

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

Welcome back, and a special welcome to our next guest who joins us roughly this time each week. I'm very pleased to say his name is Bill Walton. He is the host of his own television program, entitled The Bill Walton Show. I strongly commend it to you, it's available on lots of platforms. He is also a man who brings a wealth of experience that's of great interest to us here, in particular in connection with his time as the President and CEO of Allied Capital, making him now a recovering master of the universe. That's the way I think of it. But he's also, these days I think, a very influential figure in conservative circles as the Past President of Council for National Policy, a terrific organization of which I'm proud to be a member, with whom we were consorting over the weekend as a matter of fact. Bill, it's good to have you back. Welcome. Good to see you, Bill.

Bill Walton ([00:59](#)):

Frank, great to be here. As always.

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

I want to start by talking to you a little bit about a phenomenon that has taken your old universe, Wall Street, by storm. Thanks in no small measure to the industrious efforts of a fellow by the name of Larry Fink, the Street CEO I believe of BlackRock. It's called ESG for short, Environment, Social, and Governance. And it is having, it seems, profound effects on the financial sector of our economy, the businesses that it obviously owns and influences. As well as diverting our attention, it seems, to the so-called, well, I think of it as at least climate change cult, instead of much more serious and imminent threat that Larry Fink actually is contributing to. Can you walk us through this?

Bill Walton ([02:00](#)):

Well, Frank, I think breaking it down, the ESG, Environment, Social, Governance, the governance piece of this is basically getting board members of major corporations who support the other two agendas, which are climate change and social change, social justice. And of course, that manifests now in aggressive implementation of critical race theory inside corporate personnel or training programs. But the biggest strategic threat to the United States is their obsession with climate. And they've identified CO2 as a threat to human life, and it is not. But that's a hot topic for different day. And it's got-

Frank Gaffney ([02:44](#)):

Last time I checked, actually humans emit a fair amount of it themselves, don't they?

Bill Walton ([02:48](#)):

... We do, we do. In fact, it only accounts-

Frank Gaffney ([02:52](#)):

Irony of ironies.

Bill Walton ([02:53](#)):

... It only accounts for 1/10th or something less than that, 1/100th of 1% of the atmosphere, so we're focused exactly on the thing that matters least. And what they're doing is they're shifting the investment strategies of major corporations from developing products and services that can have a high return on

invested capital for shareholders, instead moving to chase after basically moving the world to wind and solar energy and-

Frank Gaffney ([03:22](#)):

Off of fossil fuels, as they call it.

Bill Walton ([03:24](#)):

... fossil fuels, yeah. The reason I say it's the biggest single threat is that they think it's a bigger threat, climate change, than China, or even nuclear war, or nuclear Armageddon, which is what Biden has told us. And what that means is we're not defending our country very well against the predations of China. And we're seeing that in the balloons that are flying over the United States.

Frank Gaffney ([03:50](#)):

Yeah. Well, hold that thought, but just stitch this together. If I'm not mistaken, Larry Fink and BlackRock and others like him, these masters of the universe, have in fact been championing massive investment by American pension funds and mutual funds and so on in China. So it's not just that they're sort of taking their eye off the ball, they're simultaneously wrecking our economy, I think, and strengthening our mortal enemies. Is that fair?

Bill Walton ([04:25](#)):

Well, yeah, we've talked about that a lot, Frank. It is really clear that their agenda is to do more business with China, not less business with China. And even last year, they're 10, 12 billion dollars invested in China by US corporations, and BlackRock's eager to do more business there, as is J.P. Morgan and Bank of America, and the list goes on and on.

([04:50](#)):

But Frank, the point I want to make about the balloon and our focus on climate change is that they're not going to do anything different unless they're directed to by the political leadership in the United States. And the political leadership now is absent without leave. And-

Frank Gaffney ([05:07](#)):

At best. At the worst, it's playing for the other team, which is what [inaudible 00:05:12].

Bill Walton ([05:11](#)):

... Well, that's my point, Frank. The rumor, and I think it's mostly, I believe it's true, is that Tony Blinken who is scheduled to go to China to talk with Xi about climate change, well, they knew the balloon was up there, but they didn't want people to know it because they didn't want to have him cancel this trip. So if it weren't for that-

Frank Gaffney ([05:33](#)):

So they actively suppressed information about it for a few days.

Bill Walton ([05:36](#)):

... If it weren't for that intrepid newspaper or whichever media outlet was in Montana, we wouldn't have known about it, and they could, Blinken could've had his visit with China and trade a lot of our national security, I believe, for the climate change agenda.

Frank Gaffney ([05:53](#)):

Yeah. [inaudible 00:05:54]

Bill Walton ([05:53](#)):

And it ties into the corporate world where they're really all in with that. And why they believe this-

Frank Gaffney ([05:59](#)):

Yeah. But Bill, you and I talked about this last time and I think we didn't get into it very fully, so let me just explore it one more time. If as, I think we both fear, the Chinese are actually being emboldened by this kind of behavior on the part of not just our business elites, but also political elites, who they feel they've captured. To believe that they could actually prosecute not just the unrestricted pre-kinetic kind of warfare against us, but a shooting war. Isn't it material risk that these guys are ignoring, that their clients, they're shareholders, whatever, the contributors to their pension plans and so on, will lose everything in the event that particular balloon goes up, as they say in the military? And there's in fact a cutoff, by China, of any repatriation of funds that have been invested there?

Bill Walton ([07:00](#)):

... Well, I think the view there is that this is all Passover. This is just some sort of strategic nonsense and that the business interests of those corporations will persist in China and be rewarded by China. And in effect, they're playing for the other team and expecting that as China becomes more dominant, that's who they want to be with, rather than a declining power like the United States. It's a pretty bleak assessment.

Frank Gaffney ([07:30](#)):

If that's true, and I think you're right, that's treason, it would seem to me. Not just bad investments and risking the capital of their clients. Bill, just to-

Bill Walton ([07:42](#)):

[inaudible 00:07:42] Frank, they go to Davos and-

Frank Gaffney ([07:44](#)):

... Well.

Bill Walton ([07:44](#)):

... See themselves as part of the global order.

Frank Gaffney ([07:47](#)):

They go to China as well. This is a little known fact, I guess, for most of us that I tumbled on the other day. But it's not just that they're spending a winter event in Davos, but they're spending in the summer time in one of two cities, every year, a similar period in China. And that, I think, bespeaks the interest in as well as enthusiasm for the Chinese system and model.

Bill Walton ([08:17](#)):

Well, World Economic Forum's all in with China, and Klaus Schwab has said clearly he thinks the Chinese government is a superior way to govern. They're not friends in democracy, not in any way, shape, or form.

Frank Gaffney ([08:29](#)):

Yeah. And it's funny. Not funny haha, but striking that when you see this kind of behavior, history is replete with examples that when the communists actually take over, the Klaus Schwab types, the people who thought they would benefit from this sort of new order and helped bring it about, are usually the ones first put up against the wall and shot. And that would seem to be well deserved in this case.

([08:58](#)):

So Bill, beyond all of this, there's talk, at least in Washington, of limiting investment in China. It seems not to be consistent with everything we've just talked about, but what's going on there, do you think? And is it likely to actually give the business elite, the financial sector, the kind of political guidance that you say is needed?

Bill Walton ([09:25](#)):

Well, there are some people in Washington, and you and I know them and their friends who do see China, the China threat the same way we do. And they're urging the government to set up some programs that would truly limit outbound investment in China by US corporations. The problem is, as is always with our divided government, is we've got the State Department, the Department of Defense and Treasury Department, the Commerce Department, the US Trade Representative, all five of those agencies seem to have a little different take on this. Treasury's been the dove. They want to only promote economic growth. And this is interesting. It's persisted into the Biden administration as much as it was in the Trump administration.

Frank Gaffney ([10:12](#)):

Well, there's a number of former BlackRock executives who are in key positions like the National Economic Council and the number two with the Treasury Department. So is it any wonder that we're seeing that side of the house is pushing for [inaudible 00:10:27].

Bill Walton ([10:26](#)):

Well, and even with Steven [inaudible 00:10:28], his clandestine number two was a former BlackRock executive.

Frank Gaffney ([10:33](#)):

There you go.

Bill Walton ([10:34](#)):

So this is... So the conflicting-

Frank Gaffney ([10:36](#)):

It's bipartisan, no question.

Bill Walton ([10:38](#)):

... Yeah. Well, and so there is some movement to begin, and then we have the Treasury's supposed to do something with an agency called CFIUS or a law called CFIUS, reviewing investments made in the United States. But we don't really have anything in place to monitor the \$12 billion that are invested in China from here.

Frank Gaffney ([11:00](#)):

Well, the \$12 billion is of course just a tiny fraction of what's been estimated to be a 3 to 6 trillion dollar investment we've made over the years, throughout the machinations of these sorts.

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

Yeah, and that's a hard number to pin down because a lot of that involves secondary investments in public securities. And the thing we're really concerned about, Frank, is not so much that as what the direct investment is to develop technologies and businesses inside China.

Frank Gaffney ([11:27](#)):

Including dual use capable technologies, which will be coming our way in a very quick way.

Bill Walton ([11:32](#)):

Well, dual use. That's their favorite term. Dual use.

Frank Gaffney ([11:35](#)):

We're out of time. Bill, I have to let you go. It always happens to me. We'll do it again next week.

Bill Walton ([11:40](#)):

We're just getting going, Frank.

Frank Gaffney ([11:41](#)):

I know, we're getting warmed up. We'll do a longer segment next time.

Bill Walton ([11:43](#)):

Okay.

Frank Gaffney ([11:44](#)):

Bill, thanks so much for your time today. God bless you, my friend.

Bill Walton ([11:46](#)):

All right, take care.

Frank Gaffney ([11:46](#)):

[inaudible 00:11:47] the great work at the Bill Walton Show. Check it out, folks. Be right back with more, right after this.