since you saw that first draft of the book is now we're looking at, okay, what happens if we pass the Biden agenda? The numbers are horrific. So we don't go to 200% of GDP, we go to 300% of GDP. And you get an avalanche. It's like a snowball rolling down a hill. It just gets bigger and bigger and bigger and bigger because your interest costs get higher. You know this as having been a CEO of a company, you can't just take your revenue and just keep paying the debt. And that's the crisis we're in right now. I just want to make one other quick point. The crisis is the spending. It's the debt spending.

The left says, oh, well, we can just deal with this by raising taxes but that takes away resources from people too.

William L. Walton ([06:13](#)):

But you've got an interesting scenario in the book. You talk about what's happened in Chile, Argentina, the South American countries that decided that they were going to just engage in monetary recklessness. And you talk about stage one, stage two, stage three, and stage one is tax and spend. So you're spending a fortune, you tax the things, tax rates go up, you kill the productive class, and you begin to move into stage two, which is where you stop just taxing, you also start borrowing, which seems like where we are now that time, big time.

Steve Moore ([06:47](#)):

That's where we are.

William L. Walton ([06:47](#)):

I mean, how much has the federal debt gone up in the last 12 months?

Steve Moore ([06:52](#)):

Well, if you take all the spending, we're talking about again, potentially about \$5 trillion. I mean, these numbers are so gigantic that, that's the problem, Bill, the numbers are so big people can't even comprehend it.

William L. Walton ([07:03](#)):

And if you add in what's on the table now? We're taping this in August of 2021. What's on the table now? I've lost track. [crosstalk 00:07:12].

Steve Moore ([07:12](#)):

So let's do the numbers really quickly. So Biden came in, he started with remember his \$1.9 trillion bill. I can't even remember what they called it, the American Recovery Act or something. By the way, the American economy was recovering already. We didn't need another \$1.9 trillion. But as the left likes to say, a crisis is a terrible thing to waste. And what that bill really was their blue state bailout. So all the blue states like New York and Illinois and California that shut down their economies, they basically took the money from the red states and gave it to the blue states, so that was that bill. Then we had the \$1.2 trillion infrastructure bill, which I don't like to use that term because it's just a green energy bill and it's for windmills and solar powers. And that kind of thing.

William L. Walton ([07:56](#)):

Contrary to what people think, this is not going to roads, bridges, and tunnels.

Steve Moore ([08:02](#)):

About one out of every \$4 goes to that. So three out of four go to the just left wing [inaudible 00:08:07]. So that's 1.9 plus 1.2, plus they have a \$3 trillion, what they're calling, I love this, they call it human infrastructure. It's just welfare programs, more Obamacare and so on. So if my math is right, that's three, that's about 5.1 trillion. By the way, I don't want to scare people, but that's on top of the \$4 trillion normal budget that we pass. So it's 4 trillion plus all of this additional spending. That's why I say,

these people are pretty lunatic. I mean, if a CEO tried to do this to their company, they would be thrown in jail. I'm worried about a massive financial crisis that could make what happened in 2008 and 2009, when we had the housing bubble bursting, could that look like a picnic.

William L. Walton ([08:56](#)):

Now do those numbers include what's on the table now that now has 17 Republican senators saying they want to pass it, or is that on top of that?

Steve Moore ([09:03](#)):

That's the so-called infrastructure bill, and I don't understand why any Republican would want to get within a hundred miles of that bill. It's transit, fat spending, it's green energy, it's electric vehicles. It's all this green gobbledygook stuff.

William L. Walton ([09:20](#)):

Well, there's an awful lot of pork that comes back to their states. I mean, [crosstalk 00:09:24] Democrat, but I think there's a lot of that spending that ends up in the states.

Steve Moore ([09:29](#)):

Even the idea that the government has to build our infrastructure is ridiculous. 75% of the infrastructure or the physical capital of this country is built by the private sector. Why do we need the government to build out the broadband? Why do we need the government to ... even roads? We have those private roads. We don't need the government sticking its finger in everything. By the way, it's twice as expensive to build a private road than a public government-built road. It's twice as expensive for the government to build a bridge than when the private sector builds a bridge, because they have so many rules and so many mandates, and so many green energy policies that it just completely inflates the cost. This is a big giveaway by the way, to the unions as well.

William L. Walton ([10:12](#)):

You and I have talked about it before, but I have a theory. My theory is that capital needs to be in the hands of people who know best what to do with it, which is why, if you've got money in the private sector, you keep it there. And people who've made the money, tend to know how to reinvest it to make more money. It adds to growth and productivity makes everybody wealthier. When you take that money and you put it in government hands, particularly federal government hands, you're a million miles away from the problems. And you read these bills and they're like, they're like Dreamworks. I mean, there's like, okay, we're going to do 150 billion for this or 75 billion for that. And you can write the scene in the play or the movie, you got these kids. They're 27-year-old staffers. It's 1:30 in the morning and they're writing this 2,700 page bill. And they're saying, well, we just got to qualify this, let's do this, that, and the other thing. There's very little thought that's gone into this and even less thought about how they're actually going to implement the spending if, and when it passes.

Steve Moore ([11:14](#)):

I'll just correct you on one thing. I mean, there has been thought that this is a 30-year plan. This is their dream. They've been thinking up this stuff for 30 years. So what they're doing is they're saying [crosstalk 00:11:23]

Steve Moore ([11:26](#)):

These people are not stupid, right? They're not stupid. I think they are mendacious. I think they are power-hungry, but if you look at every dingbat left-wing idea over the last 30 years, they're going to put it in this reconciliation bill. So I want to make sure, Bill, that people are focused. The \$1 trillion infrastructure bill is bad, this reconciliation bill is a catastrophe. I mean, it's just massive amounts of welfare spending, massive amounts of new regulation, the massive two and a half trillion dollar tax increase thing, the death tax, the capital gains tax, the dividend tax. They want to raise the payroll tax. I mean, everything they can get ahold of. This is transformational. This will make America look like France, at best.

Steve Moore ([12:12](#)):

I mean, we're talking about taking our government share of GDP from 35% to 50% of our economy. And you raised a good point because you are a capitalist. You ran one of the most successful financial capital companies, so you understand how this stuff works. They don't want people like you making these investment decisions, they want politicians to. Does anybody think Nancy Pelosi has any idea where money should be invested? They don't have any appreciation for capital markets. And one of the things that's made America, so rich has been incredibly efficient capital markets.

William L. Walton ([12:53](#)):

You're watching The Bill Walton Show. I'm here with Steve Moore and we're talking about the catastrophic spending that's going on in Washington. It looks like it's going to continue as far as the eye can see. The other thing about capital in private hands is, you have to live with your mistakes.

Steve Moore ([13:09](#)):

Exactly.

William L. Walton ([13:12](#)):

On balance, I had a really good track record as an investor, but I had some things that caused a lot of pain.

Steve Moore ([13:18](#)):

And you pay a cost for that.

William L. Walton ([13:19](#)):

I paid the price.

Steve Moore ([13:21](#)):

Nobody pays the cost when the government makes a mistake, right? I mean, we're spending, I'll give you just another example. I mean, you're hitting all my hot buttons here, but we have spent about \$200 billion over the last 18 months on unemployment insurance benefits. Now the amount of fraud that's already been discovered in that program is between 40 and \$50 billion. These are people who live in Nigeria, West Africa, China that are getting checks from the United States government.

William L. Walton ([13:47](#)):

Almost 25% over the full quarter.

Steve Moore ([13:48](#)):

Exactly. And by the way, nobody in the government does anything about it. I mean, they act as if this is the cost of doing business. Can you imagine if you were financing a capital project and you had a 25% waste in the cost of that? These are outrageous. The amount of fraud in most private sector, like with credit card companies or insurance companies and things is maybe one, two, 3%. We're talking about 25% rates of fraud. It is mind boggling the incompetence of these people and the fact that they just sweep it under the rug.

William L. Walton ([14:26](#)):

The context though now is that we got an economy which has come back from lockdown. And we've got a stock market which is an all time highs. And yet you and I have talked about this before, to me, it's like two economies. We've got the economy that's the fangs, Facebook, Apple, Netflix, Microsoft, all the big tech companies. They're seeing their profits up 50, 75, 100% quarter to quarter just in the last couple of weeks when they've been reporting. So they've been making a fortune.

Steve Moore ([14:57](#)):

You're talking about their profits?

William L. Walton ([14:58](#)):

Their profits. Yeah.

William L. Walton ([15:02](#)):

So the stock market's at an all-time high, there's a reason earnings are going up. That's a good thing, I suppose, not I suppose, it is a good thing. But on the other hand, you've got the other half of the economy that's not virtual, can't work from home, that sort of thing. They've been crushed.

Steve Moore ([15:20](#)):

Yeah.

William L. Walton ([15:20](#)):

And the people now are getting \$300 checks. And so all this spending, all this so-called crisis spending is going on in a time where people were feeling pretty good about economics and they're not paying a bit of attention to the consequences of this. My question is, what happens when that \$300 runs out? Or is that going to continue?

Steve Moore ([15:44](#)):

They want to make it permanent. This is great. We just keep paying people free money. Look, you make a very good point that almost everything we've done in the last 18 months has really benefited the big businesses, the Amazons and the Googles and the Walmarts and the the big stores and big box companies that have been-

William L. Walton ([16:04](#)):

Home Depot stays open, but the local hardware stores get closed.

Steve Moore ([16:07](#)):

Exactly. That makes no sense. And then the left, oh my gosh, look, the rich are getting richer and the poor are getting poorer. Well, those are your dumb policies that are creating that kind of environment. And it's highly frustrating.

William L. Walton ([16:18](#)):

So the question though, the other thing it's happening, it's become apparent in the last year, year and a half, is a lot of these big companies are becoming newly woke and they found themselves, maybe not newly, but it's emerging that they're woke. You got Coca-Cola, Delta Airlines, Major League Baseball coming in on the side of the Democrat agenda, in particular, Georgia trying to block the voting rights bill. And so this is really cronyism at a whole new level-

Steve Moore ([16:44](#)):

It really is.

William L. Walton ([16:44](#)):

Where you've got left wing corporations, or at least run by left-wingers, making common cause with the Democrats in Washington.

Steve Moore ([16:53](#)):

And you're right. And so you've got a situation now where, and as government gets bigger and bigger, it gets it's bounty. You have to basically genuflect in front of the politicians, if you're a big business and more and more of your clients are not Americans, they're the federal government. And when we have the government controlling 50% of the spending in the country, that means it's why you've got so much wealth here in Washington, DC with three of the five wealthiest counties in the United States in and around Washington where we don't produce anything. But we have lobbyists, we have lawyers, we have politicians, we have legislators and so on that, all they do is redistribute. They don't create.

William L. Walton ([17:37](#)):

You've written a couple of books on energy policy. Could we dig into specifically what's going on there with the Biden agenda?

Steve Moore ([17:45](#)):

Well, it's fits the pattern. I think almost everything Biden has done on the economy, maybe you can correct me if I'm wrong, Bill, I can't think of anything that he's done that's right, that's good for America.

William L. Walton ([17:57](#)):

Give me a couple days.

Steve Moore ([17:58](#)):

Yeah. I mean, there's almost nothing. And so first they want to massively increase taxes. They say they want more investment, but they want to raise the taxes on investment through capital gains taxes and dividend tax and so on. Then they say they want to build back better in the United States. But all the private sector activity is being squashed because government's taking it over. And then you talk about the regulatory state. All the people who've taken over the regulatory agencies of the Biden administration are extraordinarily anti-business.

Steve Moore ([18:33](#)):

Let me give you one example.

William L. Walton ([18:34](#)):

Pete Buttigieg, Jennifer [inaudible 00:18:36] in Michigan has done such a fine job in Michigan.

Steve Moore ([18:39](#)):

Exactly. And look, the woman who's running the FTC is a 32-year old Yale law school graduate who knows nothing about business and she's going to be regulating our businesses. I looked at the 25 top people in the Biden administration, starting with the top, Joe Biden, Kamala Harris, Nancy Pelosi, Chuck Schumer, the treasury secretary, the labor secretary are the people running the FTC, the SEC, out of the top 40, how many years of business experience combined these people have? Eight.

William L. Walton ([19:12](#)):

Really?

Steve Moore ([19:12](#)):

I'm not making this up.

William L. Walton ([19:13](#)):

Eight years?

Steve Moore ([19:14](#)):

They're all politicians, university, professors, lawyers, none of them know anything, they don't know jack about business. They don't know anything about what they're talking about. I mean, you alone have more business experience than the top 40 people in the Biden administration.

William L. Walton ([19:32](#)):

And they haven't been calling me.

Steve Moore ([19:34](#)):

Exactly.

William L. Walton ([19:35](#)):

Well, I hope you don't count Buttigieg's experience as a consultant. That doesn't count.

Steve Moore ([19:39](#)):

A lot of them are consultants. We don't count that.

William L. Walton ([19:41](#)):

That's another class that doesn't have to live with their own [crosstalk 00:19:44]

Steve Moore ([19:44](#)):

They're community [crosstalk 00:19:45], they are consultants to the lobbyists. Many of them was just university professors who've been in the ivory towers. They don't know anything about profit losses, how to make a payroll. And that's going to catch up with us. I mean, that is going to have extreme negative effect.

William L. Walton ([19:58](#)):

Well, the other thing you and I have talked about is this monstrosity called modern monetary theory. The unreality of that is just staggering.

Steve Moore ([20:12](#)):

It is. The modern monetary theory, I don't want people's eyes to glaze over, but it's a very simple idea. They believe that they've found this sort of golden formula where all the United States has to do is continue to borrow out from now until kingdom come and it's not going to have a negative effect because we're the world reserve currency and all these foreigners are borrowing money from us at low cost. So we can keep borrowing and borrowing and borrowing trillions and trillions and trillions of dollars. But that's like saying gee, if you jump out the window of a 96 floor building, it's great until you get to the second floor until you squash at the bottom. I mean, this is a story that is not going to have a happy ending.

Steve Moore ([20:51](#)):

It is a made up theory by some second rate university professors at second rate universities. But the left always tries to find an excuse to spend money, so that's why they embraced Keynesianism 50 years ago. Modern monetary theory is the kind of new Keynesianism. So these guys can spend ourselves to oblivion and still feel good about themselves in the morning.

William L. Walton ([21:15](#)):

What's Kevin Hassett call it, the de incentivizing or the D something of the economics? And he makes a point that I think is the point you just made is these are not first rate economists that are coming up with this. And he says, look, if these guys ever try to go back into a reputable economics department, they're never going to get a job because it doesn't ... There is a theory of the firm, there is supply and demand and those are laws.

Steve Moore ([21:41](#)):

Well, and you make a very important point earlier, which is you're in business, you're rewarded for your right decisions and you're punished for your wrong decisions, right? I mean, that's just the way the free market system works. Nobody is punished for making bad decisions in Washington. And so therefore there's no incentive for them to make the right decisions. The whole incentive in Washington, if you run an agency or a department or a bureau is to grow it, because that's how you get more power. So you just want to expand your regulatory reach. You want to expand your budget because that's how you get power. So your incentive is not to reduce costs, it's to increase costs.

William L. Walton ([22:21](#)):

So stage one, we talked about tax and spend, stage two, borrow and spend. And now we're touching on, I think stage three, where these companies come off the rails completely. It's called inflate and spend. What about inflation?

Steve Moore ([22:36](#)):

It's a problem. And I think the Fed is behind the curve on this. I think we're seeing the inflation rate now is between five and 6%. And I believe it's going to get worse before it gets better. I believe Biden keeps saying that it's transitory. So does the Federal Reserve Board chairman Jerome Powell. Biden said one of the dumbest things I've ever heard a president say in my whole lifetime and that's saying a lot, when he said a few weeks ago, he said the way to solve our inflation problem is to pass my \$4 trillion spending and debt bill. And I'm saying really, I mean, that's like saying the way to stop a forest fire to dump gasoline on it. If the government prints more money, then that means more inflation, not less. I mean, again, this is seventh grade economics.

Steve Moore ([23:35](#)):

And yet Biden is really out there saying, oh yeah, if we spend more money and print more money, all that does is, this is dumping money out of helicopters, folks. It doesn't create any productive resources. It just means every dollar that you have in your bank account and your wallet and your paycheck is worth less. And that's why if you went to the grocery store three months ago, what you could buy for \$85 now costs a hundred dollars. It costs \$16 more to fill up your tank. That's a real hardship to the lowest income people.

William L. Walton ([24:07](#)):

You're watching The Bill Walton Show. I'm here with my friend, Steve Moore, a brilliant economist. And unfortunately his brilliance is dissecting the Biden budget and spending and it's not a rosy scenario.

Steve Moore ([24:19](#)):

So I want to make an important point because I know we're running low on time.

William L. Walton ([24:22](#)):

Yeah.

Steve Moore ([24:23](#)):

I started out this conversation by saying, I really believe the decisions that are made in Washington in the next three or four months will have decades worth of impact. And if the Pelosi gang succeeds, it's going to be very difficult to repeal this stuff once something is put into law. We need people in the streets. We need peaceful assembly. We need people shouting it out that they are against what Joe Biden is doing to our country. There are a lot of people who voted for Joe Biden just because they didn't like Trump and so I believe the most of the country is against this and we just have to stop as much of it as we can. The tax increase will be, this will verse 40 years of progress we made on our tax code. We will now have higher tax rates than China. Bill, how are we going to compete with China if they got low ... I mean, China has lower tax rates than the United States? I mean, what's wrong with this?

William L. Walton ([25:27](#)):

The only good news is China seems to want to re-install state control over [crosstalk 00:25:32]

Steve Moore ([25:33](#)):

But I mean, the point is that this is a [crosstalk 00:25:38] conservatives to do everything we can to lay our bodies in front of this track and alert Americans to the dangers of our freedoms and free enterprise system.

William L. Walton ([25:48](#)):

The reason I wanted to do this show is exactly that point. We've got to raise people's awareness that this is a really bad thing, but yet how clever are these people? As frightening as you're talking, it strikes me, we're talking about masks and we're talking about lockdowns. We're talking about doing the same thing to the economy we did 18 months ago, which would be crazy. And so everybody's distracted. And then we've got critical race theory, which is justifiably appalling and we've got to do something about that. So it seems like they're coming at us with so many bad ideas and so many bad policies that this financial catastrophe is kind of lost in the shuffle. I mean, are you having trouble getting people's attention?

Steve Moore ([26:31](#)):

Well it is interesting because now we have, as we speak this new Delta variant to the COVID. So again, this diverts attention away from that the catastrophe that is going on financially. People are understandably concerned about the life and death issue of COVID. And if you noticed every time there's some new news about COVID or outbreak, we need more government, more and more and more government. The CDC is probably the most incompetent agency in the history of the United States and yet we continue-

William L. Walton ([27:02](#)):

Which we knew before all this.

Steve Moore ([27:05](#)):

We were giving them 10, \$15 billion a year to prepare for a pandemic, but they were too busy studying gun violence and LGBTQ issues and things like that, not keeping their eye. And now we're now we're putting our faith in the CDC. I mean, I think it's a perfect example of an agency that lost its mission, didn't accomplish what it was supposed to do. And what do we do? The Democrats say, oh, we've got to double or triple the CDC budget.

William L. Walton ([27:33](#)):

But it's so upsetting when you see something like the Supreme Court ruling, which allowed the CDCs ban on evictions. When in fact most of these businesses or most of the real estate in America is owned by small business people. They're owned by little people. They're not big corporations. And so they're hurting a whole number of people that they're pretending to help.

Steve Moore ([27:58](#)):

Yeah, no, a great, great point. The way I put it as like, our solution to the hunger problem in America is to let people go into the grocery stores and steal whatever they want. Well, you're not going to have any grocery stores, right. These are called second order effects. See the difference between us and them, they don't understand what second order effects are. They say, oh, we're going to allow people to stay in their house and they're not going even have to pay rent. What does that mean? It means you're not going to have any more affordable housing in America. And why would anybody build an apartment building? People don't have to pay their rent. A lot of them are going bankrupt by the way, Bill, and

these are not rich people. I have friends who own rental apartments and rental housing and that's their living. If people don't pay their rent, they don't have any money.

William L. Walton ([28:44](#)):

I did a show on this, I think probably 85% of the housing units in America that are rented are rented like one to four units per, and they're not big corporations.

Steve Moore ([28:57](#)):

That's a great point. I did not know that.

William L. Walton ([28:58](#)):

The number of so-called corporate owners of these apartments are, they're few and far between.

Steve Moore ([29:02](#)):

Yeah. So people think, these shyster wealthy landlords that are evil and so on and that's just not the reality.

William L. Walton ([29:11](#)):

Here's the thing. My head is exploding with interesting things. You and I should do a show on the laws of economics because there are things like the second order effects. There's also the seen and the unseen supply and demand. There are like 10 things that if people understood it, we'd have better policy decisions. Of course, we've now got Nancy, when's the last time you think Nancy Pelosi balanced her checkbook? I guess she lets somebody else do that. Let's speculate. I think this is going to pass. I think we can put people on the streets, but it seems like there's so much political momentum that for this.

Steve Moore ([29:52](#)):

I think we can dramatically change the direction of this. I don't know if we can stop it, but I think we can take out a lot of the worst things. Let me give you another example, something we didn't talk about. They have a new provision in this bill that's never been implemented before in the history of United States, which would basically say that if you die, all of the assets that built up, the capital gain, you'd have to pay your heirs, your sons, daughters, grandkids would have to pay a massive tax on the appreciation of those assets at the time you die. Well, that's going to kill family-owned businesses. It's going to kill them. And the government's going to now take half of the estate. You're going to literally, under the Biden budget, I'm not being a hyperbolic here, you're going to have people having to sell the farm, sell the ranch, sell the family business to pay the taxes.

Steve Moore ([30:53](#)):

This is so contrary to America. You mean the government gets the business? The reason people build up a family, that's their legacy. Your legacy is what you leave with your kids and grandkids. And I think about people like my dad, they worked 50, 60 hours a week for 50 years to build up a business so they could pass it onto their kids. That's the American way. There's nothing wrong with that. And they want to basically stop that transmission. Family-owned businesses are really a hallmark of the American society.

William L. Walton ([31:25](#)):

We got to wrap up.

Steve Moore ([31:26](#)):

There's so much to talk about [crosstalk 00:31:27]

William L. Walton ([31:27](#)):

You and I, we talk about all this stuff.

Steve Moore ([31:31](#)):

But do you agree with me on this family owned business thing?

William L. Walton ([31:34](#)):

I do. it's a dagger in the heart of [crosstalk 00:31:38]

Steve Moore ([31:38](#)):

It is, the whole American ideal.

William L. Walton ([31:39](#)):

The whole American ideal. It's an attack on property. It's an attack on, it's an intergenerational attack.

Steve Moore ([31:45](#)):

You go back a hundred years. Tocqueville wrote about this, about Americans, build up their farms and build up and these were family owned and it really is the spinal cord of the economy. And when you think about it, if you wanted to move towards government control, it means over time, more and more of the assets of the country will be owned by government because they'll just tax them away.

William L. Walton ([32:07](#)):

Well, my view about the endgame for the left, whatever we want to call them is that there's this view sort of 1984, where you had Winston, the single guy lived in this small apartment. There was no civil society. There were no churches, there was no small business. It was just the individual and the state. And that seems like where we're going. I mean, if you look what happened with the pandemic, they took out tens of millions of small businesses as a consequence of the lockdowns. And if they go after this intergenerational transfer, as you're describing, and all of a sudden, all these small businesses are getting attacked from another way, and then big corporations are making [crosstalk 00:32:48].

William L. Walton ([32:51](#)):

Steve, this is always such a pleasure.

Steve Moore ([32:53](#)):

Well, I wish I had a more positive message, but I'll just end on a positive note. I really do believe, they work for us, we don't work for them and we are the voices of the country and we can stop this, but we can't just be, as our mutual friend, Ed Feulner, the president or former president of Heritage says, you can't be a pacifist in this fight. We need people to take to the streets peacefully and do whatever you can to stop this assault on the American ideal. One other quick thing I know we're, but you always talk

about Western civilization and this is an assault against Western civilization that we're facing right now. You were right about that. You convinced me, I didn't believe it.

William L. Walton ([33:38](#)):

We've been at this for 20 years now.

Steve Moore ([33:39](#)):

I know. They're not that bad.

William L. Walton ([33:42](#)):

Yes, they are.

Steve Moore ([33:43](#)):

This is an assault against the whole idea of human progress. I mean, it is.

William L. Walton ([33:50](#)):

Okay, this is part one. You're going to come back for part two and then part three. This is going to be a continuing conversation. You were here before, we'll get you back.

Steve Moore ([33:58](#)):

The barbarians are at the gates, folks.

William L. Walton ([34:01](#)):

I think the barbarians are inside. We're going to do hand to hand combat here.

William L. Walton ([34:06](#)):

So be watching The Bill Walton Show. I'm here with my great friend and brilliant economist, Steve Moore. And we're talking about our concern that economic policy has gone out of control. And next time we'll come back, we're going to talk about some of the lines of action, where we think we can get involved to push back against this onslaught against freedom. So anyway, thanks for watching. Steve, again, thank you.

Steve Moore ([34:30](#)):

Thank you, Bill.

William L. Walton ([34:31](#)):

Bill Walton Show, thebillwaltonshow.com. And we're on also all the major podcast platforms and YouTube and the other sources of news. So, anyway, thanks for joining and we'll see you again soon.

William L. Walton ([34:45](#)):

I hope you enjoyed the conversation. Want more? Click the subscribe button or head over to thebillwaltonshow.com to choose from over a hundred episodes. You can also learn more about our guests on our interesting people page. And send us your comments, we read every one and your thoughts help us guide the show. If it's easier for you to listen, check out our podcast page and subscribe

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