

Securing America with Bill Walton October 4, 2022

Frank Gaffney ([00:10](#)):

Welcome back. It's that time of the week when we have the privilege of being graced by Bill Walton, the host of the Bill Walton Show, former Master of the Universe on Wall Street, a man who has come to make an outsized contribution, I think, to the conservative movement. And Mondo Politico, as they say, notably through his presidency of the Council for National Policy, which I'm proud to be a member. Bill Walton, it's always good to have you with us, a lot to talk about and I want to see what we can do to get through much of it in the space of the time we have allotted today. Thank you for joining us as always.

Bill Walton ([00:48](#)):

Frank, great to talk with you.

Frank Gaffney ([00:50](#)):

So you are forecasting some very rough sledding of even perhaps worse than what we've seen in the stock market to date, comparing it to some very volatile times in the past. Walk us through that if you would.

Bill Walton ([01:07](#)):

Well, we're looking at an eerie resemblance to the dot.com 20 years ago. Tech stocks have collapsed within the last year and it's happening throughout the market, the entire market, every sector's been down. Energy, which had been up, was even down last month, but the stock market's a barometer of everything else that's going on. And Biden from the day he took office seemed to have been determined to wreck the economy. The agenda to get rid of fossil fuels is in full steam. From the first moment he shut down the pipeline, Keystone pipeline, now we've got some suspicions about who actually shut down or bombed the Nord Stream pipelines in the that area. So the market's beginning to reflect the fact that the economy is not working. And the thing I'm fearful about and I think is likely to happen is earnings have been great for the big companies, but they're beginning to slide and Amazon's fallen dramatically. And I think that we're going to see an earnings bust among the big companies and when that happens, the multiples will shrink and the prices will go down and the wealth effect will be pronounced.

Frank Gaffney ([02:27](#)):

Indeed. And especially so because the value of those various tech stocks was greatly inflated over the previous year or two with the COVID pandemic and all the more dramatic, I guess the fall.

Bill Walton ([02:44](#)):

Well, they were big beneficiaries of the pandemic. They won from the lockdowns.

Frank Gaffney ([02:48](#)):

Big time, big time. Bill, all of this has some repercussions in the currency markets as well. Talk a little bit about, we discussed it a bit last week, but it seems as though with each passing day it's a more pronounced distortions in notably the British pound now really being devalued against the dollar. Others are as well.

Bill Walton ([03:13](#)):

Well the dollar's reflecting the fact that as badly as the US is managing its economy, at least the federal government is managing the economy, Treasury and the Fed. The other European, and UK, and even Japan, central bankers are doing the worst job. And we're seeing the dollar's risen to where it's likely to break the buck in both the pound sterling and the Euro. And gosh, remember the old days, Frank, when the Euro was at five bucks? Well, or when the pound was at five bucks? Well now it's close to a dollar. And the UK has a particular problem in that their inflation rate is higher even than ours. It's bumping up to 10, 11%. And so the central bank is saying, "Well, we've got to raise rates." At the same time their economy is sliding and the new prime minister doing what I think is the right thing to do, cutting tax rates and providing some supply side stimulus to the economy short term anyway, there's going to be some pain.

[\(04:22\)](#):

And we haven't been through something like this in 20 years, or I guess 2008 was similar, but in many ways, the economy was a lot stronger. The real economy was a lot stronger in 2008 than it is now.

Frank Gaffney ([04:36](#)):

And being buffeted by lots of other shocks, notably supply chain issues that the Chinese economic difficulties are compounding. Just on the UK, before we leave that Bill, Liz Truss, the new Prime Minister, has just abandoned one of the elements of the recovery plan that she put in train and I think just a day or so ago was saying she was committed to, namely the sort of trickle down idea that if you cut the taxes of the wealthy, that will benefit the rest of the economy. A surprise, a good idea? What did you make of it?

Bill Walton ([05:15](#)):

Well, it worked for Ronald Reagan, and by the way, it also worked for John F. Kennedy. I mean, you cut tax that almost any at marginal rates and almost any degree of income, you see economic growth got. We can look at charts that show axiomatically every time we've done that or a country's done that, their economic growth picks up after a period of time. So she's looking at the right thing to do. But we've moved into a world where the media coverage of this is just astonishing. Bloomberg had a headline today, Neanderthal, report from the Neanderthals, and it was about Liz Truss and the new prime minister of Italy declaring that they are Neanderthals and their outlook of trying to provide some stimulus to the real economy.

[\(06:01\)](#):

And by the way, our new prime minister in Italy seems to be particularly focused on the risks from China. And she came out as early as 2008 when the Olympics were happening there calling for a boycott and also all the talking about signaling the human rights abuses in China. She's now a big supporter of Taiwan and I think that's a good thing. But the global elite, Frank, that we are really up against, it could not be more against these two women.

Frank Gaffney ([06:36](#)):

Yeah, I'm not sure whether it's better to be a Neanderthal than a neofascist, but either way, they're certainly going after Giorgia Meloni. And she does seem to me to be a very impressive woman. I hope that she will not only stay the course with respect to China and more broadly sort of her philosophy of governance. It seems to be just the corrective that's needed there and an inspiration to an awful lot of others in Europe at the moment as well. Bill, speaking of Europe, winter is setting in, I believe, even as

we speak, certainly it's not far off if it hasn't gotten throughout the continent. But it's likely to be a tough one, especially with the various difficulties that you mentioned earlier about the supply of energy and the steps that the Europeans have taken. Most especially I think the Germans to really undermine their energy security and place all their butts on the Russians providing natural gas, oil, what have you, not coming through those pipelines, the Nord Stream pipelines, that's for sure. What's your bookmaking on how it's going to fair?

Bill Walton ([07:51](#)):

It's going to be ugly. Europe is paying the price for their policies in the last 10, 15, 20 years led by Germany to get out of the fossil fuel business and get into wind and solar. And we know how well that works. It doesn't work. It's not even remotely able to provide all the energy we need to drive industry and heat houses and run vehicles.

([08:16](#)):

And then short term, we've got the issues of the sanctions that the Europeans have placed against Russia, et cetera. And because of the Ukraine situation and the elites in Europe see no signs, show no signs of really backing off from that. And the people who are going to pay the price are the ordinary people living in Germany, Belgium, France, maybe Italy might dodge some of it because of their new leader. So they've drunk the Kool-Aid, Frank. They believe this global reset and getting rid of fossil fuels. They see, I think the sanctions from Russia as a good thing because it's going to wean people from fossil fuels. Well, I don't know how well that's going to play out because you've got all these ordinary people that don't want to heat their houses at 55 degrees this winter if they can heat them at all.

Frank Gaffney ([09:11](#)):

Yes. And that's really the crux of the matter is that fossil fuels may be the only thing they've got to provide some warmth in those homes and otherwise power their industry. And all of them, I think to varying degrees, these European countries have alternatives. They just have to be willing to tap them [inaudible 00:09:35].

Bill Walton ([09:35](#)):

If we want to maintain a healthy economy, Frank, we got to realize that relying on fossil fuels is the only way to go. Now, if you believe that global warming or climate change is real, there are strategies that longer term over 20, 30 years could get us to some other technologies. But those technologies have not been invented. And so we've got policy makers, supposedly serious people acting as if these technologies which are going to provide alternatives are here today. And they are not.

Frank Gaffney ([10:07](#)):

Right. In the meantime, coal exists in abundance in most of those European countries, to some extent, if they frack, they can get access to natural gas. And the Germans notably still have the ability, it's my understanding, to turn back on some of those nuclear plants that they mothball precipitously and crazy.

Bill Walton ([10:32](#)):

Well, one of the headlines I saw, Frank, is that China is just laughing up its sleeve at what's happening in the self destruction in the West and because ...

Frank Gaffney ([10:40](#)):

And encouraging it on with their phony commitments to climate change.

Bill Walton ([10:44](#)):

Well, one of the administrators, I think China's actually got a climate administrator. God knows what he does, but he was scolding ...

Frank Gaffney ([10:54](#)):

He keeps John Kerry company, I'm sure.

Bill Walton ([10:56](#)):

He was scolding the Europeans for backing off some of their climate change commitments. At the same time, we know the Germans are putting a cold power electric plant online virtually every week.

Frank Gaffney ([11:09](#)):

The Chinese, yeah.

Bill Walton ([11:11](#)):

The Chinese.

Frank Gaffney ([11:11](#)):

You're absolutely right about that. And that's just proof positive that they don't give a fig about climate change controls. Bill, just a 30 second question. Advisable for us to be ransoming hostages?

Bill Walton ([11:26](#)):

\$7 billion Frank for 2 hostages in Iran? It's insane. What that does is it puts a target on every American traveling abroad. We've got enough bad state actors and global terrorist groups who would love to get some of our money, and we've just shown no ability to do anything smart.

Frank Gaffney ([11:49](#)):

We have to leave it at that. Bill Walton, thank you for your time. As always, come back to us soon. I hope that you'll stay tuned for the next segment right after this.