

[Transcript] The News Agents / Why we need to talk about wealth

This is a global player original podcast.

I will place economic stability and confidence at the heart of this government's agenda.

This will mean difficult decisions to come.

It's become a staple or a frame of politics of the short Sunak era and on and off during the long years of conservative dominance, these long years of scarcity.

Difficult decisions. There's no money left. A variant of what Tony Ben used to call

Tina, the most powerful argument in politics, he said. There is no alternative.

We're told that the reason why in so many areas, schools, hospitals,

defence, why Britain can afford less and less, why our country in so many places seems to be decaying is because the state just can't afford as much as we'd like. It's because there's no money.

But what if all of that just wasn't true? What if these years hadn't been years of scarcity at all?

Or at least not as much as we're constantly told or seem to think. What if there is a way

of fixing or going some way to fix our ailing state and making things a little bit fairer

along the way? No politician is talking about it. But on today's show, we are. Why we need to talk

about wealth. It's Lewis here. Welcome to the news agents.

The news agents. Let's start with some facts. Taxes on incomes are now at their highest since the Second World War in Britain. More and more people have found themselves subject to fiscal drag, dragged into higher and higher tax brackets that they never would have once been in.

All because the Treasury is desperate, hungry, voracious for more and more revenue as our economy has stagnated and the demands on the state through an ageing population have got bigger and bigger.

It's one of the big stories of the last 10 years. If you're listening to this and think,

I've got a decent income, but I don't seem to feel it that I'm barely getting by, that you don't feel you have the standard of living your parents did, the move towards greater and greater taxation

of your income is one of the reasons why. But there is another reason, a bigger historical

reason about how our economy, its composition has shifted over time and how our tax system,

designed in so many ways in and for another age, hasn't caught up. Harry Lambert is a special

correspondent at the New Statesman magazine. He wrote recently about what he called Britain's

great tax con. The fundamental idea of the piece is that if everyone understood how the British

tax system worked, it wouldn't last very long because it's fundamentally weighted in favour of

all sorts of groups, but primarily wealth over work. And by extension,

rich homeowners over poorer ones, the landlord over the tenant and anyone who does not inherit

capital. Because despite inheritance tax, almost all of wealth is passed on untaxed in this country.

And so you have a situation where for 17 years now wages haven't risen, they're no higher than

they were in 2006. But at the same time, assets are sort of exploding in value relative to GDP.

The whole point of my piece is the tax system should redress that and instead it's perpetuating it.

And what way is it perpetuating it? Well, it's perpetuating it because you've got

something like income tax, which works fairly well, it's progressive. But then you have, for

instance, capital gains tax, which is a tax on the primary tax you'll pay on capital and wealth.

So if you've made money on shares, for example, or second properties, those sort of things.

Exactly. Crucially, not your first property. But this is a tax that's only paid by the top

1% of taxpayers. But so the very richest in our society, the people with wealth,

will pay capital gains. Now, crucially, people will know the top rate of income tax is 45%,

give or take, let's not get too technical. Capital gains tax on the other hand is charged at just

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20%. And it was cut by George Osborne from 28%. And even in the basic rate of income tax, the headline rate is 20%. Of course, you've got NI on top of that, which is just another income tax. So that takes it up to 32, 33%. So that itself, even if you're just on the basic rate of income tax, which is not very much income at all, you're paying more as a percentage than on capital gains. Completely. That's a really good example of this, right? Which is the prime minister.

Prime minister recently released his tax returns. Rishi Sunak made nearly 4.8 million over the last three years. Only a small portion of that came from his parliamentary income. So he's got about one million in income from both his job and then also some other income he gets from investment. Now, he pays 37% tax on his income. But most of the money he made over the last three years was in

capital gains, because Rishi has a lot of assets and he sells them. He made nearly 3.8 million in capital gains. And he only pays 20% on that. Now, if you're following at home, you do the maths, that means that Rishi's tax rate, effective tax rate is 23%. That is less than you will pay if you earn £37,000 and pay income tax and national insurance. So Rishi Sunak, nearly 5 million in earnings in the last three years, is going to have a lower tax rate than most people in London. Just consider that for a moment. Someone, in this case, the prime minister, very wealthy man, but it could be anybody paying less as a proportion in tax from their income on their assets than somebody, an ordinary person, a nurse, a rubbish collector, shop worker, does in their monthly wage. And it's even worse if you've got student debt. This inequity has been building up for a long time. Liam Byrne, the former Chief Secretary to the Treasury, Labour, has plenty of reason to have that phrase. There is no money left ringing in his ears. He, of course, unwittingly coined it when he left that infamous note to his successor back in 2010.

So, Liam, wealth taxation, I mean, you were in the Treasury. Was it something that you ever thought about or considered at the time? No, it wasn't. But I think, you know, we've got a couple of challenges now as a country. Obviously, money is tight. But we have also had this extraordinary transformation of our economy. So, you know, back in the 1970s, when I was born, household wealth to wages, what you might call the wealth to wages curve was about three to one. Now it's about 10 to one. So that means the price of assets in our country today, the net wealth, is 10 times the wages that are earned in this country. And that means that workers just do not earn enough now to pay for the assets that they need, like, for example, houses. And that's why we've got this risk of inevitability. So, you know, there's an argument I'm making in a book that's out in the New Year, which is about the need to try and build a wealth owning democracy.

Once again, used to be an idea that was popular on both left and right. And it's difficult to do that unless we try and restore fairness to the tax system. So if you take, for example, Rishi Sunak, he publishes his tax returns, that's very good. We can see that he earns about 2 million a year. He pays 21% tax on that at a time when one in five people are paying 5% tax. And of course, that's because he gets much of his income through capital gains or through capital income. And so we have as a country got to ask ourselves, hmm, how do we restore fairness to the tax system? And leave aside questions of fairness for a moment. That potentially has all sorts of economic effects. It means poorer people who spend the money in the economy rather than save it and potentially move it offshore have less money to spend. It means the incentives in our economy are not focused on work, but on accumulating greater and greater wealth. And there's an even bigger and longer story to this. In a sense, it goes back to this man.

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There is a tendency for the rate of return of capital to exceed the economy's gross rate. And this tends to lead to high concentration of wealth, not infinite concentration of wealth, but the higher the gap between R&G and the higher the level of inequality of wealth towards society tends to converge. Some of you might remember the craze around a guy called Thomas Piketty about 10 years ago. He's a French political thinker and economist. He wrote a book called Capital. And in it, he made a pretty startling discovery in the world of economics, one which doesn't get thought about very much in Westminster's pretty narrow world. He said that in the last couple of decades, we came to the end of a kind of golden age that had been around since the war. During those decades, wages had always grown faster than income from wealth. The rate of return on labor, in other words, was greater than capital. He found, though, that in the last few decades, that that had come to an end. And now people with wealth were making more money just from having wealth than people who were working day after day. That is a profound change, or rather, it looks like we've gone back to the world we had before the war, before the welfare state. And think about it. That means that inequality is always destined to go up and up and up relentlessly. Because logically, if wages are never rising faster than the return on wealth, then those who are wealthier will inexorably outpace those below them, no matter how hard those below work. It's a rigged race. This has profound economic implications and intergenerational ones in particular, as Harry Lambert went on to discuss with me. We're divided into a generation that is increasingly defined by whether or not you've been lucky enough to inherit some capital or not. And again, the tax system is set up in a way that allows you, say, if you're a rich individual, to pass on free of tax wealth seven years before your death. Ireland doesn't have a system like that. In Ireland, if you pass on a gift, you'll have to pay tax on it, whether you manage to do so ahead of time or not. And so currently, we're just perpetuating inequality between the generations and also within the generations. And in a society that doesn't grow, in a society that is increasingly stagnant, inheritance just takes on a bigger and bigger part of the pie. And that's why, for instance, Piketty has said, we're sort of returning to a Victorian England, where the thing that mattered was what was going to be passed down. That can't be where we want to go as a society. So politicians have to think about how they can change the taxes and to address that. Quantitative easing has never been easy, but it is important. It did save the economy from a bigger slump, says the Bank of England. But it also massively redistributed amongst British households like nothing else. It's loosely referred to as printing money. And in general, it has boosted the economy by up to £800 per person, the Bank's report found today. But that's created losers as well as winners. And who benefits the most? The wealthy. Now, this process has been put on steroids over the last decade. As central banks around the world have printed huge amounts of money, QE or quantitative easing, to try and stimulate stagnant economies, that money had to go somewhere. Where has it gone? Generally, it's inflated asset prices, property, company balance sheets, stocks, shares, dividends, even objectibles and investments. We think of the last 10 years as being economically difficult. And if you're asset poor, it has. If you're asset rich, chances are you've been rolling in it. And there's been no real attempt to claw any of that windfall back. So the Bank of England put in about £850 billion in quantitative easing that we think

knocked about 1% of interest rates. And of course, if you've got low interest rates, what that means is that if you own assets like for example, a house or shares, the value of your housing stock, your housing portfolio and your shares went up. In fact, we think about four fifths of the increase in wealth was because of low interest rates. So for those people who were lucky enough to have big share portfolios or big property portfolios, frankly, they've had this gigantic windfall because of quantitative easing. And that has made wealth inequality much, much worse. And you know, as bad as it is today, it could be about to get an awful lot worse because nothing's forever, including the baby boomers. As the baby boomers die, they're going to bequeath about £5.5 trillion to the next generation. Some people will inherit fortunes and others, of course, if their parents weren't well off, will inherit nothing. So Gen Z could be about to become one of the most unequal generations for decades, frankly. And that will have a crucial effect. And we could be talking about serious money here. The LSE recently brought together a commission to look at how viable a wealth tax or some form of wealth taxation might be in the UK beyond what we already have, like capital gains tax or inheritance tax. It was chaired by Lord Gus O'Donnell, the former Cabinet Secretary, hardly a red in tooth and claw Corbynite. They found that after accounting for non-compliance and administration costs, a one-off wealth tax payable on all individual wealth above £1 million and charged at 1% a year for five years could raise £260 billion. At a threshold of £2 million, it would raise £80 billion. Even taking that lower figure, £80 billion, that's not far off the whole school's budget in England. That pays for a fair bit of concrete removal. Or if you took measures which weren't one-off, you could cut taxes elsewhere. For example, substantial income tax cuts, more money in everybody's pocket who is working each and every month. And there are plenty of ideas for how you might achieve that. If you were to say to the Labour Party, or whoever, three things here we could do to do something about this over the next five years in the next parliament, what could they do? Very, very simple. First of all, you have to fix council tax system to explain it briefly. Council tax created 30 years ago is levied in such a way that if you live in the poor parts of the country, say Burnley, you'll pay just over a percent on the value of your home on average. If you live in Kensington and Chelsea, City of Westminster, a rich London area, you'll pay 0.1%. So council tax is 10 times as great a burden than poorer areas as richer ones. It's regressive by design. You have to fix that overnight. Very easy way of doing so. Everyone in the country pays half percent on the value of their home. That would cut council tax for 75% of households. That's the first thing you should do. That would level up the country more so than anything Boris Johnson did, and even arguably Tony Blair has done. That's the first thing. The second thing is you've got to apply a tax on investment income, because at the moment, if you're a landlord, you won't pay national insurance on that money that your tenant's paying you, but your tenant will pay national insurance on the money they're earning in order to pay you rent. So you've got to equalize that. And then thirdly, you have to change the capital gains tax, bring it back up probably to 28%, which the Treasury says is the best way to make money. It's to revenue maximizing rate and equalize that with income. These three fell swoops would between them raise nearly 20 billion, and they would redress a lot of the things that we say are problems. And that's serious money for the Treasury. Completely, 20 billion. I mean, we're getting towards the kind of money that would fund the 28 billion a year that the Labour Party once wanted to commit to the Green Revolution. Ah, the Labour Party. Now, you might think that given they really need to raise money,

if they're going to get into government, you might think that if you believe in a quality of opportunity and to some extent equality of outcome, if you believe those two things are linked as Labour does, then the Labour Party might find this agenda rather interesting. And indeed, Keir Starmer did at one point express some interest. Here he is in 2021, interviewed on Sky News.

I would say that those with the broadest shoulders should pay. Well, that means that those that earn their money or their income from things other than work should pay their fair share.

Well, there is, you know, there's a whole range of things we could look at here.

But people who earn their money from property, dividends, stocks, shares, you know, capital gains tax, they should all be looked at as a broader, fairer way of raising taxes. So in principle, you would prefer a wealth tax of some sort. I think we should look at all of these options. But there's been a bit of a change of heart. Here's Rachel Reeves, the shadow chancellor, asked about a potential wealth tax a few weeks ago.

We need proper economic growth, sustained economic growth that improves living standards.

And that is not through having a wealth tax is having a broadly based strong economy, creating good jobs in all parts of the country. And that is my primary focus as we approach the next election and for what I would want to do if Labour secure that victory next year.

Why the reluctance? Well, no government has seriously looked to their new wealth tax for about half a century in this country. And there are difficulties around it. But there are some Labour MPs who would like the party to think again. Liam, you identify that the central issue here, which is that, look, there's potentially quite a lot of money to be raised in this at a time when the state desperately needs more revenue, we've loaded more and more of the burden of taxation on to income, which is having all sorts of economic effects and distributional effects and intergenerational effects. And yet, and yet, it's nowhere this idea of wealth taxation in our politics. I mean, Rishi Sunak has definitively ruled it out. In fact, they are talking about potentially reducing one of the only wealth taxes we have, which is inheritance tax. And Rachel Reeves, the shadow chancellor, has ruled it out as well.

Why is this just such a third rail that no politician wants to touch?

Well, I think no politician quite rightly wants to appear anti-wealth. You know, we do believe in countries that create wealth and people worry about taxes on wealth, this incentivising wealth creators. That's the political argument.

Just to tease that out for a second. Yeah, I get that. But we don't have that same argument when we say about income, right? It's not like we say, Oh, I don't want to put taxes on income because I don't want to look anti income, we accept that there has to be a certain level of taxation on income. But there is just such a reluctance by comparison to have it on almost any form of wealth. Why is that? Yeah, and you could push that point a little bit further, actually, because 40% of income from capital in this country goes to the richest 10%. So income that is generated by wealth is actually enjoyed by a very, very small fraction of people. And that is exacerbating wealth inequality in this country. So I think, why is it not a bigger argument?

Well, I think it's going to become a bigger argument over the course of the next year.

From the Labour Party's point of view, it's obviously very difficult to make tax policy in opposition. It's not something that I would counsel them to do, because there's that old saying from a French finance minister centuries ago, the art of taxation is to pluck the goose while minimizing the hissing that you hear. And what you've really got to do well when you're

doing tax policy is really, really understand who are going to be the losers. So in many ways, I sympathize with Rachel Reeves' position is really challenging to make tax policy in opposition. But there does need to be a big public debate about how you restore fairness to the tax system, because bluntly, it's wrong that Rishi Sunak is paying 21% tax when one in five people are paying 40% tax. Meanwhile, Rishi Sunak has floated the idea of reducing inheritance tax, one of the few wealth taxes we have. That said, the levelling up Secretary Michael Gove has expressed some interest in the idea, but many in the party won't touch it. Something about it, it's argued is inimicable to wealth creation and conservative philosophy. But they're also scarred by this. Nothing has changed. Nothing has changed. We are offering a long term solution for the sustainability of social care for the future. We are ensuring that people, elder people, will not have to worry. They will be able to ensure that their care, whether it's in the home or for them to go into a home, is being paid for. And they won't have to worry about those bills month after month after month. That famous levy on social care proposed by Theresa May and which fell apart in the heat of the 2017 general election campaign was a form of wealth tax. It was imaginative. It was bold. It was radical. For the Tories, it was scarring. And there are, as I say, other practical difficulties too. David Gork was also a chief secretary to the Treasury this time, obviously, for the Tories. Things like inheritance tax, things like council tax, which, after all, are based on properties. Now, I think there's quite a lot that could be done to improve some of those taxes. And I think there is some additional revenue you can raise from it. But I sometimes think the debate is a little bit too optimistic about how much money you can in practice raise from wealth taxes. So let's say if we had a kind of, you know, a proper wealth tax, which we've never had in this country, but other countries have tried it. And there was a wealth tax commission that reported a few years ago. And they suggested doing a one-off tax because it was practically very difficult to do on an ongoing basis. But the problem with a one-off tax is that it's one-off. You know, so it helps reduce your debts, but it doesn't deal with the year on, year out borrowing. It's also the case that if you want to raise serious sums of money, if you've got a proper wealth tax, you've got to include all forms of wealth. That includes your property and it includes your pension pot. And if you want to raise serious sums of money, where you need to set the threshold is at a level that people who don't think of themselves as wealthy will be contributing, you know, thousands of pounds a year from their post-tax income. So a fairly typical middle-aged, middle-class person in the southeast of England would be paying a wealth tax, even if they don't think they're particularly wealthy. So I think sometimes it becomes the policy that's going to solve all our financial problems. There are arguments for taxing wealth more, but they, you know, they are not going to solve all the difficulties in the public finances. And if you try and be too ambitious on this, you will get a lot of political pushback because people are much more reluctant to pay tax on their wealth, you know, if you like a dry tax rather than a tax on the income as it comes in. Isn't that part of the problem here, I suppose, which is to say that the net result of politicians then being afraid to engage and grapple with those things and face up to that potential political pushback is that people of working age, younger people, find themselves in a situation where more and more of their income is taxed at great and greater levels. They find themselves subject to fiscal drag and end up in tax bans

that they would never have reasonably expected to have been in, say, 20 or 30 years ago. And that is considered politically acceptable. But the alternative, when you're dealing with, you know, very wealthy people often, isn't. I think that is absolutely a fair criticism. It's really a sort of explanation as to how we've got to where we are. And there's sort of a sense that, you know, people feel, they feel that the value of their home, this debate can easily sort of turn into the kind of, you know, it's the billionaires there. And so there aren't very many of them. And there's not that much money that can be got from them. But there is a lot of wealth, which is, you know, people living in, you know, homes in the, particularly in the southeast of England, that were bought for not a lot and are now worth one, two, three million pounds. And there are a fair number of those. And if you want to get after that wealth, the history of the last few years is that is immensely, immensely difficult politically, your point that, you know, therefore it all gets passed on to sort of younger people and those in work, I think is a fair criticism. So difficulties then, there always are. And it's not our job as journalists to advocate policy, which we're not doing here. But I suppose the point of this episode has been to try and illustrate just how narrow our political and economic debate can be. There's nothing left wing about thinking the creation of an inheritocracy or excessive concentration of wealth is a bad idea, and it can lead to bad outcomes. Indeed, it's the right who most want to bring income taxes down. But we can only do that potentially, if our conversation is wider. So often British politics can be defined by a pretty narrow range of ideas, a kind of soggy centrism, which isn't even centrist, it's just defined as such by those who have an interest in it being perceived that way. Either way, the makeup of the British economy has transformed and whichever way you look at it, wealth is a bigger part of our national life than it was 50 years ago. And in that way, perhaps it's a bit weird that neither of our parties seem to want to recognise it. We'll be back just after this.

Will there ever be a time when Joe Biden says,
this thing with Hunter just isn't working out well?

I'm starting to get a little angry at Hunter. Or when Hunter comes to him and says,
dad, dad, we have a problem. What? What is it, son? Another one? Oh, son, you're a disaster, son.
The Hunter Biden laptop from hell, which exposes the Biden family.

I think this one could be worse than the Wiener laptop. And the Biden family is a criminal enterprise. Frankly, it makes crooked Hillary Clinton look like an amateur. Here we have the biggest scandal going on anywhere in the world, the corruption of Joe Biden and the Biden family. Welcome back. And now overnight, there was another indictment against a very well-known political family in American politics. And no, it wasn't yet another one against Trump, but the first indictment against Hunter Biden, Joe Biden's youngest son. Now, Hunter Biden has been indicted by a special counsel in connection with a gun he purchased in 2018. The three charges include making false statements on a federal firearms form and possession of a firearm as a prohibited person. This follows the news this week that the Republicans in Congress have opened up an impeachment inquiry into President Biden and his links with his wayward son's business affairs. Now, we're used to talking about presidential first with Trump, but no president's son or child has ever been indicted before either. So one simple question, where does it leave the White House? Well, we're joined now by Olivier Knox, National Political Correspondent at the Washington Post. Olivier, just for a British audience in particular who won't have necessarily been following this pretty complicated story, what's the background to this indictment?

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The background of the indictment is a years-long investigation into Hunter Biden, President Joe Biden's son. He's been indicted now for allegedly making false statements and illegally possessing a handgun. The indictment arises out of the collapse of a plea deal that his lawyers reached with prosecutors not that long ago. That plea deal would have seen him escape jail time entirely while pleading guilty to making false statements. Basically, the false statements boiled down to he certified on an application to buy a gun that he was not addicted to drugs when, in fact, he was very much addicted to drugs. And so now the challenge here is that he could face possible jail time. I believe that the longest term, if he's convicted of these charges, the longest term he might face in prison is 10 years. 10 years? I mean, okay, I suppose lying to the authorities, which is perhaps a form of perjury, is a serious thing, but that seems quite a long time. You know, likely he would not get that much. I just wanted to put that out there as the possible maximum. Hunter Biden's a bit of a troubled soul, isn't he, Olivia? I mean, he's had a series of difficulties now over quite a long time, which partly have become politicized and part of the national debate. But nonetheless, he's proven quite difficult for the president. Yeah, I mean, it's obvious that we wouldn't be discussing this if his name were Hunter Smith, right? And yes, he's been a troubled soul for the years, obviously suffering from the disease of addiction. And he's been at the president's side nonetheless. But it's certainly the case that he's had a difficult life. And what is Biden and the White House saying about it?

Well, this is where things get complicated, right? Because we've got the legal part of this, and then we have the political part of this. And the White House so far has not commented on the charges against Hunter Biden. And I would expect them to observe fairly strict rule of silence here so that it doesn't look like the president is trying to affect the legal outcome. But politically, what they've done is they've trained their fire on congressional Republicans, specifically Republicans in the House of Representatives, who have been investigating Hunter Biden's dealings and trying very hard to tie financial proprieties back to the president. So far, they've found no concrete evidence of that. There's no evidence of Joe Biden getting any money from his son. There's no evidence of Joe Biden shaping American policy to benefit his son. So the White House has been very consistently attacking congressional Republicans. And this is where the news that we had earlier in the week about Kevin McCarthy opening an impeachment inquiry into Biden. This is how these two stories relate and come together. That's exactly right. Congressional Republicans, House Republicans have been pushing to get more access to financial documents linked to Hunter Biden and to the president's brother, James Biden. And the claim from House Republicans is that launching an impeachment inquiry broadens their ability to get these kinds of documents. But remember, they've been investigating Joe Biden since they retook the House of Representatives, and they have yet to turn up any real evidence of the president acting improperly. In fact, if you were inclined to be uncharitable, you could say that after two years of investigating Joe Biden, House Republicans have decided it's now time to investigate Joe Biden.

This is where the narrative that Trump, among others, have been trying to build up, right, which is they keep talking about the Biden crime family, which seems quite unlikely when you're sort of looking at Biden and thinking about the other narrative that they're trying to push, which is this is a man who is ailing and barely knows what day of the week it is. But this has become a kind of meme on the right of American politics to say this is actually a family surrounded in corruption and crime. Well, you've pinned down exactly, really,

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the central Republican tactic, which is to keep referring to the Biden's plural, the Biden family, because they haven't been able to tie it back to Joe Biden. And so what they're saying is, in effect, that it doesn't matter that it was Hunter who was getting this money, it doesn't matter that it was James who was getting this money, the Biden's as being some kind of fungible blob that was benefiting from all of this stuff. Because, again, they have failed to tie it back to Joe Biden. I mean, there have been some really spectacular allegations from House Republicans. They said there was a credible allegation that Joe Biden received a bribe from a Ukrainian oligarch. Well, that's not actually the case. There's no evidence in the financial documents that they have. The person who made the allegation was actually the corrupt Ukrainian oligarch. It's not clear. There was any meaningful effort to corroborate this. But yes, we're going to hear the Biden crime family or the Biden family or the Biden's plural. We're going to hear that up to reelection day. And how successful is this as a tactic, Olivia? I mean, how receptive do you think the American public or at least parts of the American public are to this idea that the Biden family is corrupt or mired in crime? It really depends on how you ask the question. Because if you ask Americans, you know, was there something sketchy in Hunter Biden's finances and his other dealings, and you're going to get a resounding yes, it gets a little more difficult when you go back to Joe Biden. But yes, the overall impression that's being left for the Americans is that, you know, the Biden's plural, we're up to no good. Now, remember that large proportion of that response is driven by partisan politics, right? So you have Republicans who are inclined to automatically say, yes, something sketchy was going on here. But it turns out you have some number of independent Americans who also agree. And part of that, it's just an extremely effective tool, this constant repetition. You know, if you tune into Fox News any given day, you're going to hear all about this, you're going to hear these incredibly exaggerated allegations against the Biden's and against the president in particular. But it has, it has seemed to be fairly effective. And here I should point back to what Kevin McCarthy said about the Republican investigations into Benghazi, which seems like ancient news now. Kevin McCarthy said that the investigations were a success not because they turned up any wrongdoing by Hillary Clinton, but because it damaged her

poll numbers. And that's basically the playbook they're running here again.

And I suppose the other advantage for Trump in particular is that you create enough noise, there's an indictment against a member of the president's family, but there's obviously been indictments against Trump. It creates this sense effectively that indictments sort of happen to different politicians or their families, that there is a lot of corruption around, that this isn't something unique to Trump or to the Republican Party, it's just all part of the mire of Washington.

Yeah, I think that's probably right. But we shouldn't lose track of the unprecedented nature of both of these situations. You know, we've never had a former American president indicted, much less indicted four times. And then we've never had, as far as I know, the son of a sitting president indicted as well. These are not routine. These are not run of the mill. And they're actually not comparable. The scale of what Donald Trump is accused of doing boils down to he attempted to overthrow an election. The scale of what Hunter Biden's being accused of as of right now is that he illegally possessed a revolver for 11 days and lied about his application to buy one. These are not comparable. But you're right, there's a chance, in fact, I think the Republicans are trying to muddy up the waters and make it seem like yes, a plague on both their

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houses.

So in some, Olivia, how worried do you think Biden and the Biden White House should be about this ongoing set of developments? I think they should be concerned about the criminal charges against Hunter Biden. If you're talking about from a political perspective, obviously, they're going to be worried about Hunter Biden on a personal level, but on a political level, they should be fairly concerned. This does raise the prospect of a criminal trial, a felony criminal trial against the president's son during an election. And it raises the possibility of a steady drumbeat of coverage of Hunter Biden's various troubles and steady drumbeat of coverage of some of the allegations made by Republicans against the president himself. So they should be fairly concerned. I think on the impeachment front, it's not a pleasant experience, but they seem to have staffed up much the way that Bill Clinton's White House staffed up in 1998. And they're ready for that political fight. That is one that even quite a few Republicans in Congress don't want to have. They don't like it. They don't think it's going to benefit them. And so I think on balance, they should probably be a little more concerned, again, from a political perspective, about the Hunter Biden stuff than about the impeachment stuff.

Olivia, so grateful to you. Really interesting. Thanks so much.

Always a pleasure.

This is The News Agents.

Right, that is it from all of us this week. Remember, you can catch up on all our shows from the week on Global Player, send us story tips and feedback to newsagents at global.com. If any of you are listening in Australia, please keep a lookout for John Sopol. We've completely lost him. Thanks to our production team on The News Agents. Laura Fitzpatrick, Georgia Foxwell, Wil Gibson Smith, Alex Barnett, Rory Simon and Gabriel Radus. Our editor is Tom Hughes. It's presented by Emily Maitlis, John Sopol and me, Lewis Goodall. We will see you on Monday. Have a lovely weekend. The News Agents with Emily Maitlis, John Sopol and Lewis Goodall.

This has been a Global Player original podcast and a Persephoneka production.