

Rep. Katie Porter Can Explain Anything: Inflation, GO!

Episode 214 Final Transcript

Jon: I really do believe that though, everybody's like, "Oh, Twitter's so horrible now."
And you're like—

Jay: Wasn't it always?

Alexa: I think it's just slightly more hate speech, buzz words, right?

Jon: The fact that Elon Musk has it now, he basically, to me, he bought a toilet.

Alexa: Mm-hmm

Jon: And you said. "The problem with this toilet is people don't s*** enough in it," [JAY LAUGHS] and you're like, "What?"

[INTRO MUSIC]

Jon: Hello everybody, welcome once again to the podcast. It's called "The Problem with Me, Jon Stewart." The show's currently on Apple TV+ season two, We are joined as, always by a couple of our writers today. We've got Jay Jurden and Alexa Loftus are gonna be joining us.

Jay: Hello.

Jon: Today we're gonna be talking to Congresswoman Katie Porter, California on the podcast, who is uh just such a clear and concise and effective communicator.

Alexa: Dare I say a star?

Jon: A star for God's sakes.

Jay: I've never seen someone whose choice of weaponry is a whiteboard and a dry erase marker. And she slays.

Jon: Yes.

Jay: Those things are sharp.

Jon: By the way, Marvel has that superhero coming out soon— [ALEXA LAUGHS]

Jay: Oh yeah?

Jon: called White Board. It's incredible they just draw—

Jay: Whiteboard? Well, I'm glad they finally got back from all the woke superheroes. [LAUGHTER] Finally.

Jon: Uh unfortunately, the whiteboard superhero is being played by a lesbian Sufi Muslim.

Jay: Ooh, okay.

Jon: Yes, so they're really, they're digging in as all things go along. [JAY LAUGHS]

Jon: Guys, what's going down?

Alexa: Okay, so, [JON LAUGHS]

Jon: Oh boy. [ALEXA LAUGHS] No, wait a minute. Alexa, that sounded not positive.

Jay: Did you hear that collective sigh? [ALEXA LAUGHS]

Jon: That was, that was really, I go "What's going on?" And I just heard, "So... um." [ALEXA LAUGHS]

Alexa: Well, I don't know if you heard, but, Papa Pelosi—

Jay: Nancy Pelosi's husband was attacked.

Alexa: Yeah. In a beautiful neighborhood in San Francisco of all places. You've got a view of the bridge, the bay, the stunning island of Alcatraz.

Jon: Alexa, are you moving? [ALEXA LAUGHS]

Jay: Right.

Jon: Are you going into real estate? What's happening here?

Jay: Well, we're talking about the escalation of violence in this country. We're talking about the escalation of political ideology, like strongly becoming like acts of violence against political figures in such a brazen fashion and then the spin afterwards, like it's so f***** up.

Jon: Well that's the part that I think is so difficult is that everything has to be a bellwether. And I think now, no matter what story you watch, you think to yourself like, "Don't let it be one of our guys. It's gotta be one of the other guys. If it's one of the other guys, then we're gonna jump in. But how are we gonna, you know, defang it if it is one of our guys?" And then, you know, it's this really bizarre calculation that even that, even violence and deviance against, uh a public figure has to be seen as a bellwether of something leading to, you know, is it about crime? Is it about terrorism? Is it about, the one thing that I will say is this, though, wouldn't it be nice cause, this clearly this is a person with deep, deep mental issues.

Jay: Yeah.

Alexa: Sure.

Jon: And deranged. But wouldn't it be nice if the online rantings of a mentally ill or deranged individual didn't sound so much like the talking points of certain media outlets?

Jay: Not only—

Alexa: It's basically verbatim Tucker Carlson.

Jon: Right!

Jay: And it's not even removed. It's not even like, "Oh, this is an escalation of the rhetoric"—

Jon: It's not processed through a diseased mind that comes out differently. It's not even telephoned.

Alexa: No, no, no. Not even synonyms.

Jon: It's exact and how f***** up is that?

Jay: It's super f***** up because like you said, it turns into team sports. We're like, "Oh, it can't be one of our guys." Like, that's wild. That's crazy. We're talking about a 80 something year old man getting hit in the head with a hammer having his skull fractured. This is one degree of separation from the person, third in line to be the president and the other side of this is people go, "Oh, well isn't it kind of funny that now we can turn into like a gay conspiracy rumor?"

Jon: Right. And that goes like lightning, and as soon as the truth comes out then the whole temperature of it comes down because it can no longer be used as a fulcrum in the culture war. It's no longer a pivot point anymore to allow anyone to score.

Jay: Yeah.

Jon: And as soon as that's gone well, then it's just an older gentleman, uh, in a hospital ICU trying to recover from a hammer attack. And, who cares about that? Terrible.

Alexa: At a minimum, I just wish everyone could be like, "Yes, this is f***** up."

Jay: But you know what Don Junior had to say? "Oh, here's my Halloween costume. Oh, here's a funny gay joke." I'll say this as a queer person, we were busy this weekend. It was Halloween. We had to dress up as slutty Spiderman. We had a lot of things. [JON LAUGHS]

Jon: Wait, slutty Spiderman?

Alexa: He's already kinda slutty.

Jon: The costume is so tight, Jay, that that is redundant.

Jay: Jon I don't think—

Alexa: More holes.

Jay: OK, Jon, I'll send you some links. [JON LAUGHS]

Jon: Oh alright.

Jay: We had s*** to do. It's so, and it's like, poisonous because then you're just laughing—

Jon: But I will say this though. That their life is so myopic at this point that, that is all it is focused on, and that's the danger of it is it has subsumed everything that could have been good about their lives, and it's all consumed by this battle that they're waging that like you say, so many other people are just looking around at Spider-man's crotch. That's, I didn't wanna—

Alexa: Not a bad way to go. [JON LAUGHS]

Jay: And it's disseminated, and it's disseminated on Twitter. That's the other part of this like, like okay—

Jon: Well that's now the, I mean, Twitter is the methodology by which all of this gets disseminated in an instant and we still haven't yet adjusted to what that social media maelstrom is doing to our foundational brains.

Jay: Elon Musk—

Alexa: I think it's bad.

Jay: Right? [JON LAUGHS]

Alexa: I'm starting to think it's bad. [LAUGHTER] I don't think we're well.

Jon: Let me ask you guys this because there's a lot of talk now about “Elon Musk has taken over Twitter” and “My God, it's already happening.” And it does strike me a little bit of, “How dare Elon Musk turn this s***hole into a cesspool?” Like— [JAY LAUGHS]

Jay: Jon—

Jon: Before he got there, I hate to say it, but Twitter's a s***hole. It's a cesspool to begin with.

Jay: Would you pay \$44 billion for like, I don't know, a bathroom stall at a rest stop?

Alexa: Depends.

Jon: So I would pay to 38 to 40 billion. [ALEXA LAUGHS] You know, my ceiling on, when I was trying to buy Twitter, I said to them, 38 billion is kind of, it's already over my budget. I budgeted 37 billion. Uh, so it was—

Alexa: [ALEXA LAUGHS] I—

Jon: Yeah.

Alexa: I think Musk, he wants to turn Twitter into his own fight club.

Jon: Well, I think it's to a certain extent, what he suffers from is, I think what Kanye is suffering from and all that, which is, I don't know if it's sexism or racism, but it's certainly narcissism. And there is, I think what he enjoys the most about it is the hallelujahs. This, there was the next day on Twitter, there was a lot of “Hallelujah!” “Finally!” And I was looking through it and I was like, nope. Same s***ty people that were there before like it's always been s***ty. I don't understand.

Alexa: But worse.

Jay: He's a cornball.

Jon: Is it?

Jay: I'll say this because he wants to be a bastion of free speech. He's a f***** corny loser.

Jon: He wants to be a hero. He wants to be talked about. He wants to control things, but I don't think he wants to be a bastion of free speech. That's never, there's nothing that he's demonstrated in his career other than trolling on Twitter that demonstrates an allegiance

to free speech, certainly Tesla's not, his companies are not bastions of free speech. So why would—

Jay: It's the people who think that free speech means governance by trolling that like this sort of like lie. That's what it is. To them free speech is uh the use of the n-word jumped up I don't know how many percentages when he was brought on. It's him bringing a sink—

Jon: But there was use of it already, like I gotta tell you, within, I joined Twitter and 20 seconds later it was like, “Hey man, welcome. What's up?” [ALEXA LAUGHS] “What took you so long?” And then like the fifth comment was like, “Hey, Leibowitz.” [ALEXA LAUGHS]

Jay: Right?

Alexa: God.

Jay: But Jon, those people are happier because of this.

Jon: They're not happy.

Jay: I didn't say happy.

Jon: Jay, they're miserable.

Jay: I said, happier because of Elon Musk.

Jon: Yes. Well that was the thing. There was that gleeful like, “Oh my God, now we can finally be s***ty on Twitter.” And you're like, “Mmm.”

Jay: We've been s***ty.

Jon: You know, he keeps saying like, “I want it to be the town square.” And you're like, it's Times Square. [LAUGHTER] It's not the town square. It's a couple of people saying nice things. Maybe trying to go get tickets to *Kinky Boots*. And then it's a grown man dressed as Elmo kicking the s**** at a guy from Nebraska who's just coming outta the M&M store. Like that's really. [LAUGHTER]

Jay: And bad news. Elmo has bedbugs, like it's, you're taking them back to Nebraska with you.

Jon: Right! But it was always to some extent that because that's who we are. The internet is just a place for people to make sure that no one is happier than its least happy person.
[JAY LAUGHS]

Jay: Jon—

Jon: That's all it is.

Jay: Have you— Jon, I don't know if you know about this. There was literally a tweet where woman was like, “Me and my husband like to have coffee in the morning. We take our time, we enjoy our space,” and this is like a very benign, positive, happy marriage tweet. Every tweet under it was like “How dare you showcase your privilege by having mornings off? Do you know there are people that don't have this time?”

Jon: Wait what?

Jay: Like is that—

Jon: Wait! Are you- is this a real, this is a real story?

Jay: This is a 100% real story.

Jon: Somebody posted like, “I'm having coffee with my husband.”

Jay: Yeah, “We'd love to have coffee in our garden.”

Jon: “And we love to do that,” and everybody was like, “F*** you.”

Jay: Yes. [JAY LAUGHS]

Jon: Get out!

Jay: I can't make that s*** up. That's what he per, he spent \$44 billion on that.

Jon: But when are we gonna realize that this is what, every time there is a leap in, a sort of a communications technology, the world falls apart until it adjusts to it. It happened when radio came out, it happened with TV, it happened with the Gutenberg press for God's sakes. It changes the dynamic of the human brain and its ability to take in. Twitter is not a bastion of woke politics. It's a bastion of people waiting to pounce. Of all stripes, of all persuasions, whether it's liberal, right wing, whether it's BTS fans [LAUGHTER] or Harry style fans. Like it is just a place—

Jay: Jon, don't you get us in trouble with the Army. [LAUGHTER] Jon, if you get me in South Korean trouble.

Jon: Well finally, Elon will put a stop to all that. Guys, speaking of all that, you know, uh, in terms of communication, we're gonna be talking to right now, if I could bring it, it's Congresswoman Katie Porter, who, I don't know if you saw, the other day, she did a presentation on inflation that finally broke down some of the information about what's behind some of this. And I think, do we, do we have that? Can we, can we show that?

[C-SPAN CLIP]

Katie Porter: According to this chart, what is the biggest driver of inflation during the pandemic? The blue is the, the dark blue is the recent period.

Mike Konczal: It would be corporate profits.

Katie Porter: And what is that percentage?

Mike Konczal: It is 54%, and that number does stay that level of high if you update that number to more recent numbers as well.

Katie Porter: So over half of the increased prices people are paying are coming from increases in corporate profits?

Mike Konczal: Yes.

[C-SPAN CLIP ENDS]

Jon: Now inflation is covered 24 hours a day as it should be. You've got the Fed saying the only thing that can stop it is interest rates. And then you have Congresswoman Katie Porter comes out and goes, “well if you actually, you break it down company to company, it's corporate profits play.” Not the whole thing, but nobody f***** covered it. Nobody talked about it.

Jay: Right cause if you just say the buzzword inflation, people go, oh yeah, inflation—

Jon: Oh yeah, it's s*****.

Jay: And you go: “Yeah, oh yeah, inflation, right?” But when someone says it's corporate profit, you go: “wait a second”.

Jon: Right. So maybe we don't have to cause a catastrophic recession to get it under control. But God forbid anybody discusses that. So let's, we've got Katie Porter, she's gonna come and, the congresswoman's been nice enough to come and talk to us. You know what, if you guys live, tweet it cuz you could do that now, cause hallelujah! It's been freed.

Alexa: I'm gonna say whatever I want.

Jon: The dumpster fire is now a forest fire. [JAY AND ALEXA LAUGH]

Jon: All right.

[TRANSITION MUSIC]

Interview with Congresswoman Katie Porter Begins

Jon: Well, first of all, congresswoman, welcome.

Katie: Thank you.

Jon: Well, we're delighted to be able to speak with you. Before we even get started, Tuesday is election day in your district. How are things out there for you? What's the situation?

Katie: This race is a dead heat. It's gonna be a toss up. And I think that people are sometimes surprised to hear that.

Jon: I am surprised to hear that.

Katie: Well, we have seen this happening around the country, some of these suburban districts in bluer states, so places in Washington, in Oregon, in Jersey, in California these are really going to be battlegrounds. So my race was just moved to a toss up, which is not the news you wanna wake up to one week before election day. But I was also out this morning, you know, putting up flyers and getting ready to canvas and knock doors. So I am gonna work my butt off to make sure that we win in a week from now.

Jon: Here's why I find that incredibly surprising. You are, and have been one of the most effective communicators and legislators for economic issues that I have seen in the last 20 years in Congress. The clarity, in which you are able to illustrate the different points of our economy and how it's skewed and corrupt, I'm always really impressed by. So let me ask you a question. Do your voters have C-Span? [KATIE LAUGHS]

Katie: So, this is a great point. There's two points I wanna make here. One is that sort of a simple point, \$9 million in Republican super PAC ads that have been answered by \$300,000, of Democratic mailers. That's a big goal. That's \$8.7 million in negative messaging that they're hearing about me.

Jon: So this is the National Committee and Republicans and, and other, SPACs and PACs—

Katie: Right. So the National Republican Committees have spent \$9 million and the Democrats have answered that with \$300,000,. So that's gonna have an effect any which way you cut it straight up.

Jon: Wow. Could the Democratic committee get you that money?

Katie: Sure they could, sure they could, but they're having, they're making decisions all over the map. They're prioritizing different people in different races, and there's a complex map to do that. So, look, I always wanna make sure that I can do my part to help elect Democrats everywhere that there are good Democrats on the ballot. And so I'm working to stand on my own two feet here and deliver this race myself with the help, by

the way, of all of my grassroots supporters and people who knock doors for me and chip in. But the second point I wanna make, which I think is a really interesting one, is you said, “Do your viewers have C-Span?” Now the answer, of course is sure. [JON LAUGHS] But they're not sitting at home all day watching it because they have jobs and kids and parents and commutes—

Jon: Oh right. They're busy!

Katie: So one of the things that I think people don't know about politics that I really struggle with is we are not allowed under the House ethics rules.

Jon: Mm-hmm.

Katie: To use footage of us doing our jobs in our campaigns. So I can't show viewers...

Jon: Wait. What?

Katie: Yes. So if I question a witness about inflation, if I push the CDC director and get us free testing. If I hold Jamie Diamond's feet to the fire about employee pay, Just to name a few. I can't use those clips, that footage of me actually doing my job well to get elected. And of course the only reason people should vote for anyone, Democrat, Republican, or otherwise, is if they think they're gonna do a good job. But I'm not allowed to show people me actually doing a good job. Instead, the commercials have to be filled with, you know, footage of me walking through a Happy Meadow or whatever. So that is one of the real burdens we face.

Jon: Congresswoman, let me just see if I can get a handle on this [KATIE LAUGHS], you are not allowed to show footage of yourself doing a job, but representatives in the House and Senators are allowed to use insider information to trade stocks.

Katie: Right!

Jon: That is allowed.

Katie: The House Committee on Ethics is not a committee on morality. Let's just be clear. Ethics in this sense are a set of rules that someone put together, often solving one

problem at a time, not in a holistic, complete way, not updated to deal with kind of modern realities.

Jon: Yes.

Katie: So, you know, my frustration is I wanna earn people's votes because they think I'm fighting for them and they think I'm delivering for them, but I'm not allowed to show them that.

Jon: What, what, what would be the reasoning behind that? Has anybody ever asked what that might, be? What, what, what would be the reason of not being allowed to use footage of yourself doing a job? I mean, I can use footage of it on our show for jokes, why can't you use it for persuasion?

Katie: The reason we're given is that the capital building and the cameras on us, um, are government resources and we can't use taxpayer resources to get reelected. But even—

Jon: Wait, wait, wait, wait, wait. You can't use taxpayer resources to get elected, and yet incumbency in and of itself, is probably the largest advantage that you could possibly have.

Katie: Correct. So I think the argument that they would make—

Jon: Yes.

Katie: - is that if they let us use this footage—

Jon: Mh-mm.

Katie: - it would give us an even bigger incumbency advantage, which I understand.

Jon: Ahh.

Katie: I actually, you know, I beat an incumbent, so I, I get it. I actually think we have too many people sitting around Washington who have been there too long in both parties. So I wanna see challengers win, not my challenger, [JON LAUGHS] but other people's

challengers sometimes. But I do think there is a kind of problem here, which is that, you know, anybody can shoot a commercial that shows this hero shot right?

Jon: You know what? I just, aAll of a sudden I wanted to move to California and vote for you. That was amazing—

Katie: That hero shot doesn't put money in your pocket. It doesn't make for a fair economy. It doesn't get you healthcare when you need it. Um, that's the work that we do... and, and so I think part of it is, you know, passing bills.

Jon: Right.

Katie: You can talk about that. But it, I think it comes from this idea that the footage that the speaking to the American public isn't part of our work. Our work is just legislation. And I'm here to tell you it's both. Because when you talk to Americans straight about what's at stake—

Jon: Right.

Katie: -you build support for the legislation that we're trying to pass.

Jon: Well that, so that brings up the, next point, which is, you know, you went on the floor and you did, I thought a really effective presentation about the complexity of inflation. And the fact that there were profits driving, not all of inflation - there's certainly supply chain issues, there's certainly other things that are going on the pandemic. Uh, but you showed that corporate profit-taking was up drastically and that that was a significant driver of inflation. The news covers inflation 24 hours a day, seven days a week, and not without reason. But what I was shocked about is, that piece of information that you laid out so effectively, made it to two shows. I think Mehdi Hassan showed it, and Lawrence O'Donnell showed it and I think there was an article in Salon. And other than that, it's just the fear mongering over inflation and none of the, uh, “let's look at its component” parts, and is that frustrating to you and why does that happen?

Katie: Well, it's super frustrating that we're not trying to break down the actual problem to show voters that we understand it. You can't solve a problem very well that you don't understand. So I think part one we have to do is we have to show voters: 1) we accept

inflation as a problem, 2) here's where it's coming from. We have access to experts. That was a hearing where I had an expert—

Jon: Mhmm.

Katie: - who had done a research study on inflation.

Jon: Mm-hmm.

Katie: And so my job there was to take his academic study - I used to be an academic and I know that most academics can't talk to regular people - so I was there to help translate things—

Jon: Mhmm.

Katie: Like non-unit input cost into real English for people and then—

Jon: My favorite kind of cost is the non-unit input cost.

Katie: Yeah, exactly. And show them what he was really talking about.

Jon: Right.

Katie: And what his study found is that this, he compared this inflationary period,

Jon: Mm-hmm.

Katie: to past periods of inflation. Which is important. We can't use the same tools of the past—

Jon: Right.

Katie: If this inflation's different than the past inflation, right?

Jon: Correct, correct.

Katie: And so he looked, he compared, and he said, this inflationary period, over half of the increase in what you're paying for stuff is coming from corporate profits.

Jon: Mm-hmm.

Katie: And in the past that was about 10% of what was going on in inflation. And so the solutions to this inflation are going to have to include some new and different tools than we've used to fight past inflation.

Jon: It's complex!

Katie: It's complex. Inflation is always complex. Anyone who says, and this is the Republicans all day long, "inflation's bad." No s**t Sherlock, of course inflation's bad.

Jon: Yeah!

Katie: I too go to the grocery store. So that is not a policy statement, by the way.

Jon: Congresswoman, put that in your commercial. [KATIE LAUGHS] You're, you're allowed to use this footage. This was not paid for by taxpayers. I wanna see you right now, Congresswoman Katie Porter: "No s**t, Sherlock." Let's get this done.

Katie: I mean, that's all Republicans have to say, which is "inflation is bad." Well, yes, folks, we, we get that. I just bought Fritos for \$4.99 cents. I, I spent \$10 to feed these children Fritos for crying out loud.

Jon: Yeah.

Katie: So I get it. But the point is, what are you gonna do about it? And you can't figure out what you're gonna do about it unless you understand it. And I think part of the reason that Republicans and others don't wanna look at what's really driving this inflation is they don't wanna stand up to big corporations. And here's the part of that study that didn't get as much attention, but is really important. The companies, the areas, the industries where there's the biggest profit margin—

Jon: Mm-hmm.

Katie: The biggest price gouging being tacked onto what we're paying are industries where there's almost no competition. So the more consolidated an industry is,

Jon: Mm-hmm.

Katie: the less competition, the more they're tacking on that profit margin and gouging us. So we have a competition problem in our economy—

Jon: No question.

Katie: So, that means that we need to break up monopolies,

Jon: Mhmm.

Katie: we need to incentivize pathways for smaller businesses and mid-size businesses to compete. I mean, we have a bread monopoly in this country for crying out loud! We have a cereal monopoly. It's not just gas. It's actually hard to think of an industry—

Jon: Right.

Katie: -where we don't have a monopoly when you really start digging into the data.

Jon: And the crazy thing is, you know, everybody likes to talk about this idea that we have a free market economy, but we clearly don't. We have an interventionist economy and the government picks winners and losers all the time. And meanwhile, the Fed turns a, a money hose on corporate, problems. But as soon as you give stimulus checks to people, everybody starts running around and talking about, "Oh, this can't happen." You know, Larry Summers, God bless this guy! He's talking about "we need 10% unemployment to really get this under control" and, and uh, along the lines of your "No s**t, Sherlock": I would say this: f**k that. Like in the idea.

Katie: [KATIE LAUGHS] I'm so glad you said that so I didn't have to.

Jon: For God's sakes, the idea that the only way to get inflation under control is to make working people suffer to 10%. And I want to ask you, their only reference point is the seventies. We had stagflation, there were issues, the Fed, uh, apparently raised interest rates. They didn't raise it fast enough. Paul Volker came in and saved the day by plunging

us into a, uh, a recession. How in God's name can a complex problem, such as inflation, only be solved by this one dial we have on the stereo called "interest rates"? And how is it that you don't go sector to sector? Or, or anything else. What is this?

Katie: So, I think part of this is that Congress has, and even the White House, I would say, although this White House better than some others, but-

Jon: Mm-hmm.

Katie: -has this tendency, politicians have this tendency to say, "oh, the economy? That—that's someone else's problem. That's, that's, uh, just the free, you know, the invisible hand of the market. I don't, I don't, I can't do anything about that." Or they say, "oh, that's the Fed, not us."

Jon: Mm-hmm.

Katie: Well, here's the thing, I can think of very little that I am in charge of, other than people's core constitutional rights, which by the way, are also under attack.

Jon: Right.

Katie: But is more important to what voters asked me to do than to deliver a strong, stable, globally competitive economy. I have never met the voter who didn't want that. Now, I was a bankruptcy attorney before I ran for Congress—

Jon: Right.

Katie: So I do just fine in a crappy economy, but everybody else has trouble.

Jon: Right.

Katie: So the strong, stable, globally competitive economy is a core mission of our Congress. We need to take that under advisement and we need to do something about that. And so I think what a lot of people say is, "well that's the Fed." Well, if you say inflation is only the responsibility of the Fed.

Jon: Mm-hmm.

Katie: Then the only tool the Fed really has is the interest rate dial.

Jon: Right.

Katie: The other tools? Like stimulating competition, cracking down on price gouging, building a better supply chain.

Jon: Correct.

Katie: Um, those tools are with Congress. And I wanna say President Biden and this Congress have deployed some of those tools. They're not fast, they're not as fast as the interest rate dial.

Jon: Mm-hmm.

Katie: Things like investing in infrastructure, you have to actually build it. You can't build it in one second. You can, you know, rejuvenate our supply chains and start building chips here in the United States. And those things are underway. They're not as fast as the interest rate dial. Um, and you know, so I think you have to use an approach of both. But this is not the 1970's, it's not.

Jon: Right. And interest rates are just a giant cudgel.

Katie: And our economy was really different then.

Jon: So my question would be then why isn't there more of a concerted effort between government and industry to publicly get together to address what is a national security issue? Inflation and poverty, and, our currency is a national security issue. When that goes awry, we lose power and strength.

Katie: Industry doesn't want to solve this problem.

Jon: They don't wanna solve inflation. They would rather see a recession.

Katie: Big corporations want to reek every bit of profit, and that's who's benefiting. Big corporations. Small businesses are having to hold the line.

Jon: Right.

Katie: And try to absorb this extra cost—

Jon: Because all their costs are going up. They don't have a cushion.

Katie: Right. The bigger the company, the bigger the market power,

Jon: Right.

Katie: The more they're riding this trend. And we've seen this, don't believe me - listen to earnings calls in your spare time. Listen to CEOs on earnings calls.

Jon: Yes.

Katie: They have said things like: “a little bit of inflation's good for us. We think inflation means we can continue to find our price point at a higher and higher place.”

Jon: Right.

Katie: What does this mean for the rest of us who are paying? It means we're stretching our dollars farther and farther and farther. So industry isn't going. They don't want a recession, they wanna take every dollar of profit right up to the tipping point. And by the way, if we do push into a recession? They will be the first ones in line to Congress with their hands out for help, the very first ones.

Jon: But that's my point, how is it that it, they always are allowed to get away with privatizing profit and socializing losses? Everybody else pays the price for their losses, but in the, in the times where they're you know, profit taking, that's privatized, that's shareholders or even the Fed turns on that quantitative easing money pump and allows them 0% interest at the window and lets 'em do and, and turn it around and buy treasuries, you know, that they turn around and get a 1.5%, uh, profit on... the whole system is geared to them. And it's interesting. I was talking to one of your colleagues, Rosa Delauro, uh, who is the head of the appropriations committee, uh, Congresswoman from Connecticut. And she was discussing how Congress holds the line on, you know, for instance, when they were doing Medicare Advantage and they were fighting, with the Republicans and there were 600 lobbyists in the building. But I think she was not

cognizant of what that sounded like. That “oh, right. When you are working, you're not surrounded by those taxpayers that you talk about. You're not surrounded by those families that are struggling. You are surrounded by corporate lobbyists, day in and day out, knocking on the door, greasing the skids for more and more profit and more and more consolidation.”

Katie: Yep well, speaking personally, I don't have any time for those guys. And by the way, they are mostly guys. I don't take corporate PAC money. I also don't take lobbyist money.

Jon: Right.

Katie: So I tell lobbyists the same thing I tell everybody, “you wanna meet with me? Come with an idea, come with something to teach me. Come with a problem that you wanna show me that you think that you have a solution for, that we can work together on a solution for.”

Jon: Right.

Katie: So, you know, I live in Orange County. I fly back and forth when I'm in Washington.

Jon: Mm-hmm.

Katie: I do probably my best campaigning in my grocery store. I don't think I've gotten more votes anywhere than I have walking on the aisles of my Albertsons talking to people.

Jon: Right, right.

Katie: Um, so I do think about everyday voters all the time, but there are a lot of forces in Washington that are very, very noisy for “The Bigs” big health, big pharma, big oil.

Jon: Right, right.

Katie: Um, big ag, if you could put a big in front of it, you can also add lobbying to that. And all of those forces make a lot of noise.

Jon: You know, we spend billions of dollars to subsidize these oil companies and then the s*** hits the fan. And Saudi Arabia says they're gonna cut production and then all the, you know, and they all talk about, I, I saw the bit you did on, the land that they have leased that they're not drilling on.

Katie: Sure.

Jon: Because they don't wanna spend the money to refine cuz they're worried about when a commodity goes down. But it's a manipulated commodity by a cartel called OPEC.

Katie: Mm-hmm. No, it's not a real market.

Jon: Right! None of it is.

Katie: We have lots of things that are, are not real markets. Let me give you another example.

Jon: Yeah.

Katie: Healthcare.

Jon: Oh.

Katie: You can't choose who you want to go see. It's controlled and constrained by your healthcare company.

Jon: Mm-hmm.

Katie: When you go, you can't find out what it costs.

Jon: Right.

Katie: So you can't shop on cost. You can't get any data on quality, so you can't shop on quality. So there is no real market for healthcare at the consumer level—

Jon: Right.

Katie: -and yet what we hear is everyone should, you know, we should, “we don't wanna have nationalized healthcare, we don't wanna have government in our healthcare.” Well, look at the alternative.

Jon: Healthcare can't follow a free market economy because—

Katie: Right.

Jon:- if you have a heart attack, you're not gonna, “Sir, can I help you?” “I'm browsing, I'm just, I'm browsing hospitals right now.” “what's going on?” “A little bit of a heart attack right now, but I wanna make sure that I comparison shop.” Like you, healthcare is one of those industries that can't follow market structure cuz there's too many contingencies that don't follow supply and demand.

Katie: Absolutely.

Jon: And it's too easily manipulated.

Katie: And so we have to quit pretending and instead we have to say,

Jon: Right.

Katie: “These are the guardrails we need—

Jon: Mm-hmm.

Katie: -in this market.” So, you know, I used to teach business law, so—

Jon: Right.

Katie: I am not afraid to go toe to toe with Republicans, um, to talk about the economy —

Jon: Or corporate leaders, which I've seen you do.

Katie: - No! Or corporate leaders, like, I mean, one of my favorite things that a witness ever said to me was when I was questioning Steve Mnuchin about his interpretation— former secretary at the Treasury.

Jon: Yes.

Katie: About his interpretation of a treasury policy that they were using to lift up banks during the pandemic.

Jon: Yes.

Katie: And he was saying, “no, that's not what the policy says.” And I was pushing back on him and he said, “well, are you a lawyer?” [JON LAUGHS] “Yes. Yes, Steve. I am a Harvard trained lawyer.”

Jon: Whoa.

Katie: “You on the other hand are a Trump appointee, so let's go. Bring it on.”

Jon: Let's bring it on.

Katie: So, you know, I just think that Democrats need to really lean into the economy because here's the straight facts: Democrats, every single election, every single cycle that we're in power.

Jon: Mm-hmm.

Katie: We set the table and do the work of building a strong economy.

Jon: Mm-hmm

Katie: And the corporate interests scream as we're doing it, they help elect Republicans and, and Democrats, who, a handful of Democrats who will stand with them—

Jon: Mm-hmm.

Katie: -and then they take it all back. So think about the things that Democrats have done that are at risk in this election and what they would do to our economy if we lost that. What if we stopped all that infrastructure work we've begun?

Jon: Right.

Katie: People would be thrown outta work, bridges and roads would crumble, we would fall farther behind our global competitors.

Jon: And finally tame inflation. Katie, you're brilliant!

Katie: What if we stopped the Chips and Science Act? What if we stopped building all those semiconductors? That would be terrible. We would lose jobs—

Jon: Right.

Katie: -we would have worse supply chain problems. It would threaten our national security. All of the military equipment runs on semiconductors. We have to make them here.

Jon: But why is that case not being made? Look, I, this election season, I have a television like everybody else, and if you're following the election in any way, in between the, you know, *Jeopardy Tournament of Champion* commercial breaks, it's either for prescription drugs, because I, the elderly, am watching television at that time of night, and two, it's Republican attacks on crime. It is all about, I mean, footage from YouTube of guys with guns shooting people. And the Democratic ads that are in any way answering to either inflation or crime are nonexistent and they have a case to be made there. Let's move into this cuz this is something that really bothers me. Republicans talk about crime and the fact that it's outta control in these cities, and they have never mentioned once that the reason is: our cities are flooded with illegal guns. And Republican legislators have made it impossible for police to in any way enforce the gun laws that even, I'm not talking about home ownership, I'm not talking about any of that. I'm talking about the Iron Pipeline. You know, Republicans are so concerned about the border. Well, what about the border from Florida and Indiana that are flooding illegal guns into our cities and making it more dangerous for cops and more dangerous for everybody? You wanna get to the source of these crimes? It ain't Democrats. It's Republicans making it much harder to track illegal gun sales, making it much harder to stop illegal gun sales. What the hell is going on and how do they take the moral high ground on that?

Katie: Well, they shouldn't be. Um, they should not be taking the moral high ground for a couple reasons. One, the bills that they are attacking Democrats for passing in the last

two years contain significant funding for first responders, for police departments. The resources that we gave to counties—

Jon: Mm-hmm.

Katie: -and to cities. Most police departments saw an increase, a significant increase in their budget in the last couple years. That was done because Democrats voted for those bills.

Jon: Right.

Katie: We literally have been the party of trying to make sure that our law enforcement has the tools that it needs. But you are right. They are battling uphill when we see gun laws—

Jon: Mm-hmm.

Katie: -being loosened, that allowed dangerous criminals to possess guns and to use guns, to carry guns without a permit.

Jon: That's right.

Katie: You cannot be the party of crime at the same time that you're arming criminals.

Jon: No, they're allowing it. They're, they're allowing—

Katie: They're facilitating it.

Jon: -these pipelines. They're making it so you can't sue these gun manufacturers. I think there's five manufacturers that are responsible for like half the guns that are used in crimes. And again, I can't stress this enough. This is not about legal gun ownership, but in their zeal to protect legal gun ownership, they've removed the tools of law enforcement—

Katie: Yup.

Jon: -to get illegal guns off the streets. There was a case recently, I think they just said that it was unconstitutional for you to penalize somebody for removing serial numbers off

of guns. Imagine trying to solve crimes and a political party came in and said, “But you can't use fingerprinting and you can't use DNA, and none of this, uh, camera footage can be used either.” That's what they've done with enforcing the flood of guns. There is an arms race in America.

Katie: Yeah. I want- you know—

Jon: On the streets.

Katie: -when you, when you talk to police officers and law enforcement,

Jon: Mm-hmm.

Katie: -they will tell you that it's getting harder and harder to prosecute these crimes. It's getting more difficult, and it's getting more difficult because of the rise in unchecked and, um, unlawful gun sales.

Jon: That's right.

Katie: So, you know, there's no problem with someone going through a process, getting a permit.

Jon: Right.

Katie: Taking the time, getting the background check—

Jon: Now they're making it that you don't even need a process.

Katie: But now they're making it that you don't need a permit. So they're literally taking away the very best tools we have—

Jon: Right.

Katie: -to keep our community safe, to keep our police officers safe—

Jon: Right.

Katie: -as they do their job.

Jon: So how do they have the balls to come out and say, “we're the ones that are gonna stop crime.” You're the ones that escalated the violence in our streets.

Katie: Yeah. Well, and one of the things that we see at the border too, by the way—

Jon: Mm-hmm.

Katie: -is I think that doesn't get talked about a lot, is we actually see significant flow of guns from the United States into our southern border. So we are actually supplying—

Jon: They say 70% of the cartel weaponry is from the United States.

Katie: That's right. So we are supply, we're saying people shouldn't come here. They should, they, you know, we don't want violence. The border. We're, we're arming those cartels that are then committing violence in the golden triangle in Central America, in Mexico.

Jon: Right.

Katie: Um, and so we need, when I talk about border security, I talk about it being in both directions. We don't wanna have fentanyl or dangerous weapons, um, come to the United States. We also don't wanna be sending them down there because we're, we're just deepening the border crisis and causing more of a humanitarian crisis. We're not—

Jon: and the border crisis inside the United States. Maybe if the, uh, if we talked about undocumented guns. Maybe if we talked about stopping the flow of undocumented guns across the border of—

Katie: Alien guns!

Jon: - Georgia. Of alien guns that are, that are coming across. I mean, the, the, they're talking about 50% of the guns come from just 10 states.

Katie: Yeah.

Jon: And, and these are illegal weap— I mean, you see it in the streets all the time and cops have to deal with the fact that everybody's got a gun now and they don't know where it's coming from. So they have to militarize. And this is a cycle that we've gotten this country into. Not from bail reform, but from the laxity, there's no ATF Commissioner for God knows how long. I mean, it just shocks me that the narrative is never put out there, that their inability to allow this country to police the flow of the illegal guns over our borders is on them.

Katie: Yeah. And the other thing I'll point out is, by the way, when we talk about crime, is they're not telling you the whole story. They're telling you the part of the story that they want to tell, which is that we're actually seeing crime go up. Some kinds of crime are going up, some kinds of crime are going down. Um, and so it's actually, I think the kind of Republicans leaning into crime is more of a playing on anxiety that people feel after the pandemic. There are areas, there are types of crime that are going up—

Jon: But it is going up, I mean it is, I think you'd be hard pressed to convince people—

Katie: There are also areas of crime that are going down. I looked at this in Orange County before I, before we had this conversation. I did some looking. So we are actually seeing property crimes falling significantly.

Jon: Really?

Katie: Um, but we have seen an uptick in violent crime. It's about balancing it out. Now, obviously, violent crime is, is the, is the most dangerous, upsetting kind of crime.

Jon: Right.

Katie: Um, but our police officers, you know, they are doing a very, very good job. And I, I think we need to recognize that, that they are working really, really hard to keep us safe.

Jon: But we've made their lives a lot more dangerous. I don't think there's any question.

Katie: We make their lives more dangerous when we allow illegal guns to flourish. We make it harder, we make it more dangerous—

Jon: That's right.

Katie: -to be a police officer, and that is shameful because these people are putting their lives on the line for us.

Jon: Why do you think that, you know, as far as I can tell, the only issue that Democrats are running on are abortion, and not that it's not an incredibly important issue, but I haven't seen one commercial in my area from Democrats that makes those points, that says, "How dare you talk about, uh, crime when you've enabled this terrible scourge to affect our cities?"

Katie: Yeah.

Jon: How, how dare you.

Katie: Yeah, no, I think it's really important that we hold them to account for their position on, on guns. Um, and we talk a lot about gun violence prevention, um, in Orange County. People, you know, I always say this jokingly, but it's true. I mean, nobody moves to Irvine for the nightlife. Nobody. [JON LAUGHS] I mean, you move here for the quality of life. You move here because your kids are safe, You move here because we are a community that cares about each other because it is a safe community.

Jon: Mm-hmm.

Katie: And when neighboring states, places like Arizona or you know, Nevada or wherever, if they change their gun laws, if the federal government doesn't enforce federal gun law, it makes Californians less safe. And I think people need to, to see that that's part of what's at stake in the control of Congress. I think on some of these issues, including abortion. Um, and I think guns can be another one. Um, you know, here in states like California, people say, "Well, abortion's legal in California. We have good, thoughtful gun violence prevention laws here in California." And that gives voters an excuse to not lean in to what's going on politically around the country, but federal laws supreme. There is nothing that the governor of California or the legislature of California can do on guns, on abortion, on a whole host of other issues, LGBTQ rights – if we elect a Congress that passes federal laws, that take away those protections. So if Congress passes a nationwide abortion ban, it will be just that Jon, nationwide! And it will prevent Californians from having the right to an abortion, for example. Same thing on guns. We have some good thoughtful gun violence prevention laws here in California. If we elect a Congress that goes the other direction and enables gun violence—

Jon: Right.

Katie: -those laws in California will no longer be enforced because of the supremacy clause, federal law, taking precedence over state law. And so I do think we have an issue in our, and frankly, our quote unquote, I don't like this blue state, red state thing, but let me just say, in states that have democratic legislatures or democratic governors, Oregon, Washington, California, New Jersey, these folks need to wake up and understand that the Republicans are threatening at the federal level to go and undo the will of the voters and the work of the state legislators in—

Jon: They've been doing it.

Katie: -keeping communities safe.

Jon: And if this independent state legislature gets passed through the Supreme Court, it's going to be even worse. But do you think, we also don't talk about enough, the idea, cuz you just said it, not red states, not blue states, but the real divide in the country seems to be between urban areas, ex-urban areas and rural areas. And to be frank, those areas do have different concerns and sets of, uh, reasonable distinctions when it comes to, crime or gun violence or those different things. Each area has, you know, a different set of circumstances and a larger piece of that isn't about just talking about just the state versus another state. It's city versus rural. It's all the different divides that come together and how do we make our democracy more agile to be able to address things? Like you said earlier on, you said it, uh, I thought really, really well. First, you've gotta decide if you have a problem and you've gotta find clarity on that problem. And I think that first step feels like it's so missing from our—

Katie: Yeah.

Jon: -from our discourse.

Katie: Well, so I think part of this starts with electing people who actually listen to their communities.

Jon: Mm-hmm.

Katie: Rather than listen to big corporations. Um, and so whether it's rural or urban or suburban, if you're electing people who are listening to their communities and they take those concerns to Washington, you will see policy that reflects that.

Jon: Right.

Katie: So, you know, congress spends an awful lot of time passing bills that give tax subsidies to big oil. An awful lot of time, you know, years and years and years went by before Congress did things that the huge vast majority of Americans support. Congressional ban on stock trading. Beep, beep, beep. Everybody supports that.

Jon: Of course!

Katie: Some of the work you did on making sure that we were doing right by 9/11 and people who were hurt in that. Americans support that! We are very, very, sometimes I think, slow to deliver on things that Americans do agree on.

Jon: Mm-hmm.

Katie: Because we're too busy fighting about the stuff where they don't agree. And that stuff matters too. But I, I just think the bigger issue is people not, um, coming to Washington with a clear sense of who they're working for.

Jon: Yeah.

Katie: If you don't come to Washington with a backbone, you sure as hell are not gonna find it in the halls of Congress.

Jon: That's right.

Katie: Nobody's gonna hand it to you. You have to bring that fight to Capitol Hill.

Jon: Right. Well, listen, I, uh, it's, it's been incredible talking to you. I've really enjoyed it. I wish you the best in that race. Congresswoman Katie Porter, thank you so much for joining us. Really appreciate it.

Katie: Thank you.

Interview with Congresswoman Katie Porter Ends

[TRANSITION MUSIC]

Jon: [MAKES SOUND] Boy.

Alexa: She's got the goods.

Jon: Just such an effective communicator. And also for me, having spent a lot of time down there, there's very few people that I meet that haven't bought into the Kool-Aid down there. To some extent.

Alexa: Totally.

Jon: They haven't truly become part of this weird machine that's disassociated from people. Boy, it's refreshing to hear someone go, "These people are f*****g in an ivory tower, and I'm down here buying \$5 bags of Fritos."

Jay: Fritos!

Jon: "And I want this to stop."

Jay: The backbone statement. I say this, Andy Cohen have a *Real Housewives* have a Real House People. Have a real Congress members of Orange County. Cuz that was so clear.

Jon: Yes.

Jay: It was so clear. It was so direct when she said the Democrats seemed to be the party of a good economy and they're scared to talk about inflation, but she's not scared to talk about it. No one else is saying that.

Jon: They're scared to talk about everything. and especially when you have real information that is not exculpatory, certainly if you control the House and the Senate and the executive, you're gonna be responsible for whatever the economic conditions are. But you can certainly do a better job of explaining why those conditions exist.

Alexa: And it's like when she says it, it seems like, oh, very easy to understand. It's like, I think we could all be talking like this.

Jon: Why don't they just call everybody up like f*****g, why don't you make a show of like, sit down with Exxon and, and, and all these sort of more monopolistic sectors and say, "Hey, I got an idea. Why don't you guys just say like, We're gonna cut our profits 10% right now because the American people are in pain and rather than force a recession on them, you know, rather than, uh, attack inflation by just making sure no one needs anything and no one can afford to demand anything. We're gonna do that across the board for America."

Alexa: Yes. We could call the show. "Hey, Knock It Off." [JAY LAUGHS]

Jon: God Bless America. [JON SINGING ORIGINAL SONG]

Jay: Well, Jon, this sounds too much. That sounds too close to right.

Jon: Yeah.

Jay: Like it you're making too much sense.

Jon: Sense! [ALEXA LAUGHS] It's uh, it's unbelievable. Was there anything else she said that, that caught your eye? That caught your—

Jay: "We can't use the C-SPAN footage in our, our ads."

Alexa: That is so weird.

Jon: I mean, imagine you're not allowed to use like the security footage at a 7-Eleven like that's—

Alexa: And well, and yet people can use fake footage for their own commercials or footage that's not even in their state of crimes happening, that are like, "Oh, this is happening in your town."

Jon: Or have you ever seen those where they're like, it's stock footage of like children in Ukraine that they're calling like—

Alexa: Right. [JAY LAUGHS]

Jon: You know, “Locals in California.”

Alexa: Yeah. Yeah.

Jon: What is happening here?

Alexa: They can't even feed themselves. It's like, “That's a war torn country—

Jon: Right.

Alexa: -halfway around the world.”

Jon: Yeah.

Alexa: And yet you can't use your own- It's very bizarre.

Jay: When she said that everyone that was listening, including you, was like, “That can't be right.”

Alexa: She even clarified that. She was like, “Yes, the ethics committee, not the moral committee.”

Jay: Woo.

Jon: But even the idea, and, and again, we sort of related it to, and but you guys can still trade stocks on information you got.

Alexa: Right. Yeah.

Jon: About, Yeah, no, that, that they won't touch. But C-SPAN footage, come on. It does kind of make sense then, cuz I was just to wonder like, why are all these commercials dudes with like, AR-15s shooting leaflets [JAY LAUGHS] about Obamacare and you're like, “Oh, cuz they can't use themselves at work saying the dumb s*** on the floor of the senate or the house.”

Alexa: It's upsetting.

Jon: Alexa it is upsetting. [LAUGHTER] I want you guys to know that the footage that we are using right now—

Jay: Yeah?

Jon: -you can use to run for Writer of the Year.

Alexa: Oh my gosh. Writer of the year!

Jon: This footage is yours.

Jay: No, no, no. Do you understand? Jon? But my Twitter footprint, as we discussed earlier, I can never run for anything. [LAUGHTER] Ever, ever, ever. Look at the likes. Don't find my bookmarks. Don't look at my retweets.

Jon: Just for those out there. Please don't cancel Jay Jurden [ALEXA LAUGHS]

Jay: When we, when we talked about the N word jumping up on Twitter, that was also me. [LAUGHTER] I'm sorry. That was me just tweeting out, f*** this n**** about Elon Musk a lot. [LAUGHTER]

Jay: Oh yeah. And his f*** Elon Musk. F**k his dad. His f**k. [ALEXA LAUGHS] His dad f*****d his stepdaughter. He's weird.

Jon: ...What?

[ALEXA LAUGHS]

Jay: You haven't heard this?

Jon: What did you just say? He—

Jay: Jon, Elon's Elon Musk's dad—

Alexa: Yeah, I have heard this.

Jay: -had sex with his stepdaughter. Had a baby with her, and the response was, “Yeah, things happen.”

Jon: Well, when you're, when you're a billionaire, I think that's, that's, I believe that's just called a family complication.

Jay: What?! [ALEXA LAUGHS]

Alexa: When you own emerald mines, I think, you know.

Jay: Oh yeah. F**k him for ruining my birthstone! [JON LAUGHS] F**k him!

Alexa: Mh-hmm.

Jon: Oh this is, this goes way—

Alexa: This is personal.

Jon: -deeper than I thought. This is astrological to a certain extent.

[ALEXA LAUGHS]

Jay: I know. Taurus Gang. What up? No. I hate it.

Jon: He really f**k— he he f***d his own, you know, his step, his own stepdaughter. Now let me ask you this, is he a filmmaker?

[JAY LAUGHS]

Alexa: I was gonna say.

Jon: Alright guys always—

Alexa: Sounds familiar.

Jon: -a pleasure uh, to talk to everybody. I wanna thank Congresswoman Katie Porter of California, uh, for talking with us. Thanks to Jay Jurden, Alexa Loftus. Check out the

problem, it's on Apple TV+. Uh, we're back next week, I think, on Friday after the election to discuss the election. And we're gonna have a not live election special, but a show that we're gonna tape after the election to see if we can turn it around quickly on [LAUGHTER]. It's really, it's really just a, it's a test. It's just a test.

Jay: Jon, have you ever tried to clean up a mess with a paper towel that then is soaked with the liquid from the mess? And you go, "They didn't do this in the commercial." That's what it is. You're just like, uh,

Jon: That's exactly, that's exactly what we're gonna try and do. Uh, but great stuff guys. Uh, and we'll see you all next week. Buh-bye.

Alexa: Ta ta.

Jay: Bye

[OUTRO MUSIC]

Jon: *The Problem with Jon Stewart* Podcast is an Apple TV+ podcast and a joint Busboy Production.