

BUILDING WEALTH IN CHANGING TIMES



The Solari Report

September 17, 2009

Deep Survival
with Laurence Gonzales





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C. Austin Fitts: Good evening. Welcome to *The Solari Report*. Today is Thursday, September 17, 2009. I'm Catherine Austin Fitts, and I'm delighted that you could join me this evening.

Tonight we've got *Money & Markets* and questions in *Ask Catherine*, and finally a wonderful interview with Laurence Gonzales, the author of *Deep Survival* and *Everyday Survival*. I recorded him earlier this month, and we're going to be playing the recording for you this evening.

The theme is "The Big Squeeze." You've heard me talk again and again about it. In September, October, and November we had a financial pig trying to fit in through the belly of the snake, and we're still watching the process as of now. In every story across the board, we're watching the reconciliation of a world of promises into a reality that cannot fulfill all of them. Certainly at the center of our attention are both the G20 governments and the US government grappling with those financial issues, and of course, real tension between those who get subsidized by the dollar and those who don't.

Story number one is really "the big squeeze." You see it in the Treasury market. We've had the dollar dropping. Gold right now is hovering at about 1,014. Silver is at 17.32, with the silver/gold ratio having dropped to about 58. Franklin Sanders and I talked last week about what would happen if the dollar floor held on gold. I believe it's too early to say it's holding, but it appears to be holding.

We see no major defense of the dollar yet. "Will it happen" is the big question. Financial pundits today and this week are proposing that inflation is coming back. Inflation is one possibility. Historically the more likely defense strategy is war, which can be visible or invisible. The United States has just backed off from the European missile shield, appeasing Russia. Behind these scenes was the US-Russian tradeoff that Russia would ease up on Russian support of Iran. We don't know yet, but as the dollar falls, we should look for tensions to grow



and the possibility of both visible and invisible warfare really happening.

If the dollar gets defended, ultimately to defend the bond market, the chances that you hit the stock market hard globally are very significant. So the long-term trends are known. It's important to understand that value is up for real things and down for paper. That means if you're holding paper, you need to make sure that the paper is somehow backed and supported by valuable and quite real things.

The biggest traditional challenge – not globally, but in the United States – is the multiplier in the financial system. So, for example, in the stock market the price-to-earnings ratio would be the multiplier of net income into the price of the stock. The multiplier and the liquidity in a market is very much affected by people's faith in the competency and the lawfulness of a market. We've been watching a real deterioration in the United States since 2007 in fundamental trust in the financial system that hasn't translated into lower PEs as of right now. We have lower PEs in dividend yields. We have PEs at astronomical levels and dividend yields at very low levels. Relative to the equity markets worldwide, the US market is incredibly subsidized. That's really a sign of the intervention. I think what's going on under the regulations is that the more the liquidity shrinks for reasons and concerns of lawlessness, the greater the intervention, and of course, it's a the spiral then makes it worse.

The big story in North America and the United States this week is healthcare. I have a wonderful subscriber from New Zealand who said to me, "How can you possibly justify your opposition to healthcare reform given your commitment to the *Popsicle Index*?"

For those of you who don't know the *Popsicle Index*, it's one of my short-form ways of estimating the total economic return of an investment or an activity. Let me just describe it to you. The *Popsicle Index* is the percent of people who believe that in their community a child can leave home, go to the nearest place to buy a popsicle, and come home alone safely. I find that this is a very good rule of thumb for the living equity in a place.

Where there is enough concern in civilization for a child to feel safe, then a lot of other things tend to be going right. So her question was, "How can you



square your commitment to a 100% Popsicle Index globally to your opposition to healthcare reform?”

That’s a great question, and I want to talk about healthcare reform in that context. I started to make a list of the things the government could do that would improve healthcare in the United States, and I got the list up to 10 things. Let me just walk through them:

1. Stop suppressing healthcare knowledge and cures.
The examples I used were the history of Royal Rife, the history of Dr. Sam Chachoua, and the history of colon cleansing, which is another great example. For those of you who haven’t seen the documentary on the history of Royal Rife, I have reviewed it up on the blog. It’s just a fabulous example of some of the healthcare knowledge and cures for disease that have literally been suppressed and targeted by the government and the medical establishment in this country.

If somebody says, “I want to learn about the Federal Reserve,” Ed Griffin’s book is always the one to go to

I was just up in Fargo and had the opportunity to have both lunch and dinner with Ed Griffin who is the author of *The Creature From Jekyll Island*, which is really the book on the Federal Reserve. If somebody says, “I want to learn about the Federal Reserve,” Ed Griffin’s book is always the one to go to. He told me, in fact, that it’s not, however, his bestseller. His bestseller is *A World Without Cancer*. He has written a lot about healthcare. Ed had a whole different group of examples.

I just saw a wonderful documentary called *The Business of Birth* that pointed out that 70% of births in either Europe or Europe and Asia are done by midwives, and it’s 8% in America. It has great interviews with a variety of people including Ina Gaskin, who leads the midwifery school over at the Farm Midwifery in Summertown, Tennessee.

2. Stop poisoning the water. Don’t get me started on fluoride in the water!
3. Stop poisoning the air with chemtrails.
4. Stop poisoning the food with genetically modified food. I have a picture



4. that I show in a lot of my presentations. It has two rats. I'll see if I can get permission to put it up on the blog. It's two rats who came from the same litter. One was fed with regular soy, and the other was raised on genetically modified soy. When you look at the difference between the two animals, you can't even believe they're of the same species, let alone siblings.
5. Stop using entrainment technology and subliminal programming on TV and Heaven knows where else.
6. Stop protecting the pharmaceutical companies.
7. Stop government and corporate narcotics trafficking.
8. Stop all actions that discourage small farms and local foods.
9. Simply reduce the power and the influence of the AMA, and apply antitrust law where appropriate.
10. Enforce laws on privacy and encourage doctors to protect privacy of records.

Those were the first 10 things off the top of my head. It's really important when you think about reform by government to understand that the current government role is the problem. Is more government intervention a solution, or do we need government to stop intervening?

After 18 months as the Assistant Secretary of Housing and my years as the lead financial advisor to HUD, after doing years and years of detailed portfolio strategy analysis, we had finally built the community-wizard tools and databases of places and how to optimize the economy. I sat down with the team and HUD and I said, "Here's what you need to do. You need to just stop doing what you're doing."

So our situation is not so much that we need government to do something. First and foremost we need government to stop doing the things that are having a negative impact.

The idea that you would invite somebody who's doing negative things and give that person more power and more intervention scope is, to me, a serious error. It's almost as if you had somebody stealing from you. Why would you invite that person in as your bookkeeper?

So issue number one is: Do we need the government to do more, or do we



need the government to do less? Remember, if the government just simply taxed us less, we would have more money to deal with our problems – whatever our problems are.

That's number one. Number two is found in an article I put up, written by a constitutional attorney, called "The Truth about the Healthcare Bills." He describes the extraordinary powers that come out of this kind of legislation. They're quite extraordinary.

We got a wonderful question from somebody who said, "Could you put up the particulars from the bill?"

What I'm going to try to do is get it linked to the internet. It's quite long. The author of this particular article had read the full health care bill, so it's quite long, but I really encourage anybody who's interested, to skim or look at the full bill. I will try to find sources that do just that – that describe certain sections, but then will also allow you to link to the full bill and read it. So we'll try to see if we can get something up on that.

What is the biggest desire behind this bill? There is the feeling among many people that the point of this bill is to make healthcare accessible to everyone. I don't believe it. I think that the primary goal of this bill is to cut Medicare and Medicaid benefits to the people who are currently eligible. If you look at the Medicare and Medicaid expenses, they're rising. They're going to keep rising dramatically as the boomers age and retire.

What this bill will allow to the government is two things: First, you'll be able to tax the young people and people outside the system by mandating that they get involved. So you'll be able to tax the younger people. Second, by putting everybody into a bigger basket, you'll be able to cut Medicaid and Medicare benefits radically, particularly at the end of life. One danger here is creating a framework whereby the government can intervene between a doctor and a patient in a variety of different and dangerous ways.

The most dangerous thing but not necessarily in this bill is the healthcare database. For those of you who are not familiar with my article "The Database." you can find it in the archives at www.Solari.com. We published it



initially on the blog, so go to the blog and do a search; you'll get it.

The point I make in "The Databeast" that I need to keep making, is that I find disbelief with even the people around me and Solari Report subscribers, who have not worked inside the White House or a government agency in Washington. It's very hard for them to believe what I'm saying. What I describe is the hierarchy of who controls the government, and what that means to the powers that you're giving to government.

For example, if your healthcare data must be kept in digital form and must be accessible from the doctor's office to the government, and you're in that database, that database will not be managed by government workers. It will be managed by defense contractors. And those defense contractors are owned and controlled by private parties. And those private parties are people who, as we've described in *Let's Go to the Movies* on countless occasions, have literally the ability to kill with immunity and impunity, and they will have access to your data.

So we're not talking about giving our data to a sovereign government answerable to Congress; we're talking about giving these data and these powers to a government that is not financially sovereign, does not have information sovereignty, and is not answerable to the Congress of the United States or our other representatives, as we saw with the Wall Street bailout.

So I really encourage you to read that article. When you think about giving these amazingly invasive powers and all of the data about your physicality to a "government" you need to understand who that "government" is. I think that's not a government famous for raising or maintaining a high *Popsicle Index* or having that as its intention.

Interestingly enough, Rasmussen just did a new poll on support for health reform, and he found that prior to the president's speech, 53% were opposed. Now 53% are still opposed.

As we've talked about before, to get a major piece of legislation or a real change such as this through the Congress and pass into law, traditionally you need an 80% support level to get that kind of change. A 53% opposition is



very significant. So it will be interesting to see how the Democrats and how the Administration handle it.

The investors at IDB did a survey of doctors, which is also up on the blog, which surveyed about 1,700 doctors. It indicated that surprising numbers of them said they would consider quitting if the healthcare overhaul were passed. They described 65% of the doctors saying they opposed the proposed plan. That's pretty strong opposition.

I've told you before that I have several doctors in my family, and given historically how they've responded to government intervention, it wouldn't surprise me if you really did see a whole generation of doctors who were financially secure rethinking what they want to do after this health care law revision.

I encourage you to take a look at those pieces up on the blog. I'll see if I can get a piece of legislation up. Please read the "Databeast" article. I think it's very, very important.

Financial Reform. The President gave a speech. There's a new panel that's been created to investigate the causes of the financial crisis. I don't think it's an important story. I think it kind of a nonissue. Why it's happening, I don't know, but it's not the entrée; it's a side course. Expect that panel to go nowhere or to be used to justify something, but I don't think it's going to be important.

The big story internationally is the G20 summit in Pittsburgh next week. Behind the scenes, we're watching. We saw the ministers meet last week in Asia, working on the Doha Round. They're trying to keep the debate about the Doha very quiet. I've got a piece up on the blog today about, "I want to save the world; let the Doha Round die."

Essentially what we're looking at is the effort by the World Trade Organization to move the industrialization of agriculture to the next level. Nothing could be better for all of us than getting this transformation stopped, but that is a behind-the-scenes squabble that is going on, which is very, very important. If

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you want to understand it – and I’ve repeated this several times, but I’m going to keep saying it – the Sir James Goldsmith interview in 1994 on GATT and the globalization of industrial agriculture is really one of the best videos I’ve ever seen to understand how the world works. It’s up on the blog. It’s available on YouTube, and I really encourage you to watch it, Even though it was made in 1994, it’s still great background to what the struggles we are watching behind the scenes are on the Doha Round.

In *Ask Catherine* we had a couple of great questions. I just wanted to touch on them briefly. The first one is, “Why are so many bankers, hedge fund big shots dying all of a sudden? It’s a little strange. Are the elite turning on each other?”

The number one story on the blog this week is that the CEO of Rockefeller and Company, one of the Rockefeller family offices, a group that you have to manage individual wealth for wealthy families, was found dead in Massachusetts in his car with a gunshot wound. The story is probable suicide. At the same time, in Rhode Island, not that far away, we have the former Chairman of Beneficial Corporation found dead. Again, they are saying it was a suicide. Then we have a couple of other strange and untimely deaths, and it really does look like an assassination sweep. Who knows the real story?

The Rockefeller and Company CEO is a very unnerving story because you have a family office. I believe the official company minimum net worth for having your money managed by Rockefeller and Company is about \$30 million. If you look at their role traditionally in the world of investment advisory or ethical investments and socially responsible investments, Rockefeller and Company has been very active.

Given their role and their prestige, to have something like this happen is a very unnerving event. Clearly there’s a story behind it. There’s a story behind all of these deaths. Are the elite turning on each other? Yes, absolutely they are.

When you have a pump-and-dump economy, during the dump a lot of people who thought they were insiders get thrown overboard. There’s fighting, and there’s “knowledge management” that occurs where witnesses who might tell the truth need to be gotten rid of. So, are the elites fighting with each other? Absolutely, they are. And when you get this kind of squeeze with the financial



pig going through the snake, expect to see more squeeze.

There remain a couple of questions about precious metals that I don't want to delay until next time. "Do you recommend gold money if for some reason you can't buy physical gold?"

I prefer for people to take physical control of their precious metals and keep them under their own physical control. At the same time, I never like valuables kept in just one place. I'm kind of a squirrel. Let's spread it around.

If you want to place precious metals in a depository in England or Switzerland, gold money is absolutely a way to do it, but there are other depositories and other ways you can do it. So my suggestion is never to have everything in one place, but my preference is to hold it as physical gold. That doesn't work for everyone. Not everyone is in a position to hold it where they live, so every situation is unique.

OK. *Deep Survival*. Laurence Gonzales, as I described on the blog, is one of my favorite authors. I think *Deep Survival* is an incredibly important and valuable book. So I introduced him on tape. Gary, could you play our wonderful interview with Laurence Gonzales:

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C. Austin Fitts: It is my great, great pleasure to welcome to *The Solari Report* one of my favorite authors, Laurence Gonzales. Laurence, are you with us?

Laurence Gonzales: I am with you. Thank you.

C. Austin Fitts: Laurence is a very successful author. He's published 12 books. He's written screenplays, short stories, and poetry, and he's a contributing editor to the *National Geographic Magazine* with a monthly column. His magazines of personal publication are incredible; they include including *Harper's*, *Rolling Stone*, *National Geographic*, *San Francisco Magazine*, and many others.

In 2003 he published a book called *Deep Survival*, which is--if I had to put together a list of the top 10 reads for the new millennium--would definitely be



included. He's just published a new book that I've finished reading, which is *Everyday Survival*. Both books are linked in the blog post supporting *The Solari Report*. As you hear more during this conversation, they are books I recommend very strongly to you.

So Laurence, help us understand *Deep Survival*, and how you became so fascinated with the subject to write a best-selling book and now a new book on survival?

Laurence Gonzales: *Deep Survival* really represents the culmination of my life's work, in a sense. Both books do, but writing *Deep Survival* was the first time that everything I had been working on all my life came together in one place. I had done all sorts of journalism in my life, and a lot of it was going into dangerous places and doing risky things. I was fascinated with people who did things that either carried the risk of death or serious injury, or who did things that required a very intense state of mind. For example, I spent quite a lot of time watching a brain surgeon do surgery, and I talked to her about what she did because it was so intense. She would be on her feet for 20 hours trying to save some little kid's life.

Where that came from originally was from my father. My father, as I discuss in *Deep Survival*, was a combat pilot in World War II. He was shot down twice, and the second time he was shot down he was nearly killed. Everybody else on the plane was killed, but not him. He fell 27,000 feet with no parachute. His plane had broken in half, so there was no aerodynamics ability to it, and he still lived. He was taken prisoner by the Nazis, and he came out alive and went on to have a career as a scientist and to raise seven boys.

Hearing these stories about him when I was very little, I became fascinated with why one person survives when others don't, and what qualities went into making survivors. Also, I looked into what people were like who took these big risks.

So without really being entirely conscious of it throughout my career, I was gravitating towards these kinds of subjects, thinking there must be some scientific explanation. Well, in the late 1990's I started reading all of the neuroscience that had been percolating along beneath the surface, and I began to realize that, indeed, there were some knowable explanations for how these



processes things worked. So combining the neuroscience and the psychology and a lot of other sources, I began to explain survival, in effect, which is what I tended to do in *Deep Survival*.

C. Austin Fitts: One of the things you do in *Deep Survival* is you walk us through survival experiences of a number of different people. It's extraordinary to me because it's very beautifully written, and the reader literally become emotionally involved with that person. You're literally living through the process emotionally. But all of them are wilderness experiences, so the focus really is on the people who are dealing with physical danger in the wilderness, and more often than not with accidents.

Laurence Gonzales: Yes. It's interesting how that insight evolved because at the time I was writing for *National Geographic Adventure Magazine*, which is the magazine that I'm a contributing editor to. It's not the big, yellow standard *National Geographic*, but another magazine they have called *Adventure*. So I was doing adventures in the wilderness. I would come home from these glorious adventures, and I'd write up a piece. It would be illustrated with beautiful photographs, and I somehow felt guilty about it.

After a while I told my editor, "People are going to see this and they're going to go out there and try to do these things, and some of them are going to get hurt. Don't we have an obligation to say to them, 'Hey kids, this stuff is dangerous. Here are some things that you can do to help yourself to not get killed out there.'"

C. Austin Fitts: Is that when you started researching some of these stories?

Laurence Gonzales: Yes, it was. It's when I got serious about it in the late 1990's. I had been campaigning for this sort of safety stuff, but the editors were inclined to say, "Oh, our advertisers wouldn't like that. We're supposed to make this all look like fun and games."

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Well, in fact, I knew people who had gotten killed out there. I kept hammering away at this saying, “Look, this is really important, and I think our readers would like it.”

Anyway, I finally got through to them and published the first article for them called *Rules of Survival*. I later used it as a proposal for *Deep Survival*. It was sort of like the beginning of this stuff. I won the National Magazine Award for that year, and then I followed it the next year with a piece called *The Land of the Lost*. It was about the science of being lost, and what scientists know about what happens to you when you get lost, and how people get lost and how people map their environments and their brains and all of this fascinating stuff.

Anyway, I wrote that piece, and then the next year it, too, won the National Magazine Award. I said, “See! People do like this!”

C. Austin Fitts: When I read *Deep Survival*, I was stunned at how you create an intimacy by really taking us into the moment-to-moment of what people are dealing with when they’re lost or in the wilderness or they’ve had a terrible accident and they’re really facing very difficult odds in trying to dig out of it.

What amazed me was how similar or how much you could draw from it – I’ve never been in a wilderness survival situation, but I’ve been in a survival situation – for other kinds of survival situations or everyday life. I started recommending it to so many people because America is going into what appears to be a very difficult period, and yet many of us are terribly spoiled. We haven’t had to deal with real danger; we’ve been protected.

It seemed to me a wonderful book to help people understand and think about how to deal with real risk, and it had much wider application. I’m just wondering if that’s what inspired you to write *Everyday Survival*.

Laurence Gonzales: Well, no. That’s a bit of a different book. To address your point, though, it turns out that I do a lot of speaking engagements. Most of the speaking engagements I do are for people who have nothing to do with the wilderness. They’re people who see correctly that I use the wilderness as a metaphor for the rest of life. So I give talks to institutional investors and bankers and business executives and doctors who treat cancer and firefighters



and all these people who are not interested in the wilderness per se; they're just interested in the principles that go into surviving well and making good decisions and managing risks. So it does enjoy a very broad audience out there.

When I wrote *Everyday Survival*, and I have to say that I don't think that's the best title for that book by the way, but publishing and marketing being what it is, I had started to think beyond the survival of the individual – which *Deep Survival* is about – and had begun to think more about our survival as a culture or as a species or as a global community and how it is that we can be such smart creatures and do such dumb things as we're now doing on this planet.

So the subtitle of *Everyday Survival* is *Why Smart People Do Stupid Things*, which I think is OK as a subtitle. It attempts to start out at the individual level, looking at how we make mistakes, and then extrapolate this into the science and analysis of how we're making really, really big mistakes that could completely end our residency here on Earth if we don't get a handle on it. My theory about this in writing *Everyday Survival* goes something like this: You wouldn't take your life savings and go into a casino and start gambling if you didn't know the rules of the game you were playing. If you were smart, you would bother to learn the rules.

In this American culture and in lots of so-called “advanced” cultures, we behave as if there are no rules. We behave as if we can make up all the rules and do whatever the heck we want. So anything we can invent to make our lives easier, any technology we want to use, we think we can just use it with impunity. The fact is that there are rules in the universe that can't be broken, and most people don't know what they are, so we're breaking them right and left or are attempting to break them right and left.

So it's an attempt to show people a different way of looking at their world that will cause them to step back and go, “Oh, man! I'm running these stop signs here left and right, and I didn't even know it was illegal. Pretty soon I'm going to get a ticket, or maybe something bad is going to happen.”

So *Everyday Survival* is much less prescriptive and it's much more of a scientific book about a way of looking at our world and the things we do in it.

C. Austin Fitts: I get the sense when I'm reading it that if you're wandering



around thinking, “Why can’t everyone see that we need to turn the aircraft carrier?” You’re kind of searching for a logical explanation on why. It’s almost as if we’re lost in the wilderness and we don’t even know we’re lost in the wilderness, and then we have a problem. It’s fascinating.

Laurence Gonzales: Another explanation of *Everyday Survival* was given to me by my older daughter, Elena, who said after she read it, “Pop, this is like taking a tour through your brain.”

I said, “Oh, yes. That’s kind of what it is.”

C. Austin Fitts: You have these wonderful 12 rules of survival, which is a wonderful summary of what you could draw out of *Deep Survival*, and one of them is to be curious.

Laurence Gonzales: Right.

C. Austin Fitts: So you’ve proved that you’re following your own advice. Let’s walk through the 12 rules of survival. I don’t know if you remember them off the top of your head, but I have them here and I think they’re wonderful guideposts for what the metaphor of the wilderness experience teaches all of us.

So the first is *Perceive and Believe*.

Laurence Gonzales: Right. Denial is an enemy of the successful survivor. It’s surprising how people can ignore what’s right in front of them. I experience this all the time just in daily life, but one of my favorite stories is from when I was driving to California one time, and I was coming over the mountains. I spent most of the day going up one side of this long, long road up the mountain, and then the next half of the day going down this mountain on this long road. I got to the bottom of this mountain, and there was a gas station. I stopped to get gas, and the guy was putting gas in the car. I said, “What’s the name of that mountain?”

He said, “What mountain?”



I thought, “Wow! That’s really interesting that you can make an entire mountain disappear just by not paying attention to it.”

I think a lot of us are that way about things that happen in our lives. We can deny what’s right before us, which is OK most of the time because the stakes aren’t very high, but in a survival situation it can mean the difference between life and death. I noticed that in accounts of survivors who are successful, one of the first things they do is they get beyond the denial.

The first reaction if you break your leg at 20,000 feet on a mountain in Peru is, “Maybe I just sprained it.”

C. Austin Fitts: Right.

Laurence Gonzales: Then you go beyond that very quickly to, “My leg is broken; now what do I do?”

C. Austin Fitts: I was very struck with your story about almost flying through the storm in *Everyday Survival*, where what you’re saying is that we have a model in our head, “I’m going on vacation. It’s going to be wonderful. I’m going to have fun,” and we get stuck on that model and we delay perceiving the real risk and the fact that our model is not coming true.

Laurence Gonzales: Right. One of the things I talk about in *Everyday Survival* is how perception works. It has to do with decision making. We normally think of decision making as you take in a bunch of information, you analyze it, you reach your conclusion, and then you do whatever the logical thing is. But that’s not really how it works.

First of all, we’re mostly not taking in information. The way that the brain works, because it’s limited in its capacity, is that we create models of things. We create very simplified models in our heads that stand in for the reality.

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For example, if you're looking for your car keys, you don't have to go around the house examining every object to see whether it's your car keys. You can simply scan very quickly across surfaces, and your eye will only stop when it reaches something that's like a car key. That's because you have in your brain a model stored that matches.

The ideal model or the easiest model for people to recognize is the parking symbol for handicapped people that looks like a person in a wheelchair. We're all familiar with that. But if you look at it carefully, it really doesn't look anything like a person or a wheelchair; it's just some random lines that are close enough to it that it calls up that image for us. That's how our perception works, and it's very easy for us to construct these models. Then we construct behaviors based on these models that I call behavioral scripts so that we can do things subconsciously and efficiently.

Once we're engaged with these models and scripts, we stop seeing.

C. Austin Fitts: Right.

Laurence Gonzales: Everybody knows you can drive 12 blocks without realizing it because you haven't been paying attention. It's automatic. That's a very efficient thing, and it's served us well through evolution, but it's also a very dangerous thing.

C. Austin Fitts: So step one is really: *See it as it is and to face it quickly.*

Laurence Gonzales: *Perceive and believe.*

C. Austin Fitts: So number two is: *Stay calm; use your anger.*

Laurence Gonzales: Right. When I talk about staying calm, the first thing you have to realize is that you can think of the brain as having two main modes of operation. One is emotional and one is rational. That's an oversimplification, but it works. The more emotional you are, or the more stress you're under, the less you're able to think clearly. So literally you can't remember the simplest things if you're put under enough stress and put into a high enough emotional state.



Conversely, the more you're able to think in a step-wise fashion and logically, the lower your stress and emotions will go, so that you can balance these things out. In an emergency, one of the mechanisms is using humor. When you laugh about something, especially about yourself, it tends to calm you down. You don't take yourself so seriously.

Another thing people do is they take their natural tendency towards being afraid and they turn it into a kind of anger that is a motivator. To use the example again, you've broken your leg on the mountain. You say, "This isn't going to happen to me. I'm going to get around this. I'm angry that this happened, and I'm going to use that anger as a motivator to get me off this mountain."

So that's what that means. It's a way of corralling your emotions and helping them to work for you rather than against you.

C. Austin Fitts: And does the anger help you deal with your pain?

Laurence Gonzales: Yes, it can. High emotional states generally help you deal with pain, but in my experience that's true. These people are aware of the pain; it's not like an anesthetic. They simply accept it as part of what they're doing.

C. Austin Fitts: Okay. Rule number three is: *Think, analyze, and plan.*

Laurence Gonzales: This is the logical brain taking over from the emotional brain, and there are many interesting examples of this in history. There was a famous case of the *USS Indianapolis* ship at the end of World War II, which was torpedoed by the Japanese, and which sank. About 900 sailors went into the water. Many survived, but many did not. There are a lot of stories about how each individual person or each group behaved.

There was one officer who managed to get himself into a lifeboat, and in this lifeboat he found a group of sailors who were just completely whipped. They had given up, and they weren't trying. They were just sitting there apathetically, waiting to die.



He got into the boat with them. He took out his pistol and took it all apart. He gave each person a part of the pistol and he said, “We’re going to clean this gun now,” and he made them all clean the pistol. It was sort of a pointless exercise because they were all in the middle of the ocean and there was nothing they could do with this pistol, but it served to calm them down and give them a direction and goal-oriented behavior. It was organized, and all of these things began to activate the logical, rational part of the brain, and therefore to suppress the emotional side of the brain.

So anytime you’re in big trouble, simply having goal-directed action is something that can serve you to calm you down and allow you to go forward. So *Think, analyze, and plan* is what that means. It also allows you to do practical work by simply taking stock of what you have to work with and how you’re going to work with this.

C. Austin Fitts: It’s funny. When I was reading some of the different stories, the words I kept hearing were, “Break it down. Break it down.”

Laurence Gonzales: Right. Break it down to manageable tasks.

C. Austin Fitts: Right. So number four is: *Take correct, decisive actions.*

Laurence Gonzales: Yes. Well, once you’ve gone through this exercise of using your logical brain and your rational brain, you can get stuck. It’s amazing how stuck you can get and then you just don’t do anything. In fact, there are diseases of the brain that are characterized by people making great plans and never doing anything. We probably all know some people like that.

So the step of taking action is really important, and in an emergency it may be necessary for you to actually take risks in order to save yourself. There are numerous examples of this in *Deep Survival*.

So when I say to take correct, decisive action, that means figuring out what the right action is – not just doing anything, which could be characterized as panic – and doing it decisively, even when it involves some risk to yourself. Examples occurred in the World Trade Center where people got others out and so forth, but we see this rescue all the time. This is a step that gets you moving.



C. Austin Fitts: This is one that I always forget, and number five is: *Celebrate your success.*

Laurence Gonzales: Right. One of the things about breaking it down into manageable steps is that once you've achieved one of these steps, it's important to acknowledge your success. That next step does a bunch of important things for you. It makes you feel good, and if you think about these kind of emergency situations – whether it's in the wilderness or whether it's that you lost your job or you lost your home or you broke up with your spouse or whatever the emergency is – it's pretty emotionally debilitating at first. I mean, it's a crummy thing, and you feel crummy about it.

When you celebrate your success, you take a little step towards feeling better, and feeling better is a great motivator. There's capacity for joy in higher animals that is a motivator for what we do, and therefore for our survival.

So when you allow yourself to celebrate your success in one of these small steps, you're promoting your own success at the next step.

C. Austin Fitts: Right, and you're thinking of yourself as somebody who is going to be successful, which is so important.

Laurence Gonzales: Yes.

C. Austin Fitts: Rule number six is: *Be a rescuer, not a victim.*

Laurence Gonzales: Rule number six should be: *Count your blessings.*

C. Austin Fitts: Really? I'm looking at the one that is published on Life Challenges: The Center for Living Creatively with Life's Challenges.

Laurence Gonzales: I'm looking at my book.

C. Austin Fitts: You know something? You're the author, so rule number six is whatever you say it is!

Laurence Gonzales: Rule number six in *Deep Survival* is: *Count your blessings.*



Be grateful that you're alive. This is a universal thing that I find among survivors. If you go back and read Viktor Frankl's *Man's Search for Meaning*, he's wonderful on this subject. He was a Nazi prisoner in the death camps, and he described how some evenings the prisoners would gather outside and they would say, "Come on! Come on! You've got to see this sunset! It's so beautiful!"

They're in the midst of all this death and starvation, and they're standing there just watching the sunset, saying, "Wow! It's so beautiful!"

That connects with another one of the 12, but this "Count your blessings" is a feeling of being able to experience gratitude for basically just being alive. I find that the best survivors always describe this feeling.

C. Austin Fitts: One of my favorite preachers always says, "God does not need what you've lost to bless you."

The whole idea is that you take what you have left, and you're grateful for it. That helps it to grow.

Laurence Gonzales: Exactly, and the fact that you do have something.

The seventh rule says: *Play*. Play mind games, recite poetry, count anything, do mathematical problems in your head. This is a technique that goes back to ancient times. To occupy the mind is an extremely important thing in many kinds of survival situations, whether you're going through chemotherapy or you're in a concentration camp. The mind wants to be active, and to play is one of the essential features of mammalian behavior. We play from the earliest days of our lives as a way of learning and as a way of making ourselves feel good and as a way of communicating with others in our community.

So when you're in a survival situation, you need this just as much as you do in any other time in your life. Successful survivors always find ways to do something along these lines to occupy themselves and to give themselves strength.

C. Austin Fitts: I was once in a very stressful, difficult, and dangerous



situation with a team of people, and one of our ways of coping was to decide that there was no benefit to this; we were just trying to dig out of a bad hole. So we decided that the way we would make money on this is that it would someday become a movie. So everything became part of the movie, and so two people started fighting about who Meg Ryan would play.

It became so much fun in making up and inventing the movie and fighting over Meg Ryan that everyone completely forgot their ills. It was one of the most productive team experiences I've ever had, but it came through play.

Laurence Gonzales: Exactly. As I described in *Deep Survival*, many of these survivors get out by inventing games for themselves, often counting games. I don't think that this was in the book, but one fellow I spoke with broke his ankle out in the wilderness. He realized that no one was going to come to get him. It was the middle of winter.

He had to scoot along his butt for four or five miles to get back to where his car was, and it took him days to do it. He said that he did it by doing 100 moves at a time. He would do 100 moves and then rest, then 100 more moves and then rest. He said that he dedicated each set of 100 moves to something or someone in his life that he loved, which is an important thing because I don't even think that I put this in there. I put it in *Everyday Survival*, not in *Deep Survival*, but the more socially connected you are, and the more connected to your world you are, the more motivation you have to get back to it.

So many, many survivors have said to me, "Well, there I was. I knew I was going to drown, but I knew I had to see my son again."

C. Austin Fitts: Right. So you're living for other people or something higher than just yourself.

Laurence Gonzales: Right, and that was Viktor Frankl's big point in *Man's Search for Meaning*, that you have to live for something larger than yourself and something outside of yourself. That's all part of this meaning and this process that we're talking about.

The eighth element of this says: See the beauty. This goes back to what I was



saying about the concentration camp. Survivors are always talking about this ability to see the beauty around them despite pain and adversity. I've heard this from numerous, numerous people.

One of the chapters in *Deep Survival* describes Steven Callahan, who was shipwrecked at sea for 76 days in a very small raft. It was a terrible situation in which he was starving and likely to die. He described sitting there at night covered with saltwater sores, looking up at the heavens, and he called it, "a view of Heaven from a seat in Hell."

But even then, he was seeing the beauty of this world. Again, it uplifts you and gives you a motivation to be in that beautiful world.

C. Austin Fitts: What is nine? I'm afraid to say the names now of what I think they are.

Laurence Gonzales: I can tell you. Rule nine is: *Believe that you will succeed.*

C. Austin Fitts: This is one of my favorites.

Laurence Gonzales: It's an interesting paradox, which is discussed in rule 10 as well. They may be very well aware, like Steven Callahan was, that the chances of my dying are very high, but I really believe that I'm going to get through this. I believe it so much that I'm going to do the next thing that's in front of me to do, whatever it is. Whatever the next little task is – whether it's to catch a fish or to catch some rainwater – I'm going to do that because I'm betting on myself.

Again, a lot of this is to keep yourself motivated to do the next thing. You never know who's going to come out alive, and it might be you.

The same is true if you look at business situations where companies try to start something like a new technology or something. People always say when they're done and they've been successful, "Looking back on it, if I'd known how hard it was going to be, I would have never done it."

But at the time, what they're doing is they're doing the next little step, and the



next little step after that. Pretty soon you've been at it for 10 years, and you're successful.

C. Austin Fitts: So they make ways. In other words, the way isn't apparent, but they make it and they make it by believing that it's there.

Laurence Gonzales: Yes. If they had tried to swallow this task whole, they'd never manage it, but this way allows them to manage it. Behind that is the belief that they will succeed.

C. Austin Fitts: I can't wait for you to explain how they get over the contradiction in rule ten.

Laurence Gonzales: Rule ten is: *Surrender*. This helps you in rule nine, which is to believe that you will succeed. Once you accept the fact that you're going to die or that you're going to fail, you don't have to be afraid of it. You can say, "Well, what's the worst thing that's going to happen?"

Well, the worst thing that's going to happen in business is you could lose everything. In the wilderness you could die.

Once you get past that, it's much easier to take the little steps and to believe that you'll succeed. It's no longer something that you have to fear; it's something that you've internalized and suggested and taken on and let go of. So it's a paradox: Survival by surrender, but it is – in fact – what you find most survivors do.

Often it works very well. I know a lady who was diagnosed with lung cancer and they said, "You have two months to live," or whatever it was. Well, six years later she's still alive. She's one of the people who I refer to as a rule breaker.

One of my wife's relatives died recently, and the doctors told her, "You have two months to live." Well, she died two months later. There are people who will do that.

C. Austin Fitts: Right. You believe.



Laurence Gonzales: Belief is a very powerful thing. I mean, I think it's in *Everyday Survival* that I used the example of Roger Bannister, who was the first man to run a sub-four-minute mile. Before that they said that it couldn't be done. If you did it you would drop dead, etc. Well, he did it. After decades of people trying he did it by six-tenths of a second or something.

A week later somebody else broke his record, and a month later somebody broke that record, and they kept breaking it and breaking it. Now the record is some 16 or 17 seconds less, and it wasn't an evolution change that we became gazelles; it's that people believed that you could do it, so they did it.

C. Austin Fitts: So rule 11. This is the tough one.

Laurence Gonzales: *Do whatever is necessary.* You have to have this thing we call "will" and you also have to have some resources and skill to get out of any kind of these predicaments, whether they're in the wilderness or not. But having a determination to do anything necessary to get it done is often what separates the survivors from those who don't survive, or the successful ones from those who are unsuccessful.

It often means doing things that are contrary. In Steven Callahan's case, when his boat sank, he believed it was rammed by a whale. The event happened very suddenly in the middle of the night. His boat was upside down and sinking, and he was in a little life raft that he had inflated. He's looking at the boat thinking, "My survival pack is in there. I'm going to die without that survival pack. That's the only thing I've got."

So he actually left his life raft, dove into the water, swam underwater into the boat, risking his own life getting trapped in there, and got the survival pack and brought it out, which is an incredibly bold thing to do in the middle of the night in the middle of the ocean. As I say, you do whatever is necessary.

The same was true of many people in the World Trade Center, but the same is also true of many people in medical situations. When you do something like have surgery and chemotherapy for cancer, you're doing something really drastic in an effort to save your own life.



C. Austin Fitts: Right. I think part of this is why it's so important to go back to one of the earlier rules--to critically analyze your situation.

Laurence Gonzales: Right, and this is true in business too. The company, Intel, the famous chipmaker, was originally a company that made little memory chips. The Japanese figured out how to make them, and they could make them way cheaper, and Intel was losing money hand over fist. The guys who ran it, Gordon Moore and Andy Grove, said, "We're going to die if we stay as a memory chip maker. What are we going to do?"

They basically asked themselves, "When the board of directors fires us, what will the new guys do?"

They answered themselves, "Well, they'll get rid of memory chips, and they'll start making microprocessors." So they did that. It was a wrenching, terrible experience that cost them \$800 million to do this. They had to close plants and fire 8,000 employees. It was a terrible experience.

C. Austin Fitts: Right. It's horrible to have to destroy your own plan.

Laurence Gonzales: Right, and it destroyed their identity and their own plan and who the company was, but the result was that today Intel is the most powerful chipmaker in the world.

C. Austin Fitts: And last but not least, number 12 is: *Never give up.*

Laurence Gonzales: Yes. That is the last but not least. Well, it's that time when you've tripped and fallen on your face just one more time, and you just know you can't get up. You're lying there thinking, "I'm breathing in, and I'm breathing out, so there must be something I can do," and you do it!

As I say, this is true in all areas of life, but I have a story about this of my own, which is completely out of the wilderness realm. In 1994 or 1995, I came up with an idea for a novel that I wanted to write. I started working on it, and I couldn't. I tried to write it as a short story and a screen play and this and that. Over the years I kept going back to it, and the idea wouldn't let me alone, and yet I couldn't succeed at writing it well.



In 2007 my younger daughter, Amelia, was home from college. I happened to tell her this idea that had been bugging me for so long, and she said, “This is a fabulous idea! You have to keep going.”

Because of her encouragement, I kept going and actually finished the book. I polished the book and made it decent, and the publishing company Alfred A. Knopf bought it, and it’s coming out this coming spring.

C. Austin Fitts: Oh! What’s the name of it?

Laurence Gonzales: It’s called *Lucy*.

C. Austin Fitts: *Lucy*?

Laurence Gonzales: Yes. It actually plays out of a lot of the science and research that I did already in writing *Deep Survival* and *Everyday Survival*, but it’s a novel. After all those years, I just wouldn’t quit – thanks to the help of my daughter. But it was one of those things that if you’d asked me this four years ago, “Are you ever going to finish that book,” I would have said, “No. It’s not going to happen. I’ve tried it enough times.”

C. Austin Fitts: There was one story in *Deep Survival*, and I can’t remember the name of the person, but it was the survivor who lived through incredible efforts to get back down to base camp, and his friend was just leaving. And you literally sit on the edge of your chair thinking, “Oh my God! Are they going to get all this way?”

Laurence Gonzales: Yes. That was Joe Simpson. He had a book called *Touching the Void*, and it was made into a movie. He’s the guy who broke his leg at 19,000 feet on a mountain in Peru.

C. Austin Fitts: Wow! I didn’t make the connection with *Touching the Void*.

Laurence Gonzales: Yes. He literally crawled down the mountain with a broken leg, and every bad thing that could possibly happen to him happened to him on the way down. He literally crawled into camp as his partner was packing things up to leave. The guy was burning his clothes. Joe just crawled



into camp by his fingernails. That's an example of what I'm talking about. He could have easily died, but he just wouldn't give up.

It's kind of like *The Terminator* syndrome.

C. Austin Fitts: One of the things I felt while reading both of your books that was so gratifying was there is so much in the environment that denigrates the human race, whether on TV or in the news. I think when you read *Deep Survival* and the stories in *Everyday Survival* you realize what an amazing species we are. It makes you very proud to be a human. You realize when you see the accomplishments of the people you introduce us to how many people there are to inspire us.

Laurence Gonzales: Yes. It's true. It's very inspirational. When I wrote *Deep Survival*, it was kind of like channeling some other voice. I'd often write things and I'd look at them and say, "Who wrote that? Where did that come from?"

It was a very spiritual experience for me, and I felt it. When the book was done, I looked back and thought, "How did I do that?" It was just so uplifting, not only to read it, but to write it.

I'm actually working on a book right now about the process of writing it. It uses a lot of the neuroscience to explain what happens when writing works and affects someone as opposed to what happens when writing falls flat and doesn't work.

C. Austin Fitts: For me, the thing that has been so important about reading your work is that the greatest learning comes through experience because we experience it emotionally. The thing that was so phenomenal about *Deep Survival* was you really are with these different people, experiencing it emotionally. You have an emotional experience yourself.

In fact, we can get some of the benefits without having to go get lost in the wilderness.

Laurence Gonzales: That's one of the essential mechanisms that causes good writing to work. The reader has the emotional experience that the writer



is having, so it's a form of emotional contagion.

C. Austin Fitts: I want to thank you so much for doing this because I know how busy you are. Maybe you could just take another minute and explain to people how to connect with your websites and keep up with your work, both through the website and through *National Geographic*.

Laurence Gonzales: My main website is www.LaurenceGonzales.com. I'm pretty easy to find through a Google search. There's www.DeepSurvival.com as well, and there is www.EverydaySurvival.net, but they're all linked together. If you find one, you'll find them all. Then the new novel, *Lucy*, will have a website soon.

C. Austin Fitts: And when will *Lucy* be available?

Laurence Gonzales: It's coming out in the spring of 2010. It's just going into the proofs right now.

The *National Geographic Adventure* website is linked from my website, so people can find that there. Then there's also a calendar of my speaking engagements and appearances and that sort of thing. All of that is contained within that complex of websites. You can even link our website with your website.

C. Austin Fitts: Oh, we will. We will have all the links up on the blogpost.

Laurence, it's been a pleasure to read your books and to have the opportunity to speak with you and have you join us for *The Solari Report*. Your work is just such a blessing to anybody that it touches, and I just want to thank you on behalf of all of us.

Laurence Gonzales: Thank you very much for inviting me.

C. Austin Fitts: I want to encourage any of you who are interested to read *Deep Survival* or reading the Twelve Rules of Survival and listening to this *Solari Report* and sharing it. Have a potluck dinner, talk about the book, talk about the rules of survival, and how they might apply to helping us – whether it's with family, friends, neighbors over the next year. How can we help each other make



it through and really navigate what is becoming increasingly difficult times.

If anything in *The Solari Report* can help you do that, I really encourage you to share it with those who you might gather to talk about these things. I think Gonzales' work is very, very relevant to all of our situations and all the things that everybody in these networks globally are dealing with.

So that's it for tonight's *Solari Report*. October 1st is our Third Quarter Wrap Up. Don't wait to ask questions. If you have issues that you want me to address on October 1st, please let me know. October 8th, the following week, we're back for our Precious Metals. This month and next month are going to be a very exciting and active time in the precious metals markets.

Remember what I always say: Don't ask if there is a conspiracy. If you're not in one, you need to start one. If a *Solari Report* can help you gather the folks and start to conspire, we encourage you to do that. Ladies and gentlemen, good night and good luck.



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