



The Solari Report

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**Coming Clean - Covert Wars
& The Mysterious Strength
of the US Dollar
with Dr. Joseph Farrell**





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C. AUSTIN FITTS: Okay. Well, ladies and gentlemen, it's my pleasure to welcome Dr. Joseph Farrell back to The Solari Report. He's now going to be joining us quarterly. We're very excited about that. He's just produced two wonderful new books. I've just finished both of them. We're going to be talking about one of them this evening, *Covert Wars and the Clash of Civilizations: UFOS, Oligarchs and Space Secrecy*. It's a topic that is of great interest to me, and known to many of you. I think it's very important, particularly in the financial and investment world right now, and clearly, Dr. Farrell is someone who, on The Solari Report, needs no introduction. So without further ado, Joseph, welcome back.

DR. JOSEPH FARRELL: Hi, Catherine. Thanks for having me back on.

C. AUSTIN FITTS: Well, I can't tell you how much I enjoyed reading this book.

DR. JOSEPH FARRELL: Well, thank you.

C. AUSTIN FITTS: I keep getting amazed, "How come I didn't know this. How come I didn't know this?" But I want to start off with a quote from somebody who we both have tremendous respect and admiration for, Mr. Richard Dolan, who –

DR. JOSEPH FARRELL: Hi, Catherine. Thanks for having me back on.



C. AUSTIN FITTS: Well, I can't tell you how much I enjoyed reading this book.

DR. JOSEPH FARRELL: Well, thank you.

C. AUSTIN FITTS: I keep getting amazed, "How come I didn't know this. How come I didn't know this?" But I want to start off with a quote from somebody who we both have tremendous respect and admiration for, Mr. Richard Dolan, who –

DR. JOSEPH FARRELL: Right.

C. AUSTIN FITTS: – you draw from his work, as do I.

DR. JOSEPH FARRELL: Yes.

C. AUSTIN FITTS: This is the first quote of the book, and I think it begins to hit the issue. Let me just read it. "UFOs constitute the great hole of contemporary history. We know, at the very least, that this was a topic of great concern to those at the top of American national security policy, despite the near-complete absence of public references to it." That's from his book, *UFOs and the National Security State*. We interviewed him about that book on The Solari Report, and that's in the archives if subscribers are interested.

So UFOs.

DR. JOSEPH FARRELL: Yes.

C. AUSTIN FITTS: What is a UFO?

DR. JOSEPH FARRELL: Well, I think we have to look at it from his point of view. That's kind of what I was attempting to do in the book is delve into his idea of a breakaway civilization and really try to kind of reverse engineer the culture of that group and how it would go about formulating policy and responses to the UFO issue. Basically, I have to agree almost wholeheartedly with his statement. The UFO really is the



hidden factor in modern history, and for that matter, it's the hidden factor in modern historiography, which is yet another thing altogether.

But if we look at it from the point of view of what's beginning to happen after the end of World War II, we see, as I outline it – and he may take issue with some of these details, but this is more or less what I think is going on. You have, first of all, the emerging cold war, and this is really the matrix in which this national security structure is established and in which it thinks, because what they are going to attempt to do is contain communism without a direct confrontation or another world war, and then gradually roll it back.

This means they have to create a huge national security structure and they have to create new technologies to monitor the Soviet Union and what they're up to. This is going to require a lot of money. I think the money aspect here is where we have to go because this impacts down to our own day the fundamental things that we see going on, at least in hints and in indications in some of the financial activity in the world, and geopolitical activity.

“The money aspect here is where we have to go because this impacts down to our own day the fundamental things that we see going on...”

The second thing that impacts the formation of this group greatly and tremendously in my opinion – this is where I part company with much of modern ufology – is that in my research I've come to the conclusion that after World War II, Nazism survived. It survived not just in little isolated enclaves huddling and protecting itself for survival, but as an organized financial underground political entity of its own, kind of an extraterritorial state with its own deep inroads into that post-war American national security structure. I also believe that it continued independently to research some of its advanced technologies, and that, of course, also required a great deal of money.

So I've argued in my various books, to make a very long story short, that this twin necessity, on the part of this post-war Nazi group and on the part of the American National Security Establishment, led them to make



common cause in certain areas over a prolonged time. Much of it had to do with finances. Much of it had to do with granting covert access on the part of the American branch of this post-war national security setup to access loot. This is the real beginning of the story because as I've outlined in these books, and as you know, the president at that time, President Truman, took the decision to create basically a bastion system of finance using this access loot, not only from Europe, but also from the Japanese, and keep it top secret. So in other words, he puts the American intelligence community immediately into the role of international bankers running a huge system of hidden finance. So we'll get back to that part of the story.

The third aspect that they're all confronted with, the long-term threat, is the UFO. You cannot subscribe the UFO phenomenon strictly to Nazis or any other terrestrial basis, although I believe that there is some of that activity involved. The reason why, as I outlined in this most recent book, is there's simply too many UFOs to be accounted for on the basis of limited production facilities that the Nazis or the Russians or anybody else on earth would have had to produce this stuff.

C. AUSTIN FITTS: Right, if you look at our industrial capacity, and if you look at how much money was going into the black budget, it's not enough.

DR. JOSEPH FARRELL: It's not enough.

C. AUSTIN FITTS: It's not enough.

DR. JOSEPH FARRELL: It's not enough. I make the argument that it's really not the technological aspect of the UFO that's the problem. It's the production of it. It's very expensive to produce this –

C. AUSTIN FITTS: And the financing.

DR. JOSEPH FARRELL: And the financing, exactly.

C. AUSTIN FITTS: The financing, right.



DR. JOSEPH FARRELL: So I do agree with ufologists that state that you cannot subscribe all UFO activity simply to hidden black projects on earth, because there's too much of it.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: So this national security establishment really has three threats that they've got to look at and deal with all at the same time. They've got the Communist bloc. They've got this Nazi group that on Monday they're in bed with and on Tuesday, they're arguing with. So that's the second problem.

But the long-term problem is the UFO, and this means that they've got to create a huge Manhattan-style project that is of much longer duration than the Manhattan project. It's going to require much more money, and it's not going to be a project that they can simply draw on normal black budget or unvouchered sources of funding. They have literally got to create a hidden system of finance to do this, and that's what they did.

So I think this is the story, at least a key principle part of the story that's been hidden from people's attempts to analyze the geopolitical situation, the financial situation, and so on. So I'm in 100-percent agreement with Mr. Dolan on that assessment.

C. AUSTIN FITTS: Well, it's interesting because I came to this from following the fraud. So I kept trying to understand all the efforts to clean up the fraud over many decades. You'd see people coming to government or coming to business, they would be very effective people and very effective at cleaning up the fraud, and it was like they would bounce off a force field. If you looked at the force field implementing the fraud, it was across the system.

It was a matter of policy. It was built into the infrastructure, and it had enormous support from a wide variety of very intelligent, seemingly honorable constituents. Then you dug down and started to research, "Well, why were all these people going along with opening Americans up to narcotics trafficking, all these different things?" What you would



hear was, “We’ve had no good option. This was the best of a group of bad options.”

DR. JOSEPH FARRELL: Right.

C. AUSTIN FITTS: In other words, it keeps coming back, “We had to do it. We had to do it. There was no choice. We had to do it.” What you see over many, many decades is, of course, unfortunately, you described three enemies. It’s the creation of a fourth enemy, which is a general population who doesn’t understand what’s going on. The more and more that they become intellectually and culturally separate, the more they are seen as dangerous and an enemy just because they don’t know and they’re naïve.

DR. JOSEPH FARRELL: Right. I’m glad that you mentioned this because this is the other kind of hidden theme to this most recent book. There are signs and indicators within this technocratic financial national security oligarchy, particularly in this country, that see this as a problem and are trying to move away from that paradigm.

In other words, there is a group, as we both know, that does see the general population of this country, and for that matter, the rest of the world, as a threat and just wants to eliminate it. But I think the same people in that oligarchical group are seeing that they cannot afford to do that. It would be suicidal for them and their class interest, their factual interest, to do so. They are taking steps to gradually bring people into some sort of limited knowledge, and participation in this system, which as we will continue talking tonight, we’re kind of both agreed they’re trying to restructure in significant ways.

But this third enemy, the UFO, is really the problem. It’s the ultimate problem. Lying behind this vast system of fraud and financial incest is about the only way I can qualify it. By tapping into this vast system of access loot and using it to leverage this system of finance, what they’ve done is recognize that the UFO is a phenomenon that they’re going to have to bluff their way through a very dangerous period of human history in order to achieve some sort of technological parody or



emulation of the phenomenon. When they get close to that point – and I think they already are, which is why I think we’re seeing the changes that we’re seeing – they are going to loosen up their hold on some of the technologies that they’ve been developing.

They’ve had to emulate a phenomenon at breakneck speed, and all indications in my opinion, Catherine, are there. They’ve caught up rather quickly to what the UFO phenomenon represents. So, yes, it’s a huge, huge story.

C. AUSTIN FITTS: I want to jump back because many times I’ve gone down the rabbit hole of trying to understand what the UFO phenomenon is, and I’ve never been able to come to any conclusion. One of the things you do in the book is you do walk through some of the options, but I wanted to just list out for purposes in this conversation to people listening, what some of the options are. Okay?

DR. JOSEPH FARRELL: Well, yes. The UFO, I don’t think we can qualify it as “a phenomenon.” I think we’re dealing with phenomena. I do think there are three basic hypotheses for the origin of these things. The first is, of course, that extraterrestrials are coming from some other planet from elsewhere, and they’re arriving here with the nuts-and-bolts technology. Again, if you examine the UFO record, there are certainly indicators that that is a viable hypothesis.

Then you have the phenomenon of abductions and missing time and things of this sort, plus some very, very strange behavior on the part of UFOs that indicates we might be dealing with actual living beings of some sort. The ancient text would call them “angels,” or, “Jinns,” or what have you, or intelligences or disembodied spirits. So there is some indication for that hypothesis. Certainly what I’m trying to indicate here is that the breakaway group would have had to consider and respond to all of those hypotheses.

“You have the phenomenon of abductions and missing time and things of this sort, plus some very, very strange behavior on the part of UFOs that indicates we might be dealing with actual living beings of some sort.”



C. AUSTIN FITTS: Unless they knew.

DR. JOSEPH FARRELL: Unless they knew for sure which one or set of them was what they were dealing with. Now I'm still in the old kind of flying saucer camp. I'm in the camp that tends to think that insofar as UFOs represent a technology that is no human, that they're coming here from somewhere close, some other planet, some other star system, perhaps. Who knows?

But these are the options. The final option, one that doesn't get mentioned, but I believe for the sake of completeness, it has to be mentioned. That is that whoever's behind the UFO may still be here, may be in the oceans, and may be subterranean on earth. In addition to this if you look at ancient text – and this has been a big part of my work from the very beginning – you'd certainly include the Bible in that.

You'd include Mesopotamian text, Egyptian text, Vedic and so on and so forth. In other words, all of these human traditions seem to indicate, or suggest, that the gods, the angels, whatever you wish to call them, had some sort of genetic relationship to humanity. I often refer to this idea as our cousins because in order for the types of storage – the inbreeding in Genesis 6 in the Old Testament that most people would be familiar with – modern science would tell us that in order to have that capability, you have to have a genetic resemblance.

You have to be of the same genus. You can find UFO documents, in fact, that purport to be from this secretive UFO group that indicate precisely this phenomenon. They talk about the human gene as sort of the human form being somehow a part of a higher biological order. What they're suggesting when they say that is precisely this idea that we may be visited by a branch of the human family that has forgotten about us or that we've forgotten about. So you've got all of these different hypotheses about what the UFO is.

C. AUSTIN FITTS: Let me just jump back to one because I think the inner dimensional one –



DR. JOSEPH FARRELL: Yes.

C. AUSTIN FITTS: – my understanding is there are people who think that's time travel.

DR. JOSEPH FARRELL: Right.

C. AUSTIN FITTS: In fact, you know that inner dimensional travel and time travel is essentially the same hypothesis.

DR. JOSEPH FARRELL: Right. It's the same thing.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: It's interesting you mention that one because I'm coming to entertain that hypothesis a little bit more seriously. The reason I tend, and tended up till very recently, to dismiss that is in the standard model of physics, to open up those kinds of inner dimensional membranes or portals would just require, as Art Bell used to say, a ginormous amount of energy. The other problem was with wormholes, and wormholes are a billion times tinier than time, tinier than tiny, getting anything other than a little droplet of information through one of those things is another little tiny problem.

But there are other reasons I'm coming more to entertain that idea. We'll probably talk about them privately sometime. The reason I put the inner dimensional hypothesis in there was precisely because it's usually under that rubric that you find people entertaining the idea of ancient contacts that's been preserved and in human legends and traditions in various texts and so on, like the story in Genesis 6.

We have to understand that that story in the Bible is one literally of virtually hundreds that are out there in other traditions. So I think the breakaway group would have been hard-pressed not to consider all of these possibilities. It would have been very hard-pressed. In fact, I think it made a major effort to understand the historical record from this point of view, some of these ancient legends and texts and traditions. For its



part, I think the bottom line about the UFO is it represented a technological threat to the national security, and more importantly, to the planet. Therefore, they had to, first of all, understand the phenomenon as best as they could, and then try to reverse engineer it and emulate the technological performance.

C. AUSTIN FITTS: One of the things I want to mention, because it's not necessarily understood by people who haven't thought about these issues, is the history of the technologically superior society, or maybe a technologically inferior society. That story is never good for the technologically inferior society.

DR. JOSEPH FARRELL: No, it isn't.

C. AUSTIN FITTS: Never.

DR. JOSEPH FARRELL: Never. I'm glad that you mentioned that because this is really kind of the major theme of this book. What I'm trying to show in the book is that because of human nuclear achievement, and UFOs – this is the other thing the national security apparatus would have noticed immediately – is that UFOs show an inordinate amount of interest in human defense installations that deal either with the manufacture, the storage, or the possible deployment of nuclear weapons.

This would have been an immediate concern to them, and they would have asked the question, "Well, why?" Because obviously, humanity did not at that time, nor does it now, at least as far as we're told, have the capability of delivering those weapons to any non-terrestrial target. We're going to get –

C. AUSTIN FITTS: But we do. We sent a nuclear bomb to the moon, recently.

DR. JOSEPH FARRELL: We do. Yes. Yes, well, we're going to get to that. There's a lot more going on. I'm talking in terms of the '40s and '50s when they're formulating the policy, they're going to be wondering, "Well, why are they so concerned about nuclear weapons?" The



conclusion I've come to is that nuclear weapons represented a gateway technology to other capabilities. This would have been the conclusion of the national security establishment, in my opinion, for various reasons that I outline in the book. Once they come to that conclusion, then they come to the conclusion, "Well, that means that we are not all that far behind whoever is behind these flying saucers."

C. AUSTIN FITTS: So what about the theory that – whether it's a race of humans or someone else who's subterranean or time travel – if we blow ourselves up, we may blow up them or some of their operations, so they can't afford to –

DR. JOSEPH FARRELL: I think that that's a possibility, too. I think all of these things are possibilities, and they all play ultimately into the idea that the nuclear technology is a gateway to greater possibilities. That means that the national security establishment would have concluded that whoever's behind this technology, insofar as they're not hot human, whoever's behind it is not millions or millennia, or even hundreds of years ahead of us, but perhaps only decades. Therefore, it is within the realm of possibility that we can catch up and emulate the phenomenon very quickly.

"The national security establishment would have concluded that whoever's behind this technology, insofar as they're not hot human, whoever's behind it is not millions or millennia, or even hundreds of years ahead of us, but perhaps only decades."

In the meantime, this means for them that we go through a period of risk and danger, and that period is suggested precisely by the ancient text. I call it the Tower of Babel Moment because in, not just the biblical, but in every version of this moment in ancient history, humanity for whatever reason is in some sort of state of social and political unity, economic unity, and has tremendous technological ability that is a threat. In every version of the story, you have God or the gods stepping in to intervene, break up humanity into tribes or nations, if you will, and basically sabotage the technological threat.



So I think that's the way that this breakaway group would have read the record. They also had to use this vast system of funding and finance, not only to create technologies, but I think to a certain extent, Catherine, to wage a kind of psychological operation against the folks, whoever they may be, behind the UFO phenomenon, not just covert operations against the communists. That's another part of the story.

C. AUSTIN FITTS: The thing that makes geopolitics complex is if you have, whoever's doing the UFOs, whoever that is, can certainly make crazy between different geopolitical interests, and it can make everyone much more insecure.

DR. JOSEPH FARRELL: Absolutely, absolutely. Now we're seeing a very interesting thing happen, and I noticed in your outline that you sent me, that you wanted to talk about interested investment in space.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: This is where I think we begin to see how this hidden group may be gradually unraveling or unrolling some of their hidden agendas over the past few decades, and particularly within the geopolitical context and what they're up to.

Way back in covert wars in breakaway civilizations, I argued that this hidden system of finance may very well have been set up with the cooperation of a few prime banks around the world on the basis of collateralizing whatever would be found in space, alright?

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: So in other words, this whole effort was privatized very early on, and that's a key component here because it's the privatization that really goes and addresses the issue of UFO secrecy directly. It's not so much the government covering this stuff up, but it's big major corporate and financial interests with a stake in this from the get go, and –



C. AUSTIN FITTS: Right. I just want to say one thing. One of the most important things to understand about American history is that literally, 1947 to 1955, the government lost control of the technology.

DR. JOSEPH FARRELL: Yes, yes, I totally agree.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: I think it's because of this hidden system of finance that was set up, and the decision at that very early date that I argue. Of course, I have no direct evidence for this, but I argue that space was collateralized very early on. Well, what do we see happening now? We see two things. In fact, Catherine, in just the last two weeks – and I've been blogging about this and have some more things coming up for the next week – we've seen two things happening, stories happening that are kind of in the news, but just below the main stories of the day.

The first is all of the talk that we've seen about mining asteroids, and interestingly enough, I just read an article on my website about the Japanese space agency, JAXA, has now just tested a little satellite space probe that has a cannon –

C. AUSTIN FITTS: Right, it's a space cannon.

DR. JOSEPH FARRELL: It's a space cannon, yes. What we're being told is that this thing is supposed to be a space cannon to go up and punch holes in asteroids so that we can mine it, all right? Now I hope people just caught what's going on here because there's been a lot of talk about asteroid mining on the various space agency sites. Roscosmos, and European Space Agency, and JAXA, and so on, they're all talking about this, NASA especially.

The Japanese come along and say, "Oh, by the way, we've got a space cannon. We're testing it. It worked out okay, and now we're going to put it up there, and we're going to go blast asteroids, okay?" Now as all of this is going on, what else is happening? Well, just in the last two weeks, Catherine, something else amazing, there were UN-sponsored



talks between Russia and the United States to create an asteroid defense system.

Now the reason I find all of this amazing is, number one, if you're going to collateralize space – let's go back and pretend we're Venice, okay, which we can do in this context rather conveniently because what happens in Venice? Well, you've got a bunch of bankers on the Rialto. They agree to float loans to send the galleys to go pick up gold bullion and slaves and spices from the Middle East and bring them back to Venice. The collateral is what is brought back, okay?

So this is exactly what we see happening now in terms of space, but what else does Venice do? You cannot be a maritime power without being a major military power. So Venice, of course, creates the state arsenal to build its military galleys to protect its shipping, and they manage to lead the armaments revolution, really, that begins in late renaissance Europe, and continues up to our modern time.

We see the same thing here. So in other words, the collateralization of space implies by necessity the militarization of space, but now you have to ask the question, "Well, against whom?" It's very significant and telling to me, Catherine, that the UN is sponsoring these Russian/American negotiations to create this, quote/unquote, asteroid defense system, because the implication is that, in terms of geopolitics, geopolitics has now become Cosmo politics, and there's somebody out there that they have to protect against.

That's, to me, what's really interesting here, and we're being told in very subtle ways that these UFOs, just as Mr. Dolan said, is really the hidden story here.

C. AUSTIN FITTS: So I wanted to bring up one point for people who want to follow this and learn more. One of the most important books to my thinking on this was one you described in the *Covert Wars*, and that's Norman Bergrun's, *Ring-makers of Saturn*.

DR. JOSEPH FARRELL: Oh, yes.



C. AUSTIN FITTS: The reason is he was an engineer at Lockheed and at Ames Laboratory.

DR. JOSEPH FARRELL: Right.

C. AUSTIN FITTS: He saw all the Voyager photos. Of course, now the official story is, “Oh, as the Voyager passed Saturn, it broke. The camera broke and we couldn’t get anything.” That’s the latest from *Popular Mechanics*. Of course, that’s not true, and he wrote a book describing the fact that they proceed to see what they think are literally space ships that are 20,000-plus miles long, made of plasma, living, growing, organic kind of things all over.

DR. JOSEPH FARRELL: Things.

C. AUSTIN FITTS: Now here’s what’s interesting. That was ‘80-’81. That’s exactly when the fraud exploded and things became completely bizarre.

DR. JOSEPH FARRELL: Oh, I didn’t know that. Oh, that’s very interesting.

C. AUSTIN FITTS: Yes, if you look at his dates and the Voyager probe and how that parallels against Iran-Contra –

DR. JOSEPH FARRELL: In ‘87-’88, that’s right.

C. AUSTIN FITTS: If you talk to the guys who were doing the Iran-Contra fraud at that time, what they say is they were set out to go get as much money as they could, and they couldn’t believe they were getting away with fraud, and it just grew and grew and grew and it exploded. Really the push began in ‘81-’82, right then.

DR. JOSEPH FARRELL: Oh, and the other thing we have to bear in mind is President Reagan’s “Star Wars” speeches, right? Yes.

“If you talk to the guys who were doing the Iran-Contra fraud at that time, what they say is they were set out to go get as much money as they could, and they couldn’t believe they were getting away with fraud...”



C. AUSTIN FITTS: Right. So the way it tracks is quite remarkable. The other dates I wanted to bring up was, of course, President Obama announcing and sort of pushing through this policy at NASA, and in the US government, that space will be private and a private affair. NASA and the government continue to fund it, but just as Obama is on one hand delivering the money to the bankers to close out all the fraud that's been used to do the financial coup d'état, he's setting up the space agency so all that money can be reinvested in a way that will make private process.

DR. JOSEPH FARRELL: Right, exactly.

C. AUSTIN FITTS: Right. I'm sure most people are looking at it and thinking the two have nothing to do with each other.

DR. JOSEPH FARRELL: No.

C. AUSTIN FITTS: It's all part of a one-two punch.

DR. JOSEPH FARRELL: Oh, yes. The important thing I think people have to take away from our discussions here, Catherine, is we're looking at things from a very long point of view, and on a very big canvas. Really, a point of view that goes back at least as far as World War II, if not before, and continuing up to the present.

It's when you look at these kinds of synchronicities that the explosion of the financial fraud, which I hadn't thought about, and thank you for mentioning, that you see going on in the late 1980s and the Reagan administration and his "Star Wars" speech and his strange speeches about being invaded by aliens from another planet. All of that I think is playing into this, and I think we're seeing with these stories about asteroid defense and joint American/Russian initiatives and space collateralization and asteroid mining, which cinches it for me, that's your collateralization right there.

I think we're seeing the gradual rollout of at least some of this hidden structure that was put into place to deal with the UFOs.



C. AUSTIN FITTS: Well, let's turn to the building out of the US infrastructure.

DR. JOSEPH FARRELL: Yes.

C. AUSTIN FITTS: There are hundreds of signs that you see either driving around the country or as you explore what's happening in various different industries, particularly in technology and innovation. You literally see a lot of money coming in on shore and, of course, I think a lot of it is the money that's been shifted out of the retirement systems one way or the other.

DR. JOSEPH FARRELL: Right.

C. AUSTIN FITTS: We are literally reinventing, redeveloping, rebuilding a number of the critical industries, and it looks to me like we're creating a whole new industrial platform, and it's very much centric to North America. My guess is that we're talking about trillions of dollars being reinvested to build out a new platform.

DR. JOSEPH FARRELL: I agree with you. We've discussed this scenario, and I've mentioned it in a couple of blogs that there appears to be an effort to retrench and to rebuild. I think we have to entertain a number of possibilities as to what and why this is taking place.

The first possibility that all of this raises to my mind, Catherine, is I've been maintaining since the bailouts, in a certain sense, that we're watching the New World Order unravel because what we're seeing as they get closer to their goal is the inevitable human nature come into the fore as each faction wants to be the dominant one.

But the other thing I think we're seeing, not only is faction infighting – and we've discussed this, you and I, before – that the American component of this financial elite vastly overplayed its hand in the wake of the collapse of the Soviet Union, and suddenly found themselves overextended and with old allies that are now increasingly sounding less like allies.



C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: They have to retrench for that reason. There's a third thing going on I think that we have to bear in mind, too, and that's the pressure against the dollar as the world reserve currency. This is playing into their considerations as well because as long as the dollar's the reserve currency, it means to a certain extent it's always going to be over-valued. When it's over-valued, you lose manufacturing and so on and so forth.

So I think we're also looking at them realizing that that status cannot be maintained forever, and as a result, they're kind of anticipating events and trying to make the transition period by retrenching manufacturing into North America as smooth as possible.

I think there's a hidden story here that might even be related to the UFOs. As you know, the international monetary fund has been pressing for a number of years to create its special drawing rights as kind of a global reserve basket of currencies based on the dollar, the pound, the euro, the yen, and now the Chinese certainly are making noises and that they want the yuan to be included in this basket of currencies.

Well, the interesting thing, if you go back in history – and I know that you're familiar with this – John Maynard Keynes, of the Bretton Woods Agreement, wanted to create a similar type of currency called bancor, based on not a basket of currencies, but a basket of commodities. In other words, he wanted a genuine value-backed currency. This, of course, has been the problem with our monetary system for some decades is that it's not backed by any value. It's monetized debt.

So the other thing I think we may be looking at here in the context of our space scenario is if you have space collateralization, and if you have moves to militarize space for the express purpose of protecting the assets that you plan to develop and bring online against someone, you are also implying the possibility – and this will sound very radical – of trade with whoever. If you're going to have that, you have to have something of value, and if you have trade, of course, you have to have some medium exchange in order to do it.



So we may be even looking behind all of these currency maneuverings, we may even be looking at the creation of something that is not so much meant to ameliorate financial and geopolitical considerations just on this planet, but elsewhere as well. So there are all sorts of angles to this.

C. AUSTIN FITTS: Well, one of my concerns about talking about these matters for years has always been – and we see this in the report from Iron Mountain, and you describe it in your book – that ET would always be the excuse when the war on the drugs and the war on poverty and war against communism and the war on terrorism and all those things showed up as being as silly as they are, where’s the next war. If you look at the string of all the alien movies coming out, I think, “Oh, no, they’re setting up the next round of disinformation, and the next round of war.”

Because, in fact, space exploration would, in theory, replace war as the controlling thing to keep the economy pumped up and centralized forces in control.

DR. JOSEPH FARRELL: Oh, well, I think that you’re absolutely onto something there, and this brings up a major part of the book that you just read. That is that if you’re the national security establishment and you’re collecting all these UFO reports, the first thing that you’re dealing with is not only are they interested in nukes, but there are other hundreds of reports of hostile UFO action against human aircraft, trains, installations, human beings. Whether real or not, the problem is the – or I shouldn’t have said “real or not.” But whether they’re technologic or interdimensional or not, the national security establishment is going to have to view that as a threat.

C. AUSTIN FITTS: Right.

“If you’re the national security establishment and you’re collecting all these UFO reports, the first thing that you’re dealing with is not only are they interested in nukes, but there are other hundreds of reports of hostile UFO action against human aircraft, trains, installations, human beings...”



DR. JOSEPH FARRELL: It is going to have to respond accordingly, and it's got to show enough backbone to stand up to it, but at the same time, it can't afford to get us into any actual shooting war until humanity is in the position to hold its own.

Now, let's go back to something that you mentioned earlier, and that was President Reagan, and that whole financial fraud emerging in the late 1980s at the same time that you had Bergrun discovering all of these things from the Voyager photos. We have to remember something that Lieutenant Colonel Philip Corso wrote in his book, *The Day after Roswell*.

Now, let me preface what I say here by a caveat. I am not endorsing his book, or his conclusions, or the basic broad scenario he outlines in it. Anybody who's read my book, *Roswell and the Reich*, will understand why I say that. But one of the very interesting things he does intimate in that book is that Reagan's "Star Wars" program was less about defending against the Soviet Union, and more about the UFO issue. By that time in history, the national security establishment had been successful in stalemating – those are kind of his words – the situation vis-à-vis, the UFOs.

So all of this is very suggestive of the idea that we're looking at a financial system that makes no sense if you look at it solely from a terrestrial and earth-bound geopolitical perspective. It begins to make a lot of sense when you add in his hidden system of finance, the UFO issue, space collateralization, asteroid defense, and all of that. It really begins to make sense when you –

C. AUSTIN FITTS: Well, you're centralizing the economy at a speed and in a way that is destructive of wealth. Someone only does that if they are feeling very insecure. They need to move quickly to get as much control as fast of control. I can come up with a hypothesis that says if you're the Anglo American Alliance, you want to continue to maintain your leadership of financial flows and so I can come up with some theories to support it.



But if you look at the amount of money that they're basically generating from fraud, it's too much to be explained just by that.

DR. JOSEPH FARRELL: It is. The other problem is it is a system that ultimately depends on – well, let me back up. Someone said to me once when I first outlined that hypothesis, Catherine, “But Dr. Farrell, that system won't work.” My response to that – and this is something very important for people to understand – was, “I know it won't work. I'm not telling you what will work. I'm telling you this is what they did.”

C. AUSTIN FITTS: They don't necessarily need it to work forever. They need it to work –

DR. JOSEPH FARRELL: That's precisely – yes. That's right. It only needs to work for as long as they need it to work to get the technologies and so on and so forth. This is why I think it's breaking down. I think Russia's moves, China's moves, vis-à-vis space, this little Japanese space cannon, these are little, subtle clues from the other players on the block, so to speak, that they know what the game is.

C. AUSTIN FITTS: Well, the pushback is enormous.

DR. JOSEPH FARRELL: Yes. The pushback is enormous.

C. AUSTIN FITTS: The pushback is enormous, and maybe I'll jump ahead. I want to come back and walk through the US infrastructure and industry, but you and I have talked several times about sort of the networks of US intelligence in some of the secret –

DR. JOSEPH FARRELL: Yes.

C. AUSTIN FITTS: – societies and the telecoms. Basically, getting a control file and intelligence network through digital means that for the first time in 2,000 years outdoes the Catholic Churches' and the Vatican networks, which have always been the superior intelligence and sort of local place-based on controlling network. So suddenly we see though digital communications this other group jump the curve and we know that



they've been extremely hard on the Vatican. The Vatican's taken it on the chin for all the pedophilic control file stuff throughout the developed world.

Now this starts, and I keep looking at it. I can only figure that the Vatican has rounded up every person who wants to push back, and they're pushing back with a mighty force. It reminds you of how powerful they are.

DR. JOSEPH FARRELL: Well, they are very powerful, and there have been recently rumors to this effect that there's some pushback from the Vatican. I suspect ultimately that the Vatican is going to play a major role in this, but for a very different reason, one that I began to outline way back in *Babylon's Banksters*, and that is the traditional association of high finance and banking with religion, with the temple. This is why I think the Vatican is going gangbusters in its attempt to clean up and clean out the Vatican bank and to reassert its control over that institution.

The Vatican bank has been a pivot in this hidden system of finance, and to illustrate that I go back to something I mentioned in *Covert Wars and Breakaway Civilizations*. Emperor Hirohito placed a lot of his liquid assets that he gained from this vast suctioning of bullion and precious gems and paper currencies and securities out of Asia during World War II. He placed some of that money in the Vatican bank.

So in other words, it is a key component of the hidden financial structure.

C. AUSTIN FITTS: What I believe is it's reached a point where, one, it's an invaluable piece of the structure, from a variety of different strategic viewpoints, but it's reached the point where it could cost the Vatican and the church its entire brand.

DR. JOSEPH FARRELL: Oh, yes. Yes, it has. It has, and they must clean it up. We've talked about what I think the elections of Francis means, and it means quite literally the recognition. Now this is a long-term



transitional papacy. It means the recognition on the part of the Cardinal Curia that it cannot continue to have a euro-centric version of Catholicism, and that it must relocate or, quite literally, relocate its sphere of influence and power to the second and third world.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: This represents a long-term strategic change and thus far, every move that I've seen Francis make seems to confirm that indication on his –

C. AUSTIN FITTS: Well, it's funny. All these institutions that decided to rebalance the global economy, the global economy is now rebalancing them.

DR. JOSEPH FARRELL: Yes, exactly. Exactly. This is the thing that they don't like. Market forces are always going to trump whatever they do.

“Market forces are always going to trump whatever they do.”

C. AUSTIN FITTS: It's funny. I was just having an argument with one of my partners about that because the nature of these politics is it's like riding a bucking bronco, you know?

DR. JOSEPH FARRELL: Yes.

C. AUSTIN FITTS: The different forces think that they're good at predicting the bronco and riding it and manipulating it, and then it's kind of a back and forth between sticking their spurs in –

DR. JOSEPH FARRELL: Yes, exactly.

C. AUSTIN FITTS: Yes. Well, let's talk a little bit about the North American infrastructure because that's one of the things I've been trying to understand in my work, and I wanted to just go through a couple things. We started to see in 2005, the real dramatic effort to create domestic energy, self-sufficiency, at least with fossil fuel. We're also seeing a lot of investment in renewables. So it's a mixed portfolio.



I just had a chart up on the blog showing that we have reached a net neutral. We are not dependent, as in a net way, on imports of global energy.

DR. JOSEPH FARRELL: That's very interesting.

C. AUSTIN FITTS: Right. So we are net energy neutral. Now, obviously, we're exporting a lot and importing a lot, so we're much more interdependent than that implies, and you see this in the change in the politics between us and the Middle East and the Saudis.

DR. JOSEPH FARRELL: Oh, yes, absolutely.

C. AUSTIN FITTS: In theory, we can begin to tell them to go jump in a lake.

DR. JOSEPH FARRELL: Yes, yes. I think that's partly what's gone on here with the Obama administration and Syria and the Saudi response. I have to admit that I'm a bit puzzled about what is going on in DC regarding foreign policy and geopolitics. I suspect very strongly that they may have been successful in staving off a couple of coup attempts, to be quite honest with you. But that's neither here nor there.

When we look at the North American energy infrastructure, I think what is really going to cinch the case, Catherine, that we're trying to make, that we're seeing some massive effort – quiet, but nonetheless, massive – to retrench and build up the North American power base is if we start seeing new refineries and relaxation of regulation on the building and location in refineries. For me, that's going to tear it.

Right now, we're seeing the production capacity ratcheted up tremendously, and if it's followed by a refining capacity, this means that the intention is to create kind of an autarkical energy regime in North America. That's very significant because that would mean, as you say, even if we're less dependent right now on Middle Eastern oil, we are still to a certain extent dependent on overseas refining capacity.

C. AUSTIN FITTS: Right.



DR. JOSEPH FARRELL: To me, the real significant change is if our analysis is correct, then we're going to see over the next, I would imagine, three to five years, new expansion of refinery capacity. This has got to happen if they're serious about this retrenchment.

C. AUSTIN FITTS: Well, the other thing you've seen, and this is very long lived now for over a decade, very interesting patterns in the investment in transportation, including railroads. We're seeing Buffet and Carlisle buy up railroads, Buffet taking the big one private. That to me is a very interesting development because you're talking about a pretty sleepy industry that every sign looks to me like it's beginning to get a lot less sleepy.

DR. JOSEPH FARRELL: It's beginning to get a lot less sleepy, and I suspect, like you, this is part of the retrenchment. In our model, what we've been suggesting is that the effort to retrench quickly, the effort to create a central economy quickly, and to bring on 3D printing online, you're looking at people in a hurry that are under some sort of pressure and duress.

If you're going to have that kind of dispersed manufacturing base, you must have a transportation infrastructure that can move around raw materials rather quickly. It's not the finished product. It's the raw material. Railroads, we both know are by far and away the most efficient means to move a lot of stuff very quickly, at a very low cost.

The other thing I suspect is going to happen – and this is going to sound wild and crazy and it's interesting you mentioned railroads because I was thinking about that, and then I got your outlines. Railroads are also going to be the coming favored method of people transport over long distance. I think it's going to be an inevitability of higher fuel prices. It's going to be as far as a leads concern. It's going to be a much easier way to control the movement of large numbers of people and make a profit from it, which right now, they're kind of at the whim of the individual driver.

They're making profit, but not in the way that they'd like to. I think it's



a security measure in addition to a transport and infrastructure measure. I think that's coming down the pike. We've already seen these multi-billion-dollar-projects for high-speed rail that are simply not going to get off the ground, because market realities right now don't exist for them to, but I think they're coming down the pike.

C. AUSTIN FITTS: Right. A lot of these things, whether it's Elton Muss talking about Maglev trains or you pick up *Popular Mechanics* or *Wired Magazine*, and there are tons of articles on space. I think a lot of this is making something fashionable.

DR. JOSEPH FARRELL: Yes, exactly.

C. AUSTIN FITTS: It's not necessarily about something that's going to happen in the next ten years, but it's about making it fashionable and getting young people interested in working and going at those things and being part of those industries.

DR. JOSEPH FARRELL: Exactly. I totally agree with that, and I'm old-fashioned. I like train travel.

C. AUSTIN FITTS: Oh, I love trains. I love trains.

DR. JOSEPH FARRELL: Yes, me, too.

C. AUSTIN FITTS: Another one, which I don't necessarily understand exactly how it fits into this decentralization, is agriculture. I think part of is the decision to do everything they can to put America in a position to be the export capital, the breadbasket of the world, and really, if you look at the combination of land and water we have, have lots of global interest needing and being dependent on us.

DR. JOSEPH FARRELL: Yes, that's true. I think this has been the hidden agenda behind GMOs, quite frankly, all along is to expand the control of the food supply, and center it, as you have just pointed out, on North America. I suspect – and this is since we're indulging in high-octane speculation here – you have to consider these wild and wooly scenarios



because that essentially is what these elites do behind the closed doors. But I've suspected another agenda may be afoot here with GMOs, and let's go back to what I call the Cosmo political situation, okay?

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: If you look at the areas on Planet Earth that are arable land, you have a few concentrated areas, North America being one, the European breadbasket from the Northern Plain on into the Ukraine and so on and Eurasia, and Brazil, and certain areas in India. That's it, the breadbasket, plus the world's oceans.

Now if you take that kind of analysis and extend it to local space, what do you have? You have nine planets that are fairly inhospitable, but one of them is just sticking out like a sore thumb of resources and water and plants and food. Hopefully, we're not on the menu, but the problem here is since we're entertaining the idea of space collateralization and space defense and the possibility of actually trading with somebody else out there, if it's not already underway. Then the other thing that you have to have, as we've said, is something of value, and food would certainly be that. I'm not in the camp that says.

“You have nine planets that are fairly inhospitable, but one of them is just sticking out like a sore thumb of resources and water and plants and food.”

Again, there are early UFO documents suggesting that the elite came to a similar conclusion about the human form very early on in its dealing with the UFO phenomenon. So they're going to require food. Like it or not, as they're saying anybody out there between here and Alpha Centauri, Planet Earth is a plump little piece of real estate.

C. AUSTIN FITTS: Right. It's interesting. I always struggle with every time I've tried to understand this. You know the story of a group from the US Navy and one of the think tanks that serve the Navy trying to persuade me in 1998 that alien existed and lived among us.



DR. JOSEPH FARRELL: Right.

C. AUSTIN FITTS: I said, “Well, I just don’t know that ET exists in one in a million. So I just don’t know that.” I had this image of, “oh, this is where they’re from? They’re going to make look like a fool.” So he said, “Would you like to have lunch with some aliens?” I just said, “You know, I’m just managing too much risk right now to be seen lunching with aliens.”

I always, to this day, wonder what would have happened. So I started to read and I really took it seriously and I said, “Okay, I’m going to try break this down and understand this phenomenon,” which is one of the reasons I love your books. You’re so good at framing the uncertainty, and taking a subject where we just don’t have hard information, and framing it and saying, “Okay, here’s what we’ve got. What patterns do we see? And given what we do know, what does this mean?”

So we know in all cases, we’ve got a big financial drain going on. Whatever this is, it’s expensive.

DR. JOSEPH FARRELL: Right. Well, you put it exactly right. It’s a matter of framing uncertainties, and I had to put myself in the position of reverse engineering the culture of this elite technocratic group. I came to the conclusion that whether or not they had proof of an extraterrestrial existence or even presence on this planet, they had to behave as if it was real, because they were confronted with a phenomenon that their attempts to rationalize on the basis of a solely terrestrial origin simply couldn’t work.

So, yes.

C. AUSTIN FITTS: Okay. So let’s go through what we know. We know the phenomenon is real.

DR. JOSEPH FARRELL: Yes.

C. AUSTIN FITTS: The phenomenon is real. You’ve seen UFOs.



DR. JOSEPH FARRELL: Sure.

C. AUSTIN FITTS: I told you about that man who was driving across the road, and it's not just one. It was hundreds of them. It was like, "Wait a minute. Is the whole universe arriving here to land, or are they all – do we have a condo association up here in North Dakota?" So the phenomenon is real, and if you look at how much it's been documented, it's incredible. What percentage of people has seen a UFO? I mean it's quite amazing.

DR. JOSEPH FARRELL: It's amazing.

C. AUSTIN FITTS: The evidence is overwhelming that this is a heavily documented phenomenon. Okay, so number one, the phenomenon is real. Number two is we know that it has a great deal to do with how the financial system operates.

DR. JOSEPH FARRELL: Yes.

C. AUSTIN FITTS: Okay. So this is something that is having a major financial impact on every person that's not this call, and every person listening to this podcast, everybody they know. In other words, you and I don't know another human being who isn't being dramatically impacted by this financially –

DR. JOSEPH FARRELL: That's right.

C. AUSTIN FITTS: – and culturally.

DR. JOSEPH FARRELL: That's right.

C. AUSTIN FITTS: Okay, now I'm an investment advisor, and whenever anything has a dramatic impact on money, I want to look at it. I want to open it up. I want to look inside. I want to say, "What is this?" To me, I can't afford to not know. The greatest way in the world to make money is not lose money, so if there's risk about, I need to know about it.



DR. JOSEPH FARRELL: That's right.

C. AUSTIN FITTS: Now I have tried for many, many years to try and get an intelligent conversation going on about who's really in charge – who's really running things. Why are they behaving the way they're behaving? I feel like as a country, particularly North America is stuck on an explanation that this is all happening because the leadership is bad.

Now, see it's greedy Goldman-Sachs partners cannot engineer – we're talking about something that's threaded through every aspect of business, technology, and government. Greed cannot engineer this. This is much bigger than that.

DR. JOSEPH FARRELL: It is much bigger. I'm certainly not one of those that think that there isn't corruption in the system, and that a lot of these banksters should be going to jail. They've taken advantage of something, but some of them –

C. AUSTIN FITTS: They've taken advantage of the system's dependency on them.

DR. JOSEPH FARRELL: Yes, and some of them may not even know about this hidden system of finance, and some of them –

C. AUSTIN FITTS: Oh, I think a tremendous number of them don't know.

DR. JOSEPH FARRELL: Yes, and if they were to be told about it, they'd laugh.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: I'm in the same boat as you are, Catherine. I can't sit down and look at the way that the government responded to the bearer bonds scandals, number one. I cannot sit down and look at trillions of dollars in mortgage fraud, and quadrillions of dollars in credit default swaps and other kinds of derivatives, and not come to the conclusion that there has to be some load end on this circuit because if you look at all of the financial leverage in the system, it should have shown up by



now in terms of hyper Zimbabwe-type inflation, and it has not.

C. AUSTIN FITTS: It has not.

DR. JOSEPH FARRELL: It's gone somewhere. It's not simply a matter of zero balancing books. It's not simply a matter of corporations and banks being awash in cash and they're just not releasing it. It's gone somewhere. The electrical circuitry model has been around for a long time in finance, and the only conclusion I can come to is that there is a ground part of this financial circuit to use the analogy, again, that we're not aware of.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: As far as I'm concerned, Tesla had it right when he came up with his wireless power transmission. He simply reversed the role of the circuit. It wasn't the ground that was the ground anymore. It was the atmosphere.

The ground has been shifted out there, folks.

C. AUSTIN FITTS: Well, for many, many years, it was because of the experiences I had in the '90s that I really started to learn about the infrastructure. I learned a lot about covert control and how it was engineered. I learned about it in a very personal intimate way, but in a way where I was reading and studying and able to literally map out the entire 'how is the matrix engineered?' There is a matrix. How is it engineered? I was able to really study and learn that. So a process started in the 2000s where different financial commentators were going to say it started in 2000. The dollar is going to collapse in a month, or in three months, or in six months.

DR. JOSEPH FARRELL: Oh, yes.

“It's not simply a matter of corporations and banks being awash in cash and they're just not releasing it. It's gone somewhere.”



C. AUSTIN FITTS: But it's going to collapse shortly. I would say, "No, it's not." Sure enough the dollar would start to drop, and then there would be a covert intervention, and then the dollar would bounce back up. This has gone on now for 13 years where everyone says, "The dollar's going to collapse," and I say, "No, it's not," and then there's a covert intervention. I say, "Can we talk about this covert intervention?" The door gets absolutely slammed shut on my face. "No, no. Real men don't talk about that."

DR. JOSEPH FARRELL: Well, we can extend that pattern of cover interventions. My word, let's go all the way back to Nixon, taking us off Bretton Woods. I remember at the time, and you probably remember at the time, too, there was this prediction of dire financial apocalypse as a result of the dollar's going to collapse. No one's going to accept it. Exactly what happened in your pattern, the dollar dropped, and then all of a sudden, it didn't.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: This has been going on, as you say, for at least the last 13 –

C. AUSTIN FITTS: A long time.

DR. JOSEPH FARRELL: Yes, a long time.

C. AUSTIN FITTS: A long time.

DR. JOSEPH FARRELL: So where is it coming from and how are they doing this? My guess, Catherine, is that it's coming from people deeply involved in this hidden system of finance, and it's coming from their ability to manipulate bullion. To me, this is the hidden key here. We've seen China buying up gold at just breathtaking rates, attempts of other countries to get their gold repatriated. Now colossally, we're seeing figures of amounts of gold in existence that vary by as much of an order of magnitude through different sources.



C. AUSTIN FITTS: If you really want to get frustrated, sit down and try and figure out how much the inventory of gold on this planet is.

DR. JOSEPH FARRELL: Oh, it's incredible. I've tried.

I did that research for *Covert Wars and Breakaway Civilizations*, and I thought the obfuscation here is deliberate. This is a more covert intervention. So I think what's really happening is we're seeing just this monumental retrenchment into North America. It's slow. It's subtle, but it's also massive. It's –

C. AUSTIN FITTS: Drive around Dallas. It's not that subtle.

DR. JOSEPH FARRELL: Oh, well, I mean in terms of just the national perception.

C. AUSTIN FITTS: How the media perception is handled is phenomenally subtle.

DR. JOSEPH FARRELL: Oh, it's incredible.

C. AUSTIN FITTS: Yes.

DR. JOSEPH FARRELL: It's incredible. You've got this going on. I have a great deal of respect for Paul Craig Roberts. Someone asked him about our retrenchment scenario, and he just said, "Well, that's ridiculous." He dismissed it. With all respect, I don't think that it's capable of being dismissed so easily when you consider all of the factors involved here.

C. AUSTIN FITTS: So let me give you an example. You have probably not lately looked at a charter of Lockheed Martin.

DR. JOSEPH FARRELL: No.

C. AUSTIN FITTS: Lockheed Martin is the largest contractor to the US government, okay?



DR. JOSEPH FARRELL: Oh, my word.

C. AUSTIN FITTS: So it is not just number one defense contractor and number one seller of weapons and for sure UFOs. I don't know.

In fact, we should read the quote. I'm going to use the quote up on the blog post from Ben Rich who was the head of Lockheed's Concord. Do you want to tell them what Ben Ridge said?

DR. JOSEPH FARRELL: Well, basically, he said, "We found an error in the equations, and now we have the ability to take ET home."

C. AUSTIN FITTS: He basically said, "If you can think of it, we have it. We already have it."

DR. JOSEPH FARRELL: Yes, exactly.

C. AUSTIN FITTS: It was incredible. So Lockheed Martin is the number one contractor to the American government and the number defense contractor, okay?

DR. JOSEPH FARRELL: Right.

C. AUSTIN FITTS: Huge, enormous, private company, and has been one of the leaders in managing this technology since the beginning of the cold war. So we're talking about a real leader operationally at every government agency and with this technology, et cetera, et cetera.

Now we've come through a huge sequestration at the beginning of the year in the budget, massive talks of budget cuts. We've just come through another budget war, more talks of budget cuts. Lockheed Martin stock has gone to the moon.

Every time I look at Lockheed Martin stock, I say, "Whenever I talk, just as a theoretical matter, about taking \$40 trillion, putting it in an endowment that can generate \$2 trillion a year plus, given as an interest



to basically finance the government on a private basis,” you look at Lockheed Martin stock and say, “Has to be.”

DR. JOSEPH FARRELL: Yes, yes.

C. AUSTIN FITTS: They are not behaving like a company who’s being affected by the fact that their number one client is experiencing massive budget cuts. Their stock is flying and this is traditionally a stock that is flat lined. So something else is going on here.

DR. JOSEPH FARRELL: Well, if that’s the case, then I suspect that there have been covert moves on the part of that company with other elites in other countries, other technocratic elites. I think you might discover that there is a relationship between its stock performance and the story about the US and Russia talking about building a joint asteroid defense system. If anybody’s going to be up front and center, Lockheed is the modern crook.

“If anybody’s going to be up front and center, Lockheed is the modern crook.”

C. AUSTIN FITTS: Right. Well, when I was assistant secretary of HUD, Lockheed ran all the information systems and payment systems and I used to try and get data from them and they wouldn’t give it to me. So imagine, I would ask Lockheed for data on one of the programs I was legally responsible to run, and they’d just say, “No.” There was nothing I could do.

DR. JOSEPH FARRELL: Now there’s your covert government right there.

C. AUSTIN FITTS: Right. Well, speaking of covert war, we see last week the dollar was really under tremendous pressure. This NSA scandal is dreadful, of course, for the dollar.

DR. JOSEPH FARRELL: Yes.

C. AUSTIN FITTS: We see the sort of the backing up on Syria. That’s not good. We see Obama taking tremendous criticism for Obamacare. A



weak president is, again, very bad for the dollar. So the dollar is clearly under tremendous pressure and if the BRICS try and do separate Internet from us, separate cloud from us, and then all sorts of separate currency and financial transactions, will be really tough on the dollar. So the dollar is really heading down suddenly on Wednesday.

Now on Friday, we get headlines that we have an earthquake and the typhoon headed for Fukushima, okay?

DR. JOSEPH FARRELL: Yes.

C. AUSTIN FITTS: But on Wednesday, at the opening the Japan EFT suddenly plummets. The next day, the market buys it up. I'm sure the market's sitting around saying, "Well, there's no reason for the Japanese ETF to trade off like that." It buys up. Then suddenly, of course, now it's the earthquake/typhoon boom, down on Friday, and then the announcement comes out, "Oh, the earthquake really wasn't a problem and don't worry about the typhoon." The Chinese announce a \$20 billion contract to Boeing for all sorts of new aerospace activities, and then a joint announcement from Boeing and Lockheed that they're going to do a new kind of aerospace project presumably for the US government. You look at all these vents, boom, boom, boom, boom, and you say, "Well, wait a minute. There's a story here."

DR. JOSEPH FARRELL: Yes.

C. AUSTIN FITTS: But I don't know what it is. Of course, the dollar turns and it's doing just fine.

DR. JOSEPH FARRELL: Oh, my, my, my.

C. AUSTIN FITTS: I know. So here's my question. One of the reasons I so love your books, we do not know what invisible weaponry stands behind the US dollar. We don't know if it's earthquake technology. We don't know if there's weather control. We don't know if there are all sorts of invisible electromagnetic weapons. We do know that the US Navy to this day controls the sea lanes and I would say the satellite lanes as well.



DR. JOSEPH FARRELL: Right.

C. AUSTIN FITTS: We do know there's a lot of rumors that they have spaceships traveling the galaxy. Let's presume that they have all the traditional mechanisms of control. We don't know what the invisible weaponry is, but we certainly know that every time we see this dollar issue and we see a defense of the dollar, there are all sorts of funny patterns that say, "There is invisible."

DR. JOSEPH FARRELL: Bingo.

C. AUSTIN FITTS: The reason I spend so much time trying to understand what I can about the invisible weaponry, even though there's no reliable information, is I can't come up with another hypothesis of what's defending the dollar.

DR. JOSEPH FARRELL: I cannot either. Your model here, I think is essentially correct. It is the vast military industrial intelligence complex of the United States that ultimately props up the dollar. This is the Venetian system at large. So that's part of it right there. The Japan thing intrigues me because Japan, like Germany, has been making these very subtle moves diplomatically for about ten years. We really see it increasing in Germany's case with intensity that I never expected to see this quickly after the reunification.

Japan, the yen is part of this special drawing rights that China has been pushing for, and Russia, to make as kind of an alternative world reserve currency. Japan is very clever and they're not objecting, but they're not pushing, as far as I can tell.

So you see this push to close down Fukushima and all of this. I suspect that we're looking at another case where the dollar has been defended against potential moves on the part of some of these countries to bring an end to the reserve status rather quickly.

C. AUSTIN FITTS: Well, let me ask you something. Is it possible that one of the issues is the Japanese moving off of nuclear energy has been a real



boon to help keep the oil price up?

DR. JOSEPH FARRELL: Yes.

C. AUSTIN FITTS: So that's a big piece, is the oil trade globally.

DR. JOSEPH FARRELL: Oh, yes, absolutely.

C. AUSTIN FITTS: Is there any relationship with the Japanese threatening to go back and open more nuclear plants?

DR. JOSEPH FARRELL: No. I'll tell you what I suspect may be really at stake here. Most people forget this. Japan was one of the countries that very early on went full tilt into big money backing of investigation of cold fusion, almost as soon as Pons and Fleischmann, made their announcement and were chased out of this country in 1989-1990. METI in Japan, the Ministry of Trade and Import in Japan, immediately I think to the tune of \$100 million to \$200 million decided it was going to fund cold fusion research, and they've been doing so ever since.

If you look at some of the reports on alternative energy technologies, the Japanese have every now and then come out with these little reports. Like just prior to Fukushima, they were reporting on a car that they wanted to produce.

C. AUSTIN FITTS: It ran on water.

DR. JOSEPH FARRELL: It ran on water.

C. AUSTIN FITTS: Yes, yes.

DR. JOSEPH FARRELL: So we're looking at attempts of countries to break out of the Anglo American orbit, and Japan was certainly one of them. They were making noises about trying to bury the hatchet with the Chinese. I think this could be –



C. AUSTIN FITTS: There's no way the Anglo American lives can allow the –

DR. JOSEPH FARRELL: Oh, no. Not yet. Not yet, certainly. They're on a timetable and I think they realize they can't keep the dollar propped forever. They can't afford it to have it go down the tanks now. That's the problem. This is why this whole Merkel thing, you mentioned in your outline, the NSA invasive surveillance, I think this is the other part of it. We both are agreed that this surveillance thing isn't about terrorism. It's about finances.

“They're on a timetable and I think they realize they can't keep the dollar propped forever.”

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: It's a mechanism to prop up the dollar. It's an insider trading mechanism. This is why I think the situation with Chancellor Merkel is really very –

C. AUSTIN FITTS: Very dangerous.

DR. JOSEPH FARRELL: Oh, it's dangerous. It's bizarre.

C. AUSTIN FITTS: Well, if the Russians and the Germans get together with the Chinese getting together with Japan, you got a real problem.

DR. JOSEPH FARRELL: Yes, you've got –

C. AUSTIN FITTS: I mean we Cameron come out at the very same time this week saying they'll do Shariah compliant financing for the UK. Well, that's quite anon for the Anglo American alliance.

DR. JOSEPH FARRELL: This NSA thing, Catherine, bothers me because –

C. AUSTIN FITTS: It's very dangerous.

DR. JOSEPH FARRELL: Yes, it's just –



C. AUSTIN FITTS: Well, here's the thing. You see this all along. The Americans keep forgetting that there is this thing called the mandate of Heaven.

DR. JOSEPH FARRELL: Yes.

C. AUSTIN FITTS: If you're going to do something this invasive, then you better not get caught.

DR. JOSEPH FARRELL: Yes. Because –

C. AUSTIN FITTS: You better not get caught because you are going to lose the mandate of Heaven, and then you've got a real problem because getting that back is very hard.

DR. JOSEPH FARRELL: It's very hard, and the other thing is, if you look at Europe, it's the world's biggest economy.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: The locomotive driving Europe since the creation of the German empire in the 19th Century is Germany.

C. AUSTIN FITTS: The US and Europe announced they were going to do the trade negotiations, so you've got US, Canada, and Europe saying they're going to come much closer together.

DR. JOSEPH FARRELL: Right.

C. AUSTIN FITTS: The mother lode of talks. Rumors going around saying they really are going to get together within a year. How much of it is people saying that we've got to bust that up?

DR. JOSEPH FARRELL: I'm glad you asked that question because this is coming from Zbigniew Brzezinski, this whole move. I suspect, and I even blogged about it. I forget when. It's been a couple weeks. I suspect very strongly that this was a desperate attempt to buy the



American component of that financial elite to keep Europe within the American orbit. The danger and as Zbigniew Brzezinski said it best in his book, *The Grand Chess Board*, the real reason for the creation of NATO – and he just comes right out and says it. It was not to contain communism. It was –

C. AUSTIN FITTS: To keep Europe – to keep Germany in the fold.

DR. JOSEPH FARRELL: Yes, bingo. Exactly.

C. AUSTIN FITTS: Yep.

DR. JOSEPH FARRELL: It was to deal –

C. AUSTIN FITTS: That's what the euro was to keep –

DR. JOSEPH FARRELL: Yes, that's what the euro was, to keep Germany in the fold. Well that kind of backfired because what it really did is it put Germany in the position of being kind of the financial taskmaster to the rest of Europe. The only other thing that is left for the Germans is as the euro was falling apart, well, they've got to make moves and overtures to Russia and China, which they've done. Now to add bitterness to all of this, Snowden let it out, that "Oh, by the way, we're spying on Chancellor Merkel."

Catherine, I just have to laugh because the last time –

C. AUSTIN FITTS: Well, I'm sure the Germans are spying on us.

DR. JOSEPH FARRELL: Well, they are. This is not new, and nobody expects that they're not. The French are spying on us – but the real problem here is, as we've been discussing this scenario, the last two weeks increasingly in Russia today, Ed Snowden, even some sources in the US like the Guardian or the Daily Toriograph, as I like to call it, are coming out and pointing out that the reason for NSA spying, is financial.

C. AUSTIN FITTS: Right.



DR. JOSEPH FARRELL: Derek Spiegel even ran an article about this.

C. AUSTIN FITTS: This is economic warfare. This is an economic warfare –

DR. JOSEPH FARRELL: Economic warfare.

C. AUSTIN FITTS: – operation. It's an insider trading operation. You know something? It's very good.

DR. JOSEPH FARRELL: Yes. The problem is, is now what I'm suggesting, because you find the European nations running stories like this, they're sending messages that they're not going to play that game.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: In other words, the playing field better be leveled or we're going to level it for you. This is really what's behind the BRICS moves to create their own Internet. I just read –

C. AUSTIN FITTS: So here's the question. Can you imagine running an American cloud company right now?

DR. JOSEPH FARRELL: Oh, heavens no.

C. AUSTIN FITTS: You just had your entire global market pulled out from under you.

DR. JOSEPH FARRELL: Exactly.

C. AUSTIN FITTS: It's –

DR. JOSEPH FARRELL: I mean companies are outsourcing their data storage now because no one trusts this country. So this has been a huge mess, and between you and me, Catherine, I'm only going to predict that it's going to get worse.

C. AUSTIN FITTS: It is going to get –



DR. JOSEPH FARRELL: Not better.

C. AUSTIN FITTS: It is going to get worse. But this has been growing for many decades. Are we going to use these financial markets for economic warfare? Are we going to use them to transact?

DR. JOSEPH FARRELL: Right.

C. AUSTIN FITTS: At some point, what the NSA scandal is about, is we're reaching a tipping point.

DR. JOSEPH FARRELL: Yes, exactly.

C. AUSTIN FITTS: Now, here's my question. If you look at everything that is happening in North America with the agriculture, with the transportation, with the energy self-sufficiency, with the rollout of new technology (which we really haven't touched on too much), can this be done with this much pushback from the rest of the world without some popularity or some support from the general population?

If you look at what's going on with Obamacare and with a variety of different policies, or doing the changes in the payroll tax and the increase in Social Security, they're basically wiping out pretty much the working class. The working class is basically their discretionary income.

DR. JOSEPH FARRELL: Well, good question.

C. AUSTIN FITTS: It just seems to me they're attacking on all sides. So we look –

DR. JOSEPH FARRELL: They are.

C. AUSTIN FITTS: – like Napoleon going to Russia.

“If you look at what’s going on with Obamacare and with a variety of different policies, or doing the changes in the payroll tax and the increase in Social Security, they’re basically wiping out pretty much the working class.”



DR. JOSEPH FARRELL: Yes, they are. The problem is they may think that it will work by wiping out the working class and doing all of this while they're retrenching and everything else. But it won't. That's just, once again, the reality of markets. It will not and cannot be sustained.

I don't think, however, that that may necessarily be in the cards. The blowback that's going to happen, and is happening around the world as a result of the exposure of this NSA financial economic warfare, is the elite has already concluded that they have lost Europe in the sense that they will no longer be as subservient as they have been.

To top it off, the last time we made an enemy of Germany, we ended up with –

C. AUSTIN FITTS: Was not good.

DR. JOSEPH FARRELL: It was not good.

C. AUSTIN FITTS: Well, and we've had Germany under our thumb since then, point to demonstrate it is we've had their gold.

DR. JOSEPH FARRELL: Yes. That's not going to last either. I think the failure to turn over the gold as far as the German elite was concerned, was the last straw. No self-respecting German government is going to knuckle under to that extent. This is why I think you see them playing this very careful traditional German diplomacy that we haven't really seen since Frederick the Great: a balance of power between the east and the west.

C. AUSTIN FITTS: Okay. So this is why I keep coming back to the weapons because we're talking about a situation where increasingly what we're saying is the Anglo American alliance's one advantage is their invisible weaponry.

DR. JOSEPH FARRELL: Well, here's the problem with Germany. Most people aren't aware, and those who are, tend to dispute my scenario here. I've been arguing and believing that Germany has been a closet nuclear



power since at least the late 1970s, and here's why.

C. AUSTIN FITTS: Oh, it has to be. It has to be.

DR. JOSEPH FARRELL: Oh, yes. Here's why. Let's go back to late 1979. The Carter administration accuses South Africa of detonating a bomb. The South Africans denied it. Well, this began a process of research from some *New York Times*' journalists who studied the whole thing and they concluded that West Germany and South Africa and Israel were in a partnership to develop a bomb, which South Africa did.

Now turn the dial forward to today. Germany builds nuclear submarines for Israel that are capable of launching cruise missiles and nuclear equipped cruise missiles, to boot. So in other words, Germany has the technology to do this. On top of that, most people are not aware of this, but we all know that France is a thermonuclear power. France has just brought online its new ballistic submarine ICBM launched missile.

Now this is a missile carrying MIRV'd hydrogen bomb warheads. Who builds that missile for the French? It's the Germans. They're building the warheads, okay? So in other words –

C. AUSTIN FITTS: Well, and to make matters worse, if you look at the meltdown in Russia in the '90s, for sure the Russian mafia has a nuclear weapon.

DR. JOSEPH FARRELL: Oh, sure.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: Sure. You are not going to be a self-respecting German government and not have this kind of military capability. But let's add something else to the mix here.

When the reunification happened, most people don't remember this, nobody seemed to object, and the question is why. Why didn't the



Soviet Union, which had very good reason to mistrust Germany called World War II, say a thing? Well, one of the things I suspect, and here's your Fukushima scenario – red large. If you recall at the time, Soviet Georgia, the home of the then Soviet foreign minister, Eduard Shevardnadze, experienced a massive earthquake.

This happened as the reunification was happening. Helman Cole literally didn't even bother to consult Washington or London or Paris. He just went ahead and pointed the gun at East Germany and said, "You're coming in." The interesting thing, more recently we had that strange Norway spiral episode. Germany has its own version of HAARP. This is what most people don't realize. It's dressed up like everything else in Europe, as a tan-European effort, but you scratch and sniff behind it, and it's German. It's just like the European space agency downloading all of their photos to Germany.

You had this episode of a Norway spiral where the European version of HAARP was turned on at the same time the Russians were testing a missile, which got zapped. At the same time, and, again, connecting dots here, President Obama was over there in Europe receiving his Nobel Peace Prize for doing what, we don't know. He was over there getting his Nobel Peace Prize and also to pitch the US missile defense system. Remember what Angela Merkel told him?

C. AUSTIN FITTS: No.

DR. JOSEPH FARRELL: "We don't need it."

C. AUSTIN FITTS: Spoken like a true German; a true German physicist.

DR. JOSEPH FARRELL: Yes. "We don't need it. We've got our own," in other words. So like it or not, I think Germany may continue to be in the subservient role to the US, but it's not going to be to the degree it was.

C. AUSTIN FITTS: So what we're talking about when we look at the dollar and so much of the management of the G7 economies –



DR. JOSEPH FARRELL: Right.

C. AUSTIN FITTS: We're looking at military questions.

DR. JOSEPH FARRELL: Yes, I think so.

C. AUSTIN FITTS: So I, for one, would love to have some ongoing discussion/conversation about those military questions, but I can't get them. It's, "Oh, no. We don't want to go there." Well, she has got to go there.

DR. JOSEPH FARRELL: It's taboo. It's taboo because I think the reason why, Catherine, is they don't want people to make the connection that what is propping up the dollar is the military. After we get done tonight, I'm going to do my usual Thursday night news and views, and I'm going to be talking about an article that kind of puts it right out there on the line. It's about the US dollar reserve status, and why the Chinese don't want reserve status, okay?

C. AUSTIN FITTS: They certainly don't.

DR. JOSEPH FARRELL: Yes, oh, no, they don't. Of course, not.

C. AUSTIN FITTS: Of course, not. They just launched their first aircraft carrier. Are you kidding?

DR. JOSEPH FARRELL: Yes. Well, listen. Talk about aircraft carriers, Japan just launched one –

C. AUSTIN FITTS: I know.

DR. JOSEPH FARRELL: – about two months ago. We're not calling it a aircraft carrier.

“I’m going to do my usual Thursday night news and views, and I’m going to be talking about an article that kind of puts it right out there on the line. It’s about the US dollar reserve status, and why the Chinese don’t want reserve status.”



C. AUSTIN FITTS: So now we're ready to have a war in the south pacific.

DR. JOSEPH FARRELL: Well, they're not calling it an aircraft carrier, Japan. It's not a hospital ship.

C. AUSTIN FITTS: It's peace ministry. It's peace –

DR. JOSEPH FARRELL: Yes, it's peace ministry. Well, the bottom line, Catherine, is what we're doing is we're managing to piss off some very powerful allies. Germany and Japan, it seems to me that was the last time we did it, it didn't work out too well for anybody concerned. But –

C. AUSTIN FITTS: Well, but the other thing is fighting can't get us out of this.

DR. JOSEPH FARRELL: No, of course, not. It won't. It won't.

C. AUSTIN FITTS: Right. We don't want to go into it, but it's funny. We had a subscriber lunch in San Francisco and somebody asked a very good question, "Did you enjoy the breakthrough energy conference and do you really believe any of this stuff exists?" I said, "Look, all the scientists and inventors who I know seem to be credible people and credible people I know say it exists. I don't know; I'm an advisor. What do I know?"

But I've seen UFOs and there've been thousands of sightings. This is a documented phenomenon. They are not running on fossil fuel.

DR. JOSEPH FARRELL: No.

C. AUSTIN FITTS: They are not running it. Somebody's got this. So that alone has profound implications to the economy of the whole planet.

DR. JOSEPH FARRELL: Before I get back to what I was going to say about this article and reserve status, we've got something else. We've got that Nazi scientist down in Argentina in the 1950s telling the United States Air



Force that sent down to interview him after our little hydrogen bomb mishap that, “Yes, I’m achieving nuclear fusion reactions at less than the normal thermal gradient and I’m doing so using rotation and stress and electrical stress and lithium 7 and all sorts of fun stuff, and I believe the three’s not getting to us. I’m guessing this is because it’s an interaction with the energy of the medium of space-time. That’s where the energy’s coming from.” That’s what he comes right out and tells them. Of course, everybody laughs, ha, ha, ha, another Nazi nut.

Here’s the problem. If you look into cold fusion, which back in the 1980s, was last out of the United States over to France and over to Japan and over to Germany, they have now come up with a scientifically acceptable theory to the mainstream scientists. It’s called lattice-assisted nuclear reaction.

Well, if you go back, go to my book the *Nazi International*, and read what Dr. Ronald Richter told the US Air Force at the time. He told them that he’s getting these reactions by means of some mechanism of coupling with what he called the cellular structure of space, in other words, the lattice.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: It was a lattice. So in other words, he’s thinking conceptually in the early 1950s along the same lines that, now, 50 years later is public and mainstream. So this tells me, yes, this technology went deeply black and the American black projects probably continued to be some Nazi project because here is this guy down in Argentina doing this, and he’s getting the money from somewhere. Juan Berone doesn’t have enough on his own to do it. So in other words, yes, this stuff has been around. This energy technology exists. Listen to the reserve status currencies in the last 600 years, going back to 1400. Listen to the countries that had it, Portugal, Spain, the Netherlands, France, Great Britain, and now finally us.

C. AUSTIN FITTS: Right.



DR. JOSEPH FARRELL: In other words, what you're looking at here, folks, is a very interesting pattern. You're looking at, number one, world empires, so reserve currency status puts you in world empire mode. It's expensive.

Yes, look at something else, at each of these empires. Portugal, Spain, the Netherlands, France, Britain, and the United States. Each of these empires had either vast colonial empires, and executed massive inflation at home with the corresponding loss of their industrial base. Or in Portugal and the Netherlands case, they sustained world empires just like the USA does on the Venetian model of having little trading outposts here and there, and military bases here and there.

C. AUSTIN FITTS: And a super duper Navy.

DR. JOSEPH FARRELL: Yes, and a super duper Navy.

C. AUSTIN FITTS: I'll tell you one of the secrets of Venice and we won't go into it tonight, but they essentially invented the insurance industry.

DR. JOSEPH FARRELL: Oh, yes, absolutely.

C. AUSTIN FITTS: Yes, so they found ways of allocating and managing the risk of all the different trade and expeditions so that a bad patch wouldn't take down the whole system.

DR. JOSEPH FARRELL: You know what else they invented?

C. AUSTIN FITTS: What?

DR. JOSEPH FARRELL: Double-entry accounting.

C. AUSTIN FITTS: Yes. Oh, well, it's always information technology that makes the new phase go.

DR. JOSEPH FARRELL: Yes.



C. AUSTIN FITTS: Well, in the 1400s, you combine printing with double entry bookkeeping and suddenly you're going to see an explosion globally. That's why if you look at the whole Internet payment mechanism, which we'll talk about next time, when we talk about financial vipers –

“In the 1400s, you combine printing with double entry bookkeeping and suddenly you're going to see an explosion globally.”

DR. JOSEPH FARRELL: Oh, boy. Yes. I have a suspicion I know what you're thinking. I have a suspicion I'm agreeing with you.

C. AUSTIN FITTS: Well, you know something? One of the reasons I love my job is I get to talk to you.

DR. JOSEPH FARRELL: Well, thank you.

C. AUSTIN FITTS: Well, it is so refreshing. We need to be able to go into the invention room and think about these things and figure them out because we don't know. We don't know.

DR. JOSEPH FARRELL: I totally agree, and I think people have to hear this kind of thinking because I'm with you. If you're sitting around watching CNN...

C. AUSTIN FITTS: It's too weird.

DR. JOSEPH FARRELL: It's too weird.

C. AUSTIN FITTS: It's too weird.

DR. JOSEPH FARRELL: Yes, and to try and make sense of it along normal lines –

C. AUSTIN FITTS: It's not possible.

DR. JOSEPH FARRELL: It's not possible. I mean, my word, we just went



through a political meltdown in this country where neither party can even listen to each other.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: It's like I went to sleep in Norman Rockwell's *America*, and woke up in some sort of a –

C. AUSTIN FITTS: I didn't know if you saw it. I keep sounding like a broken record on this. I wrote an article called *Coming Clean Beyond the Fiscal Cliff*, where I explained the 22 structural problems why the budget was basically stuck. Without an honest conversation about the things we're talking about, you can't reengineer the budget.

DR. JOSEPH FARRELL: No, you can't. You can't.

C. AUSTIN FITTS: You have too many people who have too little understanding of the fundamental cash flows of the overt budget, let alone the covert budget.

DR. JOSEPH FARRELL: Right. I think it was you that said this, or it may have been Richard Dolan. I don't remember, but we really are dealing with not just a two-tiered society; we're dealing with a two-tiered government. We've got the deep structure.

C. AUSTIN FITTS: And the government's not in control.

DR. JOSEPH FARRELL: And the government's not in control.

C. AUSTIN FITTS: They don't control the technology. The private investors do.

DR. JOSEPH FARRELL: Right. The government, the one that we think of in the district of corruption, is assuming all the risks and the liabilities, but has no control or say. This is –

C. AUSTIN FITTS: Right. I remember I had that job. I was legally



responsible, and I was blamed for everything. But I didn't have the operational control and power I needed to implement.

DR. JOSEPH FARRELL: You couldn't even get the information.

C. AUSTIN FITTS: Right. I couldn't get the data from Lockheed.

DR. JOSEPH FARRELL: This is what I keep trying to get people to wake up to. As long as they're thinking in terms of living in a normal republic where their voice counts and they're represented, then it's not going to make sense. But if they start to think of things in terms of an elite and oligarchy, a technocracy, and this is why I think Venice is so important because you've got the outward trappings of state, and then you've got the reality, which is completely –

C. AUSTIN FITTS: Well, we're talking about something that's very big and it's been going on for a long time, so everybody's a prisoner of the system. It's not like somebody has the power to just, "Oh, let me turn the ship."

DR. JOSEPH FARRELL: Exactly. So people can go on blaming Bush or Obama or Clinton or whoever, but these people are the sock puppets and figureheads on the stage. It's like you say, you're dealing with a hidden system of finance, and that means that the budget system is going to be intractable if you're trying to fix it solely on the basis or from the standpoint of the overt government and of the overt structure of the state.

C. AUSTIN FITTS: Well, think of it. If you are running the system, we have just passed the point where the number of people on means tested subsidy is now greater than the number of people working. You've got to go out and get the money to cover their subsidy every week.

DR. JOSEPH FARRELL: Yes.

C. AUSTIN FITTS: That's a lot of money.



DR. JOSEPH FARRELL: It won't work. That's a lot of money. It also –

C. AUSTIN FITTS: It's a lot of money.

DR. JOSEPH FARRELL: Ultimately, it won't work, and I think, now as we've been discussing, the elite has at least realized that they can't continue that game for very much longer, and they're putting in the steps. But to bring things back home. But the reason they're doing so (again, I think you and I are on the same page here), ultimately are still hidden, and they're not ultimately probably anything to do with this earth.

C. AUSTIN FITTS: Right. Well, before we close down, I'd love for you to just give a brief description of *Financial Vipers of Venice* and I want to remind everybody that the book we've been discussing is *Covert Wars and the Clash of Civilizations: UFOS, Oligarchs and Space Secrecy*. You won't be able to put it down. Do not start it on a weeknight.

DR. JOSEPH FARRELL: Well, *Financial Vipers of Venice* is the second in the series of books I had planned, Catherine, on banking and its relationship to physics and politics and elite. It's the second in a series that began with *Babylon's Banksters*, and it is kind of one of those books like *The Stone and the Arch*. It's moving toward a keystone which will be the next couple books in the series I've been working on research now, but – and incidentally that book that you sent me –

C. AUSTIN FITTS: Oh, I had to get that for you.

DR. JOSEPH FARRELL: Oh, my word.

C. AUSTIN FITTS: I got *Pieces of Eight*, which is the definitive monetary history of the United States by Edwin Vieira. I took one look at your bookshelf and I said, "This man must own a copy of *Pieces of Eight*."

DR. JOSEPH FARRELL: Well, I want to thank you very much for that. I've been reading that and all I can tell you is it's like a piece of the jigsaw puzzle that you knew was there, that no one was supplying. Well, you just supplied a huge piece for the jigsaw puzzle.



C. AUSTIN FITTS: Well, thank Edwin Vieira, because that took years of intense scholarship.

DR. JOSEPH FARRELL: Oh, I can tell. I'm gob smacked, as the British say, by the amount of research –

C. AUSTIN FITTS: At least they'll remember this as the man who went to Oxford, so –

DR. JOSEPH FARRELL: Well, yes. The amount of – folks, we're talking about a 1,400 page, 2-volume tome. It's just truly astonishing, and it confirms some of my suspicions that we are wildly, wildly off.

You know me. I'm not a medalist. On the other hand, I certainly think that money and bullion, particularly, constitutes a means of giving money value.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: That was the big point I was trying to make in *Babylon's Banksters*. You've got money, which represents a medium of exchange for value, and then you've got the facsimile of money, which is always monetized debt. He's filling in a lot of pieces there in that story. *Financial Vipers of Venice*, I wrote, Catherine, because I wanted people to understand that the system that we are in has so many parallels with Venice, particularly since 9/11, and the massive expansion of the national security state and some of the draconian powers that have now accrued to the executive branch.

They are mirror images of what the Venetians put into place at the height of their power, and when that power was under threat. It's interesting that as they saw the Venetian state begin to decline, they closed out the – this is what they do. They closed out the public debt. They brought up their own personal liquidity and transferred their base of operations.

“They are mirror images of what the Venetians put into place at the height of their power, and when that power was under threat.”



In certain sense, what we've been talking about with this retrenchment scheme is we're seeing a similar thing. They're closing out the books. They're writing off the debt, paying it off, bringing the money and the manufacturing back. So it's kind of the same scenario in that sense, but not the same in that they've decided they can't relocate, so we'd better do something with the homeland.

So –

C. AUSTIN FITTS: Right. They're trying to lower their risk domestically with control, and I think we need to find – if you look at crowdfunding other things, that's an effort to reduce their risk by the nice not rough method. What we all need to be thinking about is, “Okay, what's really going on and how do we start reducing the risk across the board?”

DR. JOSEPH FARRELL: Yes, I agree. I agree. It does no one any good if they resort to the rough methods. Ultimately, it doesn't do them any good, either, because usually those methods ultimately fail. So, yes, I'm totally agreed. But I wrote it to kind of get people to think in terms of how do oligarchies work? What's the relationship between finance and physics, which to me has always been a huge part of the story; an untold part of the story.

So, yes, it's an interesting little book.

C. AUSTIN FITTS: One of the things I really like about it is it gets into the much deeper issues, even spiritual issues of money –

DR. JOSEPH FARRELL: Oh, yes.

C. AUSTIN FITTS: – and sort of deep finance. That's an important conversation once you have the conversation of governance because –

DR. JOSEPH FARRELL: Oh, yes, absolutely.

C. AUSTIN FITTS: Nothing drives me crazy faster than the financial commentators trying to fiddle with the currency system without



discussing, “Well, what’s the governance structure under which it will function?” To me it’s just a piece of the governance structure, and if you try and do it blind without looking at the governance structure, then you get terrible, terrible –

DR. JOSEPH FARRELL: You can’t – yes, exactly. I’m glad you mentioned that because in *Babylon’s Banksters*, I’ve put the question to people that money is not simply a representation of something. It’s a representation of someone.

C. AUSTIN FITTS: Right. It’s our covenant with each other.

DR. JOSEPH FARRELL: It’s our covenant with each other. If people don’t understand this, money has represented different people at different times, and whenever money is the representative of an individual or just a few or a monopoly, it doesn’t work. That’s the huge problem.

C. AUSTIN FITTS: Right. That’s where we are.

DR. JOSEPH FARRELL: That’s where we are.

C. AUSTIN FITTS: So in closing, I want to give you two quotes for a situation. One, which I had never seen before, but I found in your book that I absolutely love – we’re going to put it up on the blog – was from Jack Valeigh.

DR. JOSEPH FARRELL: Oh, boy.

C. AUSTIN FITTS: “To look for the propulsion system inside a flying saucer may well be as ludicrous as opening up the hood of a car to find out where the horse is hidden.”

DR. JOSEPH FARRELL: Yes.

C. AUSTIN FITTS: One of the reasons I like it is when you try and talk about what’s going to happen to the dollar or any of the financial markets within the current official reality construct, it’s exactly that. It’s like



looking for the horse inside of the hood of a car.

DR. JOSEPH FARRELL: Yes.

C. AUSTIN FITTS: The other one brings me back to this idea of ‘this is quite a stress situation and we need to bring the risk down.’ It’s from Rumi. It says, “Sit down and be quiet. You are drunk, and this is the edge of the roof.”

DR. JOSEPH FARRELL: That’s good. That’s too true. Oh, my word, that’s too true.

C. AUSTIN FITTS: Anyway, well, Joseph Farrell, I can’t tell you what a privilege it is to have you on The Solari Report, to know you, to be in cahoots, to enjoy your wonderful books. I recommend to everybody that these are two books – all of your books are wonderful. As I said, I have them all piled up in my den. We’ll be back a quarter from now, but I just want to mention, I’m going to have the privilege of having dinner with you on my way back from California in November.

DR. JOSEPH FARRELL: Cool.

C. AUSTIN FITTS: Well, as usual, I can’t wait.

DR. JOSEPH FARRELL: Well, wonderful. I’ll look forward to it.

C. AUSTIN FITTS: So mention again, if anybody doesn’t know your website, mention again your website and how to find you.

DR. JOSEPH FARRELL: My website is www.gizadeathstar.com, that’s all one word, all lower case, G-I-Z-A, and then the word “death star,” don’t-compliance. Then I have a Facebook page under my name, Joseph Patrick Farrell, and that people can get a hold of me there, and they can actually get the books right off my website as well.

C. AUSTIN FITTS: Great. Okay. Dr. Joseph Farrell, you have a wonderful evening.



DR. JOSEPH FARRELL: And you, too. Thanks for having me back on, Catherine. It's been fun talking, as it always is.

C. AUSTIN FITTS: We're going to figure it out.

DR. JOSEPH FARRELL: And we're going to do it.

C. AUSTIN FITTS: All right.

DR. JOSEPH FARRELL: Bye-bye.

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