

Part 2 November 17, 2022

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

We're back. Bill Walton is in the house and we're going to talk about China. But before we do, Bill, I do want to just tie this ESG stuff into the climate change agenda, which is much in the news at the moment because these seances taking place in Sharm El Sheikh, Egypt under the rubric of the COP 27, Climate Change Conference. The focus of it seems to be not only more of the histrionics about how dangerous climate change is and how we must bankrupt essentially economies, the Green New Deal, and all the rest of it, to try to prevent disaster from taking place. On top of all of that, we need to have the developed world that has caused, we're told, climate change to transfer, by some estimates, trillions of dollars to the developing world, which is the victim of climate change. Walk us through what on earth is going on here, the science if you can, but also the economic and other consequences of all this.

Bill Walton ([01:24](#)):

Well, Frank, you bring up the biggest single issue, the failure of our education industry, but that's a topic for another day because these people are operating on blindingly stupid ideas. Just take a simple fact, the fossil fuel industry has been incredibly helpful in terms of creating all the goods and services that have made the world vastly wealthier in the last 150 years. It's brought two billion people out of poverty in the so-called developing world in just the last 75 or so years since World War II. We're witnessing all the wealth that's created from that and now it's being attacked. And with the third world or the developing world, they're the ones that most want to use fossil fuels, they don't care about whether they're being nice about this or that, they want to enter the modern world, and you can't do that with that fossil fuels.

[\(02:20\)](#):

And so, the irony here is that they're trying to get reparations from wealthy countries for the damage done to their countries because of climate change. In the first place, it can't be measured. I mean, we don't really know what climate is affected one way or another, so we're back to these metrics which are all subjective and in the eye of the accuser. We have these ridiculous conferences. I don't know who pays for them, but they're all there arguing for reparation.

Frank Gaffney ([02:50](#)):

We do.

Bill Walton ([02:50](#)):

Well, we do. I guess we do.

Frank Gaffney ([02:51](#)):

I think it's the bottom line, but Bill, in fairness, people insist that climate change can be measured and they're looking at polar caps changing and polar bears being suffered and all the rest. In point of fact though, what remains I think, undetermined, is how much of this is a function of anything we do as opposed to vastly more powerful forces that nature causes. In the absence of that being clear, this idea that we can bankrupt ourselves to try to make a difference on the climate to say nothing of transferring enormous amounts of wealth, seems to me really very debatable at best, or just lunatic.

Bill Walton ([03:43](#)):

I'm not as current with the statistics I should bone up, but if you do all the things we're talking about carbon emission, I think it changes the temperature in 30 years by 0.01 degree Celsius or something like that, then there are all these other factors that influence climate change and we can't influence that.

Frank Gaffney ([04:06](#)):

Those naturally occurring phenomenon. I was told the other day about a volcanic eruption underwater off the coast of South America that has markedly lowered the temperature.

Bill Walton ([04:18](#)):

But I want to make a positive point, Frank. I mean, humans are amazing at adapting and innovating and creating and building. I mean, what was the book, Julian... The Ultimate Resource. The Ultimate Resource is our ingenuity and our ability to adapt to change, and let's suppose the world does get one or two degrees warmer measured by Celsius. It's sort of, so what, because we will have adapted. If the sea levels rise a little bit, we'll adapt to that. But also a warmer world is a better world for human beings. The agriculture flourishes much more, and so do people. Infinitely, more people die from the cold than they do from the heat.

Frank Gaffney ([05:01](#)):

And carbon dioxide helps things grow as well, including forests and the life-

Bill Walton ([05:06](#)):

If you look at photographs of North America in the last 50, 100 years, it's becoming greener and greener and greener, and that's a good thing.

Frank Gaffney ([05:16](#)):

It is a good thing, especially since in Europe, they are now clear cutting their forests for heat.

Bill Walton ([05:22](#)):

Well, they need the wood.

Frank Gaffney ([05:24](#)):

Exactly.

Bill Walton ([05:25](#)):

That full century was a great place to get your fuel, those ideas were great, windmills and [inaudible 00:05:32].

Frank Gaffney ([05:32](#)):

If these guys have that in mind. Bill, lastly, and very quickly, we were talking earlier in the program with Gordon Chang about investing in China at this point, including the idea that federal employees should be induced mostly unwittingly to do just that through their federal retirement system, the Thrift Savings Plan. Just your current thinking on the advisability of putting another dime into communist China at this point.

Bill Walton ([06:01](#)):

Well, we talked about this. There are a couple ways that we do it. One is through the public markets investing in Chinese companies, but I think the bigger issue is how many American companies are in China. Kentucky Fried Chicken sells more chicken in China than they do anyplace else in the world. Starbucks is there, Nike, of course, Apple.

Frank Gaffney ([06:22](#)):

Starbucks is opening up a new store there, I think every couple of hours as I understand it, and very dependent as a result on the China market.

Bill Walton ([06:32](#)):

You've accused me of a recovering Wall Street guy. Well, 10, 15 years ago, everybody was drinking the Kool-Aid, invest in China, it's more efficient, blah, blah, blah. We'll bring China into the world. Well, that theory was wrong, and particularly with Xi, it's definitely wrong. You've got a lot of American companies now that are in China, and the question is, "What do they do?" Then you've got people at a personal level, Steve Schwarzman that runs Blackstone, has got something called The Schwarzman Fellows, and he's been putting tens of millions of dollars of his own money into China to develop, when in effect, this kind of a Rhodes Scholar program there. Steve's a pretty good guy and I can't believe he is at all happy with the direction that Xi is taking this country. And there are a lot of guys that have made bets on China, personal and corporate. Then I think they've got to be rethinking it. I hope they are.

Frank Gaffney ([07:31](#)):

Especially if it's with your money, needless to say. Bill, we have to leave it at that for the moment. Thank you, my friend. As always, great work on the Bill Walton Show and your contributions here are so appreciated. Thanks to the rest of you for joining us for this edition of Securing America. I hope you feel better equipped to help us do just that. Until then, next time, go forth and multiply.