

BUILDING WEALTH IN CHANGING TIMES



The Solari Report

AUGUST 1, 2013

A photograph of a road at dusk with a car driving away, overlaid with the title text.

The Breakaway Civilization Part 2

with Dr. Joseph Farrell



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C. AUSTIN FITTS: Well it's my pleasure to introduce, again, Dr. Joseph Farrell to The Solari Report. Dr. Farrell needs no introduction. If you haven't listened to the first interview we did on the breakaway civilization, which was part one; this is going to be part two. Anyway, in the interview I'm going to ask Dr. Farrell to walk through his website and books and materials so that we can get a detailed understanding. His web site is <http://gizadeathstar.com> and there is a wealth of information there. And so without further ado, Dr. Farrell welcome to The Solari Report. I should say welcome back to The Solari Report.

DR. JOSEPH FARRELL: Hi Catherine, thanks for having me back on. I appreciate it.

C. AUSTIN FITTS: Well, on my way back from California I had the opportunity to stop and talk with you. We had dinner and then a long conversation the next day with you and your co-author, Dr. Scott de Hart. And I have to tell you, it is a very rare experience for me to leave a conversation that enthused. Usually it has to be a great sermon, but I left that discussion thinking, "Well, you know what? I really *can* understand my world. I really can. I'm not alone. There are brilliant minds out there and I can understand my world."

And so, I'm really pleased that we could do this today because I learned so much. And there's so much we have to talk about.

DR. JOSEPH FARRELL: Well, we did too.

C. AUSTIN FITTS: Well, I just wanted to start this evening by recapping a little bit of what we did in part one. And I really encourage our



listeners, if you hadn't heard that report, I would stop right now and go listen to it because we walked through some of the history of the threads that come together into what's called *The Breakaway Civilization*.

We walked through the history of the Nazis and how they were woven into the creation of the national security infrastructure. And then the financing of the *black budget* and how it evolved, along with the narcotics trafficking lines – how it all came together. And we kind of ended with alluding to how it sort of came together in what I call the *financial coup d'état* in bailouts, where I wanted to pick up and start today.

But to begin, why don't you introduce the concept of the breakaway civilization. And make sure that you describe the different books and other materials you have available for people who want to know more.

DR. JOSEPH FARRELL: Well the idea of a breakaway civilization, Catherine, isn't mine. It's actually Richard M. Dolan's, who is, in my opinion, probably the most academic and scholarly person investigating UFOs out there. He's written a couple of wonderful books called *UFOs and the National Security State*.

For people who don't know his work, Mr. Dolan is actually an academically trained historian. So his books aren't the usual sort you know, "I saw glowing lights on such and such a day," or "I was abducted by gray aliens." He actually goes in and examines UFO documents from different governments and so on and so forth. And his argument, essentially, is that you cannot understand the growth of the American national security state without understanding that at its very core there is a huge preoccupation, a huge obsession, almost, with the UFO subject. And all the secrecy that spins out from that has really affected the culture of the national security state.

Now, the other component in his thinking here, is that UFOs represent a kind of a nuts and bolts technology. And in my opinion, I don't think you can come away from reading a vast amount of UFO reports and come to any other conclusion – not all of them certainly,



but some of them.

And Dolan's thinking here is that in the investigation of that kind of technology, over time and with enough money it's very conceivable that the national security state acquired technologies so far in advance of what's publicly available that it would constitute almost a breakaway civilization, something completely different with its very own culture of decision-making and policy formation based on that technological superiority. So, it's a very intriguing idea.

And one of the things that we discussed when you were here with Dr. de Hart is the idea that, okay, if we have a breakaway civilization then this is going to require some mechanism of finance. And this is really largely what I've discussed in the few books I've authored recently, one of them being a book called *The Nazi International* in which I go into the post-war survival and machinations of the Nazis. The other two books are *Saucers, Swastikas and Psyops*, which I think we talked about a little bit in the previous interview, and *Covert Wars and Breakaway Civilizations*.

A third book, which should be out in the next couple of months called *Covert Wars and the Clash of Civilizations*, which kind of picks up on all these threads. But in *Covert Wars and Breakaway Civilizations*, which we discussed extensively in the last interview, we were talking about the idea, "All right, well if we're going to fund a national security apparatus that has simultaneously to deal with the threat of international communism, and eventually to roll it back, and with the problem of the UFO, whatever or whoever it may represent, then we're going to have to have a vast system of finance. But the problem is when you're dealing with these kinds of threats, that system of finance has to

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be more or less totally free of government oversight.

So, I've hypothesized that the bearer bond scandals and some of the related derivatives bubbles and scandals that we saw during the bailout period – they really represent the signatures of a completely hidden system of finance that was put into place utilizing all of that Axis plunder from World War II and laundered through Western banks. I think this is the root of the problem.

C. AUSTIN FITTS: I would also say from what I saw at the Federal Housing Administration that you're talking about a system that operates through the New York Fed, through the Treasury, through the Department of Justice. And it is using government accounts to engage in massive mortgage fraud and money laundering.

DR. JOSEPH FARRELL: Oh yes, absolutely. There's no doubt in my mind. I think in terms of the financial aspects of this, Catherine, one of the things that you mentioned during our conversations – and it has stayed with me since that conversation – is the idea of material omission. That when you're drawing up a prospectus for various investors in a firm or various inventions, you have to make sure you disclose everything. Well, the whole idea of a breakaway civilization with the hidden system of finance is a huge, gigantic material omission. And in that material omission, we're dealing, I think, on at least three to four levels. We've got mortgage and securities fraud, we have drug trade, drug money being laundered, and in that respect it's important for people to recall that when you read in some of these hidden systems of finance or papers dealing with them the term "gold," it doesn't necessarily refer to bullion. It refers to drugs.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: And so we're dealing with the drug trade. And then at a third level, and this is the level that kind of intrigued me the most, was the massive amount of bullion that the Japanese plundered from Asia during World War II. This was rolled over at the end of the war by the Truman Administration into a completely hidden, off-the-books



political slush fund. In other words, Truman took the decision to recover this bullion, and that meant, to a certain extent, the Truman Administration made dirty deals with the Japanese. Because *they* knew where all of it really was.

So all of this bullion is rolled into this hidden political slush fund, it's kept top secret. In turn, you mentioned the New York Federal Reserve. And I think you're absolutely right, for any number of reasons, the first being that it would have been that particular Federal Reserve branch that would have been the focus or nexus for storing that bullion and then re-hypothecating it over and over and creating a huge system of financial leverage.

So, in other words, they've created a huge system of hidden finance; a black budget that's literally draining and controlling every other aspect of the federal budget.

C. AUSTIN FITTS: Well, it's doing more than that because it's controlling every aspect of the federal budget. But it's also controlling the financial aspects of places. You mentioned a couple places where they had these big pools. I would like to add another one: throughout our society, particularly in state and local government, you have enormous pools of escrowed monies. So, you have bond reserve funds, you have pension funds, you have enormous reserves. And the funny business going on behind the scenes in and around those reserves is part of that. And then you have the Exchange Stabilization Fund. When you are the big New York Fed member banks, who are the depository for the federal government, they control and manage the federal government accounts, not the federal government. When they have the authority to intervene broadly in the market using slush fund monies and leveraging it with, you know, the ability to stuff and pull out of these various pools of capital, now you're talking into the meta trillions of dollars in what can be levered and engineered.

DR. JOSEPH FARRELL: And there's something else that we discussed when you were out here, as well. And I think that should be mentioned, too. That's the financial implications of the NSA spying. Because with that



kind of computational power...I read an article recently, Catherine, about this facility they're allegedly building in Utah. And I think, quite frankly, that this facility is probably a Potemkin Village, because they're not going to put everything on the surface.

C. AUSTIN FITTS: No kidding.

DR. JOSEPH FARRELL: It's an easy, nice target, but I read a figure where the data storage they would have available there would be *five zeta bytes*. And a zeta bite is *one billion terabytes*. So, in other words, they're creating a facility to store enough data from electronic communications and data mining for the next 100 years.

Now, if you've got that kind of computational power, we discussed how this would be the perfect insider-trading mechanism. You could use that ability to tap into any electronic transfer of funds, any electronic transaction – in other words, delay it by a few nanoseconds if you had to.

In the process of delaying, you could use that money for something else and then allow the transaction to go through and skim off your take. So, in other words, you're creating, yet again, another system on top of everything else that we've discussed. And when you add the possibilities of high-frequency, algorithmic trading that this would give you, the potential here is enormous.

So the black budget is, as you say, controlling all of this. And that is a *huge* amount of money. And the question we have to ask goes right back directly to Dolan. That amount of money would be capable of creating enormous technological advances.

C. AUSTIN FITTS: Yes. Including space fleets.

DR. JOSEPH FARRELL: Exactly.

C. AUSTIN FITTS: So you could build and run and operate a secret space program.



DR. JOSEPH FARRELL: Absolutely. And that's more or less the subject of the three books: *Saucers, Swastikas and Psyops* and *Covert Wars and Breakaway Civilizations* and then the one I just finished, *Covert Wars and the Clash of Civilizations*. Because most people looking at this hidden system of finance, Catherine, are thinking in terms that it was simply used as a slush fund for covert psychological operations or what-have-you on planet Earth. But, I just don't see the numbers adding up if you look at it that way because those kinds of operations are simply not going to cost that much money. And as you say, there's so much leverage in this system – in the meta trillions of dollars, if not quadrillions of dollars – then this money is going somewhere.

“Most people looking at this hidden system of finance are thinking in terms that it was simply used as a slush fund for covert psychological operations...on planet Earth.”

I've tried to explore some of the possibilities in the last two books I mentioned as to what they might be. And, as you say, you end up coming to the conclusion, "Well this has to be for something, and most likely it's off planet."

C. AUSTIN FITTS: Right. And I don't know if you've spent a lot of time studying the research and reports on underground facilities including underground railroads. But, I think that's related.

DR. JOSEPH FARRELL: Oh yes, I absolutely agree with you there. In fact in *Covert Wars and Breakaway Civilizations* I talk a bit about the research of a gentleman by the name of Richard Sauter who's written a number of very interesting, very detailed books exploring the actual technologies that exist for creating enormous underground structures and doing so relatively efficiently. And also I was reading just this last week, Catherine, about new technologies for rail transport that are being developed in this country.

You know, *mag lev* was invented in the United States and we're still lumbering along on Amtrak at 55 miles an hour, you know?



C. AUSTIN FITTS: Oh yeah, above ground, but *below* ground...

DR. JOSEPH FARRELL: Above ground, exactly. Below ground – exactly. And I do think that you're quite right: that amount of money would create an enormous underground infrastructure. And that infrastructure itself, as I argued in *Covert Wars and Breakaway Civilizations*, is another indicator that you're dealing with a complete breakaway civilization with its own infrastructure, its own institutions, its own facilities, and so on.

C. AUSTIN FITTS: I think I told this story the last time: it was when the HUD secretary kind of had a temper tantrum and flipped out at one of the regional administrators and said, "You know, I don't have to obey the law. I report to a *higher moral authority*." And he just went off. And you realized – you suddenly had an image of an *Eyes Wide Shut Scene* with the secret society wearing Venetian masks – that's who he reported to. And he thought all this stuff about the laws was hooey – he didn't need to obey them. So you're talking about a level of power that can act above the law with impunity.

DR. JOSEPH FARRELL: Oh yes, I totally agree with that analysis. And here's why: we have to go back to the fact that the culture of this breakaway civilization is being formed in the matrix of the Cold War. In other words, when you read about the machinations and doings of people like Allen Dulles or Richard Bissell, all of these people at the CIA (or Frank Wisner at the Office of Policy Coordination, or even more recently with what we've seen with the NSA), what comes through time and again is the fact that they are willing and able to do almost anything in the name of national security; which often translates to being in the name of the preservation of *their* power and *their* particular fiefdom. So yes, I think that absolutely nails it right there, what you just said.

C. AUSTIN FITTS: But, I do want to say in their defense: once you've made an institutional commitment to secrecy and you're committed to financing whatever you have to finance behind that secrecy, you have to continue to operate the dollar reserve system and finance sort of the U.S. machinery... including a whole lot of citizens who want to live in a non-sustainable way. So, you are in a double bind.



DR. JOSEPH FARRELL: Yeah, and I really have to agree with you there. We are witnessing the partial exposure, I think, of this financial system because, in a certain sense, events have overtaken them, and they now have a form of competition geopolitically that they didn't have during the Cold War. The Cold War was uniquely clarifying in one sense because we really only had one particular geopolitical enemy. Now we are faced with the BRICs nations, Brazil, Russia, India, China, and within each of those nations their own factions. But there's certainly some pushback from them and even from Europe. So it's not the nice, tidy bipolar world that they were living in the early days when this culture was being formed.

So some of it was leaking out. I do suspect that there is tremendous factional infighting going on within this group. We talked about that a little bit the last time and I think some of it's coming to the fore. And I think also, the players here that we have to look at very carefully are Japan and China. Because these were the two nations involved in that vast bullion plunder in Asia during World War II. So it's those two nations, in addition to whoever is behind the creation of this secret system of finance, that know good and well how much gold there really was. And that's another huge part of this story I think we need to mention. Because we're seeing now the gold market just kind of behaving irrationally. It was going up in kind of a bubble and it was deliberately taken down during the Boston Marathon bombing. Now there's stories that, you know, the gold is being shipped to China, it's being melted down and recast for the People's Bank of China and so on.

Well for me, Catherine, the real problem here is much more fundamental, especially if you're thinking of investing in precious metals as part of your investment portfolio. The real problem for me has been, first of all, you have it as a matter of policy on the part of Western central banks that they do not ever completely tell the truth about how much gold that they have simply as a matter of national security. In other words they're going to give you a ballpark figure but they're never going to give you an exact figure because that is a matter of national security for each of those nations.



But the real problem here, Catherine, is when you add into this mix the fact that all of that Japanese bullion plunder at the end of World War II became the basis, the secret basis for this hidden system of finance, then what it means is you have yet another layer of obfuscation on the amounts of gold in existence. And I'll be very honest: my gut intuition, Catherine, is that the amounts of gold that you can go out there and research and get estimates on how much they think may be in existence – in my opinion that amount may be off by as much as *an order of magnitude*.

C. AUSTIN FITTS: And so what's interesting if you look at mortgages or treasury bonds, is I think it's *many, many* orders of magnitude. But if you look at gold, and we'll get into this later – I'm skipping way ahead – one of the issues is “Is the trade in gold planetary or is it more than planetary?”

DR. JOSEPH FARRELL: Well, yeah.

C. AUSTIN FITTS: And that makes the idea for an estimate of how much gold there is...

DR. JOSEPH FARRELL: Even harder.

Well since you brought the subject up, let's look at that because one of the theses I try and develop in the book I just finished is precisely that. We have indications – and I talk about it in *Covert Wars and Breakaway Civilizations* – we have indications that emerge from this hidden system of finance in the bearer bonds scandals that suggest that space itself, outer space itself, was collateralized very early on as a component of this hidden system of finance.

So in other words, what I'm suggesting is that they created a huge system of leverage for the express purpose of creating the technologies, the space fleets as you say, to go out there and whatever they find there would be the basis of *collateralizing or backing*, if you will, all of this vast system of funding that they've created.



C. AUSTIN FITTS: And that makes sense. They've sold the licenses to the Wild West.

DR. JOSEPH FARRELL: Exactly. In other words it's kind of a space version of the Republic of Venice because what you're asking these bankers that are involved in this system to do is float enormous amounts of loans and things of this sort, and in return you're giving them a stake on whatever you find with your fleets that you're building in the state arsenal in Venice.

C. AUSTIN FITTS: So when all these Silicon Valley entrepreneurs talk about space funding and going to Mars they're just talking about their book, right?

DR. JOSEPH FARRELL: Yeah exactly. Bingo. What really amazed me, Catherine, is – I would say no longer than six months after *Covert Wars and Breakaway Civilizations* came out – where I first suggested this idea, the public press was starting to talk very openly about asteroid mining. So now the big thing now is NASA wants to go out and grab small asteroids from near-Earth orbit and haul them to the moon --and you just have to stop and think about what they're really saying here – haul them to the moon, park them in orbit around the moon and mine them. Now the fact of the matter is rockets are just a horribly impractical and cost-ineffective way of doing this. So the mere fact that they're suggesting these things, and you know, at one time there was even talk about a mission to an asteroid, landing on an asteroid so that we could learn how to do this and do so for the express purpose of mining it. Well the asteroid belt is a huge, huge wealth of mineral and other types of resources.

So in other words, I think they've already collateralized space. I think that probably these stories are their way of admitting that they have

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other technologies that are off the books that we don't know about that are enabling them to talk openly about mining asteroids. But in all honesty, Catherine, we could forget about rockets to do that. You know, it's just not cost-effective.

C. AUSTIN FITTS: Yet.

DR. JOSEPH FARRELL: Yet.

C. AUSTIN FITTS: So let me jump back because I want to tie this back to history. Let me take us back to 1994, because a decision was made in the early Nineties to rebalance the whole economy globally. So a decision was made. Now, I would like to point out nobody reinvests money. So a huge amount of money was taken out of the developed world, out of the G7 and reinvested into the G20 in the frontier market.

If you read the history of the United States, London is investing money into Texas land but Pinkerton is right behind to make sure they can enforce. So we're moving – I think that very much paralleled the launch in the management – it was Lockheed who was doing it, the system of satellites globally. And then you shift the army and special forces globally. And then you've got the capacity to enforce, so you can shift the money.

DR. JOSEPH FARRELL: Right, exactly.

C. AUSTIN FITTS: You explored a lot of the secret technology and secret weaponry in your most recent book. I'm wondering if it was that technology that said, "Okay, we can reinvest globally at very low cost now or we can put the costs to the taxpayers because we can enforce our investment globally in a whole new way."

DR. JOSEPH FARRELL: Oh yes, absolutely I do. And the reason why is we all know about the public technologies and some of the publicly-available documents behind those technologies like HARP. And some of the things that were first talked about in terms of the military capabilities of HARP and the defense shield and so on as a weather manipulator and so



on and so forth. These are all right there in the original Eastland patents that led to the development of that technology. And, for that matter, you can find various researchers in the alternative community like Lieutenant Colonel Tom Bearden who maintained for years that the Soviet Union had been developing a similar technology. And certainly Europe, principally Germany has that technology with ISCAT and so on and so forth.

So yes, I think those technologies definitely exist, that they were put into place precisely, as you say, for enforcement purposes. And it's important here to mention something else, Catherine. These kinds of technologies are technologies that are based on and utilize the electro-dynamic properties of the *entire planet*. So, in other words, you're dealing in a certain sense with what the Russian astronomer Kardashev referred to as a *class I civilization*. And let me quickly explain what these things are.

He basically developed an idea of three classes of civilization. A class I civilization was a civilization whose energy requirements required the energy output of an entire planet. A class II civilization was a civilization that required the energy output of an entire star. And a class III civilization was a civilization that required the output of an entire galaxy.

Now I have what I call the *Farrell corollary*, okay? And the corollaries are even more interesting. Because the corollaries are that you get to the point of becoming a class I civilization when you acquire the technologies that can manipulate the systems on that scale. So, in other words, the corollary here is, we are on the cusp of becoming a class I civilization with technologies like HARP because these technologies are reliant upon the entire electro-dynamic properties of the entire planet.

So, in other words, if you turn that kind of “inside-out,” what could that spell in terms of the military capability that you're dealing with or the potential that you're dealing with. And you're dealing with technologies that make a hydrogen bomb look like a firecracker because now you're able to manipulate systems on a regional or even continental, or even (if you want to go that far) on a planetary basis.



C. AUSTIN FITTS: And you can do it without people understanding what you're doing.

DR. JOSEPH FARRELL: That's the other wonderful thing. And I'm so glad you mentioned that because this takes us back to that culture of the breakaway civilization and how it forms in the Cold War matrix. And one of the things I've stressed in all three of these books is that part of this culture is plausible deniability. And what's easier to deny than an act of God or an act of nature? If you're manipulating the weather, most people don't even think that humanity has come anywhere close to the ability to do this. I'm one of those that think the exact opposite. I think that they have developed the capability and fine-tuned it to a great pitch. So it's plausible deniability.

The other thing that we need to mention here in terms of investment is they're talking about weather derivatives. Well what a wonderful thing to have around if you're actually creating securities and investments based on weather. You could manipulate it.

C. AUSTIN FITTS: Right, that's with respect to the NSA insider-trading machine.

DR. JOSEPH FARRELL: Exactly.

C. AUSTIN FITTS: You are creating economic phenomena, so you're inventing what's going on in the material world and then you're trading it, and you can manipulate everybody on both sides of the balance sheet as you're doing it. And the profiteering is extraordinary.

DR. JOSEPH FARRELL: The avenues and mechanisms for profiteering in that kind of scenario are just enormous. So they're creating leverage upon leverage with these advanced technologies. And this is something I hope people are latching onto, the linkage between advanced physics and the technologies that implies, and then advanced systems of leverage and finance. Because these two things work in tandem and I think they've worked deliberately since the end of World War II in the establishment of this whole system of finance. Absolutely.



C. AUSTIN FITTS: And it's more than just trading something – you're talking about the creation of markets, the creation of an economy. You're talking about...referring back to Isaac Asimov's *The Foundation*.

DR. JOSEPH FARRELL: Oh, yes.

C. AUSTIN FITTS: You're talking about the computational capacity that invent and engineer everything.

DR. JOSEPH FARRELL: Yes, absolutely. The other part of this mechanism that *The Foundation* trilogies bring up...or actually it's more than just a trilogy; he wrote several sequels and prequels to it. But when you sit down and read those things, what Asimov is really talking about is not only the computational ability but also the mathematical theory to be able to model complete, complex systems of human interactions of almost any type. And, you know, this was very, very prophetic because recently I ran across an article that was talking precisely about these types of computer modeling gaming systems that they now have.

And one of them, believe it or not, is called *The World Sentient Program*. That conjures all sorts of apocalyptic images. But you know, the ability that this would give them to plan for any sort of scenario or response, or to game out strategic, long-term economic initiatives such as you've suggested with the 1994 decision. This is an enormous capability.

C. AUSTIN FITTS: I was having dinner once with a group called *Global Business Network*. I was sitting next to an insurance executive from Scandinavia and he started to tell me about the research they had been doing on the fact that memories come from the future. And I don't know if you've ever worked at all with Cliff High's Web Bot Program.

“When you sit down and read those things, what Asimov is really talking about is not only the computational ability but also the mathematical theory to be able to model complete, complex systems of human interactions of almost any type.”



DR. JOSEPH FARRELL: Oh I've heard of it, yes.

C. AUSTIN FITTS: He built web bots that could map sort of what people were talking about in many different languages and then he would synthesize it into reports of what people were anticipating. And it's inconceivable to me that part of what the NSA is doing...I think the NSA is not just doing insider trading or collecting information intelligence. They're literally trying to map the psychic storm in a way that dynamically lets them steer the psychic storm just like they're steering the weather like steering a hurricane. You're steering the psychic storm.

DR. JOSEPH FARRELL: Oh yes, I absolutely agree with that. There is a branch of linguistics called psycholinguistics and sociolinguistics. And this is precisely what it deals with: the types of patterns that emerge by looking at certain words or certain morphemes or phonemes and what-have-you and how often they recur. So, with that kind of computational ability, yes, they would be able to game out scenarios and then, as you say, manipulate or weather the psychic storm, so to speak. So yeah, absolutely, this is that culture of full spectrum dominance that I talked about in *Breakaway Civilizations* that is coming home to roost.

And the real problem that they have, Catherine, is the same old problem. You can game out statistically the types of responses. But the problem is always, always, always going to be either the unique individual human being if you're a sociologist (or a government planner) or if you're a physicist it's going to be a unique individual particle, so on and so forth. But it's always, always the same problem.

C. AUSTIN FITTS: Right, it's the driving intelligence.

DR. JOSEPH FARRELL: Exactly. Precisely.

C. AUSTIN FITTS: Well, I want to come back to the concept of material omission because one of the systems, you know, you're talking about a gigantic secret system, a whole world that's behind what Glenn Greenwald calls the *one-way mirror*. But if you look at that system, it



Greenwald calls the *one-way mirror*. But if you look at that system, it depends on the nuts and bolts of money going from the right to the left. Ultimately it has to come back to financial transactions. And financial transactions that parallel things that go on in the real world. So somebody shifts cucumbers from here to there, and that's why I'm such a nut about not engaging in material omissions about those things.

DR. JOSEPH FARRELL: Oh, same here.

C. AUSTIN FITTS: Because that's the part that can "un-secret" the whole thing.

DR. JOSEPH FARRELL: Oh, yes.

C. AUSTIN FITTS: I want to go back to 9/11 because 9/11 was the time – up until 9/11 I was interacting with a variety of different groups and people and reporters and radio show hosts who were trying to eliminate the corruption. Now, to a certain extent, I think corruption is just a cover story for a much deeper thing. I kept saying, "Look, we have to look at the black budget and we have to look at UFOs and we have to look at all this stuff." And everybody would say, "Oh no, that's not socially acceptable." Wait a minute. You know, it's big money.

And finally I came to the conclusion that the entire financial system was a harvesting system that was feeding the black budget. And you have these stories like you had in Arkansas during Clinton's reign, where a soccer mom would wake up one day to find her child dead (because of narcotics trafficking). She would try and figure out what happened and the next thing you know she had James Bond in black helicopters and the entire national security state coming down on her head. So you'd think, why do they care about this one soccer mom in Arkansas?

You finally come to realize that you have 3,100 counties and a highly centralized harvesting system and they can't afford to have *one county* to get out of the trap. Because then every county could get out of the trap. And there is a direct correlation. So, soccer mom is feeding Tony Soprano who's feeding James Bond who's feeding Star Trek. And there



are no degrees of separation; it's just like 1-2-3. And it doesn't take but a tiny drop in revenues and profits to bring Star Trek and James Bond down on soccer mom's head.

DR. JOSEPH FARRELL: That's right.

C. AUSTIN FITTS: So my feeling was, if you look at how the money works we cannot afford a material omission in this area. We have to deal with this. And one of the reasons I thought it was so important was the following. My big question on 9/11 was: was 9/11 a way of migrating a lot of the black budget *on* budget and changing the budget and finance rules so you could do a lot of this without creating criminal liability? Because the amount of criminal liability was unbearable, given the fighting and competition between people.

DR. JOSEPH FARRELL: Oh, I absolutely think that you're onto something there, and for several reasons. I also believe there were financial aspects to 9/11 that were being investigated that were called off as a result of that. But the other thing, *that* I think has happened. Looking back on it we have the retrospective now of over a decade.

And looking back on it, another thing I think is interesting to see occurring is that there appears to have been a shift in the long-term policy of the Anglo-American Western financial oligarchy. Because after the collapse of the Soviet Union, I think you saw this big push to try and turn the world into one big unipolar PaxAmericana, and that has failed. And I think what is happening – this is something we discussed when you were visiting – is that they have taken a long-term strategic decision to secure their power base which obviously is North America, and to a lesser extent Western Europe. But I think they've taken a decision to secure their power base – and Japan incidentally – I would throw Japan in there because of Fukushima, which I think was definitely a shot across the Japanese bow by these people.

The other component of this, Catherine...I think when we were discussing this you pointed out that now all of a sudden we have the appearance of 3D printing, and this big push for 3D printing. I think



the consensus was that this was clearly a technology that had originated within the black project's world. And certain aspects of it were being released into the public precisely for the purpose of returning manufacturing to North America. You can't have your grand Venetian space empire if you don't have any manufacturing. So, this is a component of it and it's also a way of retrenching their power-base.

So I think you're absolutely right. In these circumstances they have to make some of this vast system of financial leverage available, as you pointed out. There is this vast amount of money tied up in escrow. Well, one of the things I noticed recently was that the SEC intends to dramatically relax rules on escrow financing of investments, and entrepreneurs, and start-ups. So, hello?

“In these circumstances they have to make some of this vast system of financial leverage available... There is this vast amount of money tied up in escrow.”

C. AUSTIN FITTS: Yes. To me there are three prongs going on, and you saw it starting with the development of the oil and gas. After 9/11, we started to dramatically build out the domestic oil and gas reserves, bringing the price of gas down to literally make the cost of energy a very small percent of what it would be in China. So, the competitive advantage on oil and gas is tremendous. That's number one. And, in North America 40 percent of the cost of manufacturing comes from energy. It's a bigger component than labor, even now.

The second thing was letting the technology out – so we're seeing new fabrication technology like the 3-D printing. We're seeing new material sciences; technologies and we're seeing new robotics. And all of this stuff is very dazzling, particularly when you think about what could happen in combination.

And then the third thing: with the Jobs Act we're now seeing a loosening of number one, the ability to solicit through the internet; or basically solicit strangers, including non-accredited strangers. And what that means is that the same principles that have traditionally applied to



the lottery now apply to raising equity capital...including start-up capital. When you look at how this could work – and we'll go into it later on – you can literally receive a solicitation by email that comes along with entrainment technology. You'll be able to click on your email, click your Google wallet, send back money, and buy stock with fewer clicks than it takes to buy a book at Amazon.

And so you combine the energy with the technology with the change in the start-up financing and you're talking about a renaissance in manufacturing which is quite extraordinary, and it's going to come into place. If you go into the old rust belt and you look at what's being done to basically strip the unions away and bring in things like the Trans-Pacific partnership and create essentially...you know, my guess as to where they're going is that they want corporate municipal entities.

DR. JOSEPH FARRELL: I absolutely agree with all of this. I think you're dead on. I think this is exactly what they're doing.

C. AUSTIN FITTS: Well, let me mention a couple of things on the stalling of globalization and then we'll come back to what's going to explode upon us in North America. I saw it when we were talking, suddenly it all came together, all the different patterns and I thought, "Oh my God, I see what the next phase is going to be," this sort of new post-industrial, digital manufacturing revolution. And I was just shaking my head and kind of seeing stars. One of the things I've been very interested in this process post 9/11 is their effort to try to control food. And I think that effort to control food has really stalled. It's bogged down in the politics of India and Europe. I think the G20 strutting their stuff in the last two years, combined with the food thing stalling is part of this swinging of the pendulum back into North America. The North America stuff they were clearly planning on doing, but I think they finally realized, "Look, for national security reasons we've got to build it here; we can't build it there." But, I would love your thoughts and what you think they're up to with food and what's happened to them on the food front.

DR. JOSEPH FARRELL: Well, I think you're exactly right. When you were here you suggested the idea that the plan had been to move away from



petro-dollars to GMO dollars. And we saw this and in fact Dr. de Hart and I wrote about this in our book *Transhumanism*. Because there was a big push on the part of the World Trade Organization, which basically is a puppet of the American government, to push American patent law as the standard for international patents and particularly so in the case of GMO food patents.

So you had the big agribusiness giants pushing these types of deals (the G20 in particular) and what they meant, of course, was that every seed that you would buy from DuPont or Monsanto or whoever would have been under these very strict royalty and licensing agreements. So they were, as you say, trying to get control of the food supply. And that, in turn, would have become a very credible basis to have a controllable resource as the backing for the reserve status of the dollar.

But what happened, and it was something I don't think they anticipated, was again the Internet revolution. The ability of people to look into the so-called science behind GMOs and realize the science was very dodgy to begin with. And in some cases, particularly in the U.K., we talk about the case of an individual scientist there that was basically told by Prime Minister Blair to shut up.

C. AUSTIN FITTS: Right. And he was fired.

DR. JOSEPH FARRELL: And he was fired, yeah. And they got everybody after him, the royal society and everything. So the pushback on it, I don't think they anticipated. And then, of course, once the dominoes started falling in Europe it was first Germany and then France and Hungary and Poland, now Italy. And more recently, I have a blog coming up about that in the next couple weeks, Italy is joining in on limited bands of some of these GMO products. Russia, of course, is pushing there as well.

And that raises another issue because, as you say, this is going to force them to retrench the manufacturing back into North America. There's another geopolitical possibility here that could possibly be coming down the pike, and that's going to hit America in one of the few industries it



has left that's a manufacturing and export industry...and that's precisely agribusiness. And GMOs are a big part of it.

The other thing I can almost guarantee: at some point we're going to see the BRICs nations and probably Russia in particular emerge on the world agricultural markets as competitors to GMOs by selling (in a major way) so-called heirloom, natural seeds. These are the seeds we used to plant and reserve for planting next year during the harvest – the natural seeds that we had to spray with pesticides to keep pests off. I think there's a very good possibility that we're going to see the BRIC nations challenge that aspect of American financial hegemony by making those seeds available.

And to kind of flesh out your scenario a bit more with that idea, I think they've already seen this coming down the pike, and it may be another reason why they're trying to pull in as much as they can back here to North America.

C. AUSTIN FITTS: Well the pushback on the food is very...I think the risks are out of the bag. Too many people know about them. It's really stalled.

DR. JOSEPH FARRELL: It's stalled and I think it's stalled in such a way that I think you're right: we can't afford to ignore this idea of a breakaway civilization. And thereby, this gives us a reason to connect the dots between GMOs, 3D printing, the relaxation of SEC rules, and so on. All of this is tied together. And I think this is something people really need to latch onto – to start thinking in this way.

C. AUSTIN FITTS: So, the WTO gets created in '95 and the fraud – which had been banned during Iran Contra in the Eighties and sort of got cleaned up in the Nineties – takes off again and explodes in ways that we never dreamed of before. I mean it just explodes. And, as it's exploding you have this explosion of phony-baloney treasury paper, mortgage paper, other paper. It comes into 2006, it crashes, and we have the bailouts. And I called it a *financial coup d'état*. I think what happened with the bailouts was, basically, the Fed and the Treasury bought up all



the phony baloney paper. You know, we couldn't have an RTC and auction because there was just too much criminal liability, too much fraud.

DR. JOSEPH FARRELL: Right.

C. AUSTIN FITTS: And they basically stick it back to the taxpayers, whether through the Treasury or through debasement, through the Fed. And you literally see the breakaway civilization walk away with an endowment, which makes it, I believe, probably self-sustaining. In other words, they stole *\$40 trillion* and they've got *\$2 trillion a year* to fund their operations.

DR. JOSEPH FARRELL: Absolutely. I wholeheartedly agree with you. I think that what you're suggesting is that it has become a fully autonomous entity by this point, and I'm wholly in agreement with that because everything I've been investigating, Catherine, from the angle of technology and the history of the people involved (which I get into in the most recent book in a major way) everything points in that very same direction. So it's coming now from two different approaches: the financial approach and then the patterns that you see emerging with the people actually involved in the national security black projects, covert operations apparatus. I wholeheartedly agree.

“Everything I've been investigating, from the angle of technology and the history of the people involved... points in that very same direction.”

C. AUSTIN FITTS: So let's step back. If you look at North America you have two governments: you have one government that has \$2 trillion a year of cash flow, or \$1.5 trillion a year from tax-flow from individuals and corporations. But they have all the *liabilities*: they have Medicare, they have Medicaid, they have Social Security, and they have 100 percent of the liabilities. Then you have another government that has \$2 trillion a year of dividends and interest coming in with no responsibility to the population. They're invisible, and they're secret. And their responsibility is to build out space and whatever that means.



DR. JOSEPH FARRELL: And they have no liabilities.

C. AUSTIN FITTS: Well you know, they certainly have risks because when you're running \$40 trillion on a secret basis and running \$2 trillion a year of operations and you have to stay invisible, that's a very complex task.

DR. JOSEPH FARRELL: Yeah, it's complex, it's risk. But I think that what the idea of no oversight and no accountability suggests is that even if they *did* have liability; there wouldn't be any way to enforce it because they've got the tools of enforcement.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: So, in other words, they have broken...

C. AUSTIN FITTS: They're above the law.

DR. JOSEPH FARRELL: Exactly. They've broken away in precisely that sense.

C. AUSTIN FITTS: Now in my experience with that world, I only get little flashes. Somebody said talking to me was like walking across a battlefield in the dark and occasionally a flare went off and you saw a little snippet. And because I only see little snippets, I can only try to discern patterns from snippet to snippet. But, to the extent that I've dealt with them, what I saw is they absolutely do have *rules*; because when you're managing this much money and this many operations, you have to have *process* and you have to have rules. And so you have committees and they're very planning oriented; you know, they've got a 100-year plan, a 50-year plan, a 25-year plan, and a 10-year plan. These are planning *fools*.

And so they're planning and they have committees and they have process. And the big fights are when committee members have lied to the committee; those are some of the bad fights. It's like when the Mafia fights and everybody goes to the mattress; it's bad for business. So there is some kind of law, even if it's completely divorced and very hard



for us to discern from over on this side of the one-way mirror.

Let's turn to the remaking of America. Imagine a picture of North America. And if you look at the map, you realize that you have two power centers: you have a *federal government* that's managing all the liabilities, and then you have this *covert government*, which has got a lot less financial liabilities.

I mentioned that when I left California, I drove through Texas. From fifty miles west of Dallas to 20 miles north of Dallas – and, of course, Dallas is black budget central – for that 70 or 80 miles, I've never seen as big a boom. Every one to five miles there's another Lockheed Martin-type headquarters; you know, one of these sorts of buildings that you can't tell what company it is. And it's got that glass that you can't listen through. And there's one after another going up and the roads are all under construction. And these guys are investing like tomorrow's going to be better than today. They are planning on a resource-rich world for a long time. So, *somebody* is building out a major infrastructure.

It was very interesting because for years I've been scratching my head: Warren Buffett bought Burlington Northern, the biggest railroad in the West or one of the biggest railroads in the West. Then, he basically bought the whole thing up and he took it private. I'm thinking, "Why does Warren Buffet want Burlington Northern?"

And then one of my neighbors got hired as an engineer at Burlington Northern. And I learned that the Memphis hub is going to be the number two hubs in the country, and it's going to be *huge*. So I'm thinking, "Major investment? Railroad? What's this all about?"

Well when you and I talked, a magic bell went off when you said, "A high precision, distributed manufacturing infrastructure." And I said, "That's why Warrant Buffett wants to own a huge railroad operation and have it be private." Because if you're going to have distributed manufacturing, it's going to be expensive stuff. It's high-precision stuff. You're going to have robotics, you're going to have big 3D printers, and you need a high-quality railroad. And that's big money. That's not a



sleepy thing; that's a pretty exciting thing.

DR. JOSEPH FARRELL: And the other thing I think this portends is that you're going to see an increased move in the next five to ten years to bring in, or to completely revitalize (revolutionize would be a better word), America's overt railroad system. And we're not even talking about what they may have underground, which I think is probably fairly extensive.

C. AUSTIN FITTS: Well you know, Carlyle, the leverage buyout firm – a major breakaway civilization player – bought the biggest short-line railroad in the country in 2012. Or, they made a major investment and they didn't buy it. So, with Buffett going in 2009 and then Carlyle going in with a big investment in 2012, what that says to me is that the railroads are an integral part of building out this infrastructure.

It was funny. When I got back I went to see somebody who has experience in this area and I said, "Okay, how much does it cost to build a jet fighter?" He says, "\$60 million." I said, "Okay, if it's \$60 million to build a jet fighter, how much does it cost to build a UFO, basically an anti-gravity propulsion spaceship that can go really fast?" He said, "Maybe \$600 million." And I said, "Okay, if we build a new kind of manufacturing infrastructure with 3D printers and robotics and all these material sciences, could we get that cost down to \$60 million?" And he said, "Well, you know, that's an interesting question."

DR. JOSEPH FARRELL: Yeah, exactly. And I think ultimately that may be one of the scenarios that might be in play here. I look at this 3D printing revolution, Catherine, from precisely this material omission - UFO scenario.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: Because I'm thinking, why would you need a distributed, high-precision manufacturing infrastructure? Well the answer, the long and short of it really, is that you *don't* need that kind of infrastructure unless you're thinking it might be under threat. And I'm



thinking particularly in terms of World War II Germany, when the decision was taken, circa 1942, when the Allied bombing campaigns were really getting underway. Germany decided that they needed to break up these huge industrial plants in the Ruhr and Silesia that were dispersed throughout the county and decentralize them – to move to modular construction methods and to put as many of them underground, out of reach, as they could.

So, in other words, they were making an economic decision but also a military one. And, in all honesty, Catherine, that's what this looks like to me. Now, I'm not seeing any potential geopolitical threat from China or Russia or anybody else. So I'm thinking that in their mentality – particularly with this breakaway group and the fact that they've been dealing with a UFO phenomenon on an increasingly numerical basis since World War II – that they've got to get a handle not only on the technology; but the real factor is the production. And in the most recent book I just finished, I'm arguing that it's not the technology so much. It might be the ability to produce things *inexpensively and quickly*. And I think maybe that's part of what this 3D printing thing is about because I'm absolutely convinced, Catherine, that that's coming out of the black world.

“Germany decided that they needed to break up these huge industrial plants in the Ruhr and Silesia that were dispersed throughout the county and decentralize them – to move to modular construction methods and to put as many of them underground, out of reach, as they could.”

C. AUSTIN FITTS: Well, if you look at the push to make this technology fashionable, to make it interesting, to get kids learning about it, it's clearly coming from the top down. Mr. Global is trying to make this sexy, fashionable, and look like it's a grassroots explosion.

DR. JOSEPH FARRELL: Yes, precisely. And they're trying to do this as quickly as possible. So, the other fascinating thing for me is, why the rush?

C. AUSTIN FITTS: Well, I told you this story of the activist in Switzerland in 2010 who told me – he's just been given a grant from the Office of



Naval Intelligence to go into a minority community and get kids interested in becoming robotics engineers, that the Navy estimated at that time that in ten years they would need 400,000, or North America would need over 400,000 robotics engineers.

DR. JOSEPH FARRELL: And again, the question is, why? Why do you need all of this vast surveillance capability? Why do you need this sudden, dramatic expansion of robotics? And I think we should point out for the listeners that when we're talking robots here, we're not just talking about the kinds that assemble cars and weld things. We're talking street robots, effectively androids. Well the question is, why? And I can only think of two reasons, and the first one is that in the process of retrenching their home base they have to have the ability to maintain the domestic piece in order for anything to work.

Robots give you a unique advantage in that respect because you're not dealing with human emotions or human individuals; you just program them and they carry out their function without any discretion or judgment.

But the other thing I'm thinking in terms of this technology is in terms of space once again. Because, in a certain sense, robots were part of the development of the space program. We had to invent robotic space probes that are automated that can go to other planets and do our exploration and be eyes and ears for us. So, I'm thinking that this may presage yet another aspect of this collateralization of space: that they need a vast amount of robots to do the kind of mining that they want to do and so on and so forth. I think there are two aspects of it, and again, one of them has to concern space.

C. AUSTIN FITTS: Well let me talk about the *finance side* because I think that's part of what's driving the train. You know, for 50 years we had this enormous growth in the bond market with interest rates coming down – just fantastic. You have to give them credit in terms of financial engineering: the financial engineering has been unbelievable. And they have engineered lower and lower interest rates with a growing and growing bond market. And the reality is, the game is pretty much over.



Well it's not quite over, but...

DR. JOSEPH FARRELL: It's getting there.

C. AUSTIN FITTS: There's no more growth coming, and Mickey's saying, "I can't believe I ate the whole thing." He doesn't have food sickness yet, but he's full; he's getting there. So one of two things can happen financially: you can either have a long-term bull in equity, which will inflate you out – but it will inflate you out by the value of the equity going up. Or you can have the world's worst crunch and depression; you can have the fourth turning that Neil Howe talks about.

DR. JOSEPH FARRELL: Right.

C. AUSTIN FITTS: And so the question is, they are much better off (I hope) in engineering the equity bull. And that's why I think the crowd funding and the way they're moving the technology out is so interesting. Because if you look at how much money they stole, all they have to do is reinvest a little bit to get a long-term equity bull going.

DR. JOSEPH FARRELL: That's right.

C. AUSTIN FITTS: So, part of it is they'll just shift the money out of the old economy – they'll move it out of the analog manufacturing into the digital manufacturing – and they'll double their money. They'll triple their money. Because, they're trading on inside information on this one.

DR. JOSEPH FARRELL: Exactly. That's the kind of scenario I think is taking place here. And if we factor in that material omission called space, UFO-style technology...

C. AUSTIN FITTS: That makes sense.

DR. JOSEPH FARRELL: Absolutely it does. In fact, I think it rationalizes the things that are going on as well as any model I've heard of out there. So yeah, I'm in total agreement with that.



C. AUSTIN FITTS: It's funny. I just watched a very inspiring video from the BBC called *The Seven Wonders of the Industrial World*. And we're going to use it for "Let's Go to the Movies" on The Solari Report. One of the projects it describes was the Hoover Dam. And what I hadn't realized was that to build the Hoover Dam, a consortium of six companies (including Bechtel) had to build two tunnels on both sides of the Colorado River to route the water so that they could dry things up enough to build the main dam. It was an amazing tunneling feat.

And I suddenly realized, "Wait a minute, the Hoover Dam is right next to Las Vegas, so it's right near Nellis Air Force Base – Area 51." So these guys learned how to tunnel there and the next thing you know, suddenly tunnels are popping up all over Nevada.

DR. JOSEPH FARRELL: And not only tunnels but secret military bases.

C. AUSTIN FITTS: When you have a big contract like that, you always try to get more big contracts to do what you were doing on the last big contract. I realized, "Oh, that's how the tunnel thing happened in Nevada."

DR. JOSEPH FARRELL: Speaking of tunnels – and the technologies that would enable them to do things on the scale that you're suggesting – one of the things we talked about in *Covert Wars and Breakaway Civilizations* was a new kind of boring technology. It didn't rely on rotating diamond-head disks crunching up rocks and then sending the slag on a conveyor belt to the back of the borer to be hauled off in dump trucks. What they've come up with – Bechtel, incidentally, was one of the corporations that patented some of these things and I'm guessing they have probably built them – is that they use a nuclear reactor in these things to create a hot plasma. It's a jet of hot gas that literally melts its way through the rock. And, as it melts, the rock cools and creates a kind of ceramic glaze that actually functions as stiffening to the tunnel.

So, in other words, you don't have the slag, you don't have to haul anything away, you're boring your way, literally, through any type of rock that you encounter and there's not limit to it. So yeah, I think that



the technology is there. They've created these huge power installations close to these things, and with that kind of technology you could bore all sorts of underground infrastructure to connect these various bases. Absolutely.

C. AUSTIN FITTS: Right. And all you have to do is come up with an explanation to the people up on top about what's causing the sinkholes.

DR. JOSEPH FARRELL: Or why my house is rattling at 3:00 in the morning.

C. AUSTIN FITTS: Or how did the Secretary of State get from the West Coast to the East Coast in two hours without taking a plane?

DR. JOSEPH FARRELL: That's a good one. I'm still waiting for the explanation on that one. Yeah, and I don't think it was in an SR-71 Blackbird, because you would have seen that flying.

C. AUSTIN FITTS: There are all sorts of time calculations that don't make sense until... Well, I talked about this turn in the bond market, which I think is part of this. Because, if you're going to keep control, you need to come up with a *next*. You can't just let the bond market collapse without a *next*. –And, of course, the way to do it is to inflate the equity. But, one of the things you've done with the financing of the black budget is that you've basically *harvested* places. You've brought in drugs, lottery, and all sorts of arms trafficking. You've brought in mortgage fraud and organized crime and then you've done a lot of things with government money that's really destabilized and drained the total economy and you've made money from bringing in franchises and big box stores and you've made *a lot* of money. So you've done all of those things.

“If you're going to keep control, you need to come up with a ‘next.’ You can't just let the bond market collapse without a ‘next.’”

If you're going to bring in this kind of manufacturing and reinvigorate places, the increase in the value of equity of the land and real estate will



be enormous. In the Nineties, when I was prototyping community venture funds, it was clear to me that when you brought in digital technology you could get an explosion in the value of the land in real estate. And when I watched them pump and dump the mortgage markets I thought, "Oh, they see this too. And what they want to do is get a hold of as much real estate and land as possible at rock-bottom prices so that when they bring in this technology and they bring in this investment, one of their biggest plays will be making money on the real estate.

And I want to bring up what happened with New Orleans and Katrina because New Orleans is the port at the bottom of the Mississippi where the American heartland empties out to the Gulf. And we're the breadbaskets – we're probably the richest breadbaskets in the world at this point. And I'm also seeing a lot of consolidation and ownership and control of farmland. And so, to me, there's an effort going on with residential real estate, commercial real estate, and farmland to get control of a lot of land before this thing really gets going.

DR. JOSEPH FARRELL: Right, right.

C. AUSTIN FITTS: We've seen big institutional investment picking up lots and lots of foreclosures, and you have so many people watching the housing market, waiting for prices to collapse, and it has not happened yet. And I think it's probably not going to happen because there's too much they want to accumulate.

DR. JOSEPH FARRELL: There's too much they want to accumulate, but let's go back to New Orleans for a minute because I think there's another aspect that people may not be aware of which they *need* to be aware of. When Katrina was tracking through the Gulf, you'll recall it made a rather sudden, dramatic, almost 90-degree turn northward to New Orleans and it hit the city.

I'll be very blunt, Catherine: I and many other people at the time thought that that just was not normal behavior for a storm. In other words, it was steered there. And I think given what happened



subsequently in that city – the deplorable, almost criminal non- response from the government – I think it's precisely as you say: they were attempting to drive everything down and they were using weather to do it. It was kind of a test run, so to speak, for their weather manipulation in conjunction with some of these long-term financial and economic goals.

So I had a friend in New Orleans at the time and the value of his property just plummeted and he had to leave and was bought up. Well, if you've got the ability to do this then yeah, you move in, as you say, and you rebuild New Orleans. It becomes an even larger port facility than it has been and you're going to see the same thing with the other Gulf ports, Houston, Galveston and so on. So yeah, I'm in total agreement there.

What bothers me with that kind of scenario I'm suggesting, Catherine, is that if they have the technology and are experimenting in that way, I wouldn't put it past them to use it in that similar way to buy up this land.

C. AUSTIN FITTS: I think they are.

DR. JOSEPH FARRELL: I totally agree with you.

C. AUSTIN FITTS: The beauty is if you do a Katrina or you do the tornadoes, you can literally write off hundreds of millions, if not billions of dollars of federal mortgage debt that's fraudulent. It gives you the wide latitude under the laws to kind of cover up, paper up, move money in and basically relieve the debts of all that fraudulent paper and make a whole bunch of reinvestment. So you lose the liability, you gain control of more land, and you get free financing to make improvements on that land. It's kind of a win-win-win-win.

DR. JOSEPH FARRELL: Yeah, it's the ultimate in plausible deniability. You're, in effect, using acts of God or acts of nature to wipe out fraud.

C. AUSTIN FITTS: We call it *knowledge management*.



DR. JOSEPH FARRELL: Exactly. It's just the sort of devious planning that you suggested when you were visiting these kinds of multifunctional, piggybacked operations that they pull. And this would be yet another instance of it. In Katrina's case, I think we were served a kind of trial run. And then we saw other instances of it around the rest of the world. I definitely think the Fukushima thing was in that category.

C. AUSTIN FITTS: Well, the financial patterns and the geopolitical patterns in and around Fukushima certainly raised concern. There's no doubt about that.

DR. JOSEPH FARRELL: Oh yeah.

C. AUSTIN FITTS: Well, let's turn a little bit to you and me. If I'm listening to this and you're thinking, "Oh my word!" –Well, first of all, obviously you sell your bonds and you go long and quit.

DR. JOSEPH FARRELL: I haven't bought any bonds lately.

C. AUSTIN FITTS: But then you step back and you look at this and what you realize is that the Teutonic plates are shifting financially and economically. And, if you look at the imperative, you've got a group of people who are above the law who have extraordinary...you know, they're very resource rich. They're not in financial trouble at all. But they do depend on the machinery, they do depend on the custodian systems, they do depend on the bank. So they need the system to function. And they are in a hurry; there's a lot they want to see happen and they're pushing hard. And so, I look at this and I say, "If you disagree with what they're doing you do not want to have a frontal fight with them."

DR. JOSEPH FARRELL: No, certainly not. I think for people who are distressed by what's going on, I think the long-term view, the cultural view, is best. Let them do what they're going to do and have their toys and push their buttons. Because, at some point, if they keep on the course that they're on now and remain totally non-responsive and oblivious to the people, they're going to wake up one day just like they



did in Warsaw or Moscow and they're going to be pushing buttons and levering levers and phoning people and nothing will happen. Because, they've lost the people. You can have all the power in the world, but at some point enough is enough and nothing's going to work. I think maybe to a certain extent they've woken up and realized this. I certainly hope they have.

C. AUSTIN FITTS: I don't know and I can't tell because I intermittently go in and out of different groups. And I'm always struck by how within any particular group or person or enterprise, people are so caught up in the piece *they're* responsible for that there is a remarkable lack of the big picture.

Now what happened with the bailouts was that the alienation of the general population from the leadership was extraordinary. And yet, the next election came around and of course the general population fell into what I call *Monsanto Goldman Sachs Right* versus *Monsanto Goldman Sachs Left*. And they fell into the trap again. And, to me, the propaganda, the entrainment technology, it's all very powerful.

But I do think there is an extraordinary alienation and I think part of that alienation comes from people thinking that the problem is corruption as opposed to the problem is literally an entire breakaway civilization that has a separate goal that we can't fathom.

DR. JOSEPH FARRELL: Yes, and I totally agree with that. And that's why I think having this type of discussion is so important because, to a certain extent, most people really don't think in terms of the black budget because it doesn't have an immediate effect on them. But, if they think of the things that we're enjoying now in terms of technology – desktop computers, cell phones, things of this nature – most of these things at some point had a connection with black projects and black budgets. The modern

“Having this type of discussion is so important because, to a certain extent, most people really don't think in terms of the black budget because it doesn't have an immediate effect on them.”



computer is really kind of a legacy of what was going on in Great Britain and Germany during World War II because they were building and designing these things to crack each other's codes and to figure out neutron paths for atoms bombs and all sorts of stuff.

But all of these things that we're enjoying are ultimately products of black budgets of one sort of another.

C. AUSTIN FITTS: I don't know if I ever told you this story: I had a great breakfast meeting with a family and the father was a retired general who, at one point, had been head of the Lockheed group down at Orlando next to Disneyworld. And you could tell he was just so depressed about the fact that they would invent something and then give it to Disney, and Disney would get the credit for it. He said everything you love from Disney was invented first for the military: "We did it, but we have to give Disney credit." Disney was the *cover story*.

DR. JOSEPH FARRELL: Well, when you stop and think about the enormity of that...

C. AUSTIN FITTS: I'll tell you something very interesting. I've been watching all these DVDs on engineering and manufacturing throughout history. I'm always amazed when you want to bring out a system where everybody maintains and creates and manages their personnel file for the intelligence agencies. So, Facebook is the ultimate "op." – Well, the Internet's the ultimate op – Facebook is the way you get everybody to update their own file It's very cost-effective and much better than anything *you* could do. So you need a face and you need to make it look like this entrepreneur was just so brilliant and he started it and he ran it and it all succeeded because he's this noble person.

So I'm watching this DVD, and whether it's the guys at Google or Mark Zuckerberg, it's almost like they're the patsies. And sometimes you even wonder if *they* know they're the patsies. So I'm watching this story of Alexander the Great and I realize his father, who is the emperor, is in control. He gets assassinated and suddenly the young Alexander is the emperor and he's running around conquering and



doing all these amazing things. And I thought, "Oh, I get it: Alexander the Great was the Mark Zuckerberg of his day, because whoever took out his dad proceeded to engineer everything with this poor young kid in front."

DR. JOSEPH FARRELL: Absolutely. I totally agree.

C. AUSTIN FITTS: This has been going on for centuries.

DR. JOSEPH FARRELL: Yes. It's social engineering. And every now and then they get carried away and they lose the connection with the people, or they manage to so anger and infuriate everybody else, all the other countries around them gang up and say, "Enough is enough." So we're kind of in that stage. But, from what we've discussed about GMOs, the pullback, the 3D printing, the crowd financing regulations that are going to be coming down the pike, I kind of see them deliberately retrenching and trying to do so in a hurry. I haven't quite figured out why the big hurry. That's what has me guessing.

C. AUSTIN FITTS: There *is* a very big hurry and the reason was clear to me after the election. Basically, the administration had promised the people who engineered the election victory for them that they would deliver gun control. I mean that was clearly a tit-for-tat. And, after the election, the push for gun control was quite extraordinary...and it was a *big* failure. So if you look at the bets they're making in terms of the manufacturing, the energy, and what the Trans-Pacific partnership might bring, you can absolutely see why gun control is a major, major issue. Because, they are afraid of the population.

DR. JOSEPH FARRELL: I think they are. I think it's a narrow window, really, that they're confronted with, and I think probably a five to ten-year window because the cynicism against the overt government, the government that assumes the liabilities, is at an all-time high. I just heard today for example that the House of Representatives had passed a bill essentially OK'ing all the surveillance going on. Talk about the political party in the majority slitting its own throat as far as the people are concerned. I heard that and I thought immediately of one of my



cousins who are...I won't say he's "Mr. Republican," but he's definitely on the conservative side of the political spectrum. And I can just imagine the effect that this will have on him because he's also passionately libertarian when it comes to individual rights and freedoms. And I don't blame him. My reaction when I heard the news about that vote was pretty much the same: "Are you people nuts? Are you so out of touch that you don't realize what you're doing?" So, I think the powers-that-be has a concern and this is why there's a big push for gun control.

But, if they can restructure the manufacturing and economic base of the country down the line (as we've been suggesting), that cynicism and popular dislike of the overt government will dissipate, I think.

C. AUSTIN FITTS: Because you're talking about millions of jobs, reasonably paying jobs and you're talking about literally trillions in stock market profits.

DR. JOSEPH FARRELL: Exactly. So it's a narrow window. What's going to be interesting to see in the short-term is how they'll attempt to sell the two major political parties in the next election. That's going to be the interesting thing, because neither party is, as you know, terribly popular right now.

C. AUSTIN FITTS: I have seen this my entire life. You come into every election and suddenly the Republicans tell you it's imperative that whoever the Democratic candidate is...that they're against that candidate. The right and left game, the divide-and-conquer game always succeeds. And each time it happens, I can't fathom that it's happening again. But, it engages and it mentally kidnaps the mind and imagination of people who I thought understood what the real game was.

DR. JOSEPH FARRELL: Yeah, I think to a certain extent that's true. But, I think there's also something in the long-term that has me concerned. And that is precisely that they're losing their ability to play that game. And they haven't come up with a replacement game. Let's face it, there are problems with the Boston Marathon bombing story. But one of the biggest problems, as far as the powers-that-be are concerned, is that no



sooner had it happened that, almost immediately, everyone on the Internet was questioning the official story. And this has only increased over the past few years. And with the growing division of the country between red counties and blue counties, it's only going to increase. And I think over time what they're concerned about is a dwindling public participation, or even interest, in the election process. And that means they're confronted with a population that's increasingly wise to their game. I've been watching the election returns, probably as you have, and I've noticed that each time around there's a little less interest.

C. AUSTIN FITTS: Here's their danger: the machinery depends on 20 percent of the population who are the hardworking, responsible people; you know, the engineers, the doctors, the lawyers. So you have this class of *mandarins*, they're sort of the American mandarins. They make everything work, whether it's a place or an enterprise. And I call them the people who hold up the world: they get up early, they work hard, they take care of their parents, they take care of their grandparents, they're active in civic areas, they donate money to causes. If you don't have *them* with you, the machinery stops working.

One of our subscribers calls them the *people on the line*. If you lose the line management, you can't execute. It is very difficult to run \$2 trillion a year of operations in secret; it's hard enough. But if you lose them and that trust breaks down, you've got a major problem. And I keep coming back to what the Chinese called the *Mandate of Heaven*: you cannot afford to lose your mandate of heaven with the people on the line.

It's funny: last summer I went to see all the movies about alien invasions. You had Ridley Scott's *Prometheus* and *Men in Black III* and others. And I thought, is this their way of saying, "We're really protecting you from the aliens, so support us now." It's just a struggle to win back the mandate of heaven.

“Here's their danger: the machinery depends on 20 percent of the population who are the hardworking, responsible people.”



DR. JOSEPH FARRELL: That is the question I attempted to address in my last book, *Covert Wars and Breakaway Civilizations*. And to be honest, Catherine, I kind of dangle it out there that they're either confronted with something real on that score or they're going to try to pretend and “stage” it. And I leave it pretty much up to the individual reader to make up his or her own mind, which way it is. But the bottom line that you're suggesting here is: if either one of those things is the scenario in play, the effect isn't really going to matter that much. The effect on the culture it will have – *that* is the important thing. We don't even have to go back to the public statements that President Reagan made on that very scenario regarding ET invasions.

C. AUSTIN FITTS: Well, we know we have UFOs flying around the planet. We know we have historical evidence and records that those UFOs have been flying around the planet for hundreds and hundreds of years. So this is not new.

DR. JOSEPH FARRELL: No, it's not new.

C. AUSTIN FITTS: Somebody's doing it.

DR. JOSEPH FARRELL: Well here's what the problem really is, and I'm glad you brought up the perspective of history and historical records, because at some point (as I argued in the book I just finished) the problem that this breakaway group or the elite or whatever you wish to call them are going to have with the UFOs is first of all, they're going to do precisely what you suggested: they are going to go back and examine the historical record. They're going to go back and examine all the ancient lore and legends that would even remotely deal with the phenomenon.

And when they do that, the problem that they're going to be immediately confronted with is that these were not very nice people. And, in that mentality, in the context of this Cold War matrix that's forming this breakaway civilization, the mentality is you have to *dominate* the situation; you have to prevail by any means necessary.

So my personal take, Catherine, is that they took the long-term strategic



decision that this time around, regardless of the purported claims of whoever's flying around in these things, they are going to insist on an independent, sovereign humanity. And I think, in all honesty, that's what they're gearing up for in the long term.

C. AUSTIN FITTS: Right. And it doesn't matter whether those UFOs are the remnants of the Nazis or...in other words, we don't know that it's *not* a breakaway civilization, an older breakaway civilization of humans. So we don't know that it's aliens. It could be other humans. But whoever it is, they don't report to Congress.

DR. JOSEPH FARRELL: And whoever it is, they're going to resist if necessary.

C. AUSTIN FITTS: Well it's funny. I don't know if you've seen the new movie *Sirius* about Steven Greer and his experience. There's this whole thing in it – it's very disturbing to me – of "Let's all go sit in a desert and invite E.T. to come in and be civilized with us." I thought, "Oh, I don't think that's a very good idea."

DR. JOSEPH FARRELL: No, I don't either. I've read some of those ancient texts and as I say, you don't want to sit down for tea with these people.

C. AUSTIN FITTS: Well, during my "squabble, I constantly had various intercessions arranged by different members of the Council on Foreign Relations. I used to look at the executives...and they were people that I knew. I wouldn't say they were close friends, but I thought, "If I had to choose between Bob Rubin and George Soros versus the E.T.'s, I think I could deal with Rubin more easily."

DR. JOSEPH FARRELL: Exactly. I think you really put your finger on something there because I think that is precisely the type of reasoning at work in this breakaway group. They may think that in some cases they're dealing with some other human breakaway group. And I think there's definitely that component to the phenomenon. But I don't think that accounts for all of it. So, I think that process of reasoning that you just outlined with Soros and Rubin or E.T. is precisely what



they're thinking. We at least know each other and we're *known* quantities.

C. AUSTIN FITTS: I do think there's another possibility in the mix. If you control the global reserve currency, and you've been able to do it by controlling the seedlings and the satellites and you're looking down the road: can the Navy continue to do that for 20 years backing up a digital currency? You were *going* to use food, if you could get global control of food that could replace it. But if you want to have a global, digital currency in a world where everybody's getting this kind of weaponry and it's spreading, how are you going to keep controlling the reserve currency?

So, the other part of this could be that they're building a military infrastructure that will allow them to do that on a long-term basis.

DR. JOSEPH FARRELL: Exactly. I think that really hits the nail on the head right there. That's kind of the thinking I'm suggesting in this book. I think that's precisely what they're doing – they're building the infrastructure.

I think also with the surveillance capability there's another aspect of this you've suggested in your remarks; and that's the ability to monitor this technology for the sake of preventing it from proliferating into what they would regard as the wrong hands.

C. AUSTIN FITTS: It's interesting, I just finished reading – there's a review of it up on the blog – Assange's book *Cyber Punks*. And one of the things he talks about is a refusal by Visa and American Express to allow a local clearance system in Russia. Which means, if Putin buys a Coke, the data's in New York within 30 minutes. And if you look at what they're doing with the financial settlement and clearance system, they're maintaining a phenomenally tight control of that stuff.

DR. JOSEPH FARRELL: Yeah, and it's interesting that you mentioned *clearing* because in some of my blogs over the past year I've suggested that one of the other things we're going to see will be the BRICs



nations – or as I like to call them now, BRICSA with the addition of South Africa – I think one of the things we're going to see them try to move to, or at least provide some sort of competition on, is precisely clearing. I think that that has to be. I mean, if they're going to be serious about any sort of pushback that has to be one of the steps in their immediate future.

C. AUSTIN FITTS: Now, I do have to bring up the Vatican.

DR. JOSEPH FARRELL: Okay.

C. AUSTIN FITTS: It's hard to keep the Vatican brief, but we're watching accelerating change. And as we pull the money out of the old economy and put it in the breakaway civilization, it seems to me that arguably the largest global bureaucracy in the world is the Vatican – both the overt line and the covert line. And the Vatican is going through gut-wrenching change...and that's part of this. Tell us what's happening to the Vatican and how that fits in with what the breakaway civilization is up to.

DR. JOSEPH FARRELL: Well, I haven't really written any lengthy books or articles about it. My suspicion, Catherine, is more or less the same as yours. When you were here, you suggested that they're on the wrong business model. In other words, they have the storefronts – the parish churches and cathedrals and missions and so on. That's a lot of overhead. And they don't have the financial base to sustain it. I suspect – and this is going to sound like the wildest speculation here – I suspect that part of the sexual scandals that have rocked the Roman Church in the past decade or so –(actually longer than that if you have really been paying attention) I suspect that a lot of that was engineered precisely by the Western financial elites. And I suspect that what you've had with popes like Ratzinger and this latest Pope Francis is an attempt by the Vatican to retrench itself. It's lost North America and it has lost Europe. So it's going to have to reestablish itself where its power-base currently is. And that's in the Second World and the Third World.

“One of the things we're going to see [the BRICs nations] try to move to, or at least provide some sort of competition on, is precisely clearing.”



To me, it's highly significant that you have a pope who is a Jesuit from Argentina. Because, Argentina for one thing, represents that extension of the European culture that forms the nexus of the Roman Catholic Church. So that's significant. He's a bridge pope in a long-term move on the part of the Vatican to reorient its power base to the Second World and Third World. I think you're probably going to see a succession of popes that are going to be from the Second World, and that's gradually going to transition to the Third World. There's no doubt in my mind.

When you see news stories about what this pope is attempting to do inside the Vatican bureaucracy, he's just like a president. Only he, in a certain sense, has a lot more power in that he can dismiss and reappoint the bureaucracy heads and chiefs of the various congregations as he wishes. His only real problem on a day-to-day basis was the governance with the Vatican City. The governance of the Vatican City itself is in the hands of a little committee of cardinals. So there's always that little bit of curial vested interest there.

But I suspect what you have with this pope and what he's trying to do with the Vatican Bank in particular is to bring into the curial system as much of that influence from the Second World, largely Latin America, that he can. And I think we're going to see that continue.

I also strongly suspect something else, Catherine, and that is that there is a huge struggle for the actual control of the Vatican Bank, of the institute for religious works. And I suspect quite frankly that it goes back to 1929 and the concordat with Mussolini's Italy that actually recognized the Vatican as a sovereign state. I suspect it was during that period, or perhaps a little bit before; that the Vatican lost control of its finances to a certain element within the curiae that represented less the interests of the Roman Catholic Church and more the interests of the international European Western financiers.

C. AUSTIN FITTS: I think of the Vatican business model as very much like the Harvard University endowment: you've got 2,000 years of both global tax exemption and global diplomatic immunity and that gives



you the ability to build capital and an endowment, much of which is not covert. Remember, you had an empire recede. But what you left in place was a Church with its endowments. And those endowments had tax exemption, diplomatic immunity and could basically move money on a secret basis globally.

Now the problem is that they're coming up against digital technology, whether it's the clearance and settlement systems or the telecoms and NSA who can do it much more cheaply; they can build the control file systems much more cheaply than the storefront. So they're losing the preeminent control file and intelligence system to the digital guys.

DR. JOSEPH FARRELL: Well, this gets back to them having lost control of the Vatican Bank. Again, this is wild speculation. I haven't seen anything in the news, but it's in-line with my speculation about the BRICSA nations needing desperately, and as quickly as possible, to establish their own independent clearing. I strongly suspect, Catherine, that this is what you see.

C. AUSTIN FITTS: Wow, they could do it through the Vatican Bank. You *are* a genius!

DR. JOSEPH FARRELL: This is what I suspect is going on here.

C. AUSTIN FITTS: Wow, that's very interesting because if you look at the Anglo-American elite, they can't trump that.

DR. JOSEPH FARRELL: No they can't. And the other thing is that the Vatican would be in a position to buy the technology to create that kind of clearing. But, would that technology be secure? Coming from the West, probably not. So they're going to have to turn to people with enough technical expertise to vet the technology and to make it secure. And, to my mind, that means they have to turn to Russia.

C. AUSTIN FITTS: They have to turn to Russia, and that's what's interesting. If you look at the group that I've met around Putin, or you look at the group in the Vatican, they both start off



understanding and being committed to what you call *the power of culture*. That was one of the most amazing insights as you started to describe that when we were in California – more stars off in my head. Because they *do* have a long view, they have a view of the human race as something special and sacred. Now, I'm not saying that they don't engage in dirtball politics and war like everybody else. But to me, their commitment to the power of culture gives them an enormous edge in long run that the Anglo-American elite has not figured out how to compete with.

DR. JOSEPH FARRELL: No, and they won't. When you're dealing with the Rockefeller failures and the Rottenchilds and all of these people, let's remember that their idea of culture or art is Jackson Pollack. And I'm sorry they are purveyors of ugliness. They are purveyors of things that essentially dehumanize and deaden the human creative and artistic spirit.

If you turn to Russia or to the Vatican, the culture investment there, the cultural heritage is deep and profound. And as you say, they have a respect for that aspect of humanity. Because, it's not a materialistic thing. And this is the big disadvantage that...

C. AUSTIN FITTS: It's sacred. It's a mystical, sacred thing.

DR. JOSEPH FARRELL: Yes. It's essentially the difference between an idealistic philosophical worldview and a materialist one. And I don't care how much science or equations you have: in the long run, humans are just not ultimately reducible to materialistic concerns, particularly on an individual basis. So in the long term, I think they have a huge advantage.

And Putin, as I suggested to you when you were out here, Putin came out of that segment of the KGB that was... Most people don't know this, but in 1936 Stalin made one of the most incredible deals in history. The deal was with a fellow by the name of Metropolitan Sergius who was the *locum tenens*. So the metropolitan archbishop was in charge of the Moscow patriarchate, which had not elected a patriarch after the



of patriarch Tikan during the revolution.

Stalin's offered the Church a deal, seeing Nazism coming to the fore in Germany and the long-term challenge that it would present. Stalin knew that, culturally, orthodoxy had basically midwife Russia into existence. You cannot think of Russian culture without orthodoxy. And, in that sense, Bolshevism was just on the economic front alone; it was a gigantic step backward. Stalin's deal with the church was, "Okay, we'll allow you to open up a few seminaries here and there and a few churches here and there with government approval. In return, you are going to allow the KGB (then known as the NKVD to allow state security to recruit your clergy as domestic spies and security."

Now to us in the West, this would seem a horrible, horrendous betrayal on the part of the Russian Church. But, if you stop and think about the long-term implications of what this meant, it meant that the department of the KGB that was responsible for monitoring religious affairs inside the Soviet Union was eventually staffed by nothing but church people. It would be like the FBI saying, "Okay, we need to recruit a bunch of Mormons to keep an eye on the Mormons." And pretty soon you've got a huge segment of the FBI being run by the Mormons.

So Putin's coming out of this area of the KGB, where the Church was viewed as the repository of Russian tradition and culture. And this is what people don't understand about the man. He's not a throwback to Stalin or any of that. What he's really a throwback to, in a certain sense, is Peter the Great.

C. AUSTIN FITTS: I agree.

DR. JOSEPH FARRELL: People have to understand this.

“If you stop and think about the long-term implications of what this meant, it meant that the department of the KGB that was responsible for monitoring religious affairs inside the Soviet Union was eventually staffed by nothing but church people.”



C. AUSTIN FITTS: So, in my mind, the \$64,000 question is: how is the Anglo-American alliance going to win the mandate of heaven?

DR. JOSEPH FARRELL: Well, that's the \$64 *trillion* question. And quite frankly, Catherine, I don't see them as being able to do so unless they are willing to expand the box of their thinking in ways that, up until now, have just been inconceivable. I think the problem that you have with these people, in all honesty, is that they have surrounded themselves for so long with their trilateral commissions and their councils on foreign relations and their royal institutes of international affairs and on and on with people of a similar world view to themselves, that they are no longer able to think outside the box.

So unless they're willing to bring genuine dissent into their circles, they're not going to be able to do it. I really don't think that they are. And they simply cannot wall off that dissent inside their secret meetings. They have to allow their decisions to be opened up and publicly scrutinized. Otherwise they're going to end up going the route of all tyrannies in the past, and they'll ultimately fail regardless of how much wonderful surveillance technology they have.

C. AUSTIN FITTS: Well, force is not good enough. Force and – one of my allies calls it “treats of the tapeworm” – tapeworm treats and force are not enough.

DR. JOSEPH FARRELL: It never is. They think this time is going to be different. Well, I'm sorry, but I just don't see it that way.

C. AUSTIN FITTS: Well, I think we should close out what this means for you and me and people listening. We've got a financial and economic and technological tsunami that's brewing, and it's a big thing. Just as the financial coup d'état was big, just as the bailouts were big, this is also big. At Hamilton Securities we used to have a concept called the *data beast*. And the data beast was an invisible hippo that would land, and suddenly people would start fighting. I said, "Wait a minute. Instead of fighting with each other, you need to say, "Ooh, I feel a tail," and another says, "I feel a foot" and you say, "Ooh, it's a hippo!"



We need to not squabble with the... Let's say the big corporation comes into your local area and they want to do something and eminent domain starts. You need to understand that what's behind this is a much bigger force that has the capacity to send in hit teams to clean out your neighborhood. We're dealing at a whole different level of operation. And so, we need to be much more creative, nimble and savvy about seeing this. This is going to have to be judo to deal with this. Falling into the Tea Party rhetoric is not going to be enough.

So I think step number one is to see the full fury of what's up.

DR. JOSEPH FARRELL: And I agree with you. Stepping into the traditional political rhetoric of, "What's the Constitution?" or individual liberty or free America – these are the labels by which we have been manipulated. We simply cannot afford to believe that we're living in that America any longer. We haven't really been living in that America since they murdered Kennedy in cold blood and got away with it.

C. AUSTIN FITTS: But I do want to say one thing: for the building and manufacturing and the operation of the whole economy, they depend tremendously on contract law and laws. And so what always amazed me – and I discovered this during litigation – you know I grew up seeing some of the covert side and thinking that courts and laws were a joke and you just manipulated and killed people and told them what to do and they did it. And it wasn't until I got embroiled in, you know, 18 different investigations and 12 different pieces of litigation that I discovered this thing called the law is really serious. And they take it really seriously and it's not so easy to just rig it and ram it.

You see people blithely come along and say, "Oh, let's reinvent the Constitution." No. As corrupt as it is, there are still enormous protections under that, and you don't want to change that. So we have a covenant both culturally and legally with each other within the Constitution, and I take it very seriously because I know how much protection it affords. And if they can pull down those protections, watch out.



DR. JOSEPH FARRELL: I certainly didn't mean to imply that we should all be rushing for a new Constitution. Broke as it is, you don't want to make it *more* broke.

C. AUSTIN FITTS: So let's just turn to the price of gold. We talked about bonds, stocks, and we've talked a little bit about land and real estate. I think, in terms of settlement among the breakaway civilization, gold is very important. And I think one of the things we've seen with the attack on the tax havens and the pushing down of precious metals prices is a squabble going on between the legacy government and the breakaway civilization.

DR. JOSEPH FARRELL: Yes.

C. AUSTIN FITTS: Because the breakaway civilization has a lot of their money sitting in those offshore havens and they've got a lot of people sitting in precious metals. And the U.S. Fed is saying, "Well if Germany and Venezuela want their gold back, and you guys are sitting on these big stores of precious metals, sorry, we're going to exercise some power here." So we're seeing a little tug of war: the governments are saying, "Look, you can't take all this money offshore and not pay taxes and stick us with the bill. We want tax money." And so you're seeing a fight between the overt and covert side of the House. Which is why I have to laugh because they had declared war on the IRS and were ready to throw Holder out, and suddenly you had the tornadoes out in Oklahoma and it stops. I said, "What was that?"

Any comments on gold? Because I think this tension is at the heart of what we're seeing in the management of the gold price.

DR. JOSEPH FARRELL: The real, bottom-line, deep historical, philosophical question about gold remains: why do humans value it?

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: And I'm going to be very blunt and make a suggestion here: if you look at my book *The Philosopher's Stone*, I talk about an



actual modern-day rediscovery of a form in which gold exists as a fine white powder. Now if you read alchemical texts, this is exactly one of the forms that they state very explicitly is a manifestation of the philosopher's stone. Now, what this white-powder gold is, Catherine is gold that has been consumed, literally burned. And to do that required enormous heat; I think it's around 8,000 or 9,000 degrees Fahrenheit to literally burn and reduce gold to a fine white powder.

But when you do so, something amazing happens if you believe the reports. The reports show that the element remains able to react chemically, as it always did. But when you attempt to weigh it, it has lost 44 percent of its mass. Now, stop and consider the enormous implications of that because in losing that amount of its mass, something else also happens: the scales on which you weigh it also lose their mass.

C. AUSTIN FITTS: Really?

DR. JOSEPH FARRELL: Yes. Now I go into some theoretical physics papers that Halputov published regarding some of this phenomenon and I talk about this in my book *The Philosopher's Stone*. But, the bottom-line is that there are stories out there suggesting that gold is valuable because it has contra baric (or antigravity) properties in a certain state of matter, which few people know to exist. And, if this be true, then it would stand to reason that this breakaway civilization would want to get their hands on as much of that stuff as they possibly could. Because if that were the ultimate reason for its value, then it would be something you'd be trading with E.T. It would be something that you would possibly be employing in your breakaway civilization technologies and so on. So, again, the hidden story there may even be the UFO.

“There are stories out there suggesting that gold is valuable because it has contra baric (or antigravity) properties in a certain state of matter, which few people know to exist.”

C. AUSTIN FITTS: So it's like the spice in Dune: you're mining the spice because you need the spice to travel the universe.



DR. JOSEPH FARRELL: Precisely.

C. AUSTIN FITTS: Well, I really appreciate very much your joining us today.

DR. JOSEPH FARRELL: Well, thank you for having me back on. It's awful fun.

C. AUSTIN FITTS: I think when you sit back and you connect the dots between all these different threads that are coming together, you see the enormity of what is happening and the shift. And when you have that kind of perspective and you see it clearly, then you can start to come up with strategies of "Okay, what does this mean for my skills? What does this mean for where I live? What does this mean for what I do? What does this mean for how I invest money? What is my strategy to get fresh food?" All these practical things.

I think having the kind of perspective you get from this map is enormously helpful. So before we close, I want you to walk us through your website, your books, how we can access to all this material, how we can follow you, how we can learn more. How do we connect Dr. Joseph Farrell into our ongoing intelligence network? If *they* have the CIA, *we* want to have Dr. Joseph Farrell. How do we plug in?

DR. JOSEPH FARRELL: Well, I have a web site. It's www.gizadeathstar.com and on my web site, there's actually a web store that has all of my books right there, so you can order all of my books off the site. I also do a daily blog on this or that topic at the web site.

C. AUSTIN FITTS: I link to a lot of your daily blogs on my web site.

DR. JOSEPH FARRELL: Yes and thank you.

C. AUSTIN FITTS: Well, it's great because I'll read yours and I'll say, "Oh good, I don't have to write about that now. Here it is."

DR. JOSEPH FARRELL: I'm kind of the same way: people send me articles and materials by e-mail all the time. Actually I get so much e-mail material



that way that I don't have the time to research anymore. So usually what you're seeing on my site is a reflection of things that people have sent me, and they're interested in. But it's kind of a synergy-thing going on because you can see people's interests are kind of trending in the same directions that we've been talking about.

C. AUSTIN FITTS: Yes. And tell us about the books that are coming out now; are they available for pre-order on your site?

DR. JOSEPH FARRELL: Yes, not on my site but they are at Amazon. I don't put up a book on my site until it's actually available. I have two books coming out, hopefully between September and October of this coming fall. The first is a book that's in the series we talked about called *Covert Wars and the Clash of Civilization*, and the subtitle to that is *UFOs, Oligarchs and Space Secrecy*. And then another book coming out, more or less at the same time, is a book called *The Financial Vipers of Venice*. That's going to be an intriguing book for many people because it's kind of an exploration of the links between banking and bullion and hermeticism and why you have an interesting link between the idea of coins and alchemy. And it's not what people would imagine.

C. AUSTIN FITTS: The story of Venice is a very interesting story. It was Venice that invented and created the insurance industry.

DR. JOSEPH FARRELL: Yep, they created double entry accounting.

C. AUSTIN FITTS: It's an extraordinary story and to think that they would be run out of town by American tourists.

DR. JOSEPH FARRELL: Yeah, that's true.

C. AUSTIN FITTS: Well, Dr. Farrell I can't thank you enough for joining us on The Solari Report. This has been very instructive. In combination with part one, it has not only been just an extraordinary mapping of what's going on that can give anybody perspective, but it's really been very inspirational because I always walk away from talking with you saying, "I can understand my world and we're not alone and we can



figure this out and we can *do* this." So I always leave with this excitement about what we're going to be able to accomplish in this next period. So I can't thank you enough for everything you're doing and if there's anything that the Solari Network or I can do to support you, I hope you will always let us know.

DR. JOSEPH FARRELL: I will and thank you for having me back on, Catherine. Fun as always.

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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.