

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 ([00:24](#)):

Welcome to the Bill Walton Show. I'm Bill Walton.

([00:29](#)):

Have you looked at your credit card statement recently and studied the fine print and ever wondered what was in it? Well, most of us don't, and I'm beginning to think we should, because what's happening with credit card fine print really is a microcosm of what's happening in our entire financial economy. What's in that fine print may not be very good for you.

([00:54](#)):

Here's the big issue. A slew of financial crises that stretch all the way back to the Great Depression have been exploited to erect a financial regulatory system that has vastly expanded federal regulatory power. The irony is that these crises were largely caused, or at least exacerbated, by poorly designed government regulation. Worse, the left is increasingly using this regulatory leverage over the financial system to pursue its wealth redistribution strategies and to enrich favored constituencies.

([01:32](#)):

What's developed is an unholy alliance of mega banks' entrenched special interest that take advantage of our system of opaque and complex regulation. Simply put, the systems being used to advance the left's agenda, and as one of my guests will point out maybe other agendas as well, whether it's the culture wars or advance abroad and controversial climate change agenda, and a host of other things like engineering a central bank digital currency system, which would in effect put the Federal Reserve in oversight over all of our individual spending.

([02:13](#)):

This is a vastly complicated area. Hard to boil it down into something that's actionable for us, but we need to understand it. To help me do that are two wonderful guys that we've had on the show before, Norbert Michel and Chris Iacovella. Chris is the president of the American Securities Association. You can find all of his extensive and interesting biographical information on the AAA website. You've got a big title.

Norbert Michel ([02:42](#)):

It's a long title.

Bill Walton ([02:43](#)):

You're the director of the Cato Institute Center for Monetary and Financial Alternatives. It's another big job. He's been writing extensively in Central Bank digital currencies and other related topics. When Norbert and I were talking before the show, he said, "Bill, you've got your opening wrong." I said, "Okay. Let's go from there."

Norbert Michel ([03:06](#)):

I wasn't so harsh, but ...

Bill Walton ([03:08](#)):

Well, you're not a harsh guy.

Norbert Michel ([03:08](#)):

No, I'm not.

Bill Walton ([03:10](#)):

You're soft spoken, but you're ...

Norbert Michel ([03:11](#)):

Thank you. I try. Nobody sees it coming. I just wouldn't let the right off the hook. The right is, especially on the culture war stuff, there are some in the right who want to use government in much the same way that those on the left do, but maybe for a different purpose, maybe for an opposite purpose. Then in financial markets as well, we see it a lot. The Republicans and Democrats alike are a hundred percent willing to use more government backing behind financial markets for a variety of reasons.

Bill Walton ([03:51](#)):

The larger point still holds is that they've used the complex regulatory system to advance an agenda that the rest of us don't really see.

Norbert Michel ([04:00](#)):

Yes, I don't dispute that at all.

Bill Walton ([04:03](#)):

Chris, you see this all the time with the SEC and with what they're doing. This must be the SEC right here trying to ... Okay. We'll let that go. Go ahead, Chris.

Chris Iacovella ([04:18](#)):

Yes, so I couldn't agree more about the fact that each one of these crises is generally an outgrowth of the idea that we're going to solve for the next crisis, because of the past crisis, with more regulation. What's happened in reality is the administrative state continues to grow. It gets bigger, and bigger, it puts on more and more regulation, which stifles competition, which means that we have less choice as consumers, and it redirects money, shareholder money in many cases of private companies, to a professional class of elites in the Acela Corridor that do consulting, that do legal work, that do auditing. We've had Sarbanes-Oxley, which was supposed to stop bad financial statements from coming out. Then we have the housing crisis, which precipitated by everybody needs to own a house and government interference in housing finance.

([05:16](#)):

Then we backstop the financial system during the great financial crisis, but then lo and behold, we're told, "Don't worry, Dodd Frank's going to come around. It's going to be perfect. That will stop everything else. We've created this amorphous entity called the FSOC, the Financial Stability Oversight Council, that will stop everything because they will identify all the risks out there."

([05:39](#)):

Well, then we get to 2020, we have a once in a generation pandemic. What happens? The Fed jumps in, saves the entire financial system, buys securities, buys bonds, those things that's not in its mandate. It should never have been buying ETFs with corporate securities in there, but they did. You have to ask yourself, why do you have all of this regulation that stacks up and costs more and more and more money and siphons money out of the real economy and sends it to the service economy of this professional class? When push comes to shove, and we saw it again this year, in 2023, the Fed will bail out the system.

[\(06:22\)](#):

It's a waste of money, a lot of these rules, when we always are going to have the Fed pump liquidity and backstop the banking and financial system. I think one of the things that we should explore is why does this keep happening? Is this useful for our society. While this is going on, the administrative state continues to expand into deeper and deeper issues. One of the reasons that they missed the 23 failures of Silicon Valley Bank, Signature Bank and what we have with the regional crises, and Norbert can expound on the capital rules, but the FSOC's two previous financial stability ...

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

FSOC means financial What does that mean.

Norbert Michel [\(07:09\)](#):

Stability Oversight Council.

Bill Walton [\(07:11\)](#):

Stability Oversight Council. That was created with Dodd Frank. That was supposed to oversee all this from Olympian heights and prevent any bad things ever happening again.

Norbert Michel [\(07:22\)](#):

Keep everything stable.

Chris Iacovella [\(07:23\)](#):

They produce a report every year on the risks to the financial system and to our economy. For the last three years, the main risks were crypto and climate and non-bank entities, meaning hedge funds. That they would propose a huge risk to the economy. They didn't bother to look at their own institution and say, "If we raise interest rates 500 basis points over the course of 12 months, what impact might that have on the market risk of treasury securities that are required to be held by banks as capital?" That would seem, to me, to be legitimate risk to the system.

Norbert Michel [\(08:06\)](#):

Maybe.

Bill Walton [\(08:06\)](#):

Jump in, Norbert.

Norbert Michel [\(08:08\)](#):

Chris is a hundred percent correct here. I'll go a little bit further back on the history before I say a little more about the capital requirements. You can go back to the 1890s and you can see government crises that exacerbated the financial markets and actually led to the creation of the Fed. The 1930s people were afraid ...

Bill Walton ([08:29](#)):

You're right. I dated it from the Great Depression. It really did start ...

Norbert Michel ([08:32](#)):

Oh, yeah. Way before.

Bill Walton ([08:33](#)):

We've been having these crises forever.

Norbert Michel ([08:35](#)):

For sure. Then during the depression, one of the things that caused ... I'm sorry. Two of the things that caused the primary banking crisis was a prohibition on banking, branch banking, I'm sorry, which was a small bank thing. Everybody was afraid that Roosevelt was going to go off the gold standard, so they took all their money out. Then he did. Then we got the FDIC. Then in the sixties, we gave regulators the ability to stop anything in the banking sector that was an unsafe and unsound practice, as they defined it. That didn't work. In 91, we got rid of the interest rate price controls, and we gave them prompt corrective action, and that was supposed to be it. Now they have prompt corrective action at the FDIC so they can stop anything from happening bad, right away.

Bill Walton ([09:24](#)):

Let's move from policy to personal. Who are these regulators? Who are these Olympian people who are supposed to be able to be all seeing. I mean, they're government bureaucrats, right? They're GS-15s.

Norbert Michel ([09:36](#)):

Almost entirely. Yeah.

Bill Walton ([09:37](#)):

What's their background?

Norbert Michel ([09:38](#)):

A lot of lawyers, a lot of economists.

Bill Walton ([09:41](#)):

Have they ever worked in an investment bank or a commercial bank or a finance company?

Norbert Michel ([09:46](#)):

Oh, I'm sure some may have, but I mean a lot of them ...

Bill Walton ([09:49](#)):

Not all of them. I know these guys. Nobody's worked in the real world.

Norbert Michel ([09:52](#)):

Well, I don't want to say not one single one, but I'm ...

Bill Walton ([09:55](#)):

You're too cautious.

Norbert Michel ([09:56](#)):

Yes. Yes, I am. But most of them are not. Most of them are not coming out of the industry.

Bill Walton ([10:02](#)):

The number of people who've worked in the industry that go into that regulatory world, I think, you can probably name them on one

Norbert Michel ([10:10](#)):

Not as an examiner. Maybe it's higher up.

Bill Walton ([10:14](#)):

Well, examiners tend to have some background. No, not even the examiners.

Norbert Michel ([10:18](#)):

I think it depends. I mean, I've known a couple, I can't say that I know all of them, but I don't think it's the norm. I think it's typically a lawyer.

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

The larger point I want to make is when Elizabeth Warren writes, and she did just after the Silicon Valley thing in March, she said ... Economic Growth Act, I think that was something that changed some technical parts of Dodd-Frank.

Norbert Michel ([10:41](#)):

It did. That was [inaudible 00:10:42].

Bill Walton ([10:42](#)):

They said that it caused the demise of Silicon Valley Bank, and it was a direct result of leaders in Washington weakening the financial rules.

Norbert Michel ([10:49](#)):

Which is ludicrous. She did say that. Others have said that, and it's completely false.

Bill Walton ([10:54](#)):

Every time we hear a see a headline, we ought to be thinking, okay, well, they want to give all this power to these people. Who are these power and what do they really know? Can the people in FSOC really tell us?

Norbert Michel ([11:07](#)):

I would argue that no matter who they are, they can't tell us.

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

I would accept that argument. I think you're a really smart guy. Chris, you're a really smart guy. I'm a really smart guy. I don't think if any one of us were made head of the Federal Reserve, we'd have any omnipotent powers to steer ...

Norbert Michel ([11:25](#)):

That's right.

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

It's a badly designed system.

Chris Iacovella ([11:30](#)):

Bill, you're getting to the main point, which is ...

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

I'm trying to.

Chris Iacovella ([11:35](#)):

You are. You're zooming right in over the target, which is that each crisis has these folks go to Congress and ask for more power. We could have stopped it, if only we had the authority to do this. Or this was deregulatory and that's why Silicon Bank went down. No, that's not why. Silicon Valley Bank invested in long duration assets. When rates went up, the prices went down significantly for 60% as of October of last year on some of those bonds. Okay? That was bad risk management. That was bad investing. That was significant amount of risk taking that the San Francisco Fed completely ignored. Why? Because it had a climate change agenda that it was trying to jam through the financial system. But for Senator Toomey raising awareness about the San Francisco Fed moving in this direction, it wouldn't have even been an issue in Congress.

Norbert Michel ([12:33](#)):

It's documented that they knew about the risks at SVB. I mean, they absolutely knew that there was an unhedged interest rate risk exposure there. They did not stop it. And they absolutely, beyond the shadow of a doubt, had the authority to stop it. A hundred percent.

Bill Walton ([12:48](#)):

They did have the authority.

Norbert Michel ([12:49](#)):

No doubt, 100%.

Bill Walton ([12:51](#)):

They ignored it or they didn't see it.

Norbert Michel ([12:53](#)):

They were mitigating it. They were in the process of mitigating it for a couple of years, or at least a year.

Bill Walton ([13:01](#)):

This is Bill Walton ...

Norbert Michel ([13:01](#)):

The report didn't quite make it to the top.

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

Okay. This is the Bill Walton show, and I'm here with Chris Iacovella and Norbert Michel. We're talking all things financial and who really are these regulators that have so much power over the economy. If you're listening or watching, we'd appreciate it if you go on whatever platform you're on and ask us some questions you have as we're talking about this. We won't be able to get back to you in real time, but we will get back to you in the next show and like to have you engaged in this dialogue.

([13:34](#)):

The regulators saw what was happening or could have seen they didn't do anything about it.

Norbert Michel ([13:38](#)):

Yeah. That's true. I'm not disagreeing with Chris, but I think another part of it is this idea of regulating towards stability. If you're going to regulate towards stability, you don't go into a \$200 billion bank and shut it down. You don't go into a \$200 billion bank and tell them to divest their loan portfolio or to divest their treasury portfolio or their MBS portfolio over the next six months or whatever it is, because that's not stable. You give them time to mitigate this and you work with them, and that's what happens. I think that is part of the core problem there.

([14:17](#)):

The other piece is the capital requirements. We have no idea what market-based capital requirements would look like for the financial sector, especially banking, because it's all by rule. We don't know if shareholders and customers and investors would rather a higher number, a lower number, more disclosures of different items than what we have. I mean, it's completely regulated to the T.

([14:46](#)):

We kind of bounced off of that, but Paul Volcker, may he rest in peace. He really is the impetus behind the Basel capital requirements being implemented in the US. They had the Mexican crisis that the Fed tried to fix when he was there. One of the ways they tried to deal with that was through ...

Bill Walton ([15:04](#)):

We're going in the [inaudible 00:15:06] Basel requirements, or what?

Norbert Michel ([15:07](#)):

I'm sorry, Basel capital requirements. All of the capital rules, the federal regulators decided that they would use the Basel rules. Basel is sort of international [inaudible 00:15:19].

Bill Walton ([15:18](#)):

A bunch of gnomes in Switzerland.

Norbert Michel ([15:20](#)):

Yes.

Bill Walton ([15:21](#)):

Okay.

Norbert Michel ([15:22](#)):

They all got together and came up with a risk based set of rules.

Bill Walton ([15:26](#)):

Basel. Okay.

Norbert Michel ([15:27](#)):

Prior to the eighties, believe it or not, the only federal capital requirement we had for banks was sort of a flat minimum capital requirement. That was it. When all this stuff happened with that Mexican crisis with Volker, they went to Basel and we got Basel I. Then a few decades, or a decade or two later [inaudible 00:15:48].

Bill Walton ([15:47](#)):

Well, Basel also is the group that tells European banks that there's no risk at all in owning a government security.

Norbert Michel ([15:54](#)):

That's them. Yeah.

Bill Walton ([15:56](#)):

Therefore, the banks in Europe have got like 75% of their loan book and bonds issued by soon to be bankrupt countries.

Norbert Michel ([16:06](#)):

That's right. That's those guys. Yes. They came up with the rules. Yeah. They did. And that's why we have all the treasuries in the banking sector.

Bill Walton ([16:13](#)):

It's risk-free if you're investing in Italian bonds.

Norbert Michel ([16:16](#)):

That's right.

Bill Walton ([16:17](#)):

Or Ukrainian bonds. Sovereign debt is risk-free. Isn't that their ...

Chris Iacovella ([16:24](#)):

From a credit risk standpoint it's risk-free.

Norbert Michel ([16:27](#)):

They missed on the interest rate risk.

Chris Iacovella ([16:29](#)):

When interest rates go up, bond prices go down. And that's the critical factor here. And in an inflationary environment, in order to calm inflation, you have to arrest it by increasing the cost of money. That's the only way to stop it. When you do that, you decrease the value of all of those securities.

Norbert Michel ([16:50](#)):

They can say that they didn't see it coming. That's fine. But our point would be that if we didn't have these rules, every single bank wouldn't look exactly the same. Every balance sheet wouldn't be so uniform. You would have more diversity, in the sense of more diverse set of assets, risk dispersion. You don't. You have siloed balance sheets that look almost exactly the same.

Bill Walton ([17:13](#)):

Okay. I may want to go into my own walk world now, but you're hitting something that's near and dear to me. This notion of measuring risk and creating stability. Somehow the political class who wants to get reelected thinks they can take risk out of the markets.

Norbert Michel ([17:31](#)):

That's what they tell us every time.

Bill Walton ([17:32](#)):

And they can make it stable forever. When anything bad happens, they try to paper it over to make it stable forever, so they'll get reelected.

Norbert Michel ([17:39](#)):

That's what they tell us every time.

Bill Walton ([17:40](#)):

But in fact, the way markets work is you've got volatility. Volatility is a good thing because that shows you what's working, what isn't working. As you point out, if you've got a basket of banks that are a hundred banks and each one of them is run by somebody with a slightly different view of the world, you've got a really interesting set of ideas about what works and what doesn't work. That's going to be more stable as people gravitate more towards what works, but if you don't let them experiment, you'll never find out.

Chris Iacovella ([18:12](#)):

Well, or if you just keep bailing out ones that make bad risk choices.

Bill Walton ([18:16](#)):

Yeah. Well, then we're China.

Chris Iacovella ([18:18](#)):

We do both.

Bill Walton ([18:19](#)):

That's what China's [inaudible 00:18:20].

Chris Iacovella ([18:19](#)):

We do both. Our system gravitated in that exact direction. I think that's the crux of what we're trying to get to here, is the administrative state is bailing out our system. It used to be once every 20, 30 years. Now, it's happened three times in the last 15 years. They said to us in March, if we don't backstop all the depositors, which included Chinese companies, Chinese nationals ... Why it's a systemic risk to bail out those folks, I don't know. We bailed out all of the depositors ...

Bill Walton ([18:56](#)):

Did you look at the list of depositors that got bailed out at Silicon Valley Bank?

Chris Iacovella ([18:59](#)):

Yeah.

Bill Walton ([19:00](#)):

Number one on the list I think was Sequoia. They had a billion dollars there. Sequoia's got a big operation in China.

Chris Iacovella ([19:08](#)):

Mm-hmm (affirmative). Well, they're closing it now.

Bill Walton ([19:11](#)):

Well, they're not closing it, they're spinning it off. They're going to keep their equity stake in those deals, but anyway they couldn't ...

Chris Iacovella ([19:20](#)):

Good luck trying to get the equity out of China. There are capital controls.

Bill Walton ([19:24](#)):

That's another show.

Chris Iacovella ([19:24](#)):

That's right. I think that one of the issues is why do we have all of this costly regulation, which is in billions every year for all these regulated entities. It creates barriers to entry for small banks, for community banks. Now we're told that the only way that this system is going to survive, recently by Secretary Yellen, is that we need to have more regional bank mergers and community bank mergers,

which is consolidate everything even more. Then at some point, you'll just have the big Wall Street banks, and you'll have a few super, super regional banks. You don't need rules at that point. Then government can just jawbone as much as they want to. You have administrators who have not been elected, who then choose to implement their own policy objectives through verbal diatribes or letters to these CEOs or to their boards that reprimand them for not doing exactly what they want, when there isn't even a regulation or a law that would govern the behavior.

[\(20:29\)](#):

That's where we're at right now is the administrative state has missed the mark on what its job was. It's ventured into climate policy and other things, social policy, cultural policy. Now they want to have the ability to consolidate the industry so it's easier for them to implement these policies, because they don't want to have to go to congress.

Bill Walton [\(20:50\)](#):

Well, you're making the argument, which I agree with, is that the purpose of these regulations ought to be to create an interesting growth, innovative economy that provides wealth and human flourishing. The more we have a free market of exchange, the more that happens. As we consolidate, consolidate, consolidate ... I mean, small banks are the biggest source of credit to, for example, small real estate developers all over the country. If you're an entrepreneur, that's where you want to be. You're not going to be banking with Citibank. By consolidating we're really driving out a lot of the entrepreneurial aspects of it, which hurts growth and hurts flourishing. If you don't care about that, if you care about redistribution, if you care about climate, innovation take the [\[inaudible 00:21:42\]](#).

Norbert Michel [\(21:43\)](#):

Yeah. Well, it supports the professional class too, Bill. I mean, who's getting rich here? There's an argument to be made.

Bill Walton [\(21:50\)](#):

Well, that's sort of the heart of the matter. Who benefits?

Chris Iacovella [\(21:54\)](#):

It's the professional class that votes one way and those people clamor for regulation. The more detailed the regulation, the more money they make. Their prices have gone from \$600 an hour in the nineties to over \$2,000.

Bill Walton [\(22:06\)](#):

We're talking Wall Street lawyers?

Chris Iacovella [\(22:07\)](#):

For compliance accountants and consultants.

Norbert Michel [\(22:10\)](#):

It's ridiculously complicated.

Chris Iacovella [\(22:13\)](#):

That's why when you have some of these regulators, the SEC, the banking regulators enter into climate or social justice debate, they're forcing some of their regulated entities to go and undertake a racial equity audit or a climate audit. Those things cost anywhere between one and \$5 million for the audit to be conducted. Who's getting that?

Bill Walton ([22:34](#)):

A racial equity audit?

Chris Iacovella ([22:36](#)):

Yes.

Bill Walton ([22:37](#)):

That's happened to some of you? The American Securities Association is a group of midcap, small cap securities brokers and dealers working with investor dollars. Therefore, you're seeing all this firsthand.

Chris Iacovella ([22:53](#)):

Yeah. We see it firsthand because we support public companies and bring them to market. One of the barriers to coming to market is all of these extra costs that are being levied on shareholders and on management through shareholder proposals, which is another thing that the federal government doesn't belong in because corporate governance is supposed to be reserved for the states. The corporate enterprise is about state regulation, it's not about federal securities law. The only reason the SEC has a foothold in there is because they decided to intervene in the proxy process and they shouldn't be. If you did that, then what you would do is force all of these companies to choose, do I want to be incorporated in Delaware or New York or maybe Florida or Texas? Where is going to be the place where I can go, where I won't have to deal with this nonsense that doesn't have anything to do with my business.

Bill Walton ([23:44](#)):

Well, that's the beauty of federalism. You have 50 alternatives as to where you want to be.

Norbert Michel ([23:48](#)):

Yeah. You can make a case that the securities trading market that that should be federally governed because it's interstate. You can't say the same thing for the corporate governance of these companies. It just doesn't make sense. There's no necessary reason there. It's not necessary.

Chris Iacovella ([24:04](#)):

If you did that, you would empower corporations and their shareholders to move to a place that was hospitable and wouldn't allow all of this cultural phenomenon that's happening in our country, by activist investors, to invade the boardroom. We have a national rule that's a federal rule that has superseded the power that was reserved to the states to govern corporate matters.

Norbert Michel ([24:31](#)):

You have huge barriers to going public. You have huge barriers to just starting a financial company. You have huge barriers in terms of the regulatory costs to get there. The scale has to be enormous. You have huge barriers in terms of the way you set that company up. You can't just go set it up the way you want.

Bill Walton ([24:51](#)):

Let me supply some numbers. The number of public companies in the last 25 years has gone from what to what?

Chris Iacovella ([25:00](#)):

Well, I think now we're down to ...

Bill Walton ([25:02](#)):

It's gone from about 15,000 to 5,000, 4,000.

Norbert Michel ([25:04](#)):

It's way down.

Chris Iacovella ([25:04](#)):

It might be lower. I think it's in below 5,000 now.

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

In large part, almost entirely, that's because of the regulatory climate; the Dodd-Frank, the rules that you've got ... All the accommodations you got to make as a public company. If you want to go IPO, you're looking at a stack of documents that's as high as this room and the dollars involved are extraordinary. Then once you're public, it adds one or two or three or 4% to your expenses. You don't want to be public. Then the other thing they did was they killed the trading rules. Remember the Penny Rule?

Norbert Michel ([25:40](#)):

Oh, yeah. The size. The tick size.

Bill Walton ([25:44](#)):

Yeah. Well, it used to be you could make money as a market maker because you had ... I don't remember the exact math. They basically changed the regulation, so you could make money making markets in a small cap stock. Therefore, the liquidity dried up and nobody wanted to be public if you're a small company. That's all gone. Investors don't get to participate in small growth companies, because they're not public.

Norbert Michel ([26:10](#)):

Now they're clambering to go after, at least some in the Senate are clambering to go after the private equity side too. They don't want to [inaudible 00:26:17].

Bill Walton ([26:17](#)):

Well, the SEC stuff's bleeding into the private markets. Then let's do some other numbers. The community banks, the regional banks, since Dodd-Frank ... The law that really killed the small public companies, I think I misspoke, that was Sarbanes- Oxley, I think I said Dodd ... It was Sarbanes-Oxley.

Norbert Michel ([26:34](#)):

Sarbanes-Oxley was the real beginning of that end. Yeah.

Bill Walton ([26:37](#)):

I was running a public company when they passed it.

Norbert Michel ([26:39](#)):

Dodd-Frank didn't help.

Bill Walton ([26:40](#)):

Dodd-Frank has now added to that, but that's mainly community banks. We used to have 100, 150 started every year, because of Dodd-Frank we've had a half a dozen in the last 12 years.

Norbert Michel ([26:51](#)):

That's way down.

Bill Walton ([26:53](#)):

That's way down.

Norbert Michel ([26:53](#)):

No, it is. It is. Look, my take on the community banks is, maybe ... I'm not arguing with the fact that they do do a lot of the small business lending. I think that's their niche. On top of that, a lot of the problems that we have are because of this sort of interplay between small banks and big banks. They actually hate the big banks much more than they hate the government. Community development financial institutions, CDFIs, tons of community banks or CDFIs, meaning that they're getting their capital subsidized by the government. They're almost all part of the Federal Home loan bank system now, which is another regulatory fiasco, really.

Bill Walton ([27:36](#)):

I forget, you're with Cato. Yes. You don't want less government, you want no government.

Norbert Michel ([27:42](#)):

Well, I'd be okay with a heck of a lot less, Bill. A heck of a lot left. We're nowhere near there though. We haven't gone that way.

Bill Walton ([27:50](#)):

I know. We're going exactly the wrong direction.

([27:53](#)):

This is the Bill Walton show. I'm here with Norbert Michel and Chris Iacovella. We're talking about the perils of being a small public company and community banks. Norbert is making a point that community banks love the government. I guess, again, I'd like a poll of people listening or watching. If you have a point of view about this, put some comments on the website or Substack and we'll weigh into that on our next show.

Norbert Michel ([28:20](#)):

That sounds good.

Bill Walton ([28:21](#)):

Let's shift gears. Central Bank Digital Currency.

Norbert Michel ([28:25](#)):

Oh, yeah.

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

What is that? You've done a lot of work on that.

Norbert Michel ([28:30](#)):

We have. My colleague, Nick Anthony and I ...

Bill Walton ([28:32](#)):

We, meaning Cato.

Norbert Michel ([28:34](#)):

At Cato. Yeah. We've been at the front of that one, I believe. Proud to say. I would call that sort of the next phase. It's coming. The Feds doing pilot studies. Lots and lots of different countries have either introduced a pilot or some kind of study. My numbers might be a touch off, but somewhere between 10 and 15 countries rather have actually launched a CBDC, China included.

Bill Walton ([29:04](#)):

Well, firstly explain what it is.

Norbert Michel ([29:07](#)):

I would call it a truly, wholly digital form of a national currency. If we were to use the dollar as an example, we already have digital dollars. We can use our phones and transfer dollars back and forth out of whatever bank accounts and Venmo and all that kind of stuff. This digital dollar, the CBDC digital dollar, is a little bit different in that, it's a big difference actually, it's a direct liability of the central bank. This is not a private sector innovation. People will say, "Oh, it's like the government's version of crypto."

([29:45](#)):

Well, I see where they're going, but that's not quite right. The whole point of crypto was that it was decentralized or that you could have a decentralized instrument without having a government entity or another private entity verify those transactions. A central bank digital currency is exactly that. It's the intermediary, the intermediary is the central bank, verifying the transactions. The only transactions you get to make are the ones that they say are okay. They can put money in the account, they can take money out of the account. They can stop you from buying something. They can penalize you for not buying something. Maybe spending's up at a slower rate than we would like. We need to boost the economy. If you don't spend your money, we're going to penalize you. We're going to take it out. These are all things that many different government officials throughout the world have openly talked about doing. They want to program your transactions. It sounds Orwellian. We have these things documented on our website, BIS officials, these guys are saying this. They're doing this right now.

Chris Iacovella ([30:59](#)):

No, you guys have done great work. It's just part and parcel to this agenda of eroding the Fourth Amendment and destroying the right of privacy that every American should be allowed to enjoy. The government has decided that it wants to understand everything that we do. It wants to know our securities transactions. It wants to know what we buy, when we buy things, what we hold as a security, what we invest in, what we finance, how much debt we have. Why they need to know all of this is an open question. The debate hasn't happened. All we hear is, "We're very concerned about the privacy issues on a central bank digital currency." this is the Fed chair says, "Yes, we hear you. I am [inaudible 00:31:47] share those concerns as well." Then that's it, but they just keep moving forward with basically taking over our financial system in that way.

([31:55](#)):

Last time I was on your show, I talked about this consolidated audit trail, which collects all the trading information of every American investor. What's the need for all this except for to understand what you invest in and maybe penalize you for investing in certain things, creating a wealth tax possibly later on? There are lots of ways that the government is undermining our privacy that we've enjoyed since the beginning of the institution of our union. The younger generation seem to be perfectly fine with this, and I think it's because they don't understand the risks associated.

Bill Walton ([32:39](#)):

Let's dig in. All these bad things seem to have these obscure names. The consolidated audit trail, what exactly is that?

Chris Iacovella ([32:50](#)):

This is a nefarious database.

Bill Walton ([32:55](#)):

The CAT.

Chris Iacovella ([32:56](#)):

The CAT. The CAT that needs to be killed.

Bill Walton ([32:57](#)):

Okay. All right. Let's rename it, the CAT. Okay.

Chris Iacovella ([33:00](#)):

It's a nefarious database that was created by the SEC to try to understand all of the financial transactions that occur in the stock market by every single investor. The idea behind it was to make sure that the markets couldn't be manipulated and to surveil the markets and police them. That's what a regulator should be doing, making sure there's no problem. But as every regulator tends to do, they overreach.

([33:30](#)):

What they've decided is that's not enough. We need a national database of every American investors' personal and financial information to go along with this database so that if we see any bad behavior, we can just go and look into their account without a warrant, without a subpoena, without contacting the

broker dealer. Then we say, "Well, why do you need this?" "Well, we need to stop inside our trading," we say. Well, you've brought an average of a hundred cases every year for the last 10 years. Doesn't seem like you have a problem stopping insider trading, but we still want the information. You have to continue to ask yourself ... Chair Gensler's double down on this.

Bill Walton ([34:07](#)):

Gary Gensler?

Chris Iacovella ([34:07](#)):

Yeah. This is something the Biden administration seems very intent on creating this kind of a database and possibly marrying it up with IRS databases and others to figure out the true financial picture of every individual in this country.

Bill Walton ([34:23](#)):

What does this mean? I have a lot of different brokerage accounts. What does this mean for me, personally?

Chris Iacovella ([34:31](#)):

It means you would have one identifier inside of this database that would link you to all of your accounts. Someone who sees that would know exactly what you hold, exactly what your wealth is, at that moment in time, in financial assets.

Bill Walton ([34:48](#)):

Who is the they that would be seeing this? Is this somebody inside the SEC or is it another ...

Chris Iacovella ([34:54](#)):

SEC, and then there are the self-regulatory organizations which have been delegated unconstitutionally by the SEC to actually look at this and enforce the rules of the CAT. Then 3000 independent contractors who will be hired to monitor this database, who can be corrupted or co-opted just in the same way that you saw at the CFPB, which is a consumer federation ...

Norbert Michel ([35:21](#)):

Consumer Financial Protection Bureau.

Chris Iacovella ([35:23](#)):

Consumer Financial Protection Bureau. One employee stole over 200,000 accounts and brought them home.

Bill Walton ([35:33](#)):

What do you do with accounts?

Chris Iacovella ([35:35](#)):

Exactly.

Norbert Michel ([35:36](#)):

Just in case.

Chris Iacovella ([35:38](#)):

Well, was that person compromised? There's an open investigation in there. You don't know. Did they sell this information?

Bill Walton ([35:45](#)):

Why don't more people know about this? I guess, because they're not watching our show, but maybe ...

Norbert Michel ([35:50](#)):

Yeah. We need to expand your reach, Bill. I don't know.

Bill Walton ([35:51](#)):

We do need to do that.

Norbert Michel ([35:55](#)):

I think it's the classic issue though, where if it doesn't really negatively impact anybody at any given point in time, they don't worry about it. When it does, they worry about it. The CBDC, the Central Bank Digital Currency is a great corollary to this on the banking side. Ultimately, it would provide somebody in the government with a database, not just of all your investments, but all of your transactions. If it was fully implemented, it would be the only way that you can transact. It would be a centralized database of all your transactions housed within the government or a government contractor.

Bill Walton ([36:30](#)):

The Central Bank Digital Currency would also allow them to monitor my political contributions.

Norbert Michel ([36:36](#)):

Oh, yeah. Everything.

Bill Walton ([36:37](#)):

And my charitable contributions and anything that I care to support.

Norbert Michel ([36:43](#)):

Everything.

Chris Iacovella ([36:44](#)):

Or not support.

Norbert Michel ([36:46](#)):

Or not support. Yeah. That's true.

Chris Iacovella ([36:49](#)):

Or not support. That's the key.

Norbert Michel ([36:49](#)):

They will tell you things like, "Oh, it doesn't to be that way." The truth is, if you want to get all the benefits that they tell you you're going to get with the CBDC, all the programmability, well then you can't let people do something else. That has to be the primary method of transacting your payments, because if it's not, you won't do it, you won't use it and they can't penalize you and they can't direct you and they can't program anything. It has to take over for it to actually be fully implemented the way that they're claiming it would benefit people.

Chris Iacovella ([37:22](#)):

This is all being done. We have a similar corollary with LLCs under the auspices of ...

Bill Walton ([37:30](#)):

LLC is a form of corporation.

Chris Iacovella ([37:32](#)):

That's right.

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

Okay. There's a partnership essentially. Okay.

Chris Iacovella ([37:35](#)):

They've implemented a rule to try to pierce through and find out who the owners of all of these LLCs are. There's a case pending in the fifth circuit in Texas right now to try to stop that, because it would collect all of the information on every individual who owns any LLC interest. All of this is designed, we're told that it's to stop money laundering. This push and pull between national security and privacy has weighed heavily towards the national security side. At some point the surveillance state is going to have all the information it needs to stop protests if they don't like them, like they did in Canada.

Bill Walton ([38:18](#)):

If you're buying a ticket to Washington to go to January 6th ...

Norbert Michel ([38:23](#)):

You won't be.

Bill Walton ([38:24](#)):

You're not going.

Norbert Michel ([38:25](#)):

Yeah.

Bill Walton ([38:26](#)):

Well, actually I wanted that to happen. Well, I won't get into my whole theory on that one. This is pervasive if properly [inaudible 00:38:34]. I'm thinking with artificial intelligence, you don't need the 3000 independent contractors, particularly, you can use AI to surveil patterns and bring up suspects.

Norbert Michel ([38:48](#)):

Surely.

Chris Iacovella ([38:50](#)):

If it was just surveilling trading patterns and market behavior, that's one thing. That might not be what it's used for, Bill. That's the concern that everybody has because once you get the data, what's to stop the administrative state from its overreach? The founders would be rolling over in their grave right now if they understood the amount of individual privacy and personal rights that are being invaded by our government under the auspices of national security.

Norbert Michel ([39:20](#)):

A lot of the financial companies are complacent in this, or acquiescent in this. I shouldn't say complacent. They're a hundred percent on board. The Bank Secrecy Act is the law that's more on the banking side, but it does affect the securities companies as well. It was implemented in 1970. You can go back and read the congressional hearings. It sounds just like it sounds today. We need it for security, we need it for money laundering. We need it for tax evasion. They've changed it and increased the law and regulation, increased the statutory requirements constantly over the years. It's the same story every time. Now all we have are millions, millions of reports filed every year by financial institutions where we're talking about convictions that number in the hundreds, if out of the hundreds, if even into the low thousands.

Bill Walton ([40:13](#)):

Well, half of those million were Hunter Biden's.

Norbert Michel ([40:17](#)):

I think that's how they flagged him actually.

Bill Walton ([40:20](#)):

It is how they flagged him.

Norbert Michel ([40:21](#)):

Yeah. With the suspicious activity reports. It was one of those. It was one of those. Yeah. There was some value, I guess.

Bill Walton ([40:26](#)):

Yeah, but they didn't do anything about it.

Norbert Michel ([40:31](#)):

No, I am joking. I am.

Bill Walton ([40:32](#)):

Okay. No, I know.

Norbert Michel ([40:34](#)):

My point is that, that you have all these reports and they're useless, but they create this giant electronic record of all these things that people who have committed no crime are doing. That's a constitutional violation. That's at the bare minimum of Fourth Amendment violation.

Chris Iacovella ([40:51](#)):

You couple that with the AI revolution that you're talking about here, it's going to be very easy to duplicate somebody's entire identity profile when you understand all their personal information, their financial information and their transaction history. I can be Bill Walton and you wouldn't know it, because I'm using an AI [inaudible 00:41:12].

Bill Walton ([41:12](#)):

It'd be a lot of fun to be me.

Norbert Michel ([41:13](#)):

I know.

Bill Walton ([41:16](#)):

The thing about this is, and Sarah is here on one of the cameras, is that I keep financial records. I don't keep much else, but I keep financial records. It's interesting, you go back and look 10, 15, 20, 30 years ago, they tell an incredible story. Where you were, what you're spending money on, what you're doing, that sort of thing. AI could probably write my biography based on the financial records.

Norbert Michel ([41:44](#)):

Probably.

Bill Walton ([41:44](#)):

I'm exaggerating but ...

Norbert Michel ([41:46](#)):

It's probably not much of an exaggeration. It's an incredible violation of privacy. None of the financial institutions will come out against this. Not the Community Bankers Association, not the big banks.

Bill Walton ([41:58](#)):

Well, you've got your guns leveled at the community bankers.

Norbert Michel ([42:01](#)):

All of them.

Bill Walton ([42:03](#)):

Why won't they? Who benefits? why are they intimidated it?

Norbert Michel ([42:10](#)):

It's a liability issue. They have a clear set of rules to follow. If they follow those rules, they're not going to be held liable for a 911 terrorist, or a drug dealer who set up shop in Tampa or wherever.

Bill Walton ([42:27](#)):

They don't want to be independent actors.

Norbert Michel ([42:28](#)):

That's right.

Bill Walton ([42:28](#)):

They don't want to be thinking that, oh, this is wrong. They're just going to go with the rules and they'll be okay.

Norbert Michel ([42:33](#)):

That's right. That's how they do it. They have armies of consultants. They have been required to hire employees to comply with this stuff and to come up with AML programs.

Bill Walton ([42:41](#)):

AML is?

Norbert Michel ([42:45](#)):

Any money laundering programs under the Bank Secrecy Act. Sorry, I have way too many acronyms.

Bill Walton ([42:50](#)):

Well, we all do. Now we've got CAT.

Chris Iacovella ([42:51](#)):

\$2,000 an hour for that from a lawyer or a consultant to help you implement these systems. The money comes from Washington, it's a creation of Washington. It gets implemented throughout the country, and then you have to hire these lawyers who are specialized in it, which are generally in Washington and New York. All that money continues to flow there. Those are, dare I say, not red states, not red areas. That money continues to flow back into the political system. I think one thing that we're doing here right now, which is extremely important and is never done in Congress, is we are piecing together all of these intrusions on individual privacy across the financial system. We don't generally engage in all of the issues that Norbert does, as it relates to the banking system, but to hear this and the CBDC, and now you have consolidated audit trail, you have the LLC rules ...

Bill Walton ([43:49](#)):

Which is why we do a show like this.

Chris Iacovella ([43:50](#)):

Yeah. If you think about it, this is a complete picture of everything that you are, from a financial perspective. It's going to be in the hands of a government bureaucrat that might have a political motivation.

Bill Walton ([44:05](#)):

Well, the concern of course is not only a government bureaucrat, but a government bureaucrat that thinks that anybody who voted for Donald Trump is a domestic terrorist. They're acting on this. We had a show with Ben Winegarden, who's an investigative journalist who did a lot of work on CISA. Acronym, CISA. Something called the Cybersecurity and Intelligence Security Agency. It's a part of Homeland Security. They've been actively charged with monitoring our infrastructure. They've changed the definition of infrastructure to include, at first elections. They had to monitor elections, but now they're monitoring what they call our cognitive infrastructure.

([44:57](#)):

Did you know that?

Norbert Michel ([44:58](#)):

No. That was a [inaudible 00:45:00].

Bill Walton ([45:02](#)):

Jen Easterly, who runs that group, they're convening the social media companies to say, "Well, look, we need to monitor certain types of speech." The speech where they're concerned about are things like obviously January 6th, obviously the 2020 election, but also things you wouldn't think of like people that don't like the way we handled the withdrawal from Afghanistan or the conduct of the war in Ukraine, whether that's a good idea or not. There's all these issues that people disagree with what the administration's doing, they've defined as our cognitive infrastructure being damaged or something. There have to have been a lot of movies made about this, but now we're living in it.

Norbert Michel ([45:50](#)):

Yeah.

Chris Iacovella ([45:51](#)):

It's because of the advent of social media and generations now, two generations, that have grown up thinking that you share everything that you do in your entire life with the rest of the world and then that's okay. I just read last week that intelligence agencies were buying up information on Americans from third party vendors.

Norbert Michel ([46:15](#)):

From private companies.

Chris Iacovella ([46:16](#)):

From private, third party vendors. What do they need that for? It's an open question.

Bill Walton ([46:25](#)):

Norbert, we're looking to you.

Norbert Michel ([46:26](#)):

I'm going to say they don't. I am. I am. I'm going to say they don't. I will not name names, but I've actually had that conversation with a prominent Senate Democrat staff. When I brought up this, that maybe you don't need it, I was sort of told, "Well, what's the big deal if the government has it?" If the government has all this information. That's on the Democratic side. I'm telling you, it is pervasive. If you talk to Democrat or Republican offices on the Hill, with very few exceptions, you would think you're in the same office on the same side, there's very little distinction. There's an overarching security [inaudible 00:47:12].

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

You don't see a D versus R divide on this one.

Norbert Michel ([47:15](#)):

Very little. You have a few people on either side, they get it and that would maybe do something about it and would say something about it. Congressman Rose, actually, from Tennessee, does have a good bill on the Bank Secrecy Act. He's got a sponsor that I believe is Pete Sessions. There are some people, but in general, no. I mean, if you could go into Maxine Water's office, you're going to get the same story that you're going to get from McHenry's office, in general. It's not going to be much different. It's the establishment.

Bill Walton ([47:50](#)):

I was talking with one of the people who listen and watch the show a lot. She said, "Can you talk about something positive?"

Norbert Michel ([48:05](#)):

Yeah. That's depressing.

Bill Walton ([48:08](#)):

How do we get out of this? We've got a few minutes left. What are we working on that would be a ray of light against all this ...

Norbert Michel ([48:18](#)):

Well, I feel like we are working on these things that would be a ray of light. Me coming on your show is one thing to say ...

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

What we're doing right here is a ray of light.

Norbert Michel ([48:29](#)):

Yes, it is.

Bill Walton ([48:29](#)):

We're getting the word out.

Norbert Michel ([48:30](#)):

Because we're getting the word out and we just need to do more of that. I think most people will read these sorts of things or hear these sorts of things. They don't know what the Bank Secrecy Act is, but you can explain it in 30 seconds. Most people, my brother, for example ... Wait a minute. Wait, they do what? Most people don't know about it, but they would understand it. I think what happened in Canada, actually, the trucker protest, they're getting their bank accounts frozen. We had, at Cato, an enormous bump in interest when that happened. People were willing to listen to what is the Bank Secrecy Act? How could this happen in America? People didn't realize the extent of government involvement at that point. I mean, I'm not going to give up hope that something will change eventually. We just have to keep getting the word out.

Bill Walton ([49:18](#)):

Well, and the other thing is the economy seems to be percolating along. We've got inflation, which is terrible, but on the other hand unemployment's low and then we seem to be creating wealth, not withstanding all this massive overhang of regulatory dead weight. It seems like a lot of people are doing a lot of things to make things work. Okay. It's like being in California. You read about California, you think, "God, that thing is going to fall into the ocean." Terrible, terrible, terrible. Then you go to California and a lot of parts are pretty nice.

Norbert Michel ([49:54](#)):

It looks nice. Yeah.

Bill Walton ([49:57](#)):

Got any theories about this? Speculate? I love talking, and Cato's got a lot of supporters that are entrepreneurs, so we're kind of kindred spirits. Entrepreneurs seem to prevail against all sorts of bad stuff. That still seems to be happening.

Chris Iacovella ([50:19](#)):

Yeah. I think the economy is changing significantly. I think the great power competition that we are involved in right now with China is causing onshoring, that's going to cause inflation in prices. We have an industrial policy that was passed last year with the Inflation Reduction Act. We have this CHIPS act. We can debate those policies on another program, but at the end of the day, those are designed to put Americans to work and create more jobs and stimulate specific industries in our country.

([50:59](#)):

I think as the economy is evolving from what it was before, which was really technology driven and bringing down costs related to outsourcing and related to the improvements in technology, which is why we didn't have inflation for 15 years, roughly. I think that gives people an opportunity to see areas that they can offer new services. You had the 3D printing revolution. That came and went, but it's not gone. It's still here. It promotes jobs and new ideas. You have this AI revolution. It's real. It's being used across every industry. I'm not certain yet how it's going to impact the financial industry, but you theoretically could think that instead of doing all of your diligence and your homework using an Excel spreadsheet to trade bonds, you might be able to use a ChatGPT product that you input all the information into, to help you understand and source and locate where the best bonds are, where the prices are, who's got the best inventory and what the prices should be, based upon different scenarios. That's an improvement in the efficiency of a marketplace. I think you're starting to see that all across the system.

[\(52:20\)](#):

Whether inflation goes all the way back down and comes back down, I don't know. Whether the US consumer continues to keep spending, if food prices, hotels, lodging ... I mean, you can't get a hotel in DC anymore for less than \$450 a night. It's absurd. Beginning of this year it was between 150 and \$275 a night. Not anymore. Flights have been reduced. Instead of having five flights a day that I used to take from Tampa to DC, there's two now, direct flights. The cost of those flights has doubled. At some point, something's going to break and I don't know what it is. Or this becomes the new norm. If it becomes the new norm, then I think we have to really reevaluate how the economy's going to move forward for the next generations.

[\(53:18\)](#):

That change brings opportunity. Hopefully it will allow the younger generations to come up and say, "Why is it so hard to start a business? Why are there so many rules? Why do I have to get all these licenses? Why can one bureaucrat, who doesn't know anything about what I'm trying to do, stop me from making an improvement in this economy?" That's ultimately what you need is people to take a chance and realize that administrative state is so out of control that if we could just reduce it and understand that the Fed's going to bail out the economy whenever there's a problem, so let's take away all this red tape and all this excess costs. Stop sending it to lawyers and consultants in Washington and New York. I think that would be a lot more productive for our society.

Bill Walton [\(54:05\)](#):

Norbert?

Norbert Michel [\(54:07\)](#):

I try to be very careful in and say that I think in general things are pretty good, from a global perspective, from a historical perspective. We certainly have problems, but in terms of how well off are we relative to the past and relative to other countries, we're much better. We're very, very well off. I think that things could be a lot better. I don't disagree with Chris on [inaudible 00:54:40] more entrepreneurial efforts and more productivity and less red tape. I think that would be a way that we would make things better for everybody. I think more opportunity is the way to go and centralizing it through Washington is the way to squash it. That's where I am on these things.

Bill Walton [\(55:00\)](#):

Well, I'm afraid we haven't gotten quite that bright sunshine of hope yet. We will work on it. It sounds like your scenario, Chris, that we're going to need a cataclysm and then after the dust settles, we'll end up with a more vibrant economic economy. I don't know. We're being speculative. I do know, and I think if you're watching and listening to this show, the message here really is you've got to pay attention to everything that's going on. You've got to dig a lot further. You've got to read that credit card statement, figuratively speaking, to know what sort of things are percolating here. Norbert and Chris are doing a great job of digging in and explicating this stuff. I mean, Norbert, where can we find you? You're at Cato.

Norbert Michel [\(55:49\)](#):

Cato.org.

Bill Walton [\(55:50\)](#):

Cato.org. Email. Twitter.

Norbert Michel ([55:53](#)):

Email is nmichel, M-I-C-H-E-L, @cato. I'm on Twitter. I couldn't tell you what my Twitter handle is, but I'm on Twitter. Yeah. I don't know.

Bill Walton ([56:04](#)):

Norbert, I can't tell you what my Twitter handle is.com. Whatever.

Norbert Michel ([56:07](#)):

Yeah. I don't know.

Bill Walton ([56:07](#)):

That's good.

Norbert Michel ([56:09](#)):

I should change it to that actually. That's a good idea.

Bill Walton ([56:11](#)):

It's a pretty good idea. You could remember it.

Norbert Michel ([56:15](#)):

I'm going remember it, finally.

Bill Walton ([56:15](#)):

Chris, American Securities Association, you get a fabulous website. You're there. What's your email? And Twitter?

Chris Iacovella ([56:24](#)):

@AmericanSecurities is the Twitter handle. On Facebook, it's American Security Association, not Facebook, LinkedIn.

Bill Walton ([56:33](#)):

Okay.

Chris Iacovella ([56:34](#)):

You can find us there. Americansecurities.org is the website. We submit comment letters, we opine on legislation. We work with everybody. We push back on everybody. I will say, one last ray of hope, there are two really good commissioners at the SEC. One is named Hester Peirce, the other is Mark Uyeda. They are standing up for the privacy rights of individuals for free, open, fair markets, a reduction in all of this regulation. They see it creating more and more consolidation in the industry, and they do not like the fact that that is the outcome of all of this extra regulation. They are raising awareness about that. I think there's a lot of folks out there that are similarly situated as we are.

Norbert Michel ([57:20](#)):

Hester and Mark are great.

Bill Walton ([57:23](#)):

The parade we want to lead is the privacy rights parade. I mean, that's sort of cutting across all these issues. Leave us alone and leave our information alone.

Norbert Michel ([57:35](#)):

Yes. You fix a lot of it if you just start there.

Bill Walton ([57:39](#)):

Let us keep our own private checking accounts.

Norbert Michel ([57:41](#)):

Yes. That's why we've made that our priority.

Bill Walton ([57:45](#)):

Okay. Well, keep on it because we need a win on that one.

([57:49](#)):

It's been the Bill Walton show, and if you like what you're hearing, and you may not like the exactly what you're hearing, but you found the content incredibly useful and interesting, which I hope you did, please spread the word. Whatever platform you're on, please leave your comments and give us a review. A five star review would be nice. It makes a difference. Also be sure you subscribe. We've got a lot of different sort of shows coming out every week. I think you'd be surprised the range of things we cover. So stay tuned, subscribe. Look forward to sharing new and exciting ... The bright rays of hope for the future. Anyway, thanks for joining. We'll see you again soon. Talk again soon. Thanks. Bye.

([58:35](#)):

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