



The Solari Report

April 14, 2012

First Quarter Wrap Up: News Trends & Stories

with Dr. Joseph Farrell





First Quarter Wrap Up: News Trends & Stories

April 14, 2016

C. Austin Fitts: Ladies and gentlemen, it's a pleasure to welcome back to The Solari Report Dr. Joseph Farrell. This is the First Quarter Wrap Up. Normally I publish the Wrap Up and then ask Dr. Farrell to join me and talk through the theme and the big events, but this quarter with the intensity of change and the amazing stories that we have to cover today, I said, "This is too juicy. I'm going to see if I can get Joseph to come in early and do this portion of the Wrap Up with me."

He kindly agreed to do it. So, Joseph, I can't thank you enough for joining us on The Solari Report.

Dr. Joseph Farrell: Well thanks for having me back. And, boy, you're not kidding about this quarter just being one story after another. I can't keep up!

C. Austin Fitts: I know. You feel like you're holding onto the tail of a mustang and getting dragged all over the prairie.

Our team has been trying as we go through the quarter to collect the most important stories of the week and the month, and we spent a lot of time distilling them into four categories. If you follow along on the web presentation, you'll see the different stories divided among Economy and Financial Markets, Geopolitics, Science and Technology, and the Big Question.

As you all know from reading *Giza Death Star*, Dr. Farrell's site, you really are the master of following science and technology. I feel like I'm wandering around saying, "Can you explain that, Joseph? Can you explain that?"

I tend to focus more on financials, but they all tie together. That's part of why we have these conversations – to connect the dots.

Let me just dive in. We'll start with Economy and Financial Markets and follow the web presentation sequentially.



Global 3.0. I talk a lot about the shift from what I call Global 2.0: The Industrial Economy, to Global 3.0. One of the people who influenced my thinking on how to see this divergence in the economy--as the money got shifted out of the old and into the new – often by illegal methods and often in covert ways – was You. I stopped by on my way home a couple of years ago. I said, “I don’t get this.”

We talked it through, and then – boom! I drove through Dallas and I understood it. Then I understood the divergence.

So after three years of our discussions on this point, *The Economist* this quarter finally came out with a story called “The Great Divergence,” in which North America has certain cities that are booming, growing like gangbusters, and has other cities that are dying. The Economist calls it “The Great Divergence.”

So, any thoughts on “The Great Divergence”? You see it because you’ve moved back to the heartland. You see the dichotomy.

Dr. Joseph Farrell: Listen, I’ll tell you. I drove through Dallas on the way back from last year’s Secret Space Program conference, and I had not been to Dallas in about 25 years. I have to tell you, Catherine, I saw exactly what you saw. I mean, three-decker and four-decker freeways and a city that really – when you look at what it used to be – is stretched almost to Sherman and Denison, Texas, along the Oklahoma border.

C. Austin Fitts: Right.

Dr. Joseph Farrell: I mean, it is truly unbelievable.

C. Austin Fitts: When I came through Dallas – that time after I talked to you – every two or three miles there was a huge corporate headquarters going up with a special glass insulation for cyber security. I mean, it was one black budget headquarters after another. It was incredible.

Dr. Joseph Farrell: Yes. I saw the same thing, and saw the transition from there going north into Oklahoma and then into Kansas, and even into Nebraska. You can see the difference, palpable and visible. There are two



economies.

I was driving with a friend and we crossed the Red River into Oklahoma, and the change was like driving out of Global 3.0 and back into 2.0.

C. Austin Fitts: Right.

Dr. Joseph Farrell: There the economy is oil and construction, but there is no economy in fact because of falling energy prices and the instability in commodities. I was dumbfounded, Catherine.

And you're absolutely right about all the corporate headquarters there with the special buildings. The Dallas area is turning into a corporate world where corporations are sovereign, and that's rather frightening.

C. Austin Fitts: Right. I thought it was interesting. *The Economist* will often very carefully stay in the officially reported reality, but the magazine is very good at picking out the parts of the map where the big money is flowing or moving. Another *Economist* story called "The Problem with Profits" described how the US corporate establishment, the big publicly traded stocks and the large cap stocks, were growing increasingly more profitable and were holding their profits-- not because of success in the market, but by rigging monopolies in ways very bad for the economy.

Dr. Joseph Farrell: Yes.

C. Austin Fitts: So when *The Economist* stands up and says, "You know, you're rigging the economy in a destructive way," after it reported last year that the American aristocracy is calcifying, it's incredible. When *The Economist* is now outing the whole game, you now have Trump all over the country saying, "It's rigged! It's rigged!"

Dr. Joseph Farrell: It is rigged! Well, the problem with profits is one matter, but underneath there is something else that no one is picking up on--the

Well, the problem with profits is one matter, but underneath there is something else that no one is picking up on



cartelization.

There was a fellow by the name of Barberi or Barsi or something. He wrote a book a few years ago about networks, and how networks fit everyone separated by about six other people from anyone else on the planet. But when you look at corporations – and you’ve touched on this many times, I know – you’re looking at an increasingly dispersed cartel being formed in various industries – communications, media, information, energy, and so on. You’re looking at the creation of these corporate networks that function almost like the cartels of yesteryear, although not concentrated in just one corporation. The dispersed cartel is a very disturbing trend.

C. Austin Fitts: Right.

Dr. Joseph Farrell: As far as I can tell, the elites set up networks capable of control, and they’re actually operating in control. These networks are manipulating various markets in a variety of ways, so that the market information you’re getting is no longer reliable.

In other words, there are not really any markets anymore; they’re information media dissemination centers. It’s rather frightening.

Now you have the Chinese moving in to buy up stock exchanges and so on, and this trend – as far as I can tell – will increase. It really is another example of disparity and divergence between Global 3.0 and Global 2.0. The other thing I see happening is an increased dichotomy between a global view of things and a local one.

There’s no middle ground anymore; it’s either global or local.

C. Austin Fitts: They’re sucking up everything in the local economy, so that more is running into their hands. If that process lowers total equity and productivity in the economy, the elites don’t care. Like a vacuum cleaner, they sweep up whatever they can get.

I call it the “negative return on investment” economy, because it shrinks the pie, but elites do not care that they’re shrinking the pie. They can get away with



it so long as they can get a government to subsidize their vacuum cleaner or the damage they do--in other words, with a bailout.

Dr. Joseph Farrell: Exactly.

C. Austin Fitts: Of course, the justification on all of this is that they need to suck it all up because they need all this secret money. I mean, that's how this process got going. That's how they built the machinery and justified it, because they needed all the secret money. That's why I keep saying, "We have to talk about where the secret money is going because we can't afford the secrecy."

The secrecy is creating privilege. The secrecy and privilege combined are destroying productivity. We've got to bring transparency.

I'm glad to see *The Economist* is agreeing with me. If you live long enough...

Dr. Joseph Farrell: The interesting thing is that *The Economist* is addressing this topic at all. As you know, the magazine is a spokesman for the British plutocrats and the British oligarchy. To me, it's another example besides that article about the calcification of the political class, of which you could see evidence of this year in the election cycle. But the other thing it indicates to me is that there are big, big rumblings in the background of some huge transition. I suspect there are huge factional differences and infighting going on.

This is a clear break for *The Economist*. Although the magazine would never say so, it's a clear break from the United States and the policies pursued in this country – financially and politically. There are so many clues about divergence all over the board this last quarter, but these changes are coming and will have political consequences.

The long-term uncertainty here is the postwar alliance system staying together. I really don't see it staying together. The breakup is going to have a huge impact on global finance. If the United States continues these policies, it will lose Europe. There are just no two ways about it. I think we're also in the process of losing Japan.

On top of all this, speaking of divergence, we've had stories lately concerning



Saudi Arabia, after President Obama's talk with *The Atlantic Monthly*, and with the Saudis themselves now trying to distance themselves from oil.

For them to be considering that step means something huge is in the works, not only in terms of energy, but in terms of finance.

C. Austin Fitts: British Petroleum came out with a very interesting study saying that the United States is going to be energy-independent in the next five years. The study shows the percentage of energy coming from renewables is skyrocketing. One person just sent me an estimate from a big oil and gas conference, that indicated the same thing. Both gas and renewables are skyrocketing.

We're clearly seeing the United States becoming energy-independent because of redundant and robust sources that are very cheap. This transition is like an earthquake going throughout the global economy.

Dr. Joseph Farrell: Absolutely.

C. Austin Fitts: The next one. I have struggled so hard to find great people to talk about artificial intelligence on The Solari Report. I did a book review of one of the leading books on the topic, but I still haven't found somebody whom I want to bring on.

I struggle with ways to explain the power of what artificial intelligence (AI) is doing and the changes it has wrought in the economy. I picked out Elon Musk, saying that the Deepmind's Go victory--in the Oriental game Go--against the leading Go master meant that AI was 10 years ahead of where we expected it to be. I said, "Oh, no!"

Dr. Joseph Farrell: Imagine turning the international financial clearing and turning over most of the trades on the various markets that are electronic – the stock markets, the commodities markets – to brokerage houses that have artificial intelligence executing their algorithmic high-frequency trades. Then you factor in something that has always bothered me, Catherine, about all of this. You know me. I'm fascinated by the 2010 Flash Crash. I think that was a little indicator of what those types of programs are capable of, should they



either get a mind of their own. Or in the worst case scenario, you have programs with a back door that someone else can enter and use to exploit trading.

We're entering a phase where not only do we have this artificial intelligence coming down the pike. and with all of the financial implications that it carries – which you can't even begin to list. You add to this disturbance the oncoming negative interest rates, which I expect to have effect of exactly the opposite of what the elites are expecting. They're trying to drive everything into a cashless system.

They're trying to drive everything into a cashless system.

I think it's going to have that effect, but I think there's an effect that the elites are not banking on. They are going to need to create local economies and perhaps even local currencies by which an actual physical medium of exchange remains very important. I just don't see this cashless system as something people will trust, especially if they understand and realize the capabilities for manipulation from some of these programs.

C. Austin Fitts: Absolutely they don't trust it. If you come over to the post office with me, you'll line up on the right day behind people buying money orders because they don't want to be in the banking system. They know that they can't trust it. And they're right; they're making the right decision.

Now what the elites are trying is to get kids on the mobile phones entrained so that they'll go with it, and it's working.

Dr. Joseph Farrell: It's working with the younger generation for the moment, but as the information society spreads the news that this change may not be entirely good, more and more of these local currencies will appear. This trend started back in the 2000s after the bailouts. I think you're going to see more and more of this sort of thing come online.

I've maintained all along that you can't be running this hidden system of finance with computers because even the elites won't trust it. They're going to



keep their own mechanisms of actual physical medium of exchange, whatever it may be.

C. Austin Fitts: That's why I think they've been scarfing up all the gold.

Dr. Joseph Farrell: Exactly. Gold-backed securities. I go back to the bearer bonds. There's some huge story there that we're missing.

This AI thing scares the daylights out of me, Catherine. I don't know how else to put it.

C. Austin Fitts: It scares me because the back door is open not just to sophisticated players; the back door is to other dimensions.

Dr. Joseph Farrell: That, too. We talk about that whole thing. Among the "Members" on my website we have these little vidchats about every two weeks, and this danger is a persistent subject of discussion. And Elon Musk himself, if I remember correctly, raised the issue of a network big enough transducing something – a spiritual entity or what have you. Such a network could suddenly wake up and adopt a personality not entirely pro-humanity.

I think there are systemic and philosophical problems with any machine being able to do that. But by the same token, I don't think you can rule it out entirely.

We've been given hints of something like this, I suspect, in the CBS series *Person of Interest*. Last season, season four, had several episodes devoted to two artificial intelligences battling it out. It was a rather frightening prospect because one of the things that the evil one did was to crash the market.

C. Austin Fitts: Well, why not? Wouldn't you want to punish financiers and remind them of your power?

Dr. Joseph Farrell: Exactly. It plugs into everything else and messes everything up.

C. Austin Fitts: So this chat brings up the topic of automation, which is going faster this year. It's been behind the scenes and on the wholesale



industrial side, but now it's really picking up. Domino's Pizza has announced its delivery robot.

We've had several studies that show the majority of Americans believes that jobs are going to be automated. I don't think a lot of people realize how many white collar jobs will be automated relatively quickly.

Dr. Joseph Farrell: Yes.

C. Austin Fitts: So automation is no longer coming; it's here. It's happening every day. I think you can feel it. Every place and every industry is different, but automation is going to accelerate.

I really wonder how much is feeding into the frustration that you're seeing in the campaign.

Dr. Joseph Farrell: I think a lot of it is feeding into the campaign. I can only stand listening to so much of the current American political debate – maybe two minutes and then I have to turn it off. But when you listen to these candidates, without exception, all of them are living in Global 2.0. They have not a clue of what is coming down the pike. And so, they have absolutely no solutions.

They are so disconnected from people that none of them is really tapping into the fact of economic divergence. Maybe the closest is Bernie Sanders, but I don't think even he gets it.

No one is addressing the issue of changing technology. No one is addressing the financial repercussions this technology will have. The candidates are all living in yesteryear; not a one of them has a clue.

C. Austin Fitts: Right, and part of the challenge is how the entire global economy is working off the US federal budget and credit, and that budget has to be reinvented for this Global 3.0 .

I'll never forget, how I did an analysis in 1989. I had 7,000 people working for me at FHA, and I figured I could do the whole thing with 250 people if I



automated. And that was in 1989. You can imagine how I could probably do it with 20 now.

So Canada has started to talk about something that some European countries are doing, which is giving people a basic stipend to live on. So if you're dealing with this much automation this quickly, the question is this: By creating a minimum income standard, can you create basic personal financial security so that the transition is much more productive?

Dr. Joseph Farrell: Right. Well, they're going to have to develop something like a universal income stipend. The other concept of automation is, of course, automating the government.

This automation means that, although we have grown up to think of the most secure jobs being government jobs, that security that is a thing of yesterday as well. Imagine the federal government bureaucracies all being automated. Imagine everything that you can think of automated.

Let's really cast caution to the winds, Catherine, and look at what this means 100 or so years from now. Do we even really need a center of government? Do we really need people going to Washington, DC, and sitting in a big chamber and arguing with each other and taking votes on bills?

C. Austin Fitts: They can do it all remotely.

Dr. Joseph Farrell: They can vote remotely, and here's more pressing concern. Particularly in Europe and in North America and other countries that have both technological progress and pressing social issues, such as illegal immigration. This other pressing matter is the ideal of not passing laws without the people voting on them having read them. I think the point will come when where proposed laws must be placed on the internet in all of their thousands of words of glory, so that the public can actually read them and respond.

C. Austin Fitts: Right.

Dr. Joseph Farrell: So, you're creating the conditions for direct participatory democracy. I know that some people in the power elite are going to cringe (and I suspect that they've already seen this change coming). In other words,



I know that some people in the power elite are going to cringe (and I suspect that they've already seen this change coming). In other words, the ordinary public itself will read the laws and vote on them.

C. Austin Fitts: You're talking about participatory budgeting where they're racking up the money, too?

Dr. Joseph Farrell: Yes, exactly.

C. Austin Fitts: The problem of leadership after putting proposed laws online is that continuing to run the economy on a negative return, which it can do because it is pumping with government money, shows the public that it is paying three, four, or five times what it should need to pay because the government wants to centralize.

The public will want to optimize policy whereas now it is suboptimized, covertly.

Dr. Joseph Farrell: Exactly.

C. Austin Fitts: The problem for leadership is that when everything gets posted up and made transparent, then everybody will see ways to do better in a particular function at a much lower cost to the taxpayer. The public will want to optimize policy whereas now it is suboptimized, covertly.

That has always been the holdup on re-engineering the federal budget. You need a way to be honest about what you need covertly, and you need a way to affirm it. If you could just say, "Look, x dollars has to be produced for the black budget. We all agree; we're not going to ask what it's about. Now let's re-optimize, assuming we've got to produce that special tax."

You would come up with something much more efficient, and you would get that x into the black budget. The problem remains that all sorts of people would lose their privileges.

Dr. Joseph Farrell: It's not only that one loss, but transparency has another effect that is geopolitical. With increasing transparency of information, as you say the current situation and the current federal government is suboptimized.



So let's say you're Mr. Putin in Moscow, and you want to create a little chaos in the American political scene. All you need do is to publish the information the Western or American elites don't want the public to see.

To put it bluntly, I think you're going to see a return – so to speak – to a nation-state paradigm, by which nations are exposing each other's dirty laundry on the internet.

C. Austin Fitts: Right. I call it the Midianite thing, the capture and sale of a Biblical Joseph by his jealous brothers. The Midianite thing is happening fiercely this first quarter.

Dr. Joseph Farrell: Yes. Absolutely.

C. Austin Fitts: Second quarter is going to be a doozy.

One more under Global 3.0, and that is we're watching the move to Global 4.0 and now Global 5.0, with the idea that Global 4.0 and 5.0 are going to make virtual reality wonderful, and we're all going to disappear into our headsets and never come back.

Now we announce that the big Global firm that I never like to talk about, Mr. Google, is going to run itself off of solar drones that fly around in the sky and beam globally down so that we can all jack into the internet through our headsets and never come back. Any thoughts on what happens when 5.0 rolls out?

Dr. Joseph Farrell: Oh, boy! Take the Midianite scenario that we just discussed and put it on steroids. I'm serious. This is exactly what is going to happen.

We've heard a lot of talk about the global village, but global, communication is going to do it. You're going to have everybody's dirty laundry. The German's dirty laundry is going to be aired in France. The French dirty laundry is going to be aired in Italy, and everybody will monitor everybody else.

Just put the whole thing on steroids, and the problem becomes a breakdown of



social discourse. You think the breakdown of social discourse of common courtesy and the ability to talk and have a conversation with other people is bad now, just wait. It's going to get much, much worse.

I think one of the things that we're facing here is we're going to have to figure out new rules of etiquette and courtesy and interaction because we certainly don't have them now.

C. Austin Fitts: Oh, boy! This is a big hot button with me.

The number one cause of financial problems is health. The lack of civility and the unethical behavior or bad manners create massive stress that is bad for people's health, etc.

One thing I wanted to bring up is your book on Common Core is now available for preorder. We're putting up a commentary this week, pointing people to it. It's at Amazon, and *Rotten to the Common Core* is the title. It has a picture of an apple, and it's got a surveillance eye in the middle. It's fabulous! I think it's one of your best covers.

I wanted to mention before we left Global 3.0, that I think that what is happening with both Obamacare and Common Core is very much a part of this 3.0. You're digitizing and standardizing something, and it making it possible to re-engineer it into the big software and online systems companies and big corporations, and which destroys the local economy, not to mention healthcare and education too.

Dr. Joseph Farrell: Right.

C. Austin Fitts: But it's all part of this "sucking up" out of the local economy. To me it's very much one thing. The re-engineering of healthcare and education conceptually – and from Silicon Valley's standpoint – is basically one thing. It's the garnering of some of the last real economic power in the local communities.

Dr. Joseph Farrell: Absolutely. I totally agree. It's something else, too, in addition to that. It's the attempt to channel individual creativity into proffered channels. I have been a consistent fighter ever since my days as a professor in



college. I've been a consistent fighter against the idea of a standardized test, of selecting prepared answers that someone else has selected for you to choose from. It's the same thing in healthcare. It's channeling your healthcare options into approved channels.

What this does is to cut down on human creativity and invention. The reverse side of this monstrosity is that it cannot sustain itself. It is choking human creativity; it's choking human thought.

I see no way out but to point out to people, especially those concerned about the educational aspects of this, that the elites themselves send their children to schools where there are no computers, no technology, no tablets, no Apples – none of this stuff – where the children interact with a teacher there to teach them a discipline rather than teach them to prepare for a test. This makes all the difference in the world.

The fact that they would choose this kind of instruction is recognition that what they're imposing on everybody else is not going to work. So we have to insist on our God-given rights, insist that we have the option and the ability to do this. I go back to this fundamental thing, that we as individuals are responsible for the preservation of our culture. Turn it over to the governments and the corporations, and we are going to get more of what we have already tolerated for the last 50 years.

C. Austin Fitts: Right.

Surveillance capitalism. This is a term that I picked up from a former professor at Harvard Business school. He came up with it in the process of writing a book. He wrote a great article, and you can find it at www.Solari.com. He's done some speeches on it, but and these are my words, "Don't worry about the NSA. Worry about Facebook, Google, and all these companies that are basically invading your privacy, scarfing up the data, and using it in essentially lawless ways."

It's a remarkable work. I can't wait for this book to come out. One of the things that I noted was the same week that I started to publicize all this, a subscriber sent me an email saying that if you took the 10 largest gold stocks



on the US exchanges and added them up, they would total 29% of the market capitalization of Facebook.

Dr. Joseph Farrell: Holy cow!

C. Austin Fitts: It's pretty scary. We're seeing in the digital space a lawlessness that is completely out of control. It's almost as though we have two worlds: We have a material world, and we have a cyber world. In the cyber world there is no law and enforcement; anything goes. In the material world we have creeping totalitarianism, but anybody who has essentially got Mr. Global's approval is free to do whatever he just wants.

We're seeing in the digital space a lawlessness that is completely out of control.

It's frightening because they're planning on building the entire global operations, whether finance or distribution or communications or media, or even your cars or your house. Things are going to run on these systems, and these systems have zero integrity.

Dr. Joseph Farrell: Right.

C. Austin Fitts: I wrote in the First Quarter Report, "If the people who run our digital systems today had run utilities, we'd all be dead from electrocution."

Dr. Joseph Farrell: It's not only that, but you're looking at surveillance everything. With Common Core you're looking at surveillance education, because that's really what the system is all about. It's about tracking it.

C. Austin Fitts: Right, and that's what Obamacare is all about.

Dr. Joseph Farrell: And that is what Obamacare is about. It's all about healthcare. So my response has been – and I urge everybody to do this – is to disconnect as much as possible. I no longer do most of my book writing online. If necessary, I'll even do it on typewriters. I insist that my creative effort is mine; it's not for Google to put in a database.



I'm the same way with automobiles. I don't buy automobiles with global positioning. I don't have a cell phone, believe it or not. I never have had a cell phone. I disconnect as much as possible, and I'm not missing anything.

If anything, surveillance capitalism is a huge manifestation of "shadow work." Surveillance capitalism is something to harvest your creative energy and keep you, the individual, from performing creatively. I can describe it in no other terms. It's a huge harvesting mechanism, and we have simply to cut down our reliance upon it, and to buy real books, not eBooks. We have to do as much work offline as we can. If necessary, we have to write old-fashioned letters to people.

C. Austin Fitts: I started pricing typewriters the other day.

Dr. Joseph Farrell: I don't blame you. It's coming. On the pretense of security or terrorism or any of this nonsense, I don't want the government or anybody else snooping at what I'm doing. It's not because I'm doing anything wrong; it's just because I have the right to share it with whom I want.

C. Austin Fitts: I'll be blunt. They're not worried about what you're up to; they're worried about how they make money from snooping.

Dr. Joseph Farrell: Exactly, and that's my point. I don't want them to make money from what I'm doing. How strange it was back when I was writing my books, when I'm on the online computer and I would have a book ready to come out. Then some major publishing house would have a book come out about the same thing, attempting to overturn all my research. This has happened more than once.

I just decided, "Enough of this. I'm not going to be a little lode of information for other people to mine."

C. Austin Fitts: Right. So let's talk about financial hot potatoes because there are a so many. One is the combination of negative interest rates and cash or governments wanting to go cashless.

We've had the ECB and some of the European central banks and then the



Japanese bank go to posting negative interest rates on reserves. But I think the big event is that in the markets you've seen sovereign bonds go negative. So literally we're now at about \$8 to \$10 trillion of sovereign bonds – European and Japanese.

On Monday there was a little post in the *Wall Street Journal*, on how last week the 10-year Treasury went negative on real – not nominal – rates. We face the likelihood, and this is a much bigger market – the US Treasury market – of treasuries going to negative rates.

During the bailouts or during the Great Depression, you saw it briefly happen. But what we're talking about now is something that as far as I know has never really happened before in history.

Dr. Joseph Farrell: It's becoming systemic.

C. Austin Fitts: Right. It's a systemic move toward negative interest rates, and you're literally renting people's credit to try to protect your principal. The devastation on the financial system is unbelievable, Joseph.

In 1990 I could get 6-8% risk-free in a treasury or bank CD, and today I'm lucky if I get 1-2.5%. If I have to pay investment advisory or other fees, it takes from that. If you look at the pension funds, they have 6, 7, or 8 percent as their target to meet their payouts, and they can't do it.

If you go to negative interest rates, you're talking about the pension funds and insurance companies having their fundamental investment and business model blown up and destroyed.

Dr. Joseph Farrell: Yes.

C. Austin Fitts: Those are bedrock financial infrastructure of the developed world.

Dr. Joseph Farrell: That leads me to ask this question: What is going on with the meetings the Fed has been having behind closed doors recently?



C. Austin Fitts: Wouldn't you love to know that!

Dr. Joseph Farrell: I'm thinking it's with how they are going to respond? I think also these systemic negative interest rates are (1) blowing up the financial system, as you said, but the other significant consequence is geopolitical: Some people want to escape the Anglo-American control of financial clearing.

Like I said before, these negative interest rates are going to have people lining up, as you say, at a post office to buy money orders and take the cash out of the banking system.

C. Austin Fitts: Right.

Dr. Joseph Farrell: Maybe that's what the elites want. For the past two weeks I have tried to figure what are they really up to. If their goal and intention is to create an information-based clearing system, then cashlessness and negative rates would seem the least likely option for them.

Like I say, people are going to pull cash out, and they're going to invent local network systems with real physical media of exchange. We've already seen this.

C. Austin Fitts: That interpretation comes into whether the war on terrorism is given the necessary tools. What has happened with local currencies in this country is that the phenomenal economic desirability of local currencies has existed for many decades. Every time a locality tries to do a local currency, boy, the powers that be come down on you.

Dr. Joseph Farrell: They come down on you really hard.

C. Austin Fitts: Essentially I was trying to create local stock markets, not local currencies, but I was working with some of the people who do local currencies. We both ran into the same political headwind.

It's amazing to watch the economic warfare that comes down on anybody who does that. Hopefully, at this point we have a critical mass of people who will break through. It really comes down to this: Do the elites have the control to stop it? I don't know that they do.



Dr. Joseph Farrell: I doubt they do, too. Like you say, if you get enough critical mass around the world, you have certain countries that are trying to break out of the current financial system. They may throw their weight behind an attempt in the West to have a local currency (as we've seen in Argentina and even here in this country). You get the phenomenon in recent history of local state legislators passing bills to ensure that the constitutional currency of the realm is actual coinage.

So the first moves have happened. Whether or not this movement is going to spill over into something geopolitical, I can say only that I think it will. It must because everything else going on in the financial world is spilling over into these geopolitical consequences.

Where all this ends, I don't know. I just question the wisdom of what elites are doing. They might have something up their sleeve, for them to be pushing all these negative interest rates with consequences that they will have for actual physical media of exchange. But if they do, they're keeping it a tightly held secret.

To be honest, Catherine, I look at the current political and financial class, and I just don't think they're that smart.

C. Austin Fitts: Here's what I think Yellen was talking to Obama about. The Fed has been operating like one hand clapping, and the Fed has been carrying a load. The fiscal policy has not been aligned with the monetary policy because the political process wouldn't align or coordinate in effective ways. Everybody was too busy walking around Congress or with lobbyists saying, "What about me? What about me?"

The currently approved way to solve problems is just to print more money as opposed to having accountability or holding the system to a standard of any kind of productive measure. I think now Yellen is saying, "Look, game over. There' must be real change."

Dr. Joseph Farrell: Right.

C. Austin Fitts: That announcement could mean many things, but I think the



Fed had to deliver a message.

Here is the question remaining: I really thought the Fed was going to try to keep bumping interest rates, even if it was just a little bit. If you look at what the pension funds and the insurance companies need, it is dangerous to run at low rates, let alone to go to negative rates. The bankers backed off, and so we got a correction in the market.

Here is the thing: We are long overdue for a 10-15% correction. In the old days that was nothing. Nobody likes stocks to go down, but so what? It's not a big deal.

You would have thought the sky was falling, the end of the world. People were really scared, and the Fed backed off. The question is--Why?

I think the "why" probably comes down to global collateral values that bear on lending and derivative positions. That includes the consideration that the Chinese economy may be fragile. So I think there is a lot more concern at the Fed about global problems, not domestic.

Dr. Joseph Farrell: If what you say is true, that uncertainty amplifies the problem. I think you're correct. But if what you say is true, then even the central banks really do not have a clear picture of the real collateral value globally.

C. Austin Fitts: Well, they can't if you're running with that much secrecy.

Dr. Joseph Farrell: Exactly. This is precisely where I was going. If they haven't got a clue, then this means that there is a financial system that they're bumping up against that even they don't know about.

If that's the case, then there is no public financial analysis coming anywhere close to the actual facts. I don't see anything else, and I go back to what I've been saying all along. In my other new book coming out, I have a statement by a Russian economist about 9/11 that will just rock your world. She says essentially that there is a hidden economy, and it's gigantic.



C. Austin Fitts: Right. It is gigantic.

Dr. Joseph Farrell: If that's the case, then there has to be collateralization in that hidden system that we know nothing about.

C. Austin Fitts: And it's very intertwined with the federal government, deeply, deeply intertwined.

The story I used for the negative interest rates was Japan. As the negative interest rates began in Japan, sales of safes went crazy.

One of our best Solari Reports this quarter was with Dan Perkins, who runs a wonderful, amazing safe company here in Memphis called Hidden Safes. It's a family business that his dad started that has been specializing for decades in helping people develop all kinds of crazy safes in their house. They're all hidden, and you can get multiple safes. It's quite amazing.

I think we're going to get back to that. That's why we wanted to do the First Quarter Wrap Up on cash management options. This emphasis is going to really get people to focus on where and how they want to keep their cash.

Imagine trying to pull \$25,000 one week at a time out of the system, put it in your safe, and then have them cancel cash. What do you do?

Dr. Joseph Farrell: What do you do?

C. Austin Fitts: Then the Fed backing off was the other story.

Okay. US budget hot potato: One of the things we're seeing is that the world is changing and we must have to re-engineer the federal budget. As we said, it's all caught up with the black budget issues. We've been delaying, delaying, delaying. Poor Paul Ryan. They've got him in there just keeping his arms around it and keeping it working. That is a very hard job. I wouldn't want it.

I think they're waiting until after the election, but you're coming into an extreme re-engineering, and all the changes that we're talking about now make it worse. They have grossly oversimplified. They two choices: Move away from



a negative return on investment economy and re-optimize and get productive, which is going to be shocking for the whole contracting establishment and the payola establishment in Washington. Or move to some totalitarianism. The choice really depends on what weapons you can use to shake down everybody around the world. Call that second option “war.”

So, you can go to a positive return on investment economy, or you can go to war.

Dr. Joseph Farrell: That’s the problem, and that’s what I fear is up their sleeves. I fear some sort of war-related technology would enable them. Of course, war brings us right back to this whole black budget, to what the black budget was designed to enable.

Of course, war brings us right back to this whole black budget, to what the black budget was designed to enable.

My problem is that if choice is on the table for financial reengineering, Catherine, there is so much money awash in that system, that the return on it – in terms of the technology that we might actually get out of it – would seem to me to decline over time.

In other words, let’s say we have an antigravity widget that costs \$5 trillion to produce in this country. Let’s say that they have the same antigravity widget in Russia which would cost a mere \$5 billion for them to produce, because they don’t have the same amount of money awash in that hidden system. So, we’re producing the same thing as our rivals, and it’s costing us much more to do.

C. Austin Fitts: Right.

Dr. Joseph Farrell: This is the other problem that they have to wrestle with. We’ve seen some demonstrations from Russia and China in terms of some of these technologies in this quarter, as a matter of fact, that have to be giving them a little bit of pause. They have to be thinking, “What do they really have that they’re not showing us? They’ve shown us a bit, just enough to give us pause, which was probably the intention.”



So that throws them back on the other option. Again, the problem that I see here, Catherine, is that our political and academic classes are not addressing these problems. None of them is even beginning to acknowledge the idea of a hidden system of finance.

Some people are coming closer in the mainstream, but not latching onto how huge this budget is, in its implications for policy analysis.

I'm not seeing it in our political class.

C. Austin Fitts: Part of the problem is that many people are on a “need to know” basis. The second part of the problem is that they get to the point where everything is working for them, after which they swallow the official narrative.--The lies they created to trick the general population lead them into their own mental prisons.

I told you the story of going to New York in 1998 and having lunch with an old colleague from Wall Street who is extremely wealthy, extremely knowledgeable, and extremely sophisticated. I realized that he had become completely captured by the lie.

The lies we used to laugh at, he had forgotten that they were lies. It was one of those chilling experiences when you realize that most of us become prisoners of our own lies.

Dr. Joseph Farrell: This is precisely what I mean when I say that the political class and the political elite have surrounded themselves with “yes” men. They've dumbed themselves down. They've bought their own lies and their own propaganda, so they are unable to come up with solutions. They believe the paradigm that they're selling everybody else.

C. Austin Fitts: Right. So that leads us to the pension fund hot potato, which is very much part of the federal budget hot potato. If we're operating at low and negative interest rates, then pension funds are not making their 7%.

I had Don Coxe, a wonderful investment advisor, on The Solari Report several weeks ago. He basically said that this was going to be the number one issue in



2017. Nobody wants to talk about it during the elections, but once the elections are over, we're all going to have to face this.

His business is in Chicago, so he's looking at Illinois. If you look, for example, at the municipal pension funds over the country, you have some very serious problems – not just with the pensions, but with the healthcare benefits. They're even less funded than pensions.

We see it come up in the states in financial trouble, such as Michigan or Puerto Rico. Puerto Rico just declared a moratorium on \$72 billion of debt payments on \$72 billion. It turns out, of course, that their pension funds are underfunded. So, who's going to get the money – the creditors or the pension funds?

Dr. Joseph Farrell: Catherine, you're seeing financially the bankruptcy of the political class. Before we came on the air, I read an article in *The Daily Bill* about the coming financial crisis and how the election really is a mere distraction. You're not going to find any solution from the political class anymore.

Unfortunately, I don't think you're going to find any solution from the standard investment people. Again, they're working with a hugely flawed paradigm. I think we have to go back to the idea of local action and individual networks of creativity because these political people have no solutions. We've got to quit wasting our energy on them. They're just not going to produce.

C. Austin Fitts: Well, they can't. They're in a channel. They have to keep the flow coming into their channel, and they can't break from the official story.

Dr. Joseph Farrell: The electorate has to wake up and realize that the pension funds and so on were based on a model no longer operating. I look at it this way: I've never had enough money to invest in any of those things anyway, but now I'm glad I didn't. I would have put all that money in something that I'm never going to see any return on.

I've taken to trying to better my lot personally without involvement in any major group or corporation. For the moment, they're simply not to be trusted



until this all shakes out into whatever system does emerge. I'm just not going to depose any faith in any of these institutions. We all have must wake up and become more critical.

C. Austin Fitts: One of the things you saw in the first quarter was some very interesting movements in the flow. The merger and acquisition flow dropped dramatically. IPOs just did a swine dive and went down to almost nothing, but the thing that really rocked was venture capital.

People are looking at all this dazzling technology and saying, "I give up on all this stuff. I give up on 2.0. Let me take money and take some of this dazzling technology and see if I can make something productive with it."

Dr. Joseph Farrell: Exactly.

C. Austin Fitts: That is exactly what is happening, and a lot of really exciting things are happening in the venture area--really good stuff. But even the money people are realizing, "We had better do something to really kick-start productivity or we're in big trouble here."

Dr. Joseph Farrell: Exactly. This is the other thing: We are seeing the end of Global 2.0 in the sense that we're seeing the end of all of the glorious, glowing promises that Mr. Global has been telling us for the last 30 to 40 years, about free trade and service economy. It is not is working and everybody knows it.

C. Austin Fitts: What do you mean it's not working? It's working for Mr. Global.

Dr. Joseph Farrell: Well, it's working fine for him, but for nobody else. Ultimately you can't sit on top of the pyramid of nothing. You have to have stones underneath. You can't sit at the apex of the pyramid in thin air, which is what financial elites have been trying to do.

C. Austin Fitts: Right.

Dr. Joseph Farrell: Capitalism, to me, has always meant that you go take out a loan to build your factory to produce your widgets, wherever your factory is,



but you're actually producing something to add value to the economy.

This is the problem. We haven't been producing anything. We can produce drones and drop bombs on people, but we're not producing anything. Even some of our military equipment is made under license.

So we've got to get back to the idea that we've got to produce something, be it a book or a symphony, or a widget. There's no alternative.

Catherine, we're like the British Empire; we're living off the trust. We're living off the family trust, and it's running out.

C. Austin Fitts: Right, and off the fear we can generate.

Speaking of fear, let's shift to *Geopolitics*. So in the shift to the multipolar world, one of the stories I chose was the US State Department, between the US banks and the European banks, shutting Russia's bond sale out of the markets. Certainly I want to talk about the *Panama Papers*. We'll get into that as well.

Putin and the Russians were a target of the *Panama Papers* operation, so to speak. So the real effort to put Russia in the corner continues. So do you have any thoughts on that?

Dr. Joseph Farrell: Personally I don't know that the *Panama Papers* were an operation to put Putin in a corner because Putin himself came out and said this, and then there was this very weird story (and I actually blogged about this a couple of times on my website) on an apparently alternative Russian news site. In other words, it was not a government news site. It said that Mr. Putin was going to declassify archives going back to the 1930s.

I had some people email me after I talked about the *Panama Papers* in my "News and Views," and they said that, as far as they could tell, this website was not an official Russian website. There was nothing about this matter in any official Russian government website.

So I got to thinking, "Well, okay, then what is going on here?"



I suspect that ultimately the Russian government may have been behind that story, and here's why. If you're Mr. Global, and you designed this operation to leak papers from a pandemonium firm (one of whose partners had a father in the Waffen-SS, which immediately raised my needle into the red zone) – and you get this response out of Russia, then you're seeing the emergence of an information war of the hidden dirty laundry, as we said before, that is going to come out. So, if this were indeed a Western operation designed to get Putin or Russia or whatever, I think we will see archival information coming out from all sorts of countries.

C. Austin Fitts: I don't think the *Panama Papers* was designed to get Putin. I think that he was just a small piece of it.

Dr. Joseph Farrell: What makes me intensely suspicious about this *Panama Papers*, Catherine, is the extent to which this little law firm was plugged into so many different and disparate parts of the underground hidden economy and the players involved with it.

C. Austin Fitts: Right.

Dr. Joseph Farrell: I think quite frankly we're just seeing the beginning of this story. I think this story is plugged into the Fascist International I've been harping about. I think it's plugged into what the Russians have been saying over the past few years, about 9/11 being caused by a hidden global network with \$300 trillion worth of assets and so on and so forth, and no one paying attention to them. Now the *Panama Papers* appears, and now the things that the Russians have been saying look interesting indeed. So I'm not ruling anything out.

We've just seen the beginning of this story. This is going to go on for quite a while, and I suspect that this is going to be the new geopolitical game. It's called "Let's Air Everybody Else's Dirty Laundry." If you want to air ours, we're going to air yours.

C. Austin Fitts: Right.

Dr. Joseph Farrell: I've got to be frank with you, Catherine. I've been very



suspicious of why Israel has been so very quiet lately. Normally it is making a fuss about something, but these last few months there hasn't been a peep. And you've seen this story of a member of the Rothschild family under indictment in France, and I'm thinking, "Whoa!"

C. Austin Fitts: France outlawed prostitution. What's going on?

Dr. Joseph Farrell: I think this change is the full-scale mafia internal factional infighting information war that we're looking at. Mr. Global's nice system is breaking down, and now it's everybody for themselves.

I think the biggest story in the *Panama Papers* is invisible.

C. Austin Fitts: I think part of this is how Mr. Global is ready now to downsize the elites significantly. The elites are many and expensive. So watch: Half of them are going to get cut. With artificial intelligence. Mr. Global can operate out of a much more centralized system. So part of it is that.

I think the biggest story in the *Panama Papers* is invisible. In other words, John Doe is saying to every law firm on the planet, "You do exactly what I say, or this will happen to you."

Dr. Joseph Farrell: The other thing that's suspicious is what country this broke in.

C. Austin Fitts: It broke in the heart of Bushland, didn't it?

Dr. Joseph Farrell: It broke in Germany.

C. Austin Fitts: Oh. Okay.

Dr. Joseph Farrell: This story has apparently been known at *Der Spiegel* for over a year. Now a friend of mine in Germany just sent me an indication that the would-be whistle blowers had originally brought all this information to Wolfgang Schauble – of all people – who apparently dismissed it. So they walked across the street to *Der Spiegel* over a year ago.



C. Austin Fitts: Here's what I don't understand. These were stolen goods.

Dr. Joseph Farrell: Yes.

C. Austin Fitts: The law firm is a private law firm. There was a breaking and entering. There was stealing of private data. It's illegal. It's a felony. I mean, we're talking about serious criminal stuff. Then it was turned over to a private media entity that distributed it to others and to enhance its business.

Dr. Joseph Farrell: Yes.

C. Austin Fitts: So they have stolen goods and used them to enhance their business and make money. How does that compute legally?

Dr. Joseph Farrell: Well, it's not only that, but let's go back to the first stage of this process. How and who knew to go in and vandalize this office? This smacks to me of an intelligence operation by somebody who pinpointed that specific firm to release that specific information. This selection must have somebody quivering in his boots, because that somebody has awfully good intelligence.

C. Austin Fitts: Right.

Dr. Joseph Farrell: What really bothers me about this whole thing, Catherine, is that when you look at this story and all the people and countries and institutions and corporations and what have you that are implicated in this, it's huge. This little law firm is plugged into something extraterritorial. It's gigantic, and I'm just thinking this is not looking to me like it's an operation of simply a country; this is something else altogether. I think we're only at the cusp of this whole thing. It will go into many directions by the time it is over. I'm speaking out of intuition here.

C. Austin Fitts: When I first looked at it, the Clintons were very involved in the early promise networks. I almost looked at it and said, "If the Clintons are on the right side of this, this is going to take their fundraising to a whole new level."



Dr. Joseph Farrell: Exactly.

C. Austin Fitts: I'll be honest. Whoever did this controls the elections.

Dr. Joseph Farrell: Yes. I agree. There is something about this that just smacks of a warning.

C. Austin Fitts: Oh, the people who are being blackmailed out of this are not the ones in the database; they're the ones who this can be done to. It's a major, major blackmail because if you look at the money and power disseminating the story and making it out to look like a true whistle-blowing, there's nothing more chilling than waking up one day and finding that the general population around you, including your family and friends, think that it's more ethical to steal your stuff and do illegal things towards you. It's the rule of the mob.

Dr. Joseph Farrell: Yes it is.

C. Austin Fitts: It's very, very scary.

There are two things, however, in terms of the shift to multipolar that I wanted to touch base on, which are related to the stories that we listed. And again, I want to remind everybody to look at the web presentation because all the stories are there.

The first is this idea of the United States reaching energy self-sufficiency at a very low cost that is very, very competitive with both Europe and Asia. It's happening now, but it's certainly reaching self-sufficiency within a reasonably short period of time. That is going to rock the relationships and the importance of the Middle East and what we do in the Middle East.

The other story is the effort by the Chinese, as their economy slows, to translate and convert their dollars into income-producing assets around the world. Their mergers are down, but not Chinese acquisitions; they're off on a tear, including the Swiss Syngenta corporation agreeing to a Chinese purchase and turning down the Americans. That's a big bell, ringing around the globe.

Dr. Joseph Farrell: That's a huge indicator. For me, it's confirmation of



something I've been saying for years now. Europe is going to break away. Like it or not, Europe is going to break away, and they're going to do it just like this Chinese-Syngenta deal. Europe going to do it corporation by corporation, and ultimately pull Europe out of the alliance system. Absolutely. I couldn't agree more.

C. Austin Fitts: Do you think NATO could pull apart?

Dr. Joseph Farrell: Yes. Absolutely. I do. I've been saying all along – and people forget this – that when Zbigniew Brzezinski wrote his book *The Grand Chessboard* he talked about NATO in that book, and he presented a reminder of the NATO purpose. It really was a twofold purpose, not just one.

The obvious purpose was to contain the communist bloc, but the other purpose that he reminds people of was it was designed to contain German power. I remind people of this unpleasant fact about Germany. You have 0.1% of the world's labor population in an economy that is about 10% of the total world GDP. In other words, it's a hugely upside-down sort of economy that is so dependent on exports, particularly to Asia, that eventually the German financial economic political and military interest is simply going to pull out of NATO, and the French are not going to be far behind.

I think you're seeing the definite indications that we've entered this millennium that there's going to be a European realignment, and it's also going to include Russia. I just don't see that it's going to be avoidable that it's going to include Russia.

I think we're witnessing the last gasp of this US containment of Russia policy, and I just don't think it's going to ultimately be successful.

C. Austin Fitts: What's interesting is to look at the neocon line, declaring success, "Russia is going to down, and we're going to win." They tout a line of great confidence in the strategy working.

Dr. Joseph Farrell:

I don't see it. If anything, the Russian problem is its attempts to build up the infrastructure in Siberia and so on. Russia passed a Russian version of the



Homestead Act: “Go settle in Siberia and we’ll give you land.”

I think Russia is confronted with trying to maintain the cohesion of that huge land mass. The Chinese are investing heavily in Siberia, and now the Russians want the Japanese to do the same. So they’re using the Japanese as kind of the counter-balance to any potential Chinese influence in the region.

I don’t think Russia is going to go down; I think you’re going to see something emerge: A very quiet but very real Russo-Japanese realignment. You’re seeing this in major ways right now, and I think that’s going to continue. Russia is playing a very delicate game in the Far East, but I think ultimately it’s going to rebalance the geopolitical equation considerably.

If they’re successful in it, then this means that they’re going to pry Japan away from the United States, and I think the Japanese see this coming. They’ve seen this coming for a long time.

I don’t see the neocons as realistic in this regard. Russia is playing a soft power game, and playing cultural politics very well. The fact of the matter is that the United States doesn’t have much to offer in terms of cultural politics right now, and I doubt that it will for quite some time.

C. Austin Fitts: Well, the United States has blown so much capital on the soft revolution, and through the way it’s been done.

Dr. Joseph Farrell: Right.

C. Austin Fitts: I was trying to figure out a way to deal with about a zillion stories on Syria, Turkey, the Ukraine, and I finally just decided to refer to it as the neocon bog. I should add at the top of the list the destruction of Libya and the slaughtering of an American ambassador. So I used the link to the President’s *Atlantic* interview that has gotten so much attention.

Dr. Joseph Farrell: That was huge.

C. Austin Fitts: It was huge, and what was interesting about it was he was talking in the official reality, but he gets to the end and he says, “Look, if you



go to Asia, all these people are building and doing. That's the future. If you go to the Middle East, everybody is fighting and screaming, and we can't get bogged down in that. That's not where the future is happening."

Dr. Joseph Farrell: I'm so glad that you mentioned all of this because I really wanted to talk about that article, and about Saudi Arabia and Turkey in particular.

There is something else that's been going on in the news very quietly. Former Senator Bob Graham has been talking about those 28 pages censored from the 9/11 Commission Report, and almost everybody thinks that this omission indicates a deep role for Saudi Arabia in the whole thing.

I have to warn everybody that I have nothing good to say about that regime, about that country. It's a barbaric, medieval, odious, genocidal regime. It has absolutely nothing good about it in my opinion.

I mean, you're talking about a country where a woman who says that she's been raped can be the one punished for it. So as far as I'm concerned, it's an odious, odious regime. That said, what really brought it home and what I've been saying for a number of months now that I think Saudi Arabia is "on the menu" so to speak.

C. Austin Fitts: I agree.

Dr. Joseph Farrell: I think they're on the menu because when you add up everything that we've been talking about – the United States being energy-independent in five years, Renewable forms of energy, nonconventional forms of energy, and moving off of the petrodollar, all mean that that special relationship between the United States and Saudi Arabia since President Franklin Roosevelt is now up for grabs.

Before President Obama gave that interview, there is no doubt in my mind, he

That special relationship between the United States and Saudi Arabia since President Franklin Roosevelt is now up for grabs.



was given the green light by the powers-that-be. Then it was followed up by some interesting op-ed pieces in the *New York Times* challenging and questioning the whole relationship with Saudi Arabia in terms of, “This is a country that won’t even allow anyone to open up a Christian church and can’t even tolerate Shia Muslims.”

The poignant and curious thing here is that the Saudis are recognizing their problems. If you look at their actions in the last couple of years, they are panicking. They’re now selling sovereign bonds. They’re putting Saudi Aramco on the open market. They’ve got people over there trying to start up funds, to move the Saudi economy into a non-oil-based economy, producing energy for other countries from solar power and so on. I don’t think that’s going to be successful. I don’t think anybody will want to buy solar power from the Saudis and keep that regime in power. I mean, after all, we can put solar panels in Arizona; we don’t need the Saudis to do it for us. I think they’re scrambling.

The other country that’s on the menu – because of changes in technology that are driving the changes in energy and finance – is Turkey. We’ve seen the US Department of Defense telling military families to get out of Turkey. The Israelis in the last week have made a similar announcement, “Get out of Turkey now.”

So something is up. I think we’re going to see in maybe the next 20 to 30 years, if not sooner, the Saudi kingdom break up. I don’t think anybody is going to cry any tears over it, and President Obama is exactly right. You’re seeing China step into the Middle East now with deals about building. The Chinese ran their first silk railroad into Iran recently.

C. Austin Fitts: That’s one of the top stories.

Dr. Joseph Farrell: Yes. This was a huge story, and it dropped right off the radar in this country. My word!

C. Austin Fitts: Not at The Solari Report or *Giza Death Star*. It’s a huge story!

Dr. Joseph Farrell: I know that. Not at The Solari Report. This is a huge story. Exchanging goods by rail from China to Iran is huge.



C. Austin Fitts: It cuts the delivery time by almost two-thirds.

Dr. Joseph Farrell: It cuts the delivery time, and is it's not dependent on sea power. So this is an end-run flanking maneuver around American sea power and dominance of the seas. This is what they're all up in arms about.

The Middle East, this Wahhabism setting the whole region (and much of the rest of the world) – on fire is not producing anything. We're back to the fundamental problem. A sustainable government and a sustainable society must produce something of value. Now the Saudis are hoist on their own petard. I think what Obama was really announcing, and the *Atlantic Monthly* and the *New York Times* too. They all indicating that Saudi change is something for future administrations to address.

In other words, this was an announcement of a policy change. Just watch. It's going to come, and I think it's going to come in a way to shock people. I think the other thing here, Catherine, that we've been watching for the last few years – and even more particularly since John Kerry took over at the State Department – is how the neocons tried to stampede us into two wars, both with Syria and earlier in Iran, and they failed.

Putin put a stop to it in Syria in no uncertain terms, and then all of a sudden we're talking much nicer about Russia. I think you're going to see a multinational quiet sort of coalition forming about these radical states in the Middle East. I think their days are numbered.

C. Austin Fitts: It also looks to me as though Kerry, and to a lesser extent the President, have just slammed the door on the Israelis and said, "Sit down and shut up!"

The United States hasn't done that for 20 years, that I know of.

Dr. Joseph Farrell: This is why I've said that you'll notice that Israel has been very quiet lately. I think precisely what you say is true. They've been told to, "Sit down and shut up. Quit stirring up the pot. We have a plan. Don't worry. You're not going to be nuked or anything like that."



The other thing that we have to remember here is that Saudi Arabia made the announcement, “Yes, we’ve got seven bombs.”

Well, so what? They’re not going to do you a bit of good. Israel has hundreds. You’re not going to get anything by lighting any of those things off.

In other words, that was an announcement of desperation on the Saudi part, and an announcement that they know big change is coming in their Middle East, after the election regardless of who gets into office, be it Sanders or Clinton or Trump or whoever.

C. Austin Fitts: We just can’t afford to spend the kind of money and political capital in the Middle East that we have. Obama is saying “Why do it?”

Dr. Joseph Farrell: Right. The spending is not productive. Obama is absolutely right. The cost to us in terms of our geopolitical fortunes with the policies we pursue is a situation where the United States could count on maybe Monaco and Andorra as solid allies.

C. Austin Fitts: The coalition of some “may be willing.”

Dr. Joseph Farrell: Exactly.

C. Austin Fitts: So let’s turn to the future of the EU. One of the big stories coming up in the second quarter is the referendum in England. We’ve got the Brexit question. And, of course, we know the tensions and pressures on the Northern European countries to realign are very real within the European Union. At the same time, with everybody being in the euro currency – except the Brits and Switzerland and a few others – the currency is a powerful glue holding things together.

So what is next for the EU? What do you think is going to happen to the EU in 2016?

Dr. Joseph Farrell: This one, Catherine, is a real conundrum. I’ve been watching this growing anti-immigration movement in Europe closely. Merkel was just slammed in local and state elections in Germany for her government



policy regarding open borders and, “Welcome all comers.”

There is some serious opposition taking place, particularly in Holland and Austria and Germany and Sweden, where you’ve had this tremendous influx. Let’s be honest. You’ve had genuine, real problems from Muslims who simply refused to integrate and want to impose their Sharia law and have whole portions of cities basically living in an entire separate civilization. This is coming back to haunt the EU in a big way.

So what is going to happen is two things. First, Merkel’s government days are numbered. I think there to be a change of government in Germany. When and how it happens, I don’t know, but I think she is so weakened and now has spent the political capital that she has built up very carefully in the last few years on Greece and the immigrants. So I think there is going to be a change of government in Germany.

I also think you’re going to see a much more independent-minded government in Germany, not necessarily abandoning the EU, but I think you’re going to see a much more assertive German government. There have been little hints of this in past years.

You had the German foreign minister, Steinmeier, giving that speech a year or two ago in the hotel in Berlin that Germany’s foreign policy has got to become more muscular and militaristic if we’re going to survive in the world. That went over really well for people who remember similar statements.

The other country to watch is Great Britain. It has never made sense to me, why Britain went into the European Union, and why now it’s become such a mantra to the British political elite to the extent that even the Queen herself, according to that story leaked by a British tabloid a couple of weeks ago, is questioning the wisdom of this European Union.

When I read that, Catherine, I thought, “Whoa! The palace doesn’t comment unless it really has some misgivings.”

We need to remember we have that the British monarchy is not a constitutional powerless thing. This is not true. When the Queen summons you to dinner or



tea and then proceeds to give a speech about her misgivings about the EU, she intends you to take it to heart. This is just the way things are.

C. Austin Fitts: I think that technology and globalization are bringing about changes so swift and fast that people need to be able take stock and think. These centralized structures are suboptimizing the economy, and putting the public into frustrating double binds.

Dr. Joseph Farrell: It's a double bind particularly in Great Britain's case, and I'll tell you why. As you know, and as you've pointed out with reference to *The Economist* comments about the ossification and calcification of the American political class and so on, and the other things that *The Economist* has written, very clearly the British oligarchy is having some misgivings about their special relationship. Very clearly some forces in Great Britain are have misgivings about the relationship with the EU.

I'm going to crawl way out onto the twig of my high-octane speculation again.

C. Austin Fitts: You go!

Dr. Joseph Farrell: I think of all the countries in the West, Britain is the most able to play cultural politics like the Russians. The British are the most able simply because they've got the [British] Commonwealth of Nations. If they get tired of watching the American circus and they get tired of watching the European circus, they have a stable enough economy and a technologically advanced country, and they have a literate, capable work force in that country, I think you can very easily see the Commonwealth coming into its own right--if the cultural politics card is played well and carefully over the next decade or so.

C. Austin Fitts: Let me just point something else out. They do a very good job of hiding behind the Americans and keeping invisible, but if you look at their pro-rata share of the \$40 trillion of the financial coupe and whatever the endowments are that are swinging around the planets, they have a huge chunk of that. They run the offshore system more than anyone else, even more than the Americans.

They have resources not evident to most people.



Dr. Joseph Farrell: Yes. They have tremendous resources. This is the point I was getting to. You couple those tremendous financial resources and the existing Commonwealth of Nations, and you could easily see Great Britain step back into a role of cultural leader of the English-speaking world. I can see this happening very easily. I think there have been little signs up to and including the Queen's recent remarks, that she made at that dinner that got reported all over the British press, with the usual calls for the abolition of the monarchy, and so on.

Well, that's not going to happen. That family is too powerful. The monarchy is too embedded into British culture and constitution for abolition to happen.

I think what you're seeing are signals from the British financial and political class that indicate that they already are taking these geopolitical matters in hand and that they've already had their discussions and they're prepared to deal with Europe and America if necessary. They're watching the cousins across the Atlantic and thinking, "Oh my God! These people are nuts!" And they're right

C. Austin Fitts: They're right.

Dr. Joseph Farrell: The whole thing with Britain, Catherine, I realize is just way out on the twig of speculation, but I do think that Britain is a country to watch for all the reasons I just outlined. The other one across the channel is France.

I think this backlash against Muslim immigrants is really forcing another issue onto the table: European culture. What does European culture really mean?

You're seeing these very frank political discussions now taking place in Europe where people are just very clearly coming out and saying, "Enough is enough! This multiculturalism that we've been playing around with is destructive. Not all cultures are created equal, and European culture is better than the other cultural alternatives out there, and we've got to protect it."

You're seeing this message come from the continent, but more and more from Britain itself. When the Queen herself gives voice to it, then you know that there's a huge shakeup coming.



C. Austin Fitts: What I've seen from the Brits, long before this, but I continue to hear and see it, which is why I keep bringing up the different *The Economist* articles. Bill Moyer has a famous quote: "The problem with believing that anything goes is that anything can come back to bite you."

Dr. Joseph Farrell: Exactly.

C. Austin Fitts: The Brits are very good at long-term strategic thinking. I think that's why they're so good at the intelligence operations. They're also very good at staying behind the scenes and staying invisible. So they're long ball players. They'll get in and fight right in your face, but they're very long in their thinking.

The Brits are very good at long-term strategic thinking. I think that's why they're so good at the intelligence operations.

The United States has become very sloppy. I'll never forget being in the city of London in 1989 with some of my partners and just cringing because we were dealing with some British bankers who were strategic and very capable. What I realized is the Brits aren't playing with US federal credit, which can cover up a lot of faults and allow our players to be very sloppy. The Brits don't do that, even though at the end of the day, when you look at the equity and insurance risks, they probably command extraordinarily.

There's just a deeper, older, savvier understanding of how to win at long ball that I see in the Brits that I don't see in the Americans.

Dr. Joseph Farrell: It's not only that, but part of that long ball is that they have the connections to other important countries – Australia, New Zealand, Canada, India, and South Africa. In other words, they have a cultural card that they can play.

As the United States is so increasingly sloppy and clumsy, especially since 9/11. We've literally created a backlash against our country in some of our closest allies. Just go across the border to the north in Canada, and you hear this. Ultimately you can't blame them.



C. Austin Fitts: That's why I left Washington. I took one look at the culture that I was dealing with, and I said, "These guys are going to lose. I'd rather die in the wilderness than be part of their losing."

Dr. Joseph Farrell: I agree. They are playing with an outdated rule book, and they don't have any way of inventing a new one. They are irretrievably corrupt. I think you're going to see huge moves in Europe, and I go back to the three countries that we've really got to watch, the Germany, France, and the United Kingdom— and not necessarily in that order.

C. Austin Fitts: So this brings us to the most frightening of our topics tonight, the US presidential campaign.

Dr. Joseph Farrell: Do we have to go there?

C. Austin Fitts: We don't have to talk too much about it, but I will say this: I started completely shifting my investment strategies in November and December because when I watched how bad that process was, and I watched the current administration, with the Kerry exception disengaging. I said, "This is very bad."

I used to have a pastor who would always say, "God does not bless a mess." You now have this neocon mess, and it's so bad. You're watching Obama say, "I just give up. I'm leaving."

Of course, we have a group of players who--whether they're talking within the official reality or they don't understand the hidden system--have a conversation in many respects ludicrous. There is one exception, and that is that Trump and, to a lesser extent Sanders, have tried to bring reality into the fold.

Dr. Joseph Farrell: They really have.

C. Austin Fitts: I give them a lot of credit. That has given permission to the general population to start talking about reality. Reality is sneaking out through the cracks.

Dr. Joseph Farrell: I'll tell you what I think is going on here. Taking Trump



first, I'll be very honest. I'm repelled by the man personally, but he has changed – for all time – the nature of the Republican Party. He has exposed the fact of an ineffective political party over the past few decades. It has not really delivered on anything. Trump has called out the hypocrisy in a major way.

Sanders, on the other hand, is coming from a very different place. He's kind of tapping into some policy positions that Webster Tarpley has advocated, and has added his own twist. He has also exposed the old "What's good for Detroit is good for America" paradigm, which I think a lot of people still operate under, or "What is good for Wall Street is good for America."

He has exposed that paradigm, and he has done the same thing in the Democratic Party that Trump has done for the Republicans. He has called into question the hypocrisy of the institution itself, the Democratic Party.

He is playing to a largely uninformed, young audience that really doesn't think through some of his policy positions, but these two candidates have bucked the establishment. And that is really what is going on here.

As you said, reality is seeping through the cracks, and the establishment in both parties is a little panicked – probably less so in the Democratic Party because of the nature of their delicate system. I think that they've really put the anti-establishment feeling and rhetoric into the mainstream, and that is not going to go away. It wasn't there before. Now it is.

The sooner the two political party elites and establishments wake up to this fact, the better. The candidates have changed the nature of the political debate for the better. I don't think what they've done is going to go away. In fact, they've raised the stakes considerably. Whoever does get elected is now going to have to deliver. When the elected cannot deliver, people are really going to wake up and see that the system is broken, and demand some real alternatives.

C. Austin Fitts: That's why I think this time we can have the courage to do local currencies or other things that really shift the money.

Dr. Joseph Farrell: Absolutely.



C. Austin Fitts: During one of my favorite times during the campaign, I wrote a commentary called “The African-American Elites’.” One of the commentators had a meltdown about Trump. You could see he was in a state of fear.

I realized that this guy had had a huge business putting a pretty face on the Democratic push on prisons and all sorts of things that have devastated the black community, and his job – along with a lot of others – was to make lots of money and get lots of contracts and grants and other things, to put a pretty face to it.

Now with Trump coming along, we don’t need a pretty face; everybody is willing to deal with reality.

The same thing is happening on the Republican side. So you have Mr. Global blowing a whistle and saying, “Fifty percent of the elites are no longer needed. You’re about to get fired. Here it comes.”

Suddenly they’re going from thinking themselves as insiders to realizing that they’re about to get thrown overboard, and they’re scared to death. It has been inconceivable to them that they could lose. That loss is part of what I call the Midianites coming.

Dr. Joseph Farrell: Imagine if Trump does get elected. Why do we need all these bureaucrats? We don’t need all these bureaucrats. We have the federal government version of his reality show, “You’re fired!”

Imagine the Carl Roves and Carville and Stephanopoulos and all these policy elites suddenly fired and given their pink slip. This they’re facing, and this has them so panicked.

Even then, if neither of those two candidates gets elected and we get the establishment Hillary or we get the establishment Cruz or Kasich or whoever, the winner will have to deliver big time. This is no longer an milieu when you can get into office and then backtrack and not deliver.

Again, when they fail to deliver, the cynicism is going to notch up so



dramatically that the next election and the period in between will show people taking matters into their own hands and seeking their own solutions.

C. Austin Fitts: There were two things so far in the election that have really caught my eye. One is Howard Schultz, the CEO of Starbucks. A couple of times he has really gotten frustrated by the campaign and said things that, for someone running a huge corporation, are courageous.

One thing was that he put out a huge ad that said, “Look, it’s not the choices we make every four years; it’s the choices we make every day.”

Dr. Joseph Farrell: That’s right.

C. Austin Fitts: That’s where the real solution lies. He’s exactly right. This is the first time that I retweeted a corporate tweet.

What was interesting was at the same time that all of this was going on, you saw Mars, General Mills, and several big food companies cave on genetically modified organism (GMO) labeling because the consumers were walking away. It was a reminder that customers have lots of power and leverage, and we have to use it.

Dr. Joseph Farrell: Yes, we absolutely have to use it, and they have brought up this whole immigration policy. Trump put it in terms of national security. The bottom line here is that he’s right, and he voiced what everybody really knows and doesn’t want to say. We can’t keep taking in refugees from a troubled area of the world that is subservient to tyrannical ideology in the guise of a religion and not expect the refugees to have national security consequences.

C. Austin Fitts: Right.

Dr. Joseph Farrell: He is voicing things that everybody knows to be true except the political establishment.

C. Austin Fitts: I don’t know if you saw it, but Manhattan Ministorage in New York City put up a big ad on one of the side streets – I think it was on



one of the side streets – I think it was on the West side – and it had lights on it at night. It says, “If Trump wants to really take care of the aliens, he needs to put a wall up around the galaxy.”

Dr. Joseph Farrell: That too.

C. Austin Fitts: I got really frustrated with entrainment technology, and I decided to do a survey. I chose about 20 of the people I go to for advice and ideas and I said to them, “What percentage of the popular support for the leading candidate on the Democratic and Republican side comes from entrainment technology and subliminal programming?”

In other words, if Richmond Valentine – whom Samuel Jackson played in the *Kingsman* campaign, who is the guy with the tool working through the satellites and the SIM cards mind-controlling everybody – turns off the machine, what percentage of their support are Trump and Clinton going to lose?

The consensus number of all 20 was 75-80%.

Dr. Joseph Farrell: Oh, I believe it. A lot of it is hype and mind-manipulation techniques.

C. Austin Fitts: Right. So then my second question to this group of 20 people was, “What percentage of the population understand how that is so?”

They said less than one percent.

Dr. Joseph Farrell: I agree.

C. Austin Fitts: That’s why this whole thing feels so Orwellian.

Dr. Joseph Farrell: It is Orwellian. The problem here, Catherine, for the establishment and the elite is that, regardless of who wins, they have to deliver now. Entrainment only carries you so far. Reality has a way of intruding onto the best of technologies of mind manipulation. They have to deliver in a way so that the *body politic* no longer feels shut out but feels genuinely represented.



Of course, the elites can't do that. They're incapable of doing that. So I think to a certain extent this emergency may be a good thing that comes out.

C. Austin Fitts: They got me involved. I said I was only going to try to spend 10 hours this year on the campaign, but listen to me talk. They sucked me right in!

Dr. Joseph Farrell: I'm the same way. I was adamant that I would not comment at all, and I haven't to this day commented on the website about the political campaign because I'm so disgusted by it. But on the other hand, for the more limited audience I do think that this is a last hoorah for the political elite class in this country.

There are no two ways about it. The American people have been disenfranchised in the past few decades. There are just no two ways about it. When you can pass a healthcare bill behind closed doors in the middle of the night, not having read the entire bill, this isn't law. This isn't representative democracy. This isn't a republic. This is a shadow game that's being played for corporate elites.

As long as they keep playing it and shutting the people out, then quite frankly you're in a prerevolutionary state. I thought it was very interesting that Princeton recently did a study on a prerevolutionary state of affairs. If this trend continues, the result is going to be disastrous.

They have to deliver. They've got to deliver something in this next election that is of real benefit to the country – not just to corporations. Like you say, we've got real power. Quit eating GMO foods. Turn off your television. Why should we pay for television advertising these companies, that we pay for to watch a program? Turn it off.

I recently was contacted by Nielson to do a radio thing, and I don't listen to the radio. I'm going to write a letter to them, "Here's my response to your ratings. I don't listen to this stuff anymore."

I don't buy at the sponsors who are on these stations. I occasionally write to people who are sponsoring some of these programs and tell them that they are



sponsoring a program, and that's it for me. They don't have my business anymore.

Just turn them off. Reject them. It's high time.

C. Austin Fitts: Right. That's what Schultz was saying.

So this means assassination and covert operations are getting more obvious, and I chose several stories on this, but the one I have to bring up to you is the Kalamazoo gunman who told police that his Uber app made him do it.

Dr. Joseph Farrell: Yes.

C. Austin Fitts: That is actually possible.

Dr. Joseph Farrell: Yes. We're seeing more and more of this stuff get major attention. Eventually, Catherine, I hope to do a book on mind-control techniques and technologies so pervasive in our culture.

C. Austin Fitts: Oh, that would be so wonderful if you would do that, Joseph. That would be fantastic.

Dr. Joseph Farrell: Catherine, you can't turn on the TV and not be subjected to this stuff. I mean, they're driving talking points and agenda. We're a far cry from Dick Cavett or William F. Buckley. It's true.

You think back to those programs where people were actually discussing things, and discussing things intelligently. What you get now is absurd, and it's all manipulation. It's all subliminal suggestion and Madison Avenue psychological warfare advertising techniques and so on and so forth. I'm to the point, like you, where I'm buying typewriters and getting away from as much of this as possible, and I don't miss it.

I've been without television now for almost a year. I have not watched any television. I have cable, but I haven't hooked my television to it. I haven't watched any of it, and it's the best decision I ever made. I don't miss it.



If I want to watch something, I rent a DVD and watch a movie. I'm not subjected to it anymore. I've turned off talk radio. Mine is a different world. I'm back in reality. I'm not running from one fear issue to another fear issue. It's refreshing.

I don't doubt that this guy had something like this happen. The thing is, you go back in history to some of these murders, and the Son of Sam said the same thing. Who was the guy who murdered John Lennon? He said the same thing. I don't doubt it.

C. Austin Fitts: Of course. that technology exists, so we know it's perfectly possible.

Dr. Joseph Farrell: Of course, it does.

So the story came up, and I had to call you. I just couldn't not call you about it. It was when I saw that the Temple of Baal replica will be erected in Times Square and in the City of London, after they are destroyed by ISIS.

You and I have talked a lot about why we think ISIS is essentially being paid to run around and destroy the antiquities.

Dr. Joseph Farrell: There are two trains of thought there. Let me address the Temple of Baal first. Briefly put, Catherine, I think the elites are telling us that this Baal is who we worship. I think it's now blatant and in our face, that we have no truck or investment with anything resembling traditional Western values or Christian civilization. This is the open declaration.

Before he died, I corresponded for a few years with Father Malachi Martin. He went on *Coast to Coast* back in the Art Bell days. He said very bluntly that many of the most powerful and oldest families of the American establishment in the northeast were involved with the blackest kind of occult, and I don't doubt it for a moment.

But the antiquities part of this story involves some serious in-depth research. I've thought for many years, going back to the Bagdad museum looting, that there is an antiquities agenda, and that somebody is trying to collect something.



I suspect that what they're trying to collect is information or technologies – either information about those technologies or the technologies themselves – because from my own study of it, those ancient records are very clear that something pre-existed our current cycle of civilization, a very high and very sophisticated civilization in terms of its science and capability.

I don't see any other real reason for our continued involvement in a lot of these hot spots, which interestingly enough have a lot of interesting antiquities.

Just before the destruction of Libya, and before Hillary went over and cackled, “We came, we saw, and he died,” (which I think reveals what kind of character she really has, and it's not good), Libya was discovering things in the southeastern Libyan desert by a satellite radar tomography and other techniques. After this happened, Libya coincidentally gets targeted for regime change and all that. The same thing happened with Syria. There are antiquities in Syria in some of the hot spots that we're involved with.

There is no doubt in my mind that there is an antiquity story here that no one really has investigated deeply enough to make a hard and fast case. It's all intuition on my part, but I don't doubt it for a moment.

C. Austin Fitts: Right. Well, people who don't know their history are much easier to control.

Dr. Joseph Farrell: Absolutely.

C. Austin Fitts: So I think that's part of it. I also would love to know what's going on underground in the Middle East because I don't think we see the full picture. As you know, I don't think Cheney was worried about nuclear weapons, but I do think he was worried about some kind of weapon.

Dr. Joseph Farrell: Oh I do, too. I think the weapons of mass destruction – bingo! Ding! Ding! Ding! I think the threat Iraq weapons of mass destruction thing was a cover for another kind of weapon altogether that really was there.

We have to go back and remember, Catherine, that Saddam Hussein had teams of French and German archeologists digging up the country for him, and that



he was fascinated with the characters of Nebuchadnezzar. He may have thought that he was the reincarnation of Nebuchadnezzar.

He had a penchant for the superweapon – Gerald Bull and the supergun. I think that Saddam Hussein was looking for this stuff and that this was ultimately behind what he was talking about. As you know, in my book *The Cosmic War* I went into those Mesopotamian texts about these tremendously powerful but hidden weapons. I think there was an antiquities war that literally was the objective of the invasion.

I know that sounds nuts and crazy.

C. Austin Fitts: It doesn't sound crazy to me at all, because I don't think the truth has ever come out of why we went into Iraq.

Dr. Joseph Farrell: Right. It wasn't about oil or Halliburton or any of that stuff.

C. Austin Fitts: It wasn't about any of those things. I think those guys were really afraid about losing the dominant position.

Dr. Joseph Farrell: Yes. It's not for nothing that you had the Germans and the French in there with their archeological teams.

C. Austin Fitts: Right.

Dr. Joseph Farrell: This is an old story, Catherine. It goes back to the Kaiser's times, the Germans in particular digging up that region. Who's their main competitor? The British are digging up the region. They're looking for something.

C. Austin Fitts: Which brings us to your greatest strength here: **Science and Technology**. Are you ready for Science and Technology?

Dr. Joseph Farrell: Yes, I hope.

C. Austin Fitts: We start with a space-based economy, and Boeing's ad at the



Super Bowl. I'm a believer that if you want to basically put a picture up for the American male that says, "If you want to play ball, here's where you go," you run an ad at the Super Bowl.

Dr. Joseph Farrell: Yes.

C. Austin Fitts: I just finished publishing our release "Space, Here we Go" in the Annual Wrap Up, thinking I was way out ahead. Then Boeing ran an ad with space elevators and civilizations on Mars and all of our electricity coming from solar power stations in the orbital platform and I thought, "I guess I'm just right in the swing of things."

So what was that all about?

Dr. Joseph Farrell: Quite honestly, Catherine, I think that we have been watching –about this technology coming online and that technology coming online, and about US energy independence in five years with renewable energy sources, and so on and so forth, as well as the Saudis planning to move off of oil!

This is all pointing ineluctably and clearly to the fact that we are watching the elites prepare us for a huge transition from a financial and energy system that has been based upon the premise of a closed, nonrenewable energy system of entropy – quite frankly – to a system of open systems of energy and therefore a totally different paradigm of finance.

Ultimately, Catherine, I think what has flummoxed the elites for years, is that they realize how this new kind of energy system ultimately overthrows the whole debt-based system of money with a coup d'etat. Now they must deal with the fact that one can have a return on principal that will make money; And one does not have to keep putting people into skyrocketing debt and interest and so on and so forth. This is a huge change.

All sorts of announcement right now have it that Boeing and Lockheed are getting ready to lay off hundreds if not thousands of workers. This layoff is not because of the companies are suffering economically or financially; it is because, I think, they've got the technologies, and they're ready to bring them



online. That's what I think all of this is about.

C. Austin Fitts: The big question always was this: If you brought these new technologies online, would it be the traditional energy in the fossil fuel industry to do it, or would it be the defense contractors – basically the guys leading the space effort? So, we have seen in the first quarter that Lockheed is creating an energy group. That's like saying, "This is our long-life business: Energy."

Dr. Joseph Farrell: Remember that a couple of years ago Lockheed announced its little fusion reactor that Lockheed wanted to put on the back of a truck. Now this story insignificant story, and here is why, Catherine. When you look at that fusion reactor (and they're commercial about it), Lockheed shows what looks like a small stainless steel ball with little cylinders stuck into it, and with little glass things that you can look through. This was Lockheed's fusion reactor.

I point out, Catherine, in a blog on my website, that when you compare the look of this actual Lockheed little fusion reactor to a patent that was taken out by a the American engineer Philo Farnsworth, the inventor of television, who took out a patent for what he called a Plasmator and a Fusor back in 1965 and 1966, believe it or not. He actually tested them and got sustainable fusion reactions that were stable for about 30 seconds. That was his claim.

We've had in recent years claims of the Germans and the Chinese being able to sustain fusion reactions of 1/1000th of a second, and they're ecstatic. In point of fact, this technology that Lockheed revealed recently resembles Philo Farnsworth's invention decades ago palpably and visibly to the eye. The actual diagrams of Farnsworth's device and what Lockheed showed us are almost identical.

In other words, I think you are definitely looking at a technology that has been in existence for quite some time, developed by the black budget and defense corporations. Now they're letting us know that things are much further along than we could possibly have imagined.

The real question is: Why now are they bringing this into the public eye and consciousness after a century – literally – of suppression, beginning all the way



back to Tesla and Morgan?

C. Austin Fitts: Because it's time to move forward and integrate it into the official reality.

Dr. Joseph Farrell: Yes. It's time not only to do that, but to track the globe to make sure that nobody will use this extraordinary technology in dangerous ways. Trust me, it can be utilized in extraordinarily dangerous ways.

C. Austin Fitts: So they have it risk managed.

Dr. Joseph Farrell: Yes. They have it risk managed. Do you really want a fusion reactor next to your house? Do you want to be sitting next to a chain of hydrogen bombs? That's what I'm asking.

They've got things nailed down now where the risk element is to their satisfaction and out of the picture.

There's another thing that we need to remember. In the Bilderberg meeting about five years ago – or maybe longer – one of the main questions was fusion.

In other words, the elite knew at that point that this was coming down the pike, and we've got to be ready.

We need to ask ourselves "Why are we bringing this out now?" I notice on your outline you have, "Space: The Final Frontier. NASA establishes planetary defense office."

C. Austin Fitts: Right. That was another one, whereof I said, "I've just got to send this to Joseph immediately."

Dr. Joseph Farrell: Yes. Why do we need a planetary defense? Defend the planet from whom?

Do you really want a fusion reactor next to your house? Do you want to be sitting next to a chain of hydrogen bombs?



C. Austin Fitts: Because we're going to break the treaty agreements. One of the finest presentations I've ever seen is your presentation last year at the Secret Space Program 2015, on how a treaty agreement works between a conquering company and the loser, and how enforcement of the treaty agreement happens. It explains much of this multiple personality about different technologies that are going on.

So you literally with Lockheed opening the office and NASA having a planetary defense office say, "Okay, we're tearing up the treaty."

Dr. Joseph Farrell: Right. We're tearing up the treaty, and God bless Dr. Carol Rosin, spokesperson for Wernher von Braun. She's been saying this for years. First it's going to be that the communists are the reason we need to have space militarization and weapons. Then it will be terrorists. Then it will be nations of concern, then asteroids, and then finally extraterrestrials.

The real question is: Why did Russia just roll its entire air force into a space command? Why are we setting up a planetary defense office? Who are we defending against? Is it just asteroids?

When you put it that way, how are you going to blast an asteroid out of the sky? Well, you're going to use some pretty powerful weapons to do it, and I don't think they're just hydrogen bombs. I really don't.

C. Austin Fitts: Right.

Dr. Joseph Farrell: Then the question is: What do they know that they're not telling us? Let's really refresh people's memory here. In recent years, the Vatican has made some astonishing pronouncements, not the least of which come from this Pope. "Would it be okay to baptize aliens?" The answer is, "Yes."

Then the Pope gave that strange homily a couple of years ago, after he was elected, that, "It would be okay to have Martians be Christians," and so on and so forth.

You've got to be thinking, "Why all of this sudden push for space alternative



The point of the matter is, Catherine, that if you're going to confront a potential enemy like that, you've got to have a planetary civilization and you've got to have energy systems and therefore financial systems that can sustain an effort like that.

C. Austin Fitts: I should just mention that effort could be space weapons controlled by breakaway humans, who don't represent a sovereign government but have the financial wherewithal for weapons.

Dr. Joseph Farrell: Exactly. I think this is actually what we've been looking at. Richard Dolan and I have been arguing that we've had a breakaway group like this for quite some time, and I think what we're seeing now is they're announcing the fact that, "Yes, we're here. We've got this stuff, and we're taking over. There's a reason why we're taking over now. We have to get ready for something," and who knows what.

I definitely see that in the cards. The problem is that I don't see this breakaway group as being all that benign or benevolent. Like you say, we're breaking a treaty here that goes back a few years, but that topic is for another interview.

C. Austin Fitts: So, let's move on to health freedom. In the health freedom area were a couple of positive events--one being General Mills and Mars throwing in the towel and Vermont getting a vote. You're seeing the consumer really pushing back on food.

Another was Ty Bollinger's publishing a nine-part CDC piece called *The Truth About Cancer*, in which he literally went around the world and interviewed almost every leading practitioner applying natural solutions to cancer. It's an amazing feat. It's hours and hours of streaming with transcripts and everything. I finally bought a copy just so that I could circulate it around here.

It was so devastating when you see that many unbelievable doctors and researchers and scientists. The accumulated weight just blows it out of the water. It was interesting. Literally a week or two after that the President announced Biden's effort on cancer, and they started making announcements that they think they have the cures for cancer. You could see the traditional guys saying, "Uh-oh! We're about to experience a real breaking of the official



reality.”

I think the events were connected.

Dr. Joseph Farrell: I’ll tell you what my suspicion is, Catherine. I suspect that behind Obamacare as a surveillance thing, I suspect that Obamacare is also an attempt to break the big pharmacy monopoly – the whole chemical/surgery approach to medicine in this country.

C. Austin Fitts: Right, because it’s breaking the Federal budget.

Dr. Joseph Farrell: Yes, because it’s breaking the Federal budget, and some therapies that are supposedly *alternative* are dangerous. (I saw on your outline that they’re finding cancer enzymes in vaccines and so on and so forth.) Yes, the medical system is not set up to “cure” you; the medical system is set up to make profits, and it can only make profits so long as you’re kept sick.

It is breaking the budget, so the paradigm has to shift. It has to shift, and here’s the clincher for me, Catherine. A huge battle of information and a huge war are going on to control of the paradigms by which we live and think our daily lives. Putin, of all people, and said, “Look at the Americans. They’re fat, they’re vaccinated into stupor, and they’re drugged into stupor with ADHD.”

He’s really, Catherine, a major world leader of a world power taking it upon himself to side with the so-called “alternative health community” in this country. That’s huge! This was not an ill-considered spur of the moment comment on his part; this comment was a deliberate policy decision.

I think, yes, in healthcare you’re going to see more and more of this stuff, and it’s going to hit the mainstream. They can no longer hide it.

We’ve had this “war on cancer” for decades. We’ve spent millions, and gotten nowhere. You can’t tell me that there aren’t cures out there for different kinds of cancer. There certainly are, and I can tell you one from personal experience.

I lost a sister in the year 2000. She was diagnosed with a malignant glioblastoma, which is the multiformed tumor that grows along the folds of



the brain. She was approved for an alternative therapy at one of three only hospitals in the entire United States “licensed” to perform.

The therapy was simply an injection of platinum in liquid form directly into the tumor through a catheter. She took this treatment at a hospital in the very town where she lived. She underwent the procedure, and then her husband and I got a call from her doctor. He said, “You’ve got to get down here right away and see this.”

So we went down to the hospital and he put up the x-rays and the MRIs of her brain, and we all stood there amazed because the tumor everywhere was black; it was dead everywhere. Dead. Gone.

I turned to the doctor and I said, “You’ve got to write this one up for medical journal. I can’t believe this. A glioblastoma dead?”

Do you know what his response was? I’ll never forget this. His response was, “No one would believe it.” That was his response.

She ultimately died because during the process they had nicked a blood vessel in her brain. She didn’t die of the cancer; she actually died of a brain hemorrhage. But I will never forget that doctor’s response.

When you research some of these alternative therapies, particularly for virulent cancers, you discover that there is a whole literature in the field which government and corporations have blocked from getting into the marketplace because there’s no profit in curing the disease.

C. Austin Fitts: Right, let alone with things that you can’t define as a drug.

Dr. Joseph Farrell: Exactly. I mean, look at the recent effort of the FDA to make hemp oil illegal, because hemp oil has cancer-curative properties.

In other words, this insidious system formerly had corporations protecting their investments and research through patents. Now the corporations abandon their patents and announce, “You can’t grow this plant; you can’t grow that plant. You can’t have access to this, and you can’t have access to



that,” although the plant or substance was put here by nature and nature’s God. This process is insidious.

C. Austin Fitts: This recognition goes back to where we started, which is *The Economist* saying that profits aren’t coming from success in the marketplace. They’re coming from these techniques.

The other thing I wanted to bring up was a very bad precedent in Australia creating the regulation, “If your kids don’t take the vaccines, you won’t get the government check.”

Dr. Joseph Farrell: Again, Catherine, this is insidious when corporations resort to mercantilist policies and use government power to force people to do things that they have good reason to doubt. This is a sign of desperation and a sign that corporations know the harm when they force people to accept these treatments.

C. Austin Fitts: Right.

Dr. Joseph Farrell: No, no, no. If I were in Australia, I’d be in an open revolt.

C. Austin Fitts: I don’t know if you’ve been watching the suppression of the documentary *Vaxxed* about Andrew Wakefield. It’s been quite interesting.

Dr. Joseph Farrell: I’ve heard about it, but I haven’t watched it.

C. Austin Fitts: I think that the fight over vaccines in this country is escalating. One of the magnificent moments in the campaign was when Trump started talking about connecting vaccines and autism.

Dr. Joseph Farrell: Yes!

C. Austin Fitts: Oh, you should have seen the pushback!

Dr. Joseph Farrell: Oh, yes I know.

C. Austin Fitts: He was talking about a beautiful baby who was fine, and then



it gets a vaccination and suddenly the baby is sick as can be. It was quite amazing.

Dr. Joseph Farrell: There are stories of Mexican children being used as experimental guinea pigs for some of these drugs, and we know one Mexican child died. It died from this officially approved medical treatment.

I think the Gates Foundation or somebody in India sponsored all these program. It would not have been reported had not Trump made that statement and had not Putin made his statement. In fact, Putin made it before Trump.

C. Austin Fitts: Right.

Dr. Joseph Farrell: So this isn't an issue to go away. The hypocrisies built into the current Western system of corporate privilege need to come to an end.

C. Austin Fitts: Right. The next topic is zero integrity systems. I don't want to spend too much time on this because I can get lost in this one.

We're sitting in a reality where the design is organized around the internet of things. Our cars are to work on the internet, our books are downloaded from the internet, and our houses are to be connected to the internet. Everything is to be connected to the internet. Every day we get another message that our systems have zero integrity. You can't trust them, you can't rely on them, and they don't work.

As cybersecurity and cyberhacking issues get worse every day, the idea that we're going to depend on all these systems for everything makes us think, "Wait a minute. There is a disconnect here. You are pushing to systematize everything into zero integrity. How can this transformation work?"

Dr. Joseph Farrell: Well, it doesn't work. I'm with you on this, Catherine. You can't expect people to be forced into a system that has no integrity, that is not

The hypocrisies built into the current Western system of corporate privilege need to come to an end.



respectful of privacy, and so easily hacked. My word! We're seeing the federal government being hacked, and it has some pretty sophisticated systems.

If people don't realize that by going all internet opens them into a world of frustration, just think of what happens when your computer doesn't cooperate or goes down. Imagine the same thing happening to your house or your car when your internet service provider decides, "Oh, we need to work on this. We're taking everybody offline for a few hours," and you're travelling the interstate at 70 miles an hour. This system cannot work.

As far as downloading books, Catherine, the idea of having all of our information in electronic form means that that information can be changed or adjusted at the tap of a button. I tell people to buy the hard copy because that – from the author's mouth – is the canonical copy, not the electronic form, be it PDF or Amazon Kindle. And they don't call it "Kindle" for nothing, folks. They want to burn books and control the information that you read.

C. Austin Fitts: Right.

Dr. Joseph Farrell: The only canonical copy of anything is the written copy. So buy your copies of the Constitution and Declaration of Independence and Magna Carta in hard copy form. Insist that it is not the equal of the electronic copy, insist instead that it is the only copy you will use. I do none of my business and pay none of my bills electronically. I write out a check and I keep the paper record because I do not trust anybody else with my personal information.

If you thought the Soviet encyclopedia under Joseph Stalin was bad for changes from one year to the next, with Yagoda being airbrushed out of the picture, just wait.

Amazon recently took off a book of a well-known alternative researcher from its publication list because the book supposedly violated some sort of corporate standard or some such nonsense, and it wasn't a violation at all; it was simply that Amazon didn't like what this guy was saying.

C. Austin Fitts: I'm familiar with that story, and my guess is they got a lot of



complaints from customers about that book because it was so far out of their official reality.

You deal with that. When I was a surrogate speaker in the campaigns in New York, we used to call them these complaining people “baby seal people.” They showed up and started whining about, “They’re clubbing baby seals,” and we felt like we were talking to zombies. But they can torture you to death.

I suspect that complaint process happened within complainer groups, and Amazon didn’t want to get in the middle.

Dr. Joseph Farrell: But this essential problem is an example of corporate power and censorship. So, I’m adamant that you’ve got to have hard copies.

The other problem here is, especially to the younger generation, that not everything is online. In fact, most of human history and records are not online. So if you really want to know what’s going on, you’re going to have to learn how to use a card catalogue and go to an old-fashioned library and hold an old-fashioned thing called a book, and do some real research. That’s where the real information is.

C. Austin Fitts: Right. We’re down to the **Big Question**. What does Richmond Valentine want? Richard Valentine is played by Samuel Jackson in the *Kingsman*. He’s the guy who controls the satellites and the SIM cards and the tones that go out that manipulate everybody’s mind. So that’s the question. If the thing determining who wins the Republican and Democratic nomination is Richmond Valentine, what is Richmond’s goal here?

Dr. Joseph Farrell: Well, it’s very simple. I think you’re dealing with a political power class that is narcissistic, a group of psychopaths, with no regard for other human life. Their goal in life is to gain as much power over other people as possible and to have everybody agree with them. It’s a form of power. Ultimately I think it’s a form of self worship. I think this is what they want.

The sad thing that these people don’t realize is that no matter how much technology you apply, if you coerce that kind of response from people, you’re really not getting the response that you want. So you’ve got to have more. You



become an addict to the process itself, because you can never satisfy that inbuilt need for free affirmation from people who give it freely.

These psychopathic people want pure power in a form of self-worship that ultimately gets them nowhere and leaves them empty.

C. Austin Fitts: I've been very struck with talking with people whom I have tremendous respect for, who are competent, capable, and who normally don't care about campaigns: I am struck by their fury that Hillary Clinton is the potential Democratic nominee and their negatives are so extraordinary. These are not people who've lost money in the bailouts. You're talking about the kind of people you need to run the country.

In the next 60 days the FBI has to indict Mrs. Clinton or to give her a pass on her global racketeering with government information. I saw a former US attorney who said, "Look, if they don't indict, you're going to have a revolution in the intelligence and enforcement bureaucracies, because these people have to go out under the protection of confidentiality and do all sorts of highly dangerous things."

If you have a presidential candidate or president who with the cabinet and subcabinet can steal confidential government information and use it to line pockets globally, how can you implement policy? If the bureaucracy doesn't do a Watergate, it will go into passive-aggressive shutdown mode.

Dr. Joseph Farrell: Exactly. It's going to be one of those two scenarios if she gets the nomination and wins the election. This is such a watershed election.

I know people in the intelligence community who say the same thing. One of two things will happen. Either a means is contrived to take her out of power – another Watergate type of thing – or an even worse scenario. If you study Vatican politics, you'll know what I'm talking about. It's called the "Supreme Sanction."

In other words, in Roman Catholicism some Popes have not been to the liking of the actual power elite – the Cardinals, who run the bureaucracy – and so the cardinals can shut down the bureaucracy. The Popes cannot do anything. They



cannot implement anything during the “Supreme Sanction.”

I think, should no indictment come down, and she wins the nomination and the election, we are in real danger of seeing an almost inner agency federal bureaucracy ‘Supreme Sanction’ against her. They will simply not carry out her decisions, and that could be dangerous, particularly in the intelligence and military community. Effectually you will have a commander-in-chief who cannot do anything.

So, I tend to think, Catherine, that we are looking more at the possibility that the elites going to contrive some means to get her out of office or impeached, as they tried that with Bill Clinton.

C. Austin Fitts: You would think they would have the power to keep her out in the first place.

Dr. Joseph Farrell: Well, the problem is that the national security state is badly fragmented into factions. I do think that there is a rogue faction that has its connections to family dynasties that have questionable histories – the Clintons being among them – and it has good friends with that other family dynasty with a questionable history.

This goes back to their alliance during the Reagan era when he was Governor of Arkansas and participating in all of that stuff. So, they are protected by a certain people, but those people do not control the entire bureaucracy. And that is the danger. It could get very, very nasty.

C. Austin Fitts: Right. It’s interesting. One of Clinton’s cards is that Bill is also an attorney and can run around the world racketeering and still cover her back. I don’t know if you’ve seen some of the recent examples of his speaking on the campaign. His health is deteriorating rapidly.

Dr. Joseph Farrell: I’ve seen that. He does not look good.

C. Austin Fitts: Without him, I don’t know. One thing I can say is that I don’t agree with Bill Clinton on most things, but he is an astute politician.



Dr. Joseph Farrell: Yes.

C. Austin Fitts: He's much more astute than she is.

Dr. Joseph Farrell: Oh, absolutely. I don't know his health deterioration. I have my suspicions, but she presents a conundrum of a very different sort from Donald Trump's because the power elite understands that she has murky connections.

The other thing that disturbs me is that she is in a weak position diplomatically, *vis-à-vis* other power players in the world. Just imagine, if you've got this kind of question hanging over her with what is known publicly, just imagine what the Russian SSI or the Chinese intelligence or whoever may have on her. People have got to start thinking about these types of things and understand that if she wins, she is going to be in a position *vis-à-vis* other world leaders.

Think of every major power in the world, and they've all got their "control files" as you call them on her. This situation is a very delicate.

C. Austin Fitts: If you can't get anything done vertically or horizontally, you've got a big problem.

Dr. Joseph Farrell: Exactly.

C. Austin Fitts: This brings us to the future of cash, and back to our old friends, negative interest rates combined with people trying to go cashless.

Think of it this way: We've levered up the world and wiped out all savings, although someone said the other day that about 10% of the population that has managed to keep savings, and it's almost as if between Obamacare and Common Core and negative interest rates and cash, they're moving in to suck up that last 10%. That's what it feels like. I don't mean to laugh about it, but we laugh so as not to cry.

There is something going on with the desire to control cash. I just want to say that part of it is if you're going to create a global currency, you have to radically bring down transaction costs so you can reach into the emerging



markets and you can reach into the frontier markets and you can do it all in mobile. So that's part of it. Part of it is you're trying to level the playing field universally when it comes to payment and transaction costs.

There is something going on seeking total control of the currency, and it's coming fast.

Dr. Joseph Farrell: It's coming fast. We've been warned about this in some ancient manuscripts.

C. Austin Fitts: Right. It's the Mark of the Beast.

Dr. Joseph Farrell: Yes, it is a situation where you can neither buy nor sell without the powers-that-be knowing about it. The problem here is that there are many agenda at work besides simply total control and cutting down transaction costs and so on and so forth.

The other thing that I think is absolutely essential in the context of the space planetary defense offices and so on and so forth –is when one faces a potential military threat of a large magnitude, you cannot have a situation where your biggest resource, which is people, moving about freely. You've got to be able to use the military term "to mobilize." You can't do it if everybody is free and able to move about.

The way you control human movement is to get rid of cash.

C. Austin Fitts: Let me mention. I just got a message from somebody who responded and said, "I can't come to your lunch in New York. I'm headed off to work on a commission to help the military figure out how to do a draft because a volunteer army is bankrupting the Pentagon."

Dr. Joseph Farrell: I can believe that. Even more so, if you are facing a large military threat, we need to remember that even now, as we speak, President Putin has signed a bill into law creating a Russian National Guard that – from what I can tell from the bill – is kind of an internal militarized gendarmerie that will allow him to combat any attempted color revolutions inside of Russia.

There is something going on seeking total control of the currency, and it's coming fast.



This is his response to the regime change thing, but also be something done for reasons other than are being stated. For the Pentagon to be saying this, and people moving to cashlessness, I think they are trying to lock people into place; they are trying to keep people in one place so that they can get a picture as to what is going on and how much they can rely on them should things get dicey.

It's a way of putting internal movement controls into place without seeming to do so. So, yes, I look at this whole cashlessness thing, Catherine, and I don't mean to go way out on the twig of speculation here, but I'm looking at this as kind of an internal control mechanism with a military purpose.

Now what that purpose is and what they're not telling us, I don't know, but I strongly suspect that your listeners will know where you're going because we've discussed this before.

I think that they are in the position that they know they're "breaking the treaty" as you say and getting ready for the consequences.

C. Austin Fitts: I would point out that one of the first politicians to resign as a result of the *Panama Papers* was the head of Iceland, who has not only been fiercely anti-international banks, but who issued the first sovereign cryptocurrency, the Aurora coin.

Dr. Joseph Farrell: Yes.

C. Austin Fitts: So much for this being anticorruption.

Dr. Joseph Farrell: Exactly. The whole thing is suspicious, and we're going to hear more about it before this is over.

C. Austin Fitts: Needless to say, the second quarter we can both say confidently that it's going to be unbelievably interesting. I want to point out that you have two books now available for preorder. We talked about the Common Core, but if you could also describe the other book and how to find it on your website I would appreciate it.

Dr. Joseph Farrell: Well, they're not on my website. I never put a book up on



my website until the book is actually available. I learned the hard way when I did that once when the book wasn't available, and I had angry email messages all the time.

C. Austin Fitts: Well you can send the angry emails to me. I've put up the first one, and then I'm going to put up *Rotten to the Common Core*, so you can find them. Just do a search for "Joseph Farrell" and you'll find them on Solari.

Dr. Joseph Farrell: People have been asking me about the Common Core book, "Isn't that off the main track of the rest of your books?"

C. Austin Fitts: Not at all!

Dr. Joseph Farrell: I think people are going to be shocked when they read it because it's not at all off the main track of the other books.

C. Austin Fitts: Not at all.

Dr. Joseph Farrell: There are some whopper doozies towards the end of that book that will shock people when they read it. There are some very clear connections to mind control technology. There is a CIA-standardized testing business connection that will boggle the mind.

The other book is called *Hidden Finance, Rogue Networks, and Secret Sorcery: The Fascist International, 9/11, and Penetrated Operations*. That book is a book I intended to write eventually about 9/11 because I've had a suspicion all along and had it when 9/11 occurred, that we were looking at a three-level operation. In other words, you had the terrorist operation itself, then you had what the 9/11 truth movement calls "the rogue network" inside the American national security state that planned and pulled it off.

I've never fundamentally disagreed with that analysis, but I think there was a third level that penetrated the other two and announced its presence to the shock and dismay of the planners of the operation during 9/11 itself, and did so by means of bringing down the Twin Towers in a was not expected and with some very sophisticated technology.



The book is an exploration of that hypothesis. Some people will read the title and the “Fascist International” subtitle. They will say, “There goes Farrell off on his Nazi International thing again. This is nuts.”

Well, I have to tell folks something nonetheless true. I made a point in researching this book to stick to the research of other 9/11 researchers. In doing so, I uncovered two facts, one of which you know because I told you about it privately, that is very clearly connected to what I’ve been calling this Fascist International thing.

I didn’t tell you another bit of information that I found that even nailed it much more decisively. So there are two whopper doozies in the book, and I put one of them right upfront in the first chapter. People are probably going to have an “Oh, my God!” moment when they read that information, but the other information that I found – which occurs later in the book – will dispose of any doubt about an international network of people with a fascist outlook. They are bad people with access to nasty technologies and deep pockets.

It becomes very clear when you juxtapose what I’m saying with what other 9/11 researchers say. What I do is I take their analysis and subject it to a reinterpretation of this three-leveled penetrated operation hypothesis of mine, and the results are extraordinarily disturbing.

In fact, in this book, Catherine, it was difficult for me to write simply because I was scared writing it. I don’t know how else to put it. I was never more relieved than when I finally got it out of the house and to the publisher.

Again, all the facts have been out there and known to the 9/11 truth community, but they ignore very obvious things and don’t understand the significance of what they’re looking at.

Like I say, there are two whopper doozies in there. The first one was bad enough. When I told it to you, you said, “Oh my God! That’s huge!”

I found an even bigger one.

C. Austin Fitts: Well, I’m looking forward to reading it. I can’t wait. When



will it be available?

Dr. Joseph Farrell: As far as I know, it is at the printer now. I would estimate that it could be next week that they get it, or it could be a couple of weeks. It will definitely be out within a month from the publisher.

That doesn't necessarily mean it's going to show up at Amazon right away, so if people are in a hurry, they need to go to www.AdventuresUnlimitedPress.com and just order it directly from them. Adventures Unlimited will pull the pallet and pull the boxes and start filling back orders right away. It takes about a month to a month and a half for books to percolate through the distribution system. If you're in a hurry for it, by all means contact Adventures Unlimited and put the book on backorder. They will fill it right away. I can guarantee you that.

C. Austin Fitts: So give us two more minutes of high-octane speculation. We're looking down at the second quarter and the rest of the year. You're listening to this discussion. What do you look for over the next couple of months?

We'll be back together for the Second Quarter Wrap Up in July, but what do people keep an eye on? What is going on that's important? What do they keep an eye on?

Dr. Joseph Farrell: Oh, boy! The first thing I would say is to continue to look at the Middle East and particularly look at Turkey and Saudi Arabia, because I see more and more indicators that those two countries and regimes are on the menu.

The other thing that I think people need to follow very carefully is Europe, with the refugee immigration crisis and the political backlash. I think you're going to see backlash increasing in countries like Austria, Germany, and France.

I think probably the Brexit idea will be tabled for the moment, but you're going to see increasing opposition to the European Union inside Great Britain. I really don't see that EU membership continuing.



In terms of some of these alternative issues that we've been discussing – things like healthcare, vaccines, GMOs, and things of this nature – I think a country to watch very carefully is Russia. When Putin came out with his statement about vaccines and autism and GMO foods and all of this stuff, he aligned himself with the West's alternative community. He became – so to speak – the world's spokesman for alternative medicine.

I think this is a deliberate policy on the part of the Russian government, and I think you have to watch how Russia handles these issues in the future. Russia handle it will confirm or deny my hypothesis.

Regarding the Pacific – Asia, China, Japan, Indonesia, and so on – I fully expect that in this next year, maybe not this next quarter, but in this next year, you're going to see open challenges to American policy in the region from some of those countries. In other words, I think you're going to continue to see the slow fraying of the American alliance system, particularly in that region of the world.

There is no doubt in my mind that this is coming. I think you're going to see China, as you indicated, continue to buy up corporations. I think China is just getting started. I think its ultimate goal is to buy some significant corporations, as China just did inside of Europe, in Europe but in this country too. It's all coming. I can just feel it coming.

We're going to see some major American brand names go Chinese, maybe not in the second quarter, but definitely in the next year or two.

In space, I think the slow drip of space-related and technology-related articles and news is going to increase. We are going to see a steady stream. At first it will be in the form of little articles, "Oh, look at this new technology! Isn't that wonderful?" It will be little stuff, designed to accustom people to the normalcy and mundaneness, and then it will hit the mainstream.

Then there's the election. I suspect that we're going to end up with at least one contested convention in the Republican Party. I think you could be looking at full-scale revolt in the Democratic Party. You're already seeing some discontent from Sanders' camp, and you mentioned that nobody likes Hillary. I haven't



I haven't talked to anybody who does.

C. Austin Fitts: I have. There is a whole people whom I see as strongly supportive, and as though they're living in Disneyworld.

Dr. Joseph Farrell: They would have to be.

C. Austin Fitts: It's strange to listen to them. Their picture of the world is so distorted. You don't know what to say to them.

Dr. Joseph Farrell: You really don't. This is why I spent the time I did talking about the dangers of a Hillary election. I think that of all the candidates running – and I'm not happy with any of them – I think her election would be the most dangerous for the country.

C. Austin Fitts: I agree.

Dr. Joseph Farrell: She is a weak, weak candidate. I think a group of people in this country will try to pressure her as much as possible, regarding the email business and the FBI investigation, perhaps to have her pull out of the election.

The Democratic establishment won't let her pull out because it is deathly afraid of Bernie Sanders. So, I think this pressure will go to the convention. Some convention shenanigans may reduce her to a figurehead and put somebody else on her ticket as the vice president, to be the real power behind the throne.

C. Austin Fitts: I'll tell you what the real problem is. If you look at the GNP of women globally plus the United States, the two in combination beat China. They beat Asia. It's been the typical strategy for decades in this country. The way you roll the local guys is you to appeal to the women and the minorities, and then you pull the rug out from under the local guys. That's how the global guys get local control. It's been very effective, and they plan on playing it around the world.

If you look at the GNP of women globally plus the United States, the two in combination beat China.



There's also the deeply vested Buffet/Gates group. The black card worked well for it, and now it wants to play the women's card. It has a vision of how this is going to work, with everybody on a mobile phone, and reaching them with this fluffy vision of women and all this opportunity for women, etc.

The group has a plan of how this is all to work. The problem is that they don't have a candidate appropriate for the strategy. But that doesn't mean they're going to give up on trying to make the square peg fit into the round hole.

Dr. Joseph Farrell: No. I don't think they are. I think you might see – even in the Democratic Party – a contested convention. Anybody with half a brain – and I certainly think that at least Buffet has a brain, but I wonder about the other guy.

C. Austin Fitts: Buffet absolutely has a brain.

Dr. Joseph Farrell: He cannot be oblivious to the problems of a Hillary win for the presidency. So if that's their plan, I think they're going to force her to take somebody as vice president to be the real power behind the throne. She may be the one giving the speeches and so on, but a Democratic version of Dick Cheney will actually run things. Who that may be, at this juncture, is anybody's guess.

Even then, there is the danger, that she gets in and the bureaucracy just can't accept her it. Unfortunately, I don't even think Buffet has enough influence in that arena to forestall things. It's a delicate situation.

It's not any better on the Republican side. It's marginally less worse, but within a few thousandths of a decimal point.

C. Austin Fitts: Here's our theme for second quarter: Get ready to duck.

Dr. Joseph Farrell: I like it! "Get ready to duck!" Hear, hear.

C. Austin Fitts: Flying hippopotamus.

Dr. Joseph Farrell: It's going to be a bumpy quarter. In fact, it's going to be a



bumpy year. I think disturbances will increase until the election, and then after the election everybody will suffer a hangover for the next four years. It's sad to say.

C. Austin Fitts: Well, Dr. Joseph Farrell, it's always energizing to talk to you. Our goal with these Wrap Ups--is if you just listen to the Wrap Up, you have a better handle of what's going on than if you spend an hour every day on the news. I must say you bring so much to that effort, and we just really appreciate you.

Until the second quarter, just continue to be your awesome self.

Dr. Joseph Farrell: Well, thank you. Everybody keep me in your prayers. I certainly need them. Thank you for having me back.



DISCLAIMER

Nothing on The Solari Report should be taken as individual investment advice. Anyone seeking investment advice for his or her personal financial situation is advised to seek out a qualified advisor or advisors and provide as much information as possible to the advisor in order that such advisor can take into account all relevant circumstances, objectives, and risks before rendering an opinion as to the appropriate investment strategy.