



The Solari Report

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The Devil's Chessboard, With David Talbot

New York Times Bestseller

The Devil's Chessboard

Allen Dulles,
the CIA,
and the
Rise of
America's
Secret
Government



Catherine Austin Fitts



David Talbot

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Bestselling author of *Brothers*



The Devil's Chessboard

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C. Austin Fitts: Ladies and gentlemen, welcome to The Solari Report. Today we're going to be talking with David Talbot, who is arguably one of the most accomplished journalists of my generation. He's the founder and former CEO and editor-in-chief of *Salon*. Since leaving *Salon* he has really been transformed into a historian, publishing a number of fascinating books, including two on the Kennedy administration and assassination: *Brothers: The Hidden History of the Kennedy Years*, and the book we're to talk about today, *The Devil's Chessboard: Allen Dulles, the CIA, and the Rise of America's Secret Government*.

It's reviewed on the website at www.Solari.com. I must say that if you want to understand the Kennedy administration, the assassination, and the early years of the CIA. I consider it an absolute must-read.

So, David, welcome to The Solari Report. Congratulations on such an incredible achievement.

David Talbot: Thank you so much, Catherine. It's high praise coming from you, so I appreciate that.

C. Austin Fitts: When I read it, in my review I described it as beautifully written. Obviously you're a capable writer, but we find so many complex threads at both the macro and the micro level, as you fill out the intimate picture of Allen Dulles. To weave those different threads in a way so elegant means that you did significant research, chronology, outlining, and production even before writing the text.

To me, this is an extraordinary intellectual effort. It's clear you invested a great deal of time. So it makes the question that I always ask much more intriguing, "Why did you write this book?"

David Talbot: Well, this story that has been haunting me most of my life. I'm 64 years old, and I have felt from the very day that President Kennedy was



killed, November 22, 1963, when I was 12 years old, that the America taught to me in the schoolroom and by my parents was not the real America. In fact, Bobby Kennedy said something to that effect after the terrible event in Dallas, and I think Americans felt this stomach-turning sensation afterwards--that the world we knew directly was not the world that we had been taught to believe in.

Like many other Americans, the perception haunted me over the years. As I grew up and as I learned more about this period, the Cold War period, and the secrets, lies, and dark labyrinth that Americans were not allowed to look into, I was determined as a journalist and then later as a historian to do whatever I could to shine a spotlight into those dark chambers. I began with my book about the Kennedy brothers, and continue now with this new book about Allen Dulles and the CIA.

C. Austin Fitts: It's interesting. People often ask me, "What's the problem with the economy?" I always say, "Secrecy, and the privilege that results from it."

Interestingly enough, I think that to end secrecy and privilege, you need to go back to the Kennedy assassination, so your book is very on point. So let's start with Allen Dulles because Dulles is enigmatic. He really isn't part of popular culture, but yours is an important biographical study of Allen Dulles. So tell us a little bit about Allen Dulles – why he's important and his role in creating and leading the CIA.

David Talbot: You're right; he has been largely lost to the mists of time, but in his day he was a well-known figure for a spymaster. We usually associate spies with the shadows, but, of course, Allen Dulles was happy in the public spotlight and the public eye. He and his brother, John Foster Dulles, were a dynamic team. Of course, under Eisenhower, Allen ran the CIA and John Foster Dulles ran the State Department.

Allen really dominated US intelligence throughout most of his career, starting during World War II with the OSS, the agency that paved the way to the CIA. Throughout this period, you see the Dulles brothers and their circle because I don't see them as mavericks; these were not rogues. These were people rooted



in the American power elite. C. Wright Mills, the great scholar of American power, who wrote the book *The Power Elite* back in the 1950's, gave this name to this group of men who had overwhelmingly high positions on Wall Street. The Dulles brothers ran the most powerful Wall Street law firm, Sullivan and Cromwell. They shuttled between high finance in New York and intelligence and national security in Washington.

They kept popping up in these posts no matter who happened to be president. They thought that they were above the president, and, of course, they did operate above the president in many ways.

Back during World War II, Allen Dulles, pursued pretty much his own policies while stationed in Switzerland as the top spy for the OSS in continental Europe. He pursued secret negotiations with the Nazis. He and his brother had represented many of these high Nazi officials as their lawyers before the war, and they continued their ties to these Nazi business figures and political figures throughout the war.

In defiance of President Roosevelt's policy of unconditional surrender, which was formed at the Casablanca conference between Churchill and FDR, who were not going to negotiate with any Nazi officials. "We are going to crush this evil regime and bring them to justice." Dulles didn't get their memorandum, so to speak (although he did), and the Dulles brothers were quite ready to talk to Nazis.

In defiance of FDR, Allen Dulles was cutting deals and secretly meeting with Nazis because his main goal throughout the war was to preserve what he could of Nazi power and German power and to turn them against the Soviet Union, which he thought to be the primary enemy of the United States all along, even though, of course, the Soviet Union was taking the terrible brunt of the war and losing over 12 million dead. He thought the Soviets were the main enemy, so he wanted Germany to emerge as a very strong counterforce against Russia after the war.

They thought that they were above the president, and, of course, they did operate above the president in many ways.



C. Austin Fitts: It comes up in your books, and I think this is a very important aspect of what Peter Dale Scott calls the “Deep State.” It’s almost as though a corporate megastructure managed financial investment and risk positions for both sides – the Germans and the Americans – with Dulles going back and forth, making sure money was optimized while the two sides were fighting.

David Talbot: That’s right. He thought the war was just a distraction. His main focus was working with Swiss bankers and the Bank for International Settlements (BIS), which was a key financial mechanism during those years. It was presided over by Thomas McKittrick, a close Wall Street friend of the Dulles brothers, and someone whom FDR and his Secretary of Treasury, Henry Morgenthau, saw as a traitor.

The BIS was the leading international bank for the Nazis. The Nazis stashed the loot they stole from enslaved populations of Europe, as they invaded one country after another, and they laundered these funds in the Swiss BIS, using that cash to buy materials they needed for their war machine.

So clearly this bank was part of the Nazi war effort. Again, as I say, the president of this bank during the war was the close Dulles friend, Tom McKittrick, a Wall Street banker. When Tom McKittrick came back to New York during the war on a vacation, the Roosevelt administration wanted to arrest him and put him on trial for treason. But instead he was celebrated in New York City by the corporate and financial elite at a Waldorf Astoria party.

The Roosevelt administration tried to prevent him from going back to Switzerland, but John Foster Dulles, again this powerful Wall Street lawyer at Sullivan and Cromwell, interceded on McKittrick’s behalf, who was allowed to return to Switzerland to continue working with Nazis.

So this is a whole alternate history that most Americans aren’t aware of. As you say, it’s a story about how higher-level finance and politics really work. It’s not the kind of history we get from Steven Spielberg or from Ken Burns. This is the story of how American power and international power work in the shadows.



C. Austin Fitts: Right. With our subscribers, we've explored this pattern a lot. I think there is still more to understand about World War II. From government officials I, too, have experienced this rabid fear of Russia, and that fear is the number one long-term source of risk, which I've never been quite able to understand.

One of the things I wanted to point out to you – and I'm sure you know this – is the BIS was created to be literally a central bank of central banks.

David Talbot: That's right.

C. Austin Fitts: It's quite unusual that a central bank of central banks – the ultimate wholesaler – would be handling retail accounts for Nazi officials. So it's a very unusual thing for the BIS.

David Talbot: And, of course, on the board of the BIS under Thomas McKittrick were Nazi officials later on trial for war crimes. So men at this level of power really don't worry about temporary things like wars or ideological conflicts. They focus themselves on profit and their own power. They think that their gain supersedes democracies and presidents and elections and wars and so on.

C. Austin Fitts: Right. So I want to talk about brothers. Your first book on the Kennedy administration was *Brothers*, organized around this extraordinary relationship between John and Bobby Kennedy. I was into *The Devil's Chessboard* and I realized, "Wow! John Foster and Allen Dulles – Talbot is doing it again, exploring this intimate relationship between brothers."

In both cases, you see an intimate collaboration between two ambitious brothers to create political leverage, both for the Kennedy and the Dulles brothers. So tell us a little bit about *Brothers* and how you came to develop this specialty in exploring this political brother relationship.

David Talbot: Well, Catherine, I guess I'm fascinated by dynasties because power often comes to a family that is well organized and committed to maintaining its personal power as part of a larger power structure. So, of course, the Roosevelts, the Kennedys, and the Dulles's intrigue me.



In a way, I thought I was writing a real-life *Game of Thrones*, if you are familiar with that.

C. Austin Fitts: Yes.

David Talbot: You know, it's the clash of dynasties in ruthless pursuit of power.

I'm a big fan of the TV version – the HBO show – and I was watching it throughout the time that I was writing my book. Really the Dulles story seemed even more savage and creepy than the fictional *Game of Thrones*.

So, yes, I think in the case of the Kennedys, what fascinates me is how sometimes a rupture occurs within the American power system because of traumatic outside events. Certainly in the case of the original clash between the Roosevelt dynasty and the Dulles brothers, you have the Great Depression World War II events, and in many ways there was rupture within the ruling circles in this country.

Franklin Roosevelt was obviously a product of that world. He went to elite schools with men like the Dulles brothers. He knew them at the clubs on campus and socially and politically. So in some ways Franklin Roosevelt was exactly what the Republicans and many people in his circle accused him of being; he was a traitor to his class because he realized that American capitalism was in crisis and that the only way to save American capitalism was extreme measures, regulatory measures over Wall Street, and for the government to play a major role in our economy. And, of course, he was reviled for that by other members of his class.

It was similar with the Kennedy brothers. Their great crisis was confronting the Cold War. Ted Sorensen was JFK's devoted speechwriter and aide. I interviewed Ted at great length before his death, who said that Kennedy decided to run for president because he feared that the country would stumble over the precipice into an accidental – or even intentional – nuclear war.

Of course, throughout the Dulles period in the 1950's, John Foster Dulles at the State Department was constantly threatening the use of nuclear weapons in



Vietnam, in China, in Berlin. His policy was called nuclear brinksmanship. Eisenhower signed off on that policy, and the two of them had a kind of blithe attitude about the use of nuclear weapons, as if they were standard, conventional weapons.

In fact, Eisenhower used the words, “It’s just like using another type of bullet.” This quote was a terrifying notion to young Senator Jack Kennedy, and he began to speak out more and more against Dulles foreign policy, whether it was nuclear brinksmanship or the kind of interventionist cloak-and-daggers by the Allen Dulles CIA.

His policy was called nuclear brinksmanship.

As a senator, John Kennedy realized that third-world nationalism and the spirit of liberation sweeping Africa, Asia, and the Middle East were the winds of the future, that the West couldn’t stop. As the old colonial European empires crumbled, he thought the United States should recognize these winds of change and not try to resist them. But the Eisenhower-Dulles regime strongly resisted nationalist movements. In fact, Allen Dulles was doing his best to kill foreign leaders like Patrice Lumumba and others, who they did feel were threats to American corporate interests – mining interests, agribusiness, oil, and so on – throughout these regions.

So in many ways young Jack Kennedy was ahead of his time. Some of the speeches he was delivering as a senator in the 1950s, by which he was siding with revolutionary changes overseas are quite remarkable to read today.

C. Austin Fitts: Would you say that it is fair to say that Kennedy wanted to move to a multipolar world, and Dulles and his group wanted to keep the world unipolar?

David Talbot: Absolutely. Kennedy even articulated that multipolarity in a number of speeches, including one eloquent speech delivered at the University of Washington in Seattle in 1961. I believe it was November of 1961, where he said, “Look, we represent just a faction of the world’s population in the United States. We can’t expect to dominate the world the way as we have just because America was the sole superpower that came out of World War II.” The Soviet



Union, of course, had been devastated by the war, and its economy was wrecked. The United States had complete nuclear superiority over the Soviet Union for many years.

Eisenhower and the Dulles brothers used that superiority to threaten and cajole and exploit much of the world, but Kennedy said that that era was coming to an end, and we had to adopt – as you say – a multilateral or a multipolar way of looking at the world. The United States was not going to be the sole dominant force in the world, and we have to learn to accommodate these other rising nations throughout the world.

C. Austin Fitts: It's very elegant the way you compose it in the book. You lay out the evidence, and you leave it to the reader to decide who took what role in the assassination. But it's fair to say that any reader worth his salt will conclude that the assassin was the establishment, the military-industrial complex, the deep state, and clearly Allen Dulles played a critical role, first probably in the design of the assassination, and second, certainly so, in the coverup.

So here's the question: Why? Why kill Kennedy? Why not just engineer his loss of the next election?

David Talbot: Well, I believe killing Kennedy was the last resort for these people. It was not precipitate; I think they pondered carefully and determined that Kennedy was indeed to be reelected. He was popular. The South was going to be a problem because of his civil rights policies, but I think they determined he would make up for the loss of the South in California and other parts of the country. I think they did the math, and they figured out that he had re-election in the bag.

So assassination was the only way to short-circuit the re-election of JFK in 1964, and a Kennedy dynasty with Bobby Kennedy in the wings perhaps as his successor. They couldn't tolerate this possibility .

Essentially they saw the Kennedys trying to end the Cold War. Not just trying to end the Cold War, but JFK again and again fought against corporate power, against financial power, and in many other ways. Of course, the way that he cracked down on the steel industry that was colluding to raise prices in 1962,



was a trauma in American corporate history of steel.

U.S. Steel was taking the lead to break a deal that it had made with the unions and with the White House to keep prices down. Of course, the rise in steel prices was a major trigger for inflation in those years, that rippled throughout the economy. So JFK thought he had a deal with Roger Blough, the CEO of U.S. Steel. Then Blough stabbed him in the back and announced, “No, we’re going to break the deal and raise prices.”

Well, the Kennedy brothers came down like a ton of bricks on U.S. Steel. The FBI raided U.S. Steel offices, seized files, and threatened to file antitrust suits against them, and they did file. They had Robert McNamara, Secretary of Defense, pull Defense Department contracts from U.S. Steel. Because of Federal pressure, the steel industry finally caved and Kennedy won.

But this reversal was greeted with howls of rage throughout the corporate world and the corporate press like the *Wall Street Journal* and *Fortune* and others. He also was cracking down on overseas tax shelters for American corporations. He again and again came into conflict with the business world, but I think his efforts to end the Cold War, to establish back channels and peace channels with Khrushchev in Moscow and Castro in Havana really threatened the national security establishment. It felt he was going rogue and breaking the Cold War consensus carefully developed since World War II in the highest circles and organizations, like the Council on Foreign Relations and like so many other private conclaves of corporate power, media power, or national security people – who met in New York and worked out policies.

Kennedy, to them, was a maverick. He was someone who couldn’t be trusted. They thought he was an appeaser. They thought he was young, untested, and weak. They thought he was physically weak. They knew about his physical problems and his medical ailments. I think the final analysis was his presidency would not end without assassination. There’s no doubt in my mind – and we can talk more about this, Catherine, if you want – that Allen Dulles was at the center of the plots to kill the President as well as the Warren Commission coverup.

C. Austin Fitts: Right. I would say it this way: If you look at the unipolar



world that they were managing, they had a model. Whenever you deal with economics or business or geopolitics, you have a model. If everybody is working on that model – as everyone has for centuries – if you try to change the model, you upset everybody and everything.

If you look at the 20 to 30 different decisions that Kennedy made, he was upsetting the model at every turn. He was reinventing the model.

David Talbot: That's right; he was challenging the oil industry depletion write-off allowances and so forth, and Dulles was tied into the oil industry in Texas as well. His firm, Sullivan and Cromwell, represented the major oil tycoons in Texas. Many of them were probably complicit in the plotting against Kennedy as well.

C. Austin Fitts: Yes. Kennedy believed in free markets, not rigged markets.

David Talbot: That's right.

C. Austin Fitts: Imagine. If we had tried capitalism, what this world would be like.

David Talbot: I think, by the way, that he learned about capitalism from his old man, Joe Kennedy, who was a buccaneer capitalist. As an Irishman he had seen how the system was rigged by Yankee finance in Boston, and he was bitter. As a young boy, JFK ingested a lot of bitterness about the rigged system, whether it was on Wall Street or in Boston or in finance and so on.

C. Austin Fitts: Well, his old man turned into a master of rigging.

David Talbot: That's right, and he learned how to do it himself, but I still think there was a lot of bitterness and mistrust of high finance and corporate capital that JFK got from his dad.

C. Austin Fitts: So let's move onto the coverup. I think oftentimes in the corporate world the CEO doesn't get paid for executing the fraud; he gets paid for accomplishing the coverup, because everyone figures that the coverup money is good money well spent.



Clearly the coverup was extraordinary. My personal experience is that is when the arrogance goes wild, then the coverup has succeeded. Maybe you could talk a little bit about what implications of the coverup for our government and society.

David Talbot: Sure. First of all, no one was better situated than Allen Dulles to play a central role in the plot itself to kill Kennedy. After Kennedy fired him following the disastrous CIA invasion of Cuba at the Bay of Pigs, Dulles didn't go quietly into retirement in his late 60s. He went home to Georgetown and continued to operate, as if still CIA Director. He met with his deputies, including a number of people later connected to the Kennedy assassination by the House Select Committee on assassinations and other investigators.

First of all, no one was better situated than Allen Dulles to play a central role in the plot itself to kill Kennedy.

I'm talking about people like William Harvey, whom Dulles had made head of the CIA assassination team. Harvey was head of the team that worked with the mafia to try to kill Castro among other assassination operations.

As I reveal in my book, William Harvey was spotted by his own deputy when he was stationed in Rome in 1963, on a plane going to Dallas in early November of 1963, before the assassination. When his deputy, a man named Mark Wyatt, asked him, "Why are you going to Dallas, Bill?" Harvey was evasive and just looked away.

I think – and there are a number of other pieces of evidence that I point to in my book – that Bill Harvey, who had been Allen Dulles' top assassin, was one of the organizers of the plot to kill the President in Dallas in November 1963.

After this terrible event – and there are a number of other things that connect Dulles to Dallas – he lobbied President Johnson, the new President, and got himself appointed to the Warren Commission, where he played such a dominant role that a number of people thought it should be the Dulles Commission instead of the Warren Commission.



Again, he was perfectly situated. Here was a man who could pick up the phone and can get the Sulzberger family, the owners of the *New York Times*, and can get Kay Graham, the publisher of the *Washington Post* too. They dine together and they belong to the same clubs. He is the reigning symbol of the American power elite.

So the media quickly falls into line, and his coverage on the Warren Commission was obviously fraud from the beginning. It was set up to determine not who really killed the President, but to pin it on the convenient scapegoat, Lee Harvey Oswald, who of course said to the press, "I'm a patsy," when he was arrested and held in the Dallas police department.

So he was able to get very compliant media coverage. In fact, I found a letter from the head of *Newsweek* to the Washington Bureau thanking Allen Dulles profusely for helping guide their coverage of the Warren Commission. The letter went on to say something like, "Given a tight deadline, we couldn't have done it without you, Mr. Dulles. Thank you so much for interpreting the Warren report for us and telling us pretty much what to print."

This is how the game was played in those days. There was little dissent, and only in the marginal smaller publications. The *New York Times* was effusive in its praise of the Warren reports, as was the *Washington Post* and *News Weekly* and CBS and the television networks. They all fell in line. Of course, anyone to dissent was marginalized and called a conspiracy nut.

C. Austin Fitts: My guess is both when he was designing the assassination and during the coverup, when the CIA is still reporting to him, the deep state was sending messages to the organization, "Look to Allen Dulles as though he hasn't been fired."

David Talbot: Right.

C. Austin Fitts: He's getting support from someplace.

David Talbot: I think John McCone was a figurehead, whom Kennedy replaced Allen Dulles with as CIA Director in late 1961,. He was not an "old boy" from the intelligence world; he was a Republican businessman from



California. Although he endorsed Dulles, with his Cold War policies in general, he was kept in the dark about the dark assassination plots against foreign leaders. and so on.

In fact, he too had a falling out with the Kennedy brothers, and they came to regret bitterly that they had appointed McCone. The Kennedys repeatedly made those unfortunate mistakes. They tried to appease Republicans by keeping Dulles on as CIA Director originally and then by appointing a Republican businessman as his successor.

Arthur Schlesinger, the famous historian who served in the Kennedy White House, aggressively lobbied the President to put a more progressive person in charge of the CIA. In fact, he wanted this new person to break up the CIA and make it more manageable and more accountable to the President, but he failed to convince Kennedy. I think, again, one of his mistakes was playing the political game in trying to keep Republicans happy when he should have just gone all out to remake his administration.

C. Austin Fitts: Right. Pathology. The thing I've tried so hard to understand –with Allen Dulles and his brother, but let's start with Allen Dulles – is that we see a human being devoid of empathy.

David Talbot: True.

C. Austin Fitts: You look at Dulles and you say, "I'm not much of a psychologist, but does he have Asperger's syndrome? Is he basically a sociopath or a psychopath?" Or is his inhumanity just the price of navigating between the deep state on one side and on the other an official reality which is so Disneyworld as compared with the deep state that no one can emotionally connect to it? Where does the pathology come from? It has blossomed from Allen Dulles and his group into an entire culture that we're dealing with now.

David Talbot: Absolutely. I think you put your finger on it. This is a fascinating question, and it's one I have discussed with my colleague, Karen Croft, to whom I dedicated the book. She was my research colleague, and she had studied psychology at Stanford and brought an important insight to the book about Dulles' personality and his psychology.



They've done studies on power, and most people who get to the high levels of power – whether the CIA or the White House or a corporation– have some degree of psychopathology because they need to, to survive. In the case of Dulles, he would almost brag about all the people whom he sent to their deaths, ordering them essentially into combat as clandestine agents.

He wasn't mourning this crime. As I said, there was a boastful aspect to his leadership. He put his own son, who came back from the Korean War where he'd served as a Marine and had been brain-damaged by a piece of shrapnel, into the hands of these cold and callous CIA scientists who, under the program codenamed MKUltra, were doing unspeakable mind testing and mind experimentation.

He tried to do the same to his wife, a very distraught woman who suffered throughout their marriage. She was a sensitive, artistic person. He tried to put her in the hands of a CIA psychiatrist notorious for running the program at McGill University later exposed as criminal. People were subjected unwittingly to massive amounts of psychedelics and other drugs to re-pattern their thinking.

He fed into the jaws of Stalin and the Soviet security machinery an entire family he'd known since childhood as a way to fool Stalin into thinking that he was running a massive spy network within the Iron Curtain. Those people suffered brutally – the entire family – in the Soviet Gulag as a result of these chess games that Dulles was playing.

He was capable of anything. We are fascinated by his psychology. In fact, we had some of our most interesting interviews – Karen and me – with his daughter, Joan, who was a retired Jungian therapist. We met her at her home in Santa Fe, New Mexico. She had gone as far away as she could from her father's world. She moved to New Mexico and became a Jungian therapist. When we met her, she was driving a Prius with an Obama sticker on the back.

Obviously she was grappling with her father her whole life. She said that he had strange effects. He treated his own children as guests in his house. He took no particular interest or curiosity in them. He never really showed much emotion. The only time she ever saw him get emotional was when he cried



after he heard over the radio that France had fallen to Hitler. For some reason, that triggered some kind of emotion in him. Other than that, he was this distant, remote figure.

She called him a benign figure. He never raised his voice or got upset with them, but he never showed them any affection.

His wife later wrote diaries, and her diaries – Clover Dulles – are painful to read, an outpouring of emotion.

She says, “He never asked me anything. He never expresses any interest in anyone unless he wants something from that person.”

He was a very manipulative man who, ironically, was charming on the surface. People found him to be a great dinner party guest because he was a great raconteur and storyteller. So on the surface he could be quite affable and avuncular, but underneath he was icy.

His mistress also fascinated me, and I found her journals as well and her diaries. She wrote about one time when he was talking about the enjoyment he got when he saw people fall into his spy traps. He called them “little mice” and he liked seeing their expression as the trap “broke their little necks.”

She was obviously taken aback by this, but he didn't understand why she would be disturbed. So, yes, I think he was clearly a very high-functioning psychopath and able to, of course, turn on the charm when he wanted to. But suddenly this rage would come over him whenever he was crossed or he felt threatened, and he was capable of anything.

With Kennedy, you feel and see that too. Dulles thought Kennedy was going to be his young man whom he mentored and controlled, and when Kennedy became president, of course, and Kennedy pursued a policy very different from what Dulles wanted, he did fly into a rage.

He called them “little mice” and he liked seeing their expression as the trap “broke their little necks.”



I started my book with this anecdote. Years later Dulles was being interviewed by a magazine journalist in Washington about Kennedy, and suddenly this avuncular figure had rage come upon him. He said, “That Kennedy! He thought he was God!”

So even two years after Kennedy had been killed, Dulles was nursing this bitter rage against him.

C. Austin Fitts: It’s interesting. I’ve spent a lot of time looking at the assassination and the financial flows in and around it, and the financial incentives of the model and who was making money and what happened afterwards. I’m always asking the question: *Cui bono?* “Who made money on the assassination?” is my way of looking at what happened, but you don’t spend a lot of time on the financial aspects. It comes up, but that’s not your primary focus.

There were several tidbits in your description that gave me enormous *aha’s* about the assassination, and I just wanted to tell you. Before they set up the CIA, John Foster Dulles and Allen Dulles were sitting at Sullivan and Cromwell. A famous Dulles story from Christopher Simpson’s book *Blowback* is how they took the money that they had seized at the end of the war – a portion of which had been moved into the Exchange Stabilization Fund – and they used it to rig the Italian elections in 1948, at the request of the Vatican.

I sometimes say that the history of America is a history of how they replenished the slush funds. They’re always looking to replenish the slush funds.

David Talbot: For the off-the-shelf operations.

C. Austin Fitts: Right. So whenever you have a big operation like this, you must do two things. One is that you don’t allow the markets to get scared, so you want to make sure that you’re managing through the currency and the bond markets and the equity markets so you don’t get a bad cough that can spiral out of control. So, one, you want to make sure that you manage those.

Second, you typically finance the operation by insider-trading it. You have to be



careful because it may not be successful.

David Talbot: Sure.

C. Austin Fitts: But great fortunes are made on not just the changes in policy that occur afterwards, but literally by financing the operation with its own profits.

David Talbot: Right.

C. Austin Fitts: What you point out is, of course, on the day of the assassination, Dulles was not in town; he was in Boston and New York. I thought, "Aha!" Boston was the investment pools and some insurance, and New York was the trading and bond and fixed income and currency markets. I thought, "Aha! Allen was doing what he did in Switzerland; he was off coordinating with the money. He was trading it."

David Talbot: Along those lines, another fascinating notation I found in his day journal – his calendar – was that shortly before the assassination he had a meeting with Doug Dillon, who of course was another fellow Wall Street figure. His family ran a major investment firm.

C. Austin Fitts: I just want to point out that I was a partner and member of the board of directors of that firm after the Dillons had sold it.

David Talbot: In any case, he was also Secretary of the Treasury. He was one of the Republicans that Kennedy kept on in his administration and held over from the Eisenhower years. So Dulles noted in his day calendar before the assassination? He's meeting with Doug Dillon and "bankers." So, yes, there is a good chance that that meeting was about how the assassination was financed or the repercussions of the assassination in the banking world.

So I'm very fascinated by that and, of course, Doug Dillon as secretary of the Treasury happened to oversee the Secret Service, which mysteriously melted away from the Dallas Dealey Plaza. There was no protection for JFK there, and Doug Dillon was never held accountable when he was questioned before the Warren Commission at a later date by a very friendly Allen Dulles.



In fact, all blame was put on Kennedy for not having his own protection there instead of the Secret Service.

C. Austin Fitts: Well, the military is responsible for security. I thought the military was responsible, and then you have the Secret Service right around him, but the military was responsible for overall security in Dallas.

David Talbot: Right, and the military was never held accountable for poor performance in securing the city or the Secret Service, nor reprimanded in any way. Of course, there was no effort to investigate what really happened.

So, yes, I'm very interested in that. I do think there was an interesting connection between the Dulles brothers, speaking of finance again, and the Rockefellers – David Rockefeller, the chairman of Chase Manhattan Bank, and his brother Nelson Rockefeller, who was Governor of New York at the time and another real power figure, who also had deep roots in US intelligence from World War II on. The Dulles brothers and the Rockefeller brothers were basically a team.

Often when they needed a quiet black-bag operation and they didn't want funding from an official CIA budget, they went to the Rockefellers to finance operations off the books. Who knows? There's a chance that the Rockefellers had financing in Dallas as well.

The Dulles brothers and the Rockefellers definitely had the same view of the Kennedy presidency as abhorrent. They clashed again and again with him, particularly in Latin America, where the Rockefeller empire had wide assets and interests in Standard Oil and even in supermarket chains. They felt that the Kennedys were really screwing things up for them there with their Alliance for Progress program, which was empowering trade unions for the first time, and empowering democratic organizations in these countries previously under the firm rule of local oligarchies and of major US corporate interests like the Rockefellers.

Again and again these points of conflict and tension recurred between the Kennedys and the corporate world. The Dulles brothers, of course, were the executors for the corporate world throughout much of their careers.



C. Austin Fitts: So here's one of the problems: To the victors go the spoils. Even though the men who killed Kennedy have mostly passed on at this point, their family names and their family fortunes continue.

It seems to me that the children and the grandchildren and the great grandchildren have terrible sensitivities about this story coming out. So part of my question gets to the media blackout, because I've heard you say that there is a media blackout of the book. So tell us the response to the book and the media attention. Then let's talk a little bit about how we can ease the pain that comes with bringing these things into the sunlight.

David Talbot: Sure. Talk about conspiracies! The American media amaze me (and I'm someone who spent my entire career in the American media), how now, 50 years later – how Stalinist the media are, following the official party line and blocking dissent. Our so-called “democratic” media.

C. Austin Fitts: I'm sorry to interrupt. Can I just tell you one anecdote?

David Talbot: Yes, go ahead.

C. Austin Fitts: Some of Dulles's colleagues used to say to me, “Never tell the mice; the mice don't want to know.”

David Talbot: They love to use that term “the mice” in referring to the American people.

C. Austin Fitts: They do! They love to use the phrase “the mice”.

David Talbot: That's attitude prevail today with the Washington and New York media. All you have to do is look at the way that the Kennedy assassination was covered on the 50th anniversary. It was just a torrent of one-sided coverage that pinned everything on Lee Harvey Oswald, yet again.

The years and years of independent research and work done by the government itself – the House Assassinations Committee back in the 1970s – the anniversary was as if none of that research ever existed. Only the Warren Report mattered, and that was it. After 50 years we were barraged with this



Kennedy coverage.

In any case, when my book came out in the fall, every book I'd written up until this has been widely covered and reviewed in the *New York Times* and the *Washington Post* and the *Boston Globe* and the *L.A. Times* and so on. This book – no. It was blacked out. Despite that, it became a *New York Times* bestseller. It was given a stark review in the important book industry journal, *Kirkus Reviews*, and the *Library Journal*. Amazon called it a book of the month. *New York Magazine* said it was a book of the month.

It wasn't as if this were some marginal little book. This is a major book of revision of history on American power figures.

C. Austin Fitts: But if you look at the research, it's impeccable. This is a serious work of history, and it's impeccable from everything I can see, and it's beautifully, beautifully written.

David Talbot: No one has challenged it. That's the thing. No one has challenged it in factual terms at all. Instead everyone willfully ignores the book. In fact, when my publisher went to the *Washington Post* and the *New York Times*, the papers pointedly said, in the case of the *Washington Post*, "We're not going to touch this book."

I was due to go on TV on one show. I was in a car in Manhattan, driven by my publicist. Suddenly he got an email saying that the interview was cancelled. He was surprised and he emailed back, "Why?"

He got a one-word reply, "Politics." So this is the way the American corporate media works. When they don't want to acknowledge what you're saying – and, look, I spend a lot of pages in my book talking about how the CIA has compromised our media and how culpable the *New York Times* and the *Washington Post* and other journals are for playing the national security game – they don't want that to come out.

But, to my great delight, the American corporate media cannot control everything. We do have blogs and publications like *Salon*, which I started. There is *Mother Jones* and *The Nation* and others. Because of coverage and Amy



Goodman (God Bless her show, *Democracy Now* on public television) and all that coverage including Tavis Smiley on PBS that I did get, the book did become a bestseller briefly at the *New York Times*. It was a *New York Times* bestseller for one or two weeks, I'm delighted to say.

I take great pride in that. The book is going into its 8th or 9th printing now. It's sold over 50,000 copies.

C. Austin Fitts: It's going to keep going. It's going to be word of mouth, and it's going to keep going.

David Talbot: I think people are so eager to get this information, Catherine, at this point. We know in the year of Trump that our American power elites are coming apart. The Republican Party is shattering. The Democratic Party, I think, is also fraught with tension. The old elites are fracturing, and because of the great economic crisis that I feel this country is still in, there is the suffering of working people and people who still have a hard time making a living in this country, and the poverty levels.

I live in San Francisco, and it's like living in Calcutta. I mean, the numbers of homeless people on the streets in a city rolling in money because of the tax boom, and yet thousands of people are living in tents and squalor on the streets.

You have a country that is actually coming to another breaking point – politically and financially.

C. Austin Fitts: The model that Allen Dulles and his brother tried to hold together is coming apart. They can't hold it together.

David Talbot: Absolutely, and my book tells the back story to that. It's about how this power structure was built and why it has the seeds of its own destruction in it, because it's based on violence, exploitation, and this widening wealth gap and power gap between this smaller and smaller elite that is out of touch with the rest of our country.

Now they're shocked to see these outraged people at the Trump rallies and



people voting for Bernie Sanders, and the corporate media just can't make any sense of it.

My book clues people in about this, and I hope they read it. I also tried to write it, by the way, as an anti-spy thriller – as I call it. I'm a big fan of John le Carré and Eric Ambler and some of the great spy writers. So I try to write with that in mind.

C. Austin Fitts: It very much has the elegance of a le Carré novel. It really does.

David Talbot: Thank you.

C. Austin Fitts: It worked.

David Talbot: I hope that now there are enough cracks in the system for people to really start seeing the light. I obviously hope that we don't go tumbling over the precipice of Trump.

C. Austin Fitts: We won't.

David Talbot: I'm an endless optimist, and I think at the end of the day the American people are too wise to go in that direction. We're going to wake up and demand something better from our leaders.

C. Austin Fitts: One of my favorite lines from Leonard Cohen is, "There is a crack in everything. That is how the light gets through."

David Talbot: I love that.

C. Austin Fitts: I think this book tour is a huge crack in the official reality, and part of it is the quality. To do that, you've got to have extraordinary and very impeccable quality, and you managed to show that. I know it was a formidable investment of your time and your energy.

Before we end, you just have to tell us what is next for David Talbot? I've

I hope that now there are enough cracks in the system for people to really start seeing the light.



ordered your book on Smedley Butler. I didn't realize you had written it until recently, so I've got more David Talbot to read.

David Talbot: Yes. That book is called *Devil Dog*, which was his nickname in the Marines.

C. Austin Fitts: It's a great name.

David Talbot: He was a Marine hero and, of course, he saved American democracy, heading off a Wall Street coup against President Roosevelt.

So what's next for me? To tell you the truth, Catherine, I am exhausted after years and years of research after these historical epics. So my next book is going to be sheer fun. It's going to be a political thriller set in my native city of San Francisco, my home city, where I feel all the tensions of American life coming together – whether it's the tech boom as I describe it in the great wealth gap between the tech elite and the people on the street and all the national security stuff that is swirling around Apple and Google down in the Silicon Valley.

I'm a big fan of *The Girl with the Dragon Tattoo*, and of course, Stieg Larsson is the late Swedish novelist and investigative journalist.

C. Austin Fitts: He was wonderful.

David Talbot: He managed to put a lot of his political ideas into his thrillers, and that's what I want to do by writing fiction.

C. Austin Fitts: Have you seen the new article by Zuboff on surveillance capitalism?

David Talbot: I have not, no.

C. Austin Fitts: If you're going to write this thriller, you should, She is a retired professor at the Harvard Business School. She's working on a book, and she has a big new article. It's up on Solari if you do a search for surveillance capitalism. It's a story we've highlighted and we're going to highlight in the



First Quarter Review because she really picks up on the power of what is happening with the private search engines and social media to have invasive surveillance used to harvest financially, and it is beyond what the government is doing. It's very dead-on-point, and I think it would be very useful for your thriller.

David Talbot: I'm definitely going to read that because I'm fascinated by how the elite has been held up to us as great heroes, and of course, in San Francisco the elite has really taken over the whole city. In some ways they have enslaved San Francisco politically.

I will rush and get a copy of this.

C. Austin Fitts: It's an article. She's working on a book, but she hasn't published it yet. She has a couple of great videos, and I've put them up on Solari. I'll send you the links.

David Talbot: That's great.

C. Austin Fitts: I think it will be very helpful. When the Snowden revelations first came out, I said, "Aha! Booz Allen is engineering this for Google and Facebook to throttle down the NSA."

I don't know that that is true, but that was my fear.

David Talbot: You never know, but from what I know Snowden is a hero and he threw away his very promising young life to go into exile for the American people to save our democracy. But, yes, these are very strange times. Things are cracking apart, but hopefully, as you say, the light is coming in as a result.

C. Austin Fitts: I'm a child of the 60s, and one of our expressions is, "The bigger the breakdown, the bigger the breakthrough." So here we go.

David Talbot: Here we go. Put on your seatbelt.

C. Austin Fitts: David Talbot, let us know anything that we can do at the



Solari Report to support your work. And let us know when your new book is available for order or anything else we can do to support your work. We think you're doing incredible stuff, and we want to do everything we can to promote and support you.

David Talbot: I sure appreciate it, Catherine. Thank you for your work as well.

C. Austin Fitts: We'll let you know when this goes up on The Solari Report. You have a wonderful day.

David Talbot: You, too. Take care.



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