

**Trump: 2018 Letter Shows Cohen Made Daniels Payment With His Own Money & Was Not Reimbursed By Campaign, Powell: Inflation Pressures Continue To Run High, Powell: Recent Banking Events Will Result In Tighter Credit Conditions; TikTok CEO Set to Testify on Capitol Hill; One Dead, Two Injured and a Body Found Near Denver High School Shooting; White House to Disband COVID Response Team in May**

MORNINGS WITH MARIA MORNINGS WITH MARIA 6:00 AM EST

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## **Body**

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MARIA BARTIROMO, FOX BUSINESS NETWORK ANCHOR: Good Thursday morning, everyone. Thanks so much for joining us. I'm Maria Bartiromo, and it is Thursday March 23. Your top stories right now 6 am on the East Coast. Today the Feds tight rope, stocks rallying this morning as Investors expect the Feds rate hike campaign to soon come to an end. Take a look at futures indicating again at the start of trading this morning of about 67.

The NASDAQ is up 130 right now, and the S&P 500 higher by 20 points after the Federal Reserve raised interest rates yesterday by 25 basis points but indicated the stress around banks will likely cause it to pause at upcoming meetings. Also, the Swiss National Bank this morning raising interest rates by 50 basis points. As we look ahead this morning to the latest economic data, we've got jobless claims out at 8:30 am Eastern. Stay with us on those numbers.

Meanwhile, interest rates this morning look like this. The 10-year Treasury yield is up almost three basis points at a level of 3.467 percent. Yesterday the DOW seeing its worst day since March 9. The DOW Industrials when all of a sudden and done down 530 points at the close, the NASDAQ was down 190 and the S&P 500 lower by 66. European

markets this morning look like this. We got pressure underway FTSE100 down 67, the CAC quartet down 23, the DAX Index lower by 75.

And in Asia overnight mostly green across the board. Japan the one weak spot, down a fraction. But the Hang Seng, the best performer with a gain on in Hong Kong of two and a third percent. Back in Washington, the TikTok threat takes Capitol Hill. The Chinese owned company CEO testifying today before a House panel over U.S. national security concerns. Congressman Michael Waltz and the Atlas Organization's, Jonathan Ward are here in the 6 am hour to talk all about that.

And in New York, the Trump Grand Jury set to reconvene today after Manhattan DA Alvin Bragg cancelled yesterday's hearing. Here to break it all down this morning Strategic Wealth Partners CEO, Mark Tepper, Pollster and the President of Maslansky and Partners, Lee Carter and Public Ventures President Lou Basenese. Mornings with Maria is live right now.

(MUSIC PLAYING)

Well, former President Trump touting a newly surfaced 2018 letter from Michael Cohen's lawyer to Federal Election Commission executives. The letter reads, "Mr. Cohen used his own personal funds to facilitate a payments of \$130,000 to Miss Stephanie Clifford. Neither the Trump Organization nor the Trump campaign was a party to the transaction with Miss Clifford and neither reimbursed Mr. Cohen for the payment directly or indirectly."

Sources are telling Fox News Digital that the grand jury was canceled yesterday because of major dissension in Bragg's office. The DA reportedly struggling to convince the grand jury on potential charges because of the weakness of the case. Joining me now is Former Prosecutor, Defense Attorney and Cornell Law School adjunct professor, Randy Zelin.

Randy, thanks very much for being here this morning. First talk to us about this letter, which emerged yesterday and then I want to get your take and why, what's going on in terms of Bragg's office and why he's having such trouble communicating what he believes is his case?

**RANDY ZELIN, FORMER PROSECUTOR & DEFENSE ATTORNEY:** Well, let's work backwards. The reason why the district attorney is having difficulty with the grand jury, if that in fact is the case, is because this is the wrong case. This is an ill-advised prosecution at best. This is a misdemeanor charge of falsifying an entry in a business record for sure. That entry of payments to Mr. Cohen was not a legal fee. It was reimbursing him for the hush money payment, right. You got a misdemeanor.

What you don't have here is a felony, because in order to in order to upgrade the charge from a misdemeanor to a felony, that hush money payment has to have been made in connection with not a federal crime, like an election law violation, but a state crime. There's no state crime violation here. There may not even be a federal crime here. So

just because you can do something doesn't mean that you should. As far as the letter goes, it really is a self-serving letter where perhaps at the time if Mr. Cohen was trying to cover for Mr. Trump, certainly he's going to say hey, the boss knew nothing about it.

Of course, we know things to be differently. Mr. Cohen subsequently pleaded guilty, his involvement as far as influencing or making payments in connection with the election. That's a violation. But here Mr. Bragg should listen to those who are saying you may have the right person, it's the wrong case.

BARTIROMO: Well, and I guess that's why there was such disarray in his office. But now Republicans want to know about what went on. They want to hear from two New York City prosecutors who left Bragg's office in protest over his handling of the Trump case. House Judiciary Committee Chairman Jim Jordan writes this, "Last year, you resigned from the Office over Bragg's initial reluctance to move forward with charges, shaming Bragg in your resignation letter. We request your cooperation with our oversight." Randy, where's this going?

ZELIN: Unfortunately, we cannot get lost in the politicalisation. That's it's a politicizing would be easier. The politicizing, the weaponizing of prosecutorial resources for political gain. This is not a Republican thing. This is not a Democrat thing. This is a crime thing. This is a law-and- order thing. Either the law was broken or the law wasn't. And in this particular case, what Mr. Bragg has is a misdemeanor, great. That's what you want to do, do it.

But you're putting lipstick on a pig. And really what you're doing is you're diluting the potential strength of other cases against Mr. Trump. Like, look what's going on in D.C. right now. We've got a federal judge saying, hey, there's no attorney client privilege here, because this was all done in connection with a crime. Mr. Bragg stand down and let others do their thing.

BARTIROMO: Well, it's also rallying up people who are looking at two different standards of justice and they're mad. I mean, a new Reuters Ipsos poll finds 54 percent of Americans say that politics is driving Bragg's case against Trump. That's what I think I hear you saying too.

ZELIN: To me, I'm not sure if it's politics as much as restoring a tattered image, creating a legacy. Mr. Bragg has been bombarded with negative press. Really since the moment he took office with his day one memo where this soft on crime policy just was abhorrent to New Yorkers. I live and work in this city. The city's not the same. This turnstile justice, get arrested, get released, get arrested, get released.

BARTIROMO: Yes.

ZELIN: You're not going to prosecute robberies unless somebody just about dies. And this is what you're devoting your resources to. So I think it's more about a legacy than politics. But nonetheless, it is the wrong thing to do. It is the wrong thing to do.

BARTIROMO: Yes. Randy, thanks very much for weighing in on that. Randy Zelin joining us this morning. We're just getting started. We've got a lot coming up. Coming up, the Federal Reserve raised interest rates again yesterday, another quarter point. What Powell says is driving inflation and why we believe we're coming to the end of this rate hike string. We're talking about that.

Then, I'll be speaking with South Carolina Senator Tim Scott this morning in the 8 am hour. We will talk about the bank bailouts and if he'll will make a bid for the 2024 presidential election. Don't miss it. You' are watching Mornings with Maria live on Fox Business.

(BEGIN VIDEO CLIP)

UNIDENTIFIED FEMALE: How seriously was a, was a pause considered for this meeting.

JEROME POWELL, FEDERAL RESERVE CHAIRMAN: We did consider that in the days running up to the meeting. It was supported by a very strong consensus. The intermeeting data on inflation and the labor market came in stronger than expected. We were clearly on track to continue with ongoing rate hikes. In fact, as of a couple of weeks ago, it looked like we need to raise rates over the course of the year, more than we'd expected at the time of the SCP in December, at the time of the December meeting.

We are committed to restoring price stability. And all of the evidence says that the public has confidence that we will do so that will bring inflation down to 2 percent over time.

(END VIDEO CLIP)

BARTIROMO: And that was Federal Reserve Chairman Jay Powell yesterday defending the Fed's decision to raise interest rates yesterday. Joining us right now is Prochain Capital President, David Tawil. David, great to see you. Thanks very much.

I thought that was really interesting to hear him talk about, they were expecting to raise rates more than they thought this year. And now we're talking about a situation where it's likely close to the end, because of all of the stress around banks. What's your reaction to the Fed action yesterday?

DAVID TAWIL, PROCHAIN CAPITAL PRESIDENT: Jay Powell cares about two things, inflation, and unemployment. Everything else is irrelevant. The fact that they thought about the pause is no, you know, no comfort, frankly, everybody thought about a pause. When we saw banks failing over the course of two consecutive weekends here in the United States and around the world. Jay Powell is an incredible hawk. He feels terrible about the fact that he was called out for getting transitory inflation very wrong.

And he is not going to stop until he totally destroys inflation. And it doesn't matter what gets broken in the interim, he is going to get there no matter what. So frankly, I'm sorry. Last point. I don't believe that we have seen the last of his hawkish words. And I would

go ahead and tell everybody to take a breather for a couple of months. Wait until the next meeting. I still think we are going to hear a hawkish tone from him.

BARTIROMO: Yes. But I mean, what is he going to watch get destroyed in the meantime? I mean, look at where we are in terms of bank stress. He commented on the banking crisis and how it can impact the Fed moving forward. Here's what he said about that. Watch.

(BEGIN VIDEO CLIP)

POWELL: We're looking at what's happening among the banks, and asking is there going to be some tightening of credit conditions and then we're thinking about that as effectively doing the same thing that rate hikes do. So in a way that substitutes for rate hikes. We have to have policies need got to be tight enough to bring inflation down to 2 percent over time, it doesn't all have to come from rate hikes.

The banking system is sound and it's resilient. It's got strong capital and liquidity. We took powerful actions with Treasury in the FDIC, which demonstrates that all depositor's savings are safe and that the banking system is safe. Deposit flows in the banking system have stabilized over the last week.

(END VIDEO CLIP)

BARTIROMO: David, the Futures market now pricing in a 50:50 split between a quarter point hike and no hike at all at the next Fed meeting in May. What do you make of his characterization of the banks?

TAWIL: I think he is hopeful about what banks can do. With all due respect, one thing he said later on, during the question-and-answer period was that the Fed had no responsibility for anything that happened at Silicon Valley Bank, Signature Bank, that that was totally mismanagement, and frankly, not, not blamed on the Fed. I'm sorry, he's raised rates really hard, really fast. Banks cannot not, all of them, they cannot keep up with this. There is stress on those banks. He is breaking banks in the interim, he refuses to take responsibility for that.

And he's going to continue to go consciously ignorant on what the repercussions of what he's doing. And as a matter of fact, Maria, later on in the Q&A, he was asked about commercial real estate. And he was saying that he feels that the commercial real estate, maturity wall, those those debts that are coming due, are not going to be a problem. They are going to be worked through. This man understands the limitation of his powers, which is to raise rates.

He is hoping because it's all he can do, he is hoping that those raising of rates will go ahead and dampen inflation without destroying a lot in the interim. We have already seen destruction in regional banks. We may even say that it has something to do with the Credit Suisse - UBS debacle that we saw. And we're I don't think we are done.

BARTIROMO: So do you think we'll get a recession this year, then?

TAWIL: Absolutely, Maria. And I don't I want to - I don't want to see one. But I have no idea what the Fed thinks it's going to do in the face of a recession. They believe that what they're doing, Powell just said it, he's raised rates now the banking system can do what it's going to do. And everything will be just fine and dandy.

The banking system is under tremendous stress. And by the way, Powell said specifically all depositor's savings are safe. Now, meanwhile, what not 20 minutes later, Yellen contradicted him and said, "We're not raising the FDIC cap."

BARTIROMO: That's absolutely right. Yes. And I've been questioning how are you going to say all deposits are safe? We're talking about \$18 trillion. That's moral hazard. And I'm glad you raised commercial real estate. That's the issue Mark Tepper and I have been talking about now, for a while. We've both been worried that we're going to have a commercial real estate problem. And that's going to tip things further into recession. Jump in here.

MARK TEPPER, STRATEGIC WEALTH PARTNERS CEO: Without a doubt. I mean, specifically, when you look at office space, I mean, obviously, we know what happened during the Pandemic, people began working more from home. And now companies that have maybe 10,000 square feet as their leases come up, they need 3000 square feet. So everyone is kind of downsizing from the real estate standpoint.

So, David, I want to get your take on commercial real estate, and maybe specifically on the banks, the regional banks, in particular, the the KRE the regional bank ETF is down about 33 percent over the course of the last month or so. do you think that's a buying opportunity? Or do you like, like I do, do you think there's more pain ahead for these regional banks?

TAWIL: So I think on the whole for the KRE, there's more pain ahead. I'm sure if you know, regional banks well, and you're able to go ahead and cherry pick those because there are certain markets, by the way, Mark, interestingly, that are thriving right now. Like Charlotte is doing incredibly well. So local banks, they are, are probably doing good. New York, on the other hand, like you said, the COVID effect, people are not going back. The second part is is that when those leases come due, they're going to go ahead and downside.

But more importantly, when those borrowers that own those buildings need to go ahead and refinance their debt at double the interest rate with half the tenancy, it's going to be incredibly painful.

BARTIROMO: Yes. And that's exactly what Stephanie Pomboy has been saying. Real quick, earlier Lou Basanese made the point that you're not expecting to cut, cutting rates till next year. Go ahead, Lou.

LOU BASANESE, PUBLIC VENTURES PRESIDENT: I want to square that up, David, because I agree with you 100 percent. These bank conditions are tightening. Some people estimate that that's actually the equivalent of one and a half percentage points of increases on the Fed. I agree with you that that Powell is just tipping us right into a recession. But then how do you think he's going to wait until 2025 before we cut rates?

I mean, that's that's an outlier in the market right now. There's people that think we get cuts this year, and then in in 2024. But 2025, I mean, that seems pretty far out there. Can you explain that?

BARTIROMO: You don't think cut happens till 2025, David?

TAWIL: Correct. I don't believe so. I don't think. Guys, remember it's not just about inflation. It's about unemployment. We are not going to get - unless - Silicon Valley is not going to make a dent in unemployment. They don't employ enough people. We're talking about massive industries that need to cut a lot of people, a lot of people need to come back into the marketplace for jobs in order to get the unemployment rate to a level where Powell says, "OK, this is healthy".

He is not going to go ahead and do anything on rates until the unemployment level gets to a place where he is comfortable saying, "OK, we've now reached an equilibrium and stabilization. And we need to go ahead and cut for bases for the purpose of saving the economy." I just I don't think that we're going to go ahead and get there until 2025.

BARTIROMO: All right. We'll be watching. It's going to be a rough year, it sounds like. David, it's good to see you. Thanks very much. David Tawil joining us this morning.

TAWIL: Thank you, Maria.

BARTIROMO: Your morning mover is Coinbase. Take a look at their stock in the pre-market, down almost 11 percent. The Crypto exchange falling after the FCC Securities and Exchange Commission threatened to sue the company over potential violations of investor protection laws. The notice concerning several aspects of Coinbase's business including its assets and state staking services. Coinbase is among the many crypto firms facing crackdowns following the collapse of FTX back in November. This stock down nearly 58 percent in the last year this morning tack on another 11 percent sell off there for Coinbase this morning. Quick break and then the White House now trying to get tough on TikTok. Are they after years of partaking in the platform? Remember this?

(BEGIN VIDEO CLIP)

JOE JONAS: What do you want to tell Joe Byron right now?

NICK JONAS: Wassup baby?

KEVIN JONAS: Take me out to dinner. Did we get it?

BIDEN: We got it.

(END VIDEO CLIP)

BARTIROMO: We're talking about why this administration is sending the wrong message on the Chinese owned app, next.

(BEGIN VIDEO CLIP)

NIALL HORAN: Hey, guys. it's me. I just want to wish you a very Happy St. Patrick's Day from the White House from me.

JOE BIDEN, PRESIDENT, UNITED STATES OF AMERICA: And me too. I'm here at the White House. I hang out here once in a while.

GRADY TRIMBLE, FOX BUSINESS NETWORK CORRESPONDENT: You've expressed again today the national security concerns with the app. Why then did the President agree to appear in TikTok videos?

JOHN KIRBY, NSC SPOKERSPERSON: Again, we we have not changed our national security concerns about the app.

TRIMBLE: That sends the wrong message.

KIRBY: I know you want me to tell you more about this, but I'm just not going to get ahead of that.

(END VIDEO CLIP)

BARTIROMO: Yes, President Biden is facing backlash for appearing in a TikTok video with One Direction's Niall Horan, after expressing security concerns over the app and banning it from government issued devices. TikTok CEO Shou Zi Chew will testify today on Capitol Hill over the apps national security risks.

Meanwhile, the Wall Street Journal is reporting that USDA government websites are using trackers developed by Chinese, the Chinese owned app, writing that the presence of that code means the U.S. state governments around the country are inadvertently participating in a data collection effort for a foreign owned company.

I mean, Lee Carter, this cannot be any worse. Not only are we trying to come across as if we're worried about national security issues, but you've got President Biden, in these videos, Democrats, Obama does TikTok videos all the time. And then you've got you know, inadvertent agreeing to allowing Chinese foreign apps to surveil the country. It's unbelievable.

LEE CARTER, MASLANSKY + PARTNERS PRESIDENT: It's unbelievable. And when you look at polling with the American people right now, 65 percent of Americans think that TikTok is collecting their personal data. 75 percent think that TikTok is used to spread false information. 72 percent think that tick tock is bad for your mental health.

Three quarters are concerned that this is owned by China, and what China is going to be doing with all of this information.

So you've got a really big issue. And then you've got, you know, the optics of Joe Biden doing a TikTok video on St. Patrick's Day is not, is really, I mean, it's extremely tone deaf, but completely out of touch with the concern of the American people.

BARTIROMO: I think part of it is because if you ban TikTok, in America, it might hurt the Democrats. I mean, let's face it, young people are using TikTok, and they want to make sure to appeal to young people to get them out to vote.

CARTER: Yes, but -

BARTIROMO: So he's thinking about politics, once again, in terms of the TikTok threat.

CARTER: He is. But at the same time, less than 10 percent of people are not at all concerned about TikTok. So this needs to be dealt with. You can't just say it's all fine. I'm going to be really interested to see what the CEO of TikTok says in the Congressional testimony today. Is there anything -

BARTIROMO: I know what he's going to say. Because I already met with him. And I already heard what he's going to say. He's going to say that this is not a security issue, and that he will be able to protect it and that he's not going to share information with the Chinese Communist Party. But it's very hard to believe, because that's the law in China.

BASANESE: Yes, I mean, look, this is not maybe not over like a balloon flying over the country. This is very covert. The terms and conditions are very clear. Every part of me as a parent of two teenagers wants this to be banned. But I'm going to argue that it's too big to ban right now. It accounts for \$500 million worth of in app purchases, almost \$11 billion worth of advertising revenue next year. Advertising follows eyeballs, and there's just not enough bipartisan support to ban it. Like I just don't think it's going to happen.

The Democrats don't want to let it happen. You see that they're using the platform. It's very split. Republicans are, I'm all for it. Read the Terms and Conditions. I actually pointed this out to my teenage daughter, I said, read it right there. It says you're collecting all your data, your device data, it's going into your context. I read it again this morning. She's like, I don't care, Dad, what does it matter? That's - Yes, there's 65 percent of people--

BARTIROMO: But she thinks it doesn't matter now but it may matter later.

BASANESE: 100 percent, I agree.

BARTIROMO: Depending on what, what they're collecting and the narrative that they're creating about her. But I mean, look, I have to underline what I said. This is about politics once again. Young people are on TikTok and the Democrats do not want that ban going into another election.

TEPPER: Yes, certainly. I mean, a lot of a lot of the Democrat politicians are on TikTok, and that's how they're reaching their audience. I want to touch very briefly on the 27 States that are inadvertently participating in this data collection.

BARTIROMO: Sure --

TEPPER: There's nothing inadvertent about it. I have run social media ads for my business before on Facebook. A pixel is a line of code that somebody has to knowingly and manually go into their website and put that line of code in their website. So these 27 states, they knew they were adding that TikTok code to their websites.

So they can't play stupid. They can't say oh, man, I had no idea they were watching me. You put the code on the website.

BARTIROMO: So this -- this is all BS. They don't really care about national security.

TEPPER: No, they don't care at all.

BARTIROMO: Unbelievable. All right, we're going to take a short break and stay on this topic of TikTok. Florida Congressman Michael Waltz is here to weigh in on just how big a threat this Chinese app may pose to the American national security issues. That's next. Stay with us.

BARTIROMO: Well, welcome back. A disturbing discovery in Colorado after a shooting near a Denver high school. Lauren Simonetti this morning with details. Lauren, good morning.

LAUREN SIMONETTI, FOX BUSINESS: Another shooting, Maria, and a body was found last night in the Colorado woods near an abandoned car. Police say that car belonged to the 17-year-old suspect in the East High school shooting. But the identity of the body has not been confirmed. One person was killed, two more injured when the gunman opened fire yesterday.

And Fox News senior correspondent Alicia Acuna was reporting on the scene and reunited with her son who is a student at the high school. Watch the raw emotion right here.

(BEGIN VIDEO CLIP)

ALICIA ACUNA, FOX NEWS SENIOR CORRESPONDENT: Well, yes, Sandra, that is so encouraging to hear as a parent -- excuse me, my son just came up and I have not seen him. Come up -- come up here. So, I'm sorry, I've not seen my kid --

UNIDENTIFIED FEMALE: Oh --

ACUNA: Since this all went down. So just really -- I'm so sorry. I'm so sorry. I'm just finishing this, real quick, OK? OK, all right, OK, are you good? OK, I'm so sorry. I just -- there's no way you would have let your kid walk by --

(END VIDEO CLIP)

SIMONETTI: Yes, OK, one of those injured remains hospitalized and is in serious condition this morning. But I just -- I feel her emotion there. The White House will reportedly disband the COVID response team in May once the public health emergency is finally lifted. A spokesperson saying we're in a better place than we were three years ago.

But still telling the "Washington Post", and I quote, "COVID is not over. Fighting it remains an administration priority and transitioning out of the emergency phase is the natural evolution of the COVID response." And check out this video. You're seeing an NYPD Emergency Service Unit officer literally scaling that 72-story building to end an eight-hour standoff with a man trying to jump.

Ian Mitchell, an alleged con man broke a window on the 31st floor, and we see him right there with his leg out the window just dangling over the ledge as this pursuit began. Once he was subdued, Mitchell was taken to a hospital for a psychiatric evaluation. Maria, I guess he did not want to be served.

BARTIROMO: Wow, that's amazing.

SIMONETTI: Desperate measures.

BARTIROMO: Yes, really. Lauren, thank you. All right, the CEO of TikTok, Shou Zi Chew, set to testify in a house hearing today. He'll attempt to convince lawmakers that the social media giant is not an agent of China and does not have national security risks for America. In written testimony, posted on the House, Energy and Commerce Committee's website, Shou claims this.

"TikTok has never shared or received a request to share U.S. user data with the Chinese government, nor would TikTok honor such a request if one were ever made." Joining me now is Florida Congressman Michael Waltz; he's a member of the Armed Services and Foreign Affairs Committees. He's also a former Green Berets, an army, a National Guard colonel.

Congressman, thanks very much for being here this morning. Your reaction to what the CEO of --

REP. MICHAEL WALTZ (R-FL): Yes, right --

BARTIROMO: TikTok is saying and ahead of this hearing today.

WALTZ: Well, you know, first I want to know, Maria, why their executives have testified before Congress along the lines what apparently the CEO is going to testify today, that the Chinese have no access to our user data, yet there's been a series of leaks from internal TikTok meetings where their engineers were saying to each other, we can't access the data.

We have to ask our colleagues back in China how to do so. In fact, one of them in these leaked documents from internal meetings referred to the master engineer back in -- back in China. I mean, it's obvious. Even one of their safety -- one of their -- one of their safety engineers said everything goes back to China.

So I want to ask the CEO, what, are you exempt from the Chinese national Intelligence law where every company, if asked, by law has to provide anything that they're asked of the Chinese Communist Party.

BARTIROMO: Right, he's going to come across --

WALTZ: Yes --

BARTIROMO: Very western thinking. He's going to say, he grew up in Singapore. He's going to say that he went to Harvard --

WALTZ: Yes --

BARTIROMO: That he understands the plight and the worries. But I guess there's -- I mean, is it a coincidence that all of these state governors have banned the app from government devices?

WALTZ: No. And I'll keep asking, why is it -- why is a ban OK for government employees, but not for our kids and not for 150 million Americans? Why did the Indian government ban it completely years ago along with 60 other apps coming from China? So if the Indian government can do it, we can too. We need to take a leadership role here.

We cannot have on the one hand our greatest adversary as listed by multiple administrations in the national -- in their national defense strategy have access to 150 million Americans, be able to propagandize to 150 million Americans, and to be able to collect on this. We would have never stood for this with the Soviet Union. We shouldn't be today.

BARTIROMO: Yes, I mean, we're talking about this, this morning on set, and I want to get the panel's reviews here. But first, here's Arkansas Senator Tom Cotton with me on "SUNDAY MORNING FUTURES", responding to a potential acquisition of "Forbes Media" by the "SUN Group", that's a company that we are told has ties to the Russian government and Vladimir Putin. Watch this.

(BEGIN VIDEO CLIP)

SEN. TOM COTTON (R-AR): Last Summer, it came to our attention that Chinese-linked companies were trying to acquire "Forbes". They were going to use that for their own propaganda purposes. I and a few other senators pressured the Secretary of Treasury and the Biden administration to block that deal. It fell apart. Now, you have Russia-aligned companies trying to buy "Forbes" as well.

We're going to put the exact same pressure on the Biden administration to stop this bill from going forward. We would never in a million years during the cold war have allowed "Pravda" to get a foothold in America's media environment.

(END VIDEO CLIP)

BARTIROMO: Congressman, I want to get your take on what you know about this. But let me just tell you that Shiv Khemka, who is someone that I had met years ago in Davos, he sent me a note, and he said, "Maria, I want you to know that I own the "SUN Group", and we've put together this consortium to acquire "Forbes" with the majority of U.S. investors.

We want to let you know that we're not backed by any Russians or representing Russian interest in this acquisition. We started selling down our assets in Russia in 2011, and we have not made any new investments there after 2014." So I wanted to make sure you had that information. Congressman, what do you make of this?

What do we know about this "SUN Group"? And do you -- and broadly-speaking, whether it's TikTok in China or "Forbes Media" in America, explain the impact to national security, when you talk about a foreign adversary trying to get their hands on it.

WALTZ: Well, that's just it, Maria. This is -- this is nothing personal or nothing to do with any of these particular private equity firms. We -- and I worked with Senator Cotton and a number of other members of Congress to look into the Chinese-backed private equity deal, unfortunately, that was stopped.

But to have a group with -- from what I've been briefed extensive ties to the Russian government, personal ties to Putin, some of the ownership have received awards from Putin, and extensive ties with the Russian military, and brokering helicopter and other types of deals. If that's the case, then they shouldn't mind a little extra scrutiny --

BARTIROMO: Yes --

WALTZ: To ensure that those ties have been broken and don't exist. At the end of the day, Maria, we cannot have our foreign adversaries having massive platforms to reach the American people --

BARTIROMO: Yes --

WALTZ: And to begin propagandizing. I mean, this is a war of ideas, before it's a war of any type of conflict.

BARTIROMO: And you say massive platform. That's the issue that Lou Basenese brought up earlier on the set. So, Lou, come in here and talk to us about this TikTok threat. Because on the one hand, congressman, you're saying this is a national security threat, Lou Basenese, you're saying this might be too big already.

LOU BASENESE, PRESIDENT, PUBLIC VENTURES: Yes, I mean, right now, congressman, advertising follows eye balls, right? And you're talking about this media and having influence. And it's estimated that TikTok is going to generate over \$11 billion in advertising revenue in the next year. I think we're being just wildly naive thinking that the Chinese government isn't tapping into that data.

If we look at our own big tech companies, Apple complies with 82 percent of government requests for data, Google, 72 percent. So why wouldn't TikTok comply with the Chinese government's requests. So, I guess, the question really --

WALTZ: Of course, they are --

BASENESE: Here for you, is people are talking about maybe selling TikTok, right? Bringing the U.S. entity here and keeping it. Do you think that's a viable solution or does it just need to be an outright ban?

WALTZ: Well, I think it's a viable solution. I think it's one certainly worth looking into if there's market interest. But it has to be one or the other. I'm glad to see the administration reverse course on this. We should have done it years ago when the Trump administration went down this line because, you know, we just had the FBI, the Intelligence community over -- just over the last few days, and I mean, the evidence is clear. I'll leave it at that.

That this -- that the algorithms are different that reach U.S. audiences versus Chinese audiences. Of course, the Chinese, their own internal documents talk about Chinese access to it. And then, you know, we can't overlook the threat of them being able to locate and influence key aspects of our society, pilots, railroad engineers, doctors. It is incredibly --

BARTIROMO: Right, it's a good point --

WALTZ: Nefarious what can be done here, and we just can't stand for it.

BARTIROMO: That is a great point. Congressman, thank you. We'll be watching all of this, and of course, the hearing today with the CEO of TikTok. Michael Waltz joining us this morning in D.C., thank you, sir. Quick break, and then China and Russia agree to partner up and usher in what they're calling a new era. Why the White House is downplaying this new relationship.

The Atlas Organization Founder Jonathan Ward weighs in, continuing the conversation on national security. And then don't miss my interview with former Vice President Mike Pence tomorrow morning. We are looking ahead to the 2024 presidential race, and we will talk with the former vice president about that. You're watching MORNINGS WITH MARIA live on Fox Business.

(BEGIN VIDEO CLIP)

ANTONY BLINKEN, SECRETARY OF STATE, UNITED STATES: Before the Russian aggression against Ukraine, you'll remember that they had -- President Xi and President Putin had a meeting which they declared a partnership with no limits or limitless friendship, depending on how you translate it. And to some extent, we continue to see that play out.

I think in many ways with Russia now as the very junior partner in this relationship. But a partner that may serve some interest that China has.

(END VIDEO CLIP)

BARTIROMO: That was Secretary of State Antony Blinken testifying in front of the Senate Foreign Relations Committee on China's leader Xi Jinping and Russian President Vladimir Putin's increasingly strong relationship following the three-day state visit to Moscow by Xi Jinping. Xi reportedly telling Putin, quote, "there are changes that have not happened in 100 years.

When we are together, we drive these changes." The two leaders also signing agreements, affirming their partnership and economic cooperation for the next several years. Joining me right now is the Atlas Organization Founder, he is the author of "The Decisive Decade", the book just out, pick it up, a must read. Author, Jonathan D.T. Ward is here right now.

Jonathan, thanks for being here. How do you see or view this relationship between China and Russia? What does it mean for America?

JONATHAN WARD, FOUNDER, ATLAS ORGANIZATION: Hi, Maria. Well, it's really a return of the Russia-China axis. I mean, there's a sign of Soviet alliance that lasted about 10 years, from 1950 to 1960, let's say, in the early cold war, and that involved the Korean war, multiple Taiwan Strait crises and created a two-front challenge for the United States.

So they're back in a sense. You know, Xi Jinping and Vladimir Putin are both products of the Russian and Chinese revolutions respectively. I mean, Xi -- you know, Xi lived in caves in Shaanxi during the Mao's cultural revolution, his father played a key role in the Chinese communist revolution, and then, you know, Vladimir Putin was a KGB officer in eastern Germany, you know, in Sossen, the certified Warsaw pact world.

So, in that sense, these two revolutions have returned, we never really finished this, you know, Cold War II. I think the best argument for Cold War II, it is the same characters, Russia and China, never really finished the job, they're back, they're working together one more time. Russia is the junior partner now, I think that's going to go very badly for them in the long run.

They're basically going to become a resource atropy for the People's Republic of China, and in the meantime, they're going to consolidate this economic relationship that's going

to present very big challenges for the United States. So, you know, it means that we have to go forward with economic containment of China.

It makes no sense at all at this point to have a global economy that's dependent on a totally hostile state that's breaking bread with Vladimir Putin, economically backing his invasion of Ukraine, and preparing for war with the United States in the Pacific.

BARTIROMO: I mean --

WARD: And we have to get past the insanity of economic engagement --

BARTIROMO: I don't --

WARD: With this hostile state --

BARTIROMO: I don't think we're doing that though, Jonathan.

WARD: No, we're not --

BARTIROMO: I mean --

WARD: Yes, that's --

BARTIROMO: Look at how China still has most favored nation status on trade. Look at the trade deficit. I mean, wouldn't that be one lever to pull, to try to push back on all of the provocations? Instead, we're doing nothing.

WARD: Well, I don't think these are our levers alone. I mean, the argument that for example, our supply chains passed through an adversary state, and --

BARTIROMO: Right --

WARD: That's somehow our leverage. That's not our leverage. That's their leverage. This economic relationship is one that they know how to use and we do not. The best thing we could do is to be closing it off and you know, scaling it back so that we're -- you know, they're not growing anymore. I mean, that's really what you want to stop.

You don't want them to become more economically powerful and capable, and to have deeper roots into the global economy. That's what really this is about, capacity, not influence over a state that's absolutely clear about what it wants to achieve. What matters is that it no longer has the capacity to do that. It has to be restrained, constrained and contained.

BARTIROMO: Yes --

WARD: This is how we beat totalitarian states in the past without having to go to war, and it's the best path forward in the future. And I think the Putin-Xi visit just proves the nature of this regime, the tightness of these two and their shared strategic coordination. I mean, they call it the Comprehensive Partnership of Strategic Coordination for a New

Era. And that's exactly what it means. They pledged mutual support for each other's core interests. Last year at the Beijing Olympics --

BARTIROMO: Yes --

WARD: You know, Putin recognized China's claims to Taiwan and Xi pledged his support for Putin in Europe --

BARTIROMO: Yes --

WARD: And it's absolutely clear, it should be very clear.

BARTIROMO: And yet, the Chinese Communist Party has been able to infiltrate America on so many levels. From academia, Hollywood, corporate America to the surveillance platform. The CEO of TikTok Shou Zi Chew will testify on Capitol Hill this morning on TikTok's consumer privacy and data practices, its relationship with the Chinese Communist Party.

But in prepared remarks, Shou is expected to tell house lawmakers this, he writes this in prepared remarks. "I understand that there are concerns stemming from the inaccurate belief that TikTok's corporate structure makes it beholden to the Chinese government or that it shares information about U.S. users with the Chinese government. This is emphatically untrue." Jonathan. Your reaction.

WARD: Well, look, the problem with TikTok is ByteDance, which is absolutely beholden the Chinese communist party. I mean, this is one of China's tech giants, you know, it's got relationships with the Chinese state. I believe there are state-owned enterprises that own shares or you know, have influence over ByteDance. The "Associated Press" reports that one of three board seats is held by a Chinese Communist Party member, has an internal Chinese communist party committee that meets regularly to study Xi Jinping's speeches according to courts.

And then, you know, I read through this testimony, and I think he said something very interesting here. Which he says we do not believe that a ban that hurts American small businesses damages the country's economy and silences the voices of over 150 million Americans, you know, et cetera, is a solution. And there's your problem right there.

I mean, silencing the voices of over 150 million Americans, I don't think we need to have that kind of influence, you know, in this country, when it comes to a party that's -- a company that's linked to ByteDance, one of the A.I. giants. And you know, that kind of reach here, I mean, that's what our lawmakers are going to be talking about, the dangers of having that kind of reach into our society.

A hundred and fifty million Americans on this platform, and he's basically saying, you know, it's too big to change. And no, I mean, I think you have to stop this before it becomes even bigger. And then it's odd, he sort of references that ByteDance is a global

company, and he brings up -- you know, as a point of information that Neil Shen of Sequoia, China, is one of the board members of ByteDance.

Well, Neil Shen of Sequoia, China, was a member of the tenth Chinese People's Political Consultative of Conference, national committee. I mean, that's a communist party --

BARTIROMO: Well --

WARD: Committee --

BARTIROMO: You know, I'm really glad you brought that up --

WARD: And then he's also involved apparently with China's Center for China and Globalization, which was founded by the United Front, which is essentially Chinese Intelligence.

BARTIROMO: Jonathan, hold on --

WARD: So, I'm not sure these are -- you know, he's talking --

BARTIROMO: Hold on, you're saying a lot of stuff, just hold on, Jonathan. You just mentioned Neil Shen --

WARD: Yes --

BARTIROMO: From sequoia. Sequoia is one of the country's most premier venture capital firms. They're raising money for small companies. They're putting U.S. investors in Chinese companies as well. How is it possible that Neil Shen, a member of the communist party, or one of those committees that you just mentioned is running Sequoia, America's premier venture capital fund.

Right there, isn't that right there telling us that America is funding the expansion of communist China?

WARD: Well, Sequoia China -- I mean, Sequoia China, again, I mean, it's pretty involved in China's tech sector, and then apparently, its director is involved with the communist party itself. So you know, that's just what's public information. There's probably much more to learn.

BARTIROMO: They say Neil Shen runs Sequoia China, but not Sequoia U.S. --

WARD: That's right --

BARTIROMO: Is that possible?

WARD: Sequoia China, Sequoia China, that's what it says --

BARTIROMO: Yes, that's what it says. Jonathan, thanks very much. We'll keep a watch -

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WARD: Thank you --

BARTIROMO: On all of this. Jonathan Ward joining us. Stay with us, we'll be right back.

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