

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.

Bill Walton ([00:23](#)):

Welcome to The Bill Walton Show. I'm Bill Walton. Well, events on the world stage seem to be moving even quicker than normally. Ukraine, Russia, Putin, the Wagner Group, President Xi's reaction to what's going on in Ukraine and Russia. Tony Blinken's fairly catastrophic visit to China recently anyway, and Taiwan, of course. All these events seem to be moving together and to understand what's going on, I've asked Stephen Bryen, who's my favorite go-to guide to understand what's happening on the world stage.

Bill Walton ([01:03](#)):

Stephen is a senior fellow, as you may recollect, at the Center for Security Policy in the Yorktown Institute, and he has over 50 years experience in the arms trade, national security, international relations. He's probably your leading expert on the arms trade. Stephen's now writing on Substack with the titles, Weapons and Strategy. Great title. I highly recommend you get on the list and subscribe to his show as well as mine. In any event, Stephen, great to see you again. Where in this vast world would you like to start?

Stephen Bryen ([01:39](#)):

I think you start with Ukraine and Russia, because that's the active situation.

Bill Walton ([01:48](#)):

Well, let's go. I mean, so-

Stephen Bryen ([01:51](#)):

Well, let's do it a little bit on Ukraine to start, because it's interesting from a military point of view, and it's interesting from a political... There's not a lot of aspects to it, but as you know, there's what's sometimes called a counter offensive by the Ukrainians, mainly concentrated up to now, mostly in the Zaporizhzhia area and the southern part of the Donetsk. But it has also got a big element up at Bakhmut, and it looks like, I mean, at least people are starting to think that the Ukrainians want to take back Bakhmut for political reasons, because they need to go to this NATO meeting in mid-July with some victory.

Stephen Bryen ([02:37](#)):

And since they lost Bakhmut and lost it badly, they're trying to recoup that and also show that they could be successful. So they are tacking on the northern and on the southern flanks of the city trying to press the Russians. It's not moved very far so far at this point. The Russians have kind of adapted their strategy. Of course, the Russians at this time are fighting without the Wagner forces, so that's a little bit new. But beyond that, it's looks a lot like what you're seeing down in the south in the Zaporizhzhia area, that kind of battle. How it's going to turn out, I don't know. But we know the-

Bill Walton ([03:14](#)):

Who do we trust to understand what's going on? I've been looking in vain for something definitive, and as you pointed out several times, it seems like everything comes out of either the Russian or the Ukrainian disinformation machine. Where are you getting-

Stephen Bryen ([03:29](#)):

That's the trouble. That's the trouble. Because they're the only two that have any feet on the ground, so to speak. They can tell you what they think is happening. There's no independent reporting, because there's no independent reporters in the battle zone. So that means that it's all kind of guesswork what's happening. One of the things that does help, this is interesting, is geolocating video. Because when you can geolocate video, you can tell where the forces are. And that's proven to be very interesting. And a lot of effort is being made by different organizations, individuals, experts, to geolocate the positioning of the forces where they've moved from one point to the next, looking at the timelines, looking at all that sort of thing. So that's how they're going about it.

Stephen Bryen ([04:22](#)):

And that's about the best you can do, because beyond that, you can look at the junk pile after the battles and see whose junk pile it is. It's mostly Ukrainian junk pile at this point. They've lost a huge amount of armor in both tanks and infantry fighting vehicles and armored fighting vehicles, all that stuff, mine clearing equipment. They've really taken a battering in this offensive trying to break through. They have not broken through in any meaningful way so far.

Bill Walton ([04:54](#)):

What do they have left on the shelves to defend themselves? Because we've sent what, 130, 150 billion, that direction. Where it got spent and who got it, and how much of it actually resulted in weapons to fight this war is an interesting conversation. But where are they? Do they have anything left to fight with?

Stephen Bryen ([05:14](#)):

I think they still do in terms of hardware. The main problem on the Ukrainian side is manpower, seems to me. I mean, how are you going to convince the Ukrainian soldier to drive a tank along the road sowed with aerial mines, where Kamanov 52 Alligator helicopters are shooting at them, where drones are hitting them, and where they're likely to be killed? It's very hard to convince people to do that.

Bill Walton ([05:46](#)):

Well, if I remember, you think you mentioned the tanks they've got are not the tanks that have got the best defensive apparatus on them. And I won't say they're sitting ducks, but they're not exactly protected.

Stephen Bryen ([06:00](#)):

No tanks on either side have active protection systems. I think active protection systems would help to some degree. Part of the thing that has emerged in this war is that even the most modern tanks, like the Leopards are getting chewed up either by these overhead stuff or artillery or by mines that are sewn, aerial dropped mines that they run into and blow up. They've lost a lot of leopard tanks, a lot, and that's a big surprise.

Bill Walton ([06:34](#)):

What about morale on the Ukrainian side?

Stephen Bryen ([06:37](#)):

Anybody's guess? Because some reports say, "They're dispirited and it's bad," some reports say, "They're hanging in there and they're fighting." I don't know. I don't have a view on that, because I don't have anything definitive that I can point to.

Bill Walton ([06:55](#)):

Well, Russia, of course, we've got the Wagner Group situation, and that's been, depending on your view, either entertaining or catastrophic. What's your assessment of what happened there?

Stephen Bryen ([07:07](#)):

Well, it was a coup. It was coup That was well planned by Prigozhin and his people.

Bill Walton ([07:16](#)):

Prigozhin is the guy that runs Wagner.

Stephen Bryen ([07:18](#)):

That's right, Yevgeny Prigozhin. And not only that, I mean, he amassed the equipment he needed. He apparently was able to convince people, and some people in high positions in Russia not to resist. And he also coordinated with US and British intelligence using the Ukrainian intelligence as the bridge, Budanov, who's the head of Ukrainian intelligence. And I think what he was looking for was that if he was able to take the defense ministry in Moscow, he would've proclaimed a government in Russia and asked for Western support. And he was expecting to get it. That hasn't come out very well, but I think that's the case. So that was his play.

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

Well, you right that and there are a lot I didn't know about this, maybe most of us didn't know, but he gets most of his revenue, the Wagner Group, from extreme corruption. And he lauders money for the Central African Republic in gold and diamonds. And he's also made billions of dollars provisioning the Russian Army. And it makes him the richest oligarch in Russia.

Stephen Bryen ([08:35](#)):

More or less. Well, he was-

Bill Walton ([08:37](#)):

At least until maybe last week, when-

Stephen Bryen ([08:39](#)):

Yeah, they're starting to close it down.

Bill Walton ([08:40](#)):

Sure.

Stephen Bryen ([08:40](#)):

But The Wall Street Journal had a very good report on this the other day that basically said, "This is a big empire that he built up. He's a very clever guy, corrupt of course, but very clever. And he had not only gold mines and other kinds of natural resources that he was involved in. Timber, for example, was a big one, but that was from Africa primarily. But in virtually in finance, in logistics and suppl, and he was being paid by the Russian Army to provide provisions for the whole Russian Army. He was the man. And billions and billions of dollars were going into his hands. How much he skimmed off, who knows.

Bill Walton ([09:28](#)):

That's surprising Putin would let one man have that kind of power.

Stephen Bryen ([09:34](#)):

Well, he trusted him. That was the mistake. And he allowed the concentration of power, which was way... With a lot of the other oligarchs, he's cut them down to size.

Bill Walton ([09:48](#)):

Where is he now? Is he in Belarus and [inaudible 00:09:51]-

Stephen Bryen ([09:50](#)):

No, that's a great question.

Bill Walton ([09:52](#)):

We don't know.

Stephen Bryen ([09:52](#)):

No one has seen him. So he's supposed to be in Belarus. But whether he is or not, I don't know. Nobody knows. Whether he is even a free man, nobody knows. Whether he's even alive, nobody knows. It's very hard to say at this point. By the way, he was an excellent propagandist. He ran a huge social media network and internet operation, plus broadcasting in Russia. All that's been closed down in the last few days.

Stephen Bryen ([10:22](#)):

So he was really the only voice of the Russian people on the subject of Ukraine, because the government doesn't say much. So basically, he had the podium and he was using it very effectively. He's a dangerous fellow. Very dangerous fellow, as far as Putin is concerned and the current regime in Russia, very dangerous.

Bill Walton ([10:46](#)):

Well, this seems to be the sort of exhibit A that Putin doesn't have the whip hand that I thought he had. He seems to have trusted, in this case, really the wrong guy. And where does this leave Putin in terms of his ability to continue as president?

Stephen Bryen ([11:00](#)):

We don't know yet. It's a great question. We don't know yet, because at the moment it looks like he's in control. But you have to be very careful in Russia to say anything that looks like something is really something. It's a very tricky place. He has to convince the Army to stay loyal. That's his number one job. The second job is to convince the intelligence services, and there's more than one, to stay loyal. If he can do that, he wins. But who knows? It's not clear yet.

Bill Walton ([11:33](#)):

Well, where are our intelligence services in this? Because we've got Nuland at State who's been pushing this... really has been a regime change war. Their ultimate aim was to get rid of Putin.

Stephen Bryen ([11:45](#)):

Yeah, I think that's right.

Bill Walton ([11:47](#)):

But you've got to wonder about who's going to replace Putin. But that's another question.

Stephen Bryen ([11:51](#)):

Well, they didn't wonder. They thought it was going to be Prigozhin. I think-

Bill Walton ([11:57](#)):

Do you think the CIA then had a hand in this-

Stephen Bryen ([12:00](#)):

Of course. I think so, because Bill Burns, the head of the CIA, picked up the phone and called his counterpart in Russia. The head of the SVR. Russia has the intelligence divided between so-called domestic and so-called international. FSB is domestic and SVR is international. He called the head of the SVR, which is quite appropriate, that's the guy you call, that's his counterpart, and said, "We didn't have anything to do with it. Our hands are clean, our hearts are here," somebody said that-

Bill Walton ([12:33](#)):

Well, and I'm from the CIA, trust me.

Stephen Bryen ([12:35](#)):

Yeah, right. So the Russians say, "Yeah, well, we know."

Bill Walton ([12:40](#)):

I mean, come on.

Stephen Bryen ([12:40](#)):

They're trying everything they can do. I mean, they've been trying to blow up things in Russia. They've been assassinating people in Russia. It's not just the Ukrainians. Let's face it, this is a combined operation of the West against Russia. And the Russians have been taking a lot of hits and they've been, but not enough to destabilize it.

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

So who's in this force? We've got the United States. We have Britain, I think their Secret Service is very involved.

Stephen Bryen ([13:09](#)):

MI6, yes.

Bill Walton ([13:11](#)):

Poland, I think, has a real hand in all this. And where are the rest of the countries in NATO in terms of what they're actually doing to help shape this war?

Stephen Bryen ([13:24](#)):

I don't know the answer to that, actually. I mean, secret operations are what they are, secret. There was an interesting arrest just the other day of a guy trying to blow up the head of the government in Crimea, a Russian guy. The guy was trying to blow up the head of the Crimean government, who was a Russian himself, but he was apparently funded by the Ukrainian Secret Service. So it's an elaborate effort to undermine... What you can't win on the battlefield, maybe you can win through subversive operations, destabilizing operations to try and bring down the Russian government. I think that's the goal, or at least to cause enough confusion and problems that the Russians kind of pull back and say, "This isn't worth it," something like that.

Bill Walton ([14:25](#)):

But you mentioned earlier, that there's a NATO meeting coming up, and you've also written about NATO. The original notion was Ukraine joining NATO, and that seems to be off the table. They don't have the votes in NATO to do that. But there is another alternative, which is offering Ukraine a security guarantee.

Stephen Bryen ([14:45](#)):

Yes.

Bill Walton ([14:45](#)):

And I think you point out that could be infinitely more dangerous than Ukraine joining NATO.

Stephen Bryen ([14:52](#)):

Yeah. Let me explain. The NATO is ostensibly a defensive alliance. It says that the members are going to come to the aid of another member if they're attacked. But the relevant part of the NATO treaty is called Article 5. And Article 5 requires everyone to agree to do that. In other words, you need a unanimous vote. If you give security guarantees, it's not clear what the triggering is for that. Is it just [inaudible 00:15:24]-

Bill Walton ([15:24](#)):

I'm don't mean to interrupt, but Article 5 was characterized by some people I talked to is, "Well, they can invoke Article 5, and it'll be like World War I. We've got to go into war to defend."

Stephen Bryen ([15:36](#)):

It doesn't work that way.

Bill Walton ([15:37](#)):

Okay, it's not an [inaudible 00:15:41]-

Stephen Bryen ([15:40](#)):

No. Actually, it's only revoked once. Invoked, I'm sorry, not revoked. May get revoked, but it was only invoked once. And that was 2001 during 9/11 when the US requested NATO to act under Article 5, and NATO didn't act.

Bill Walton ([16:00](#)):

So much for that. But you mentioned now that the security guarantee's in place, this support maybe worse. How would it be worse?

Stephen Bryen ([16:13](#)):

Well, because it's not clear, it's democratic in terms of NATO. In other words, we haven't seen it, so we're only guessing. But the fact of the matter is, if you give a country a security guarantee, there has to be something to trigger it, right? And if there's no requirement for a vote once it's triggered, you're at war. So it could get you into a war without the NATO members agreeing to do it. And I worry about that. I think that's bad news. I don't think we want that. That's not the kind of solution that is a good one for Europe or for the United States or for anybody else. It's a very dangerous provision, if that's the case. Again, there's no text, so we're just guessing. But that's what it sounds like. Otherwise, why would you do it?

Bill Walton ([17:03](#)):

Again, who are leading strategists in the American administration? It seems like we've got some competing camps in the administration. There always are. But who's leading the charge here? We know it's not Joe Biden. That's me speaking. You don't have to say that, but-

Stephen Bryen ([17:19](#)):

I won't.

Bill Walton ([17:21](#)):

Who's really-

Stephen Bryen ([17:21](#)):

Well, I think the head of the National Security Council, Sullivan, is certainly a key player in this. So is the State Department with Victoria Nuland. Of course, she's the main driver there. Blinken, I don't consider very effective about anything. So she's running the show. The Pentagon has been, at the leadership level, at the top, top, top leadership level, it has supported the administration's policy. But right below that, I think there's a lot of unhappiness with this because, first of all, it's depleting our deterrent. And when you start to deplete your deterrent, you're in trouble. And they don't like that.

Bill Walton ([18:05](#)):

Well, you spend a lot of time in the Pentagon and they've got to be very upset about what we're doing here, because we're going to talk in a second about China and Taiwan. I mean, there's a lot of other stuff going on in the world besides Ukraine.

Stephen Bryen ([18:19](#)):

Well, the Pentagon is in a bit of a mess. I mean, it always is to some degree. But right now it's confused to say the least. I mean, they're buying weapons they don't need when they should be buying weapons they do need, that kind of thing, which is classical Pentagon spending habits. But it doesn't matter because all the good stuff's going to the Ukraine. So it's leaving them with very few tools to defend anything else. Not to mention Taiwan, of course, it's Taiwan.

Stephen Bryen ([18:52](#)):

But what about Europe? If you exhaust your munitions in Ukraine, how are you going to defend Europe before war started?

Bill Walton ([18:59](#)):

You don't.

Stephen Bryen ([19:01](#)):

Well, I don't understand how you can do it. It's a very dangerous policy. And I don't think it's been calculated correctly by any of the decision makers in Washington. And that's big problem.

Bill Walton ([19:14](#)):

That's the sense of my question about who's in charge. Calculation doesn't seem to be much in evidence here. We just seem to be blindingly moving ahead with-

Stephen Bryen ([19:25](#)):

Well, in two ways-

Bill Walton ([19:26](#)):

... unintended consequences.

Stephen Bryen ([19:28](#)):

Can I stick my nose on this one? I mean, there's [inaudible 00:19:30]-

Bill Walton ([19:30](#)):

Absolutely, please.

Stephen Bryen ([19:31](#)):

... parts to this thing.

Bill Walton ([19:32](#)):

Let's make some news.



Stephen Bryen ([19:35](#)):

I don't think we'll do that. But I mean, on the one hand, there's no strategic planning that's driving decisions in the US government today, at least that's how it looks to me. Because if there was strategic planning, we would understand how to defend Europe and we're not doing it. If there was strategic planning, we would be able to defend Taiwan in some meaningful way, and we're not doing that either. We're just placating the Chinese and hoping they'll go away. Not going to work, by the way.

Stephen Bryen ([20:06](#)):

So at the strategic level, I think there's a real problem, a big one, a very big problem. And then at the operational level, we've learning lessons from this war that are really negative. This current battle in this counter offensive is a NATO plan. It was developed with advanced simulations that were run by NATO, mainly the US and the Brits, to figure out how to win against the Russians. With what we plowed in there, long range weapons, all that kind of thing, the modern tanks, better communications, coordination, all the things that we're supposed to be doing today on the modern battlefield. And it has failed so far. I mean, truly failed.

Stephen Bryen ([21:01](#)):

So that should almost demand a rethink about how we go about warfare and how we're going to defend our interests. And it hasn't, at least I haven't seen it yet. And that's a real tragedy. People are running around saying, "We're winning." That doesn't help, because we're not. And rather than trying to figure out what the problems are, look, if you can't use your armor force to penetrate the other guy's side, you got a problem. And that problem, doesn't matter what kind of tank you got, whether it's an Abrams tank or the wonderful Leopard tank, they lost all 16 Leopards already, and that may not sound like a lot, but that's all the Leopards that Poland and Portugal have given to the Ukrainians, plus some from the Germans.

Stephen Bryen ([21:50](#)):

So it's not a good situation. And so you have to figure out how to deal with that kind of threat and what you should be doing. I'll give just one example. One of the things, we need much better demining equipment, we don't have it. We need much better, actually, we need active defenses on our tanks. We're not buying it. I mean there's stuff that's just incomprehensible that needs to be fixed.

Bill Walton ([22:18](#)):

So we haven't fought a war like this in almost forever. I mean, everything we've been doing has been asymmetric with-

Stephen Bryen ([22:27](#)):

Korea would be the last war with a modern armor kind of thing.

Bill Walton ([22:29](#)):

And do you have a speculation, if we did get into a hot mess with China, would we be fighting this type war?

Stephen Bryen ([22:38](#)):

No.

Bill Walton ([22:38](#)):

Or would it be Naval or would it be something else?

Stephen Bryen ([22:41](#)):

Would be different, because you got ocean. This is a land war, barely a land war.

Bill Walton ([22:47](#)):

Well, let's bring in the other player on the stage, which is China. China Xi and Putin have had a lot of meetings and they've been arm in arm. And one of the outcomes of this, our policy, has been to drive China and Russia together. But Xi I think would be concerned about Putin not being in charge. And he overtly aligned with Russia at this point. It looks like they're playing their cards pretty closely, which they always do. But how do you see China Russia evolving here?

Stephen Bryen ([23:24](#)):

Historically, they don't get along. I mean, they have the conflict up at the Yellow River. There's a lot of territorial issues. There's political issues. You have the problem of communism in China, which is dying, if it's not dead already. All these things. But-

Bill Walton ([23:45](#)):

Communism in China dying.

Stephen Bryen ([23:47](#)):

Yeah, I think they're regimes in trouble. I think Xi's in trouble, a lot of trouble. His economy is collapsing, guided system is failing. Their banking system is in crisis. That's why it's astonishing that-

Bill Walton ([24:06](#)):

You don't see an omnipotent China ready to step up here-

Stephen Bryen ([24:09](#)):

Well, this is a dangerous moment, because when-

Bill Walton ([24:15](#)):

See, I worry that if they've got all these weaknesses and the demographic's issues real, the real estate over investment is falling apart on them. They're killing all the tech companies with cracking down on getting rid of the entrepreneurs and all the other restrictions. They're beginning to drive out a lot of foreign investors, which I'm witnessing firsthand through my window into private equity and venture capital. And it does look like a hot mess there. But countries that are in that bad of shape typically like to go to war to get people not thinking about that.

Stephen Bryen ([24:56](#)):

That the problem, one of the problems.

Bill Walton ([24:58](#)):

I'm laughing, but it's not very funny.

Stephen Bryen ([25:00](#)):

Well, it isn't. But China cannot afford a protracted conflict. I'm sure there's a big debate. Look, they understand the same things we understand. They understand the US is short on stuff that the US has these problems. So the natural instinct is we want to exploit that, take advantage of the American weakness and American confusion. And surely that's what the Chinese National security Council's talking about.

Stephen Bryen ([25:31](#)):

But the counter to all that is, if they got into a conflict, and if it lasts more than two days or three days, they're toast, because, for sure, the US and the Europeans, and the Europeans will do what we tell them, will impose huge sanctions on China. And the Chinese economy will totally collapse. They can't manage that because they're going to have revolution at home. So that's the dilemma they have. It's not that they don't want to, it's, can they get away with it in a very short, quick operation?

Bill Walton ([26:07](#)):

But American-

Stephen Bryen ([26:08](#)):

And it does look that way to me.

Bill Walton ([26:09](#)):

... leadership, this particular administration, seems utterly incapable of taking advantage of the leverage we do have. Which is [inaudible 00:26:17]-

Stephen Bryen ([26:16](#)):

Well, this is a administration that says, "What balloon? We hadn't seen any balloon."

Bill Walton ([26:19](#)):

Hadn't seen any balloon. And Blinken, little Tony, doesn't want to talk about that balloon when he is going over there. That's-

Stephen Bryen ([26:27](#)):

I saw that. Who knows? And then no one greets the guy when he gets off his plane. If Blinken had any self-respect [inaudible 00:26:35]-

Bill Walton ([26:34](#)):

Tell that story. Tell that story, that's bears repeating. You've got our Secretary of State showing up in Beijing and what happens next?

Stephen Bryen ([26:43](#)):

Nobody's there. And when he got out of the plane, he would see that no one was there. And he should have turned around, got back on the plane and said, "Let's go home, because we're being dissed," as they say. As the kids say, "We're being dissed. We don't want to be dissed, so we're out of here." No,

instead he was trying to give away the farm. And he almost did. Now you got Janet Yellen on an airplane going to China.

Bill Walton ([27:11](#)):

Well, she's worse. She's worse. I mean, she's-

Stephen Bryen ([27:14](#)):

Yeah, but it tells you what they want. I mean, what they want are economic deals with the Chinese at the very moment when the Chinese are so vulnerable. And we're going to give them that without getting anything for it.

Bill Walton ([27:24](#)):

Well, this is off on another one of my areas of exploration. They want climate deals. They don't want economic deals. And our climate policies [inaudible 00:27:36] is bound to bankrupt us. And they think climate change is by far a bigger worry than China is, and so they'll cut any deal they can just to get-

Stephen Bryen ([27:47](#)):

No, I think you're right.

Bill Walton ([27:48](#)):

... a fig leaf to say that China's giving them China concessions.

Stephen Bryen ([27:54](#)):

Well, we don't need their concessions, but what we don't want to happen is to support their economy at a critical moment and get nothing for it that's real.

Bill Walton ([28:04](#)):

So the visual of-

Stephen Bryen ([28:05](#)):

Why not side of the Chinese? I'll give you for instance, it's easy. Well, "Dear China, you want our secretary treasurer to come over and work out some banking and other arrangements with you? Well, we're interested in that. But by the way, those airplanes flying around Taiwan, send them home. We don't want to see them again. If you want to have this conversation, get those damn airplanes out of there."

Bill Walton ([28:27](#)):

But Blinken did not do any of that. I mean, I'm just going to quote you, which I love this. You said, "Blinken acted like he had no cards whatsoever. And he was like a schoolboy, deeply apologetic for whatever it is that schoolboys apologize for." And that's the way it came off. Even the visual of Blinken meeting... the photos of him with Xi were stunning.

Stephen Bryen ([28:56](#)):

The stunning [inaudible 00:28:56]-

Bill Walton ([28:56](#)):

And then Xi figuratively put him at the other end of the table, I mean he couldn't have been more dishonored.

Stephen Bryen ([29:04](#)):

It was a great humiliation. Shameful humiliation of the United States. I don't care about Blinken. He's an actor on the stage. He'll go away. But he represents the United States. This is the United States. And if this is the best we can do, oy, aye, aye, this is terrible. Great powers have to be great powers. They can't be anything else. And Blinken has proven that yes you can. You can be an idiot. You can go over and make a fool of yourself. And it's fine. No one cares. Well, they do care. People do care. I care. I'm sure you care too. I mean, it's the sort of thing that is humiliating to the United States. Kowtowing to the Chinese is not what we should be doing.

Bill Walton ([29:54](#)):

Well, and we are. And we talked about Sullivan earlier. He seems to be the only one in the administration that seems to think we ought to have a tougher line towards them. But Taiwan is in play and they're-

Stephen Bryen ([30:08](#)):

Yes.

Bill Walton ([30:09](#)):

... doing everything they can aggressively. You wrote a piece on why Taiwan's important. You summed it up in three categories: the democracy, the strategic place it has in the South China Sea and the whole trade zone over there, and then the economic issue we face-

Stephen Bryen ([30:31](#)):

Taiwan is not only an economic power, but it's a technologically, highly advanced economic power. And Taiwan Semi or Taiwan Semiconductor is a national treasure in Taiwan. And it's hugely and vastly important to our military, because that's where the artificial intelligence circuits or integrated circuits are coming from. We don't make them, they're made in Taiwan. They're not made anywhere else because no one has the technology to do it, because of the very fine features of those kinds of semiconductors, nano or nano-sized features.

Stephen Bryen ([31:12](#)):

So what are we doing here? We have reasons to want to defend Taiwan, but by the way, the most important is democracy. Because I've been to Taiwan many times and I've been to their presidential elections, actually was one of the presidential election, when we were called inspectors, so to speak, went around and saw if it was fair. And by the way, they're very fair elections, unlike ours. They're really fair. They really count the votes.

Bill Walton ([31:48](#)):

We can't talk about the election or Homeland Security will ban the video. So-

Stephen Bryen ([31:53](#)):

That's probably true, you'll end up being [inaudible 00:31:55]-

Bill Walton ([31:54](#)):

We can talk about Taiwanese elections, but not our own.

Stephen Bryen ([31:58](#)):

But that's a wonderful democracy.

Bill Walton ([31:59](#)):

Feel free to discuss-

Stephen Bryen ([32:02](#)):

It's a vigorous democracy. It's competitive. There are real political parties. There are differences of view in Taiwan as there are differences of view in any place. And yet they're under tremendous tension. Every day You have the China's most advanced fighter jets circling the island, UAVs flying over, warships nearby, exercises across the street by the Chinese army, preparing for an invasion. This kind of thing puts tremendous pressure and tension on the people of Taiwan and certainly on the government.

Bill Walton ([32:37](#)):

Do you see anything going on inside China to protect themselves from the technological catastrophe that they'd have as well if Taiwan shut down? Because one of the things that, if you look at our lockdowns and the shortage we had of semiconductors for consumer things like automobiles, you couldn't get delivery. And that was a very tiny disruption in the supply chain compared to what happened if Taiwan went dark because of a hot war there.

Stephen Bryen ([33:07](#)):

Well, and also-

Bill Walton ([33:07](#)):

China would be equally, not equally, but massively affected by that as well.

Stephen Bryen ([33:12](#)):

Well, they have a huge [inaudible 00:33:13] industry. But the other thing that would be affected would be Huawei. Huawei is the telecommunications company that depends on Taiwan Semi. And if Taiwan Semi stopped providing them, they're out of business. They can't do it. So that would be a big blow, because that's window on spying on the world. That's how they do it, us Huawei.

Bill Walton ([33:38](#)):

I don't think Xi can afford a hot war. So what's XI's aim with all the ships and the sea lanes and flying fighters over Taiwan and acting aggressively? And-

Stephen Bryen ([33:48](#)):

That's a good question. I think on one hand he wants to show he is a tough guy. "I got teeth, I can do things." I mean, they're building up their military every day. It's unbelievable. The second is he wants to

let his military show off because otherwise they may bomb him instead of Taiwan. So he has to let them play around as long as they don't cause a war. But you know, start doing this and pretty soon you've got an incident that gets out of hand and you do have a war. We had that remember the Henan-

Bill Walton ([34:27](#)):

Sure.

Stephen Bryen ([34:28](#)):

... incident some years ago. By the way, that's something that historians ought to take a look at, because I used to tell people that that incident was resolved thanks to General Walmart and Admiral Kmart, who told the Chinese, "We're not taking your stuff. You're screwing America, so we're not taking your stuff." At that time, they controlled the market. So the Chinese had to bend because they had nowhere to go. But again, I mean, they're flirting with an incident, with a clash. Some airplane shoots down another airplane. Or even if a Chinese bomber would crash on Taiwanese territory. Can you imagine what that's going to unleash?

Bill Walton ([35:13](#)):

Sure.

Stephen Bryen ([35:14](#)):

Because they're flying very close to the island.

Bill Walton ([35:18](#)):

So... I'm sorry, go ahead.

Stephen Bryen ([35:20](#)):

No, I was just going to say, this is a very risky game, very dangerous.

Bill Walton ([35:25](#)):

So we got to get out of here, for today, but you're going to be back, because I'm sure events will serve up all sorts of new things to worry about. That brings me my last question. Of all the things you cover and you cover a lot of what's going on, what are you most worried about?

Stephen Bryen ([35:44](#)):

Right now what I'm most worried about is a nuclear incident in Ukraine. The Ukrainians have been putting out a lot of phony information that the Russians are going to blow up the huge atomic power plant in Zaporizhzhia, Energoatom, I think that's how you pronounce it. And the Russians say, "That's nonsense. We are not going to do that." But Ukraine is in trouble. Let's be honest, they're in trouble. They can't keep this war going very much longer. And so they may do something stupid like that. I know the US is worried about it too, and rightly so. Because-

Bill Walton ([36:29](#)):

The worry is what Zelenskyy would do backed into a corner-

Stephen Bryen ([36:33](#)):

Or someone.

Bill Walton (36:34):

... nothing to lose. And he can try to trick [inaudible 00:36:37]-

Stephen Bryen (36:36):

I don't know that Zelenskyy would do it, but he's got some pretty bad characters that work for him. And whether they care one way or the other about Zelenskyy, I think Zelenskyy is largely irrelevant. They'll do it if they want to, and who's going to stop him?

Bill Walton (36:56):

Well-

Stephen Bryen (36:56):

That's the real... And no one can even understand the immensity of an explosion at the... It's a huge plant. It's the biggest plant in Europe, I think, has eight reactors.

Bill Walton (37:12):

Well, it sort of brings us back to where I first got to know you and your, I will say, profound wisdom, which thank you for that. When this all started, I mean, it never should have started. And-

Stephen Bryen (37:27):

Right.

Bill Walton (37:27):

... the United States should have used its power to turn this into some negotiated settlement, which was possible. And we still find ourselves in the same place. It's in our national interest to shut this down, ASAP.

Stephen Bryen (37:42):

Well, now we've gone through the regime change kabuki, which seems to have failed. We've gone through the counter offensive, which is not succeeding. We have burned up thousands more lives, and billions and billions in equipment. Would that mean that we're rational? Could we be rational? I don't see a single sign from the US side of anyone thinking about some negotiation. Sad to say, but that's the case. Not a single sign. Have you seen anything?

Bill Walton (38:19):

No,

Stephen Bryen (38:19):

No.

Bill Walton (38:19):

No.



Stephen Bryen ([38:21](#)):

No.

Bill Walton ([38:22](#)):

And I've been looking in vain. It's not even a campaign issue.

Stephen Bryen ([38:27](#)):

Not yet. Well, Trump brings it up, but-

Bill Walton ([38:30](#)):

Well, Trump does. But I happen to agree completely with what he's saying, but if Trump says it, it's doesn't get [inaudible 00:38:39]-

Stephen Bryen ([38:38](#)):

It's a throwaway. From the rest of the country, for the writing press, it's a throwaway, nobody cares. So we come back to the bottom line that no one's promoting any peace initiative, not the Congress, not to the administration, not the military, not anybody. And that is a recipe for huge disaster. Look, the real game here is we don't want a war in Europe. Nobody could want a war in Europe. We've been through two wars in Europe in the last century. We don't need a third one in this century. And we have to find a way to accommodate and work out deals with the Russians that make some sense. I think it's possible. I think the Russians are open to it, or at least they were. They may not be in a good mood at the moment after Prigozhin and all that. But I think at least try, give it a shot. No, there's nothing.

Bill Walton ([39:37](#)):

Okay. Well, we're going to conclude for right now. And thanks, Stephen, for-

Stephen Bryen ([39:42](#)):

My pleasure.

Bill Walton ([39:43](#)):

... well, your wit and wisdom. For all of you who've been listening, I know I like to try to come up with a positive line of action. I guess the positive line of action here is simply start talking with people about the need to bring this to an end, I mean Ukraine, or the war in Ukraine and lobby everybody you can. We've got to change public opinion and make it matter more, because it's certainly in our interest.

Bill Walton ([40:07](#)):

So with that, thanks for joining The Bill Walton Show. Please hit the subscribe button if you're watching this. And also we welcome your comments on substack and on our website, thebillwaltonshow.com. We're on all the major podcast platforms and video platforms. And so if you'd write a review of what you've heard and maybe give us a five-star rating, if you think that's what we deserve, we'd deeply appreciate it. And we look forward to bringing you back some interesting shows quite soon. So anyway, stay tuned and persevere.

Bill Walton ([40:44](#)):

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