



The Solari Report

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SPECIAL Solari Report **American Suicide: Proposals** **for Constitutional** **Amendments & Convention** **With Edwin Vieira, Jr.**



Catherine Austin Fitts



Edwin Vieira, Jr, PhD



SPECIAL Solari Report American Suicide: Proposals for Constitutional Amendments & Convention With Edwin Vieira, Jr.

C. Austin Fitts: Ladies and gentlemen, it's a great pleasure to welcome back to The Solari Report an outstanding attorney and scholar, Edwin Vieira, Jr.

He has four degrees from Harvard, which is very rare. I seek out people who graduated from Harvard Law School, but it goes to show you that great scholarship can come from Harvard.

He has been practicing law for more than 30 years with an emphasis on Constitutional issues, and he is the first person I go to in order to see what is happening on any Constitutional issue. You can find his articles at www.EdwinVieira.com.

In the Supreme Court of the United States, he has successfully argued several cases, including those which established the Constitutional and statutory limitations on the uses to which labor unions in both the private and public sector may apply fees extracted from non-union members. So this is a man who has both practiced and shown incredible scholarship.



He has written an extraordinary number of excellent books. Two of my favorites are *Pieces of Eight: The Monetary Powers and Disabilities of the United States Constitution*, and it's a history of the legal aspects of the monetary history of the United States. It is absolutely fascinating.

The other is *The Sword and Sovereignty: The Constitutional Principles of the Militia of the Several States*. We had him on The Solari Report when that was published to talk about the powers of the militia under the Constitution, and he also has many other books.

One book highlighted on his website is *How to Dethrone the Imperial Judiciary*, and I'm sure that is going to be brought up in today's conversation.

I strongly recommend that you check out his articles and website and books, particularly if you are interested in Constitutional issues, because they are all excellent sources.

So Dr. Vieira, welcome to The Solari Report.

Edwin Vieira, Jr.: My pleasure being with you.

C. Austin Fitts: Everyone on The Solari Report has heard me beat the drum why Constitutional amendments and conventions are a terrible idea. We need to enforce the Constitution, not change it. If we're not going to enforce it, then we don't need to change it.



It's time to get into the details. Clearly, there is something afoot. So start us off and explain about the Constitution and what are amendments, what are conventions, and how can they happen, and what does the Constitution say about amending the Constitution?

Edwin Vieira, Jr.: Article V of the Constitution provides two basic methods for amendments. First, if two-thirds of both houses of Congress agree, then Congress can propose amendments to the Constitution. Those would proceed to the states for ratification. Alternatively, if two-thirds of the states apply to Congress, then Congress shall call a convention for proposing amendments.

Those amendments – whatever came out of that convention – would go to the states, and the ratification process in both situations would be by the legislatures of three-fourths of the states or by conventions that were called by three-fourths of the states, depending on which mode of ratification might be proposed by Congress. Those are the two routes.

The first route going through Congress to seek an amendment is the one that has generally been followed through the history of the United States. The Constitution was initially proposed by a convention called from the original 13 states. That was the only time we had a Constitutional Convention. Subsequently, the amendments have been proposed through Congress.

What is being proposed now by a number of people from different ends of the political spectrum is a convention, which would deal with the amendment process.



It depends on whom you talk with, exactly what amendments would be proposed or how far that convention would be seen as being allowed to go.

All of this comes back – at least in the presentation by the proponents of the convention – to the question that the Constitution has been misinterpreted over the years. As a result, the powers of the government in Washington DC have been expanded – perhaps improperly as most of the critics would say – and therefore, amendments of the Constitution are necessary to constrain the government in Washington DC.

The big focus in this area has been from the beginning, what's been called a general balanced budget amendment – an amendment that would somehow require physical responsibility, accountability, or whatever word you want to use to Congress so that we couldn't have the continuation of these massive and potentially unfundable deficits that have been generated over the years. So that was the initial call and rationale for the Constitutional Convention.

Then, as the idea began to catch on, people came forward with other amendments that they suggested would be necessary.

What is interesting about all of this is that it really does not go back to the Constitution itself. Very few of these people point out a specific flaw in the original Constitution or the amendments that have been passed subsequently to the adoption of the Constitution.



Their argument usually boils down to some interpretation that has been given to the Constitution by the Supreme Court that has overly expanded the powers of Congress or perhaps, in some instances, the powers of the executive. They never actually talk too much about the powers of the courts.

They say that this has to be corrected through a Constitutional amendment because, according to the theory of judicial supremacy to which all these people seem to subscribe, a decision by the Supreme Court on interpretations of the Constitution – no matter how wrong it may appear to everyone else in the world – is somehow binding on everyone in the world and can be corrected only by a subsequent decision of the Supreme Court, which would reverse its earlier decision, or by an amendment, essentially overruling that decision of the Supreme Court. So that is really the background.

If you look at this from what I would call a ‘logical perspective’ and not getting into the details of the law, specifically, it seems that there are some anomalies here because, first of all, for a Constitutional Convention to be called, legislators of the states have to apply to Congress. If you’re going to apply to Congress for a Constitutional Convention, why can’t you apply to Congress for specific amendments? Congress is given the authority to propose specific amendments to the Constitution, and those would certainly be suggested by members of Congress. The members of Congress represent, in some way, whether a representative or a senator – people from the states. So it doesn’t seem as though a convention is the logical way to go at this problem.



Secondly, as far as a convention is concerned, we've had no experience of what this might be like other than the first one that was held in 1787. Therefore, there is a tremendous amount of controversy because people are unsure as to precisely what process would be followed and what might come out of this convention. So that is opening up a completely new can of worms.

We understand what happens when people ask Congress to propose amendments or suggest to Congress how to propose amendments. We just have had no experience with a convention.

The interesting thing about the convention route in light of the argument that is made, "Well, we need to amend the Constitution because the Supreme Court has made all these mistakes over the years." If people dispute at some stage various aspects of the call of the convention or the procedures of the convention or how the amendments come out of this convention for ratification by the states, where will those controversies be settled? They would have to take them into the court system.

So, in a sense, we are running around in a circle. If the real problem is that the courts have misinterpreted the Constitution, then how can you rely upon the courts to correct or reinterpret that part of the Constitution that calls for a convention of the states? It leaves me cold as to understanding the reasoning there.

So that is the background. What we have now is not simply a call for a Constitutional Convention that would deal with a balanced budget amendment, but perhaps more than one amendment that would cover various aspects of the fiscal policy of the government.



It has become open-ended, and all sorts of people are proposing various amendments.

And lurking in the background is the possibility that a convention called today would do essentially what the original convention did in 1787. Remember that the United States was organized on the basis of the Articles of the Confederation before the Constitution was thought of. So the Articles of Confederation were similar to the Constitution because they provided certain powers for the continental Congress and limitations on its powers and reserve powers for the states and so on – the same type of structure that we see in the Constitution.

People were dissatisfied with the Articles of Confederation primarily because they didn't want to have commercial tariff-type barriers between the states; they wanted to have essentially an open economy. They didn't think that there was sufficient authority for the Continental Congress to make sure that that would happen.

Congress approved this convention in 1787 for the purpose of amending the Articles of Confederation. It had a limited purpose similar to what the argument is today for the convention of the states, or for the purpose of amending the Constitution that we now have.

What actually happened was the delegates to the Constitutional Convention met in secret and decided that the Articles of Confederation needed to be set aside, not simply amended. They proposed an entirely new Constitution and sent this to the states with a form of ratification that was different from the Articles of Confederation.



The Articles of Confederation could not be changed without the unanimous consent of the legislatures of the states. That was Article XIII. So they had a very strict amendment procedure built into the Articles of Confederation.

When the new Constitution was proposed, the final article said that the ratification of the conventions of only nine states – not the total 13, but only nine – would be sufficient for the establishment of the new Constitution among the states that were ratifying it. That was an interesting way of forcing the other four states into compliance because where would those other states be if nine states had adopted a Constitution and the other four states were going to be operating still on the Articles of Confederation. You would have had all sorts of confusion.

What happened was that Rhode Island the holdout state – the final one that adopted the Constitution-found itself in that anomalous position. How could it continue as a mini-republic when the other 12 original states were operating on the US Constitution?

So if we study the historical parallel here, it is certainly possible that coming out of a new convention of the states, we would have proposed an absolutely new Constitution. It could have a new form of ratification. It might not have to be ratified by three-quarters of the present states. Maybe it only has to be ratified by half of the states or maybe only two-thirds of the states, whatever that new Constitution would propose.



Many people say, “This is impossible because the convention would be called for the purpose of amending the Constitution as we now have it,” to which I say that was the purpose that was given when the original Constitutional Convention was proposed, and look what happened.

If you go back and observe this from a strictly legalistic point of view, and to take the Constitution as the preamble, “We the people for the purpose of forming a more perfect union and establishing justice...” and following that introduction, there are the various articles of the Constitution that law out the powers of Congress and the executive and judiciary and so on.

So they could amend the Constitution by simply saying, “We’re striking out everything that follows the preamble and we’re adding all of this new verbiage.” That would be an amendment.

C. Austin Fitts: Right.

Edwin Vieira, Jr.: You see that happening all the time with statutes. A statute is proposed by somebody, and they come along and say, “Oh, we don’t want that. We’re going to strike out everything that you’ve put in after Section One and put in an entirely new set of provisions in there, and that is an amendment to the statute that you originally proposed”.



From that point of view, the idea that somehow a Constitutional Convention called to amend the Constitution could not propose one way or the other an entirely new Constitution is simply false.

C. Austin Fitts: Right.

Edwin Vieira, Jr.: And if somebody didn't like that and said, "Wait a minute. This Constitutional Convention has proposed something that was outside of its authority", where would they go to have that question settled? They would go to the judicial system which they already say is the problem.

C. Austin Fitts: Right.

Edwin Vieira, Jr.: So you see how this is a very circular illogical process that they're talking about.

C. Austin Fitts: I told you about the time when I was litigating with the Federal government and we were arguing jurisdiction. In fact, if you look at the law, we had not only the law but a recent Supreme Court case that agreed with us.

My attorney got very upset and said to the judge, who was the former General Counsel of the CIA, "But your honor, that's the law and we have a Supreme Court case that is recent on this point."

The judge said, "You know something? I disagree with the law, so if you have a problem with that, take it up with Congress."



Edwin Vieira, Jr.: I have seen that too in various situations – in state courts as well as Federal courts. Why? Because they can act as little tyrants. If you don't like their decision, you appeal and spend another four or five years and another \$100,000 grinding the judicial wheels at the various higher levels. In many instances, you don't get to the higher levels because the Supreme Court takes a very small number of cases – especially if this is happening in an appeals court that is telling you this. Then you tend to be stuck in 99% of the cases because the Supreme Court docket is very limited; they take very few cases.

C. Austin Fitts: I want to step back a little in history. Could you remind everyone what the amendments to the Constitution have been since the founding of the republic?

Edwin Vieira, Jr.: We've had a number of them. Think of the most famous ones. Of course, there was the Bill of Rights – the First Amendment through the Tenth Amendment. I guess most people don't think of them so much as amendments, rather as a complex called the Bill of Rights, but they came in as amendments.

The 11th Amendment controls the jurisdictions of the Supreme Court with respect to suits that were brought against the states by individuals. You get the famous ones coming out of the Civil War; the 13th Amendment outlawing slavery and involuntary servitude except where an individual has been convicted of a crime. The 14th Amendment dealt with citizenship and privileges of immunity and due process and equal protection applied to the states. The 15th Amendment is voting rights; the 16th, 17th, and 18th Amendments are the women's voting rights and voting rights of the people of 18 years of age.



There are Amendments passed with respect to Presidential succession. The 25th Amendment is the one being talked about now where a President could be declared to be incompetent for one reason or another. Maybe he has a mental problem or something else happened to him – an accident or whatever – and Congress could declare him to be incompetent.

C. Austin Fitts: They try to prove that he's crazy?

Edwin Vieira, Jr.: Yes, and they have suggested this about Mr. Trump; that Mr. Trump may be mentally ill or something to that effect, and that he should be removed on the 25th Amendment.

Then, of course, you have the famous amendment that limited the terms of Presidency to two because Mr. Roosevelt had had four. So they eliminated that problem.

Some of them have been procedural as to the limitations of the Presidential term or the removal of the President for an inability to perform his functions. Some of them have been very substantive – the 13th, 14th, 15th, and 16th Amendments. Then there was the income tax amendment.

C. Austin Fitts: When was the last?



Edwin Vieira, Jr.: The last one that they attempted to do was, of course, the equal rights amendment, which people are familiar with. That one went for a very long time thru the ratification process and was never ratified.

C. Austin Fitts: When was the last time they did one that got ratified? Has it been a while?

Edwin Vieira, Jr.: Yes. I think that was the 26th Amendment, which was the 18 years of age voting rights. It may have been that one.

In any event, it was some time ago – back in the last century. So it's been a while without an amendment.

What is interesting, though, is that it hasn't been a while without using the normal amendment process. That's been done over and over and over again. Congress proposes an amendment and sends it to the states, and three-quarters of the states have to ratify it by either their legislatures or by state conventions – depending on how Congress has set the ratification process up.

That's not something that we are unfamiliar with in terms of the process. The beauty of that process is that we know specifically in each instance what this amendment is and what it is going to do. That's the thing that is debated in Congress, they argue back and forth, they come up with some final language, and then they send it to the states.



Congress does it through the normal process by people who have been elected to the House of Representatives or the Senate and who will vote for and decide it – at least in principle – who are representatives of the people who voted for them. Otherwise, the convention process is something that is essentially unknown because it comes back to this not ‘mysterious’ but rather ‘confusing’ word in Article V, “On the application of the legislation of two-thirds of assembled states, Congress shall CALL a convention for proposing amendments.”

It is a duty as well as a power. Congress has this power to do what is described as ‘call a convention’ when a particular condition exists which the legislature of the states has asked for. Well, when you ‘call a convention’ you have to specify, “There will be a convention that will be held from such-and-such a date indefinitely. Here is how people will be appointed as delegates. Here is the set of rules which will be initially used. *Robert’s Rules of Order* will be the ones used until the convention meets and the convention can decide its own.”

You might specify in the ‘call’ what the amendments would be. Many of the proponents of this are saying, “Oh, that is what has to happen.”

If the states say, “We want this amendment and this amendment and this amendment,” then Congress’ ‘call’ has to include only those amendments.



Other people say, “Oh, no. Congress could have a ‘call’ saying, “Those proposed amendments plus any other amendments that the convention wishes to consider,” or Congress could simply say, “We’re calling a convention, and it will be open to whatever the delegates proposed.”

Nobody knows precisely how that term ‘call’ would be interpreted. So it potentially leaves to Congress a great deal of leeway or control over the situation, especially – I would think – in the methodology for the selection of delegates.

We have to remember was there at that the first Constitutional Convention in 1787. There was James Madison, Alexander Hamilton, George Washington, Benjamin Franklin, and George Mason. You think of the list of people, and these were the great patriots of American history and the so-called Founding Fathers.

They didn’t necessarily always agree with each other, but they were people who were great students of political history and political science, and they certainly knew the laws of England because, of course, the American colonies had been English possessions, or part of the English and British Empire. They also knew the laws of colonial America. They were well-versed in all of that, and they had just fought a war of independence because of the difference between the British Constitution and what eventually became the Constitution of the United States.

So this was a star-studded galaxy, if you will, of great minds from a practical political point of view.



C. Austin Fitts: Right.

Edwin Vieira, Jr.: Now would a James Madison, a George Washington, and an Alexander Hamilton likely be called today as delegates to a new Constitutional Convention? I would think it would be more likely that it would be Charles Schumer and Nancy Pelosi. You can come up with your own list of people. It might be Jeb Bush or Marco Rubio. Who knows? These would be the people who would be called because they are the political ‘luminaries’. I wouldn’t call them stars, but they are certainly in the spotlight today, and I would think that a conventional ‘call’ for a convention would be rigged in such a way that establishment figures would be the ones called as the delegates.

I can’t imagine that you or I would be selected as delegates.

C. Austin Fitts: Let me sit back and walk you through two things that feed into my concern: If we study the reasons people say things are wrong, one is judiciary overreach. But there is another, and that is if you review the finances on the overt side, yes, we have run a big deficit. But if you look at the amount of money missing and the violations of financial management – both envisioned in the Constitution and in the financial management laws – the government is breaking the law and Congress is breaking the law daily when it comes to financial management, including the Constitution.



I would say that many, many of the problems – including leading to the deficit – are that refusal by the process to enforce the Constitution with respect to the requirement that spending has to be envisioned and appropriations approved by Congress.

This inability to enforce cannot be addressed by a balanced budget amendment. All it can do is protect the people who have stolen the money from financial accountability when the debt, the social security, and entitlements come due.

Edwin Vieira, Jr.: I don't think that the problem of refusal of people to enforce the Constitution against their own mismanagement or their own criminal activity, which is happening at one level or another and is what you are talking about, is going to be corrected by a new Constitutional amendment that says, "Gosh, honest, gee whiz. We're really going to try to enforce the Constitution."

Theoretically the Constitution is enforceable as a matter of simply the oath of office of all of these people under Article VI. Senators and representatives and members of the state legislature and all executive and judicial offices of the United States, "Shall be bound by oath or affirmation to support this Constitution."

The provision that you are talking about is what Article I, Section 9, Clause 7 states: "No money shall be drawn from the Treasury, but in consequence of appropriations made by law; and a regular statement and account of the receipts and expenditures of all public money shall be published from time to time."



So the people who have taken this oath or affirmation to support the Constitution are duty-bound to make sure that the money is drawn from the Treasury pursuant to appropriations and that there is a regular statement and account of the receipts and expenditures, which is published to the country. Well, they haven't done that.

C. Austin Fitts: Let me ask you a legal question. In the summer of 2000 or 2001, I met with the Chief of Staff, Kit Bond who was then Head of the Appropriations Committee for the Treasury and 21 agencies that included HUD. This was the year that \$59 billion went missing from HUD.

I was there just on a bill collection and was trying to get my company paid. So the Chief of Staff was somebody I didn't know; I had just been introduced to them. They said to me, "What do you think is going on at HUD?"

I said, "I don't know. What do you think is going on?"

Cuomo and the Democrats in the Clinton Administration were still in charge. They looked me dead in the eye and said, "HUD is being run as a criminal enterprise."

I said, "I don't disagree."

HUD is run on some matrix structures so you can't run it on a criminal enterprise unless the New York Fed member banks, the Treasury, and the Department of Justice intentionally run it that way, along with the defense contractors who run the payment and information systems.



So all those folks have to intentionally run it as a criminal enterprise for it to be a criminal enterprise.

Later that summer, that appropriations committee voted a big increase in appropriations for the agency.

I'm assuming the senator who ran it was required by his oath to obey the Constitution. So he and everybody on that committee are violating the Constitution because money is flying out the door that is not envisioned in an appropriation, and they clearly know it. So what is the law on that?

Edwin Vieira, Jr.: Therein lies the problem. There are certainly a number of statutes that cover that. I would think that a general one is Title 18 of the United States Code 241-242 that you and I and every other United States citizen has a civil right and a Constitutional right not to see this kind of activity occurring because it's looting us. It's directly taking our tax money or it's preventing us from getting certain kinds of benefits that we are entitled to get. We are suffering financially and other ways from this kind of activity.

There is a criminal statute that says that if anyone does that under the law and it has an effect on someone in the United States, and then there is criminal liability. Statute 242 covers the individual, and 241 covers conspiracies to do this to more individuals involved in that kind of criminal activity.

If I were a prosecutor I would say, "No problem. I have a basis for bringing a criminal action."



Just show me the behavior that violates these provisions of the Constitution, and we will go forward with that to the Grand Jury.”

Then, of course, you have RICO, Racketeering Influenced and Corrupt Organizations Act, which deals with the concept that an enterprise can be run through a pattern of racketeering activity. There are plenty of cases going back that dealt primarily with state and local government offices. Mandel, the Governor of Maryland, was brought up on a RICO charge claiming that he was using the office of the Governor of Maryland as a criminal enterprise. That requires simply proof that fraud has been involved – mail fraud, wire fraud, or a number of other provisions as well.

I would imagine that the situation you’re talking about would have plenty of mail fraud and wire fraud that would be involved in all those transactions. So then you would say that HUD is being run as an enterprise on the basis of a pattern of racketeering behavior and activity.

So the statutes are all there. Of course, there are statutes dealing with defalcation of money through public monies and falsifying public records and on and on. All of that data is there. The question that arises at the first level is: “Well, why aren’t the prosecutors who have wind of this kind of activity conducting the appropriate investigations either through the in-house counsel and the various agencies or through the FBI, bringing this eventually to some Federal grand jury in the District of Columbia? Why is that not happening?”



The conclusion that one has to draw is that this network of criminal behavior goes beyond any one particular agency. It's endemic in the whole bloody shebang in Washington DC.

C. Austin Fitts: Right. I once asked a congressman, who was on both the budget and the defense appropriates, "There are \$3 trillion missing from DOD in the last two years."

He said, "Yes, I know."

I said, "Well, what are you doing about it?"

He looked at me, shocked, in the middle of a town hall meeting in front of 30+ people. He said, "Nothing. There is nothing that I can do."

I proceeded to send to all of his offices a long letter about the many, many ideas of all of the different things that he could do. But I think his response was basically saying, "There is no political constituency for financial accountability," which Jeb Bush once said.

If you look at the Federal budget, everybody is getting a piece of the pie of ignoring all of this.

Edwin Vieira, Jr.: That's right. It goes back to a fellow by the name of Mancur Olson. He wrote a book many years ago, *The Logic of Collective Action*.

C. Austin Fitts: That's a great book!



Edwin Vieira, Jr.: Yes, and what did he say? He said that in a collective action you could always organize a group if that group is going to receive large returns or profits from its organization. If the cost of organization is much less than the profits to be returned to that group through its activity, it's easy to organize such a group.

The difficulty occurs when you are trying to organize a group which has large expenses in organization but it will receive only small negligible returns. So the typical reformist political group may be very difficult to organize because there are a lot of costs in doing that, and especially because of what they are doing? They are reforming laws, but are not getting some great profit from that whereas the group who is organizing in order to subvert the laws and to generate profits; it's easy to organize that type of group and maintain it.

That works for the typical lobbying situation. There are a small number of companies that are willing to spend a large amount of money if they are going to get a sizable amount of defense contracts back as the result of that lobbying expenditure. But the average taxpayer who wants to reduce his burden of taxes,, he is going to get only a small amount of money in reducing his tax flow, but he is going to have to contribute a lot of money to that tax reform group. So it is very difficult to get him to participate and that is what we have.

The government is attacked by these leeches who can organize themselves because the payoff from their activity is very large. The average American cannot respond to this because his payoff is so small that it isn't worth putting in the amount of effort or expense in participating in the reform movement.



C. Austin Fitts: Didn't Olson call it the 'warlord problem'?

Edwin Vieira, Jr.: It's called the 'free rider' problem. I think it's obvious. You can see this with people who are Constitutionalist in principle. What do they gain individually from seeing various provisions of the Constitution enforced? It's a very small amount, financially speaking, whereas the ones who want to see the Constitution subverted so that the government will be able to spend more money on whatever projects these people are profiting from, they have no problem organizing them.

It's the problems of special interests tied into that theory.

C. Austin Fitts: Right. I wanted to bring up a second piece before move on to what is now happening. When I left government, I said that we needed citizens to have a way to do this themselves in a way that makes money.

I came up with the idea of doing place-based financial databases. I told you about the Community Wizard where everybody could look at how the money worked and figured out how to re-engineer it in a way that was good for taxpayers and made a lot of money for local real estate and businesses.

Of course, the Department of Justice seized the databases and the software tools. It took me many years and \$6 million to get them out of court control. I got an advanced degree in covert operations targeting people who are trying to do good work.



If you see how things like tort reform or Common Core have gone through the states, you have big money like Gates or the Koch brokers and working through ALEC (American Legislative Exchange Council), they spend a fortune and engineer dreadful things. I'm sure that some of them think it's good, but if you look at the covert operations that are used, people get destroyed and get targeted. There is violence. These people don't play within the law.

So when you talk about getting something ratified through three-fourths of the states, that is one thing if you are running a clean process. But if you are running covert operations and you have billions or trillions behind it, it's a very different kettle of fish.

Edwin Vieira, Jr.: Absolutely. I think it's dangerous enough if it were a clean process.

C. Austin Fitts: Right.

Edwin Vieira, Jr.: If you get the wrong people as the delegates, they may believe in good faith – ideologically with the changes that they want to propose – that they are good changes. I could look at those changes and say, “Those are the worst possible changes that we could do, but at least the people are believing it in good faith,” then I think a lot of the proponents of this Constitutional Convention of the states are not acting in good faith. They really have covert intent.

C. Austin Fitts: Yes.



Edwin Vieira, Jr.: The most dangerous one of all is the group that intends to change the Constitution in a wholesale manner.

C. Austin Fitts: Let me mention a couple of reasons they might want to change the Constitution in a wholesale manner. For many decades we've made commitments as a country to the citizens, for example social security or military pension, or we have issued lots of debt to creditors, and we are liable for all of those things.

We've gone through a period, which I describe as the 'financial coup d'état, where literally trillions of dollars have disappeared from the Federal government. We can argue that we don't know how much that is because we don't have a proper accounting of it – and that is true – but we are clearly outside of the law, and a great deal has gone missing.

Now that these other liabilities are coming due, no one wants to be liable for them. The way you get out of being liable for them is break up the United States when states start seceding, or you can have a Constitutional Convention and tear the Constitution up. What you can do is make sure that they can never come and get the assets back because the assets are still around someplace.

So if you've robbed the bank, you want to make sure that the bank gets shut down before somebody says, "Where is the money?"

You want to get out of the liabilities and be able to blame somebody else, "It's not our fault. All those states seceded."



Any kind of Constitutional Convention or change is essentially a clever way of abnegating your contracts.

Edwin Vieira, Jr.: Yes. If you go back to the bank robbery analogy; a fellow robs a bank, and has the political power to go to the legislature and the law and make bank robbery no longer illegal with retroactive effects. Now he has covered himself. That is one way of doing it, and that is what we are talking about here. They will make some changes in the Constitution and put in a new Constitutional structure entirely. Then they will turn around and say, “Well, what happened under the old Constitution we no longer are going to accept.”

If you study the Articles of Confederation regarding the changes to the Constitution, the founders are very clear. In Article VI they say, “All debts contracted and engagements entered into before the adoption of this Constitution shall be as valid against the United States under this Constitution as under the Articles of Confederation.”

They were trying to be honest about it. They incurred a lot of debt under the Articles of Confederation in fighting the war of independence, and they were essentially saying that all of those debts are going to be made good in some way. They didn’t exactly because they had to scale them down, but you are thinking of a proposal in this new Constitution or whatever amendments they propose that would be the opposite of Article VI Clause 1 that would allow them to make these earlier debts and engagements somehow no longer viable.



C. Austin Fitts: Or there is another alternative, which is that the debts are good, but provisions are made that no one can come after them. Let's say that the number I've stolen is \$50 trillion. You want to make sure when you balance the budget that that \$50 trillion is not on the table. It's like, "Oops, that is gone. Now we've balanced the budget, so all of you citizens are liable to provide all of these things so we can radically cut spending because we have to under the balanced budget, or be taxed more. You have to be liable for this in a variety of ways. If you're not, then we get to do this and this."

Edwin Vieira, Jr.: Right. Or, under the balanced budget amendment – as you're creating this scenario – you could say, "Well, we have to cut back on the social security payments."

C. Austin Fitts: Right.

Edwin Vieira, Jr.: Most people think that social security is some kind of a contract and whoever it is, "I am entitled to this because I paid my money and I have a legal right to get some kind of payment back."

The short answer is that the Supreme Court already ruled that that isn't true.

C. Austin Fitts: Right.



Edwin Vieira, Jr.: It's the *Flemming vs. Nestor* case. The Supreme Court ruled that social security is rather a welfare payment notwithstanding the fact that the people paid in under the impression that this was somewhat of a forced savings operation. If Congress wanted to cut off those payments, too bad for you; it's gone.

C. Austin Fitts: Right.

Edwin Vieira, Jr.: So you very well could have a balanced budget amendment or set of amendments that would be the rationalization for coming back and saying, "We have to cut people's social security by 50%."

C. Austin Fitts: Right.

Edwin Vieira, Jr.: "Too bad for you! The Supreme Court ruled way back when, and we're just following on with this. We have the obligation under this new amendment to do that. We're not doing this to be cool; we have an obligation to do it."

C. Austin Fitts: Right. "The people wanted this, and it's not our fault."

Edwin Vieira, Jr.: That's right. "Our hands are tied. You gave us these new amendments, so we have to comply with them. My gosh, we believe in this new Constitutional structure."



Too bad for you, but we have to remove some significant amount of your payment.” Or, the other side of the coin is to expand the tax base and expand the tax load on people who are working, but I would think they will go the other way.

So you have all of these possibilities, and the interesting thing is: Who is proposing these amendments? It’s the big money, folks. You mentioned the Koch brothers behind this. What is their financial interest in this? Are these people simply patriots? Are they putting all of this money into this operation simply out of a concern for abstract legal principles, or do they expect some profit from this?

C. Austin Fitts: Why wouldn’t a patriot require that the current laws, the current Constitution, and the current financial management laws are enforced? The Supreme Court has not ruled and the courts have not ruled against compliance with financial management laws and the provisions of the Constitution related to spending as far as I know.

Edwin Vieira, Jr.: No.

C. Austin Fitts: So if you are the Koch brothers, why aren’t you spending your money in lobbying that those laws be enforced? If the laws were enforced, it would solve a great deal of these problems.

Edwin Vieira, Jr.: I think you could go back to Mancur Olson because they don’t see any profit in that course of action. They see some profits in the amendments that they think are going to be passed.



C. Austin Fitts: Right.

Edwin Vieira, Jr.: That is what makes me very nervous. Some people in good faith have put on these various balanced budget proposals. You look at them and you say, “I don’t think that’s really going to work,” but I don’t see how the particular people who are proposing them stand to gain a large amount of money if it were passed. But many of these other proposals are being worked in the dark. We don’t know what they are.

C. Austin Fitts: Here is how they make money: You put in a balanced budget proposal, and do it in a way that the \$50 trillion that has been stolen is off the table. That is number one. But then number two is that the Federal, state, and local government own tremendously valuable assets. You force a process where they have to sell them and the nature of that process is going to force them out for \$0.10 on the dollar.

Edwin Vieira, Jr.: You mean like Greece?

C. Austin Fitts: Yes. Exactly.

Edwin Vieira, Jr.: It’s just like the Greek proposal. They’ve already run that scenario.

C. Austin Fitts: Yes, and they ran it in Russia.



Edwin Vieira, Jr.: Yes. So they know how to run this kind of economic regime change. All they need is a type of Constitutional platform on which to stand, and then they will turn the gears that they have already honed very well and lubricated very well in these other instances.

C. Austin Fitts: So here is the financial coup d'état: You globalize. While you're globalizing you bubble the housing market and some other markets. You suck a great deal of money out of the economy, including the \$11-plus million that went missing. You do it with massive amounts of securities fraud – both government securities and mortgage securities. When the bubble bursts, you get the taxpayers to refinance all the debt and stick it on the taxpayers' balance sheet. Then you come along and say, "I want to balance the budget," and the \$50 trillion is still off the table. Now you balance the budget on the backs of the taxpayers and say, "Okay, we are going to privatize all the assets," and do a fire sale and pick them up at \$0.10 on the dollar with all the money you've stolen. That is how it works.

Edwin Vieira, Jr.: Exactly, and the taxpayers end up with 'austerity' – as they call it. They are thrown into 2nd or 3rd world living standards, and the one percent – the globalist oligarchs – walk off with all the property.

C. Austin Fitts: Right. Now if you look at the biggest compromise of internal financial controls during the beginning part of the financial coup d'état, the reason nobody noticed that all that money was disappearing from the Federal government is because of this:



In the spring of 1997 I was meeting with a group of top pension fund leaders in the country, including the head of CalPERS. He said to me, “You don’t understand. It’s too late. They’ve given up on the country. They’re moving all of the money out, starting in the fall,” which was October 1997, the beginning of 1998 fiscal year when all the money started missing from the Federal government – big, big money.

In fact, no one noticed that the money started to go missing. I was jumping up and down and screaming about all the different things that were happening. No one noticed. Do you know why? Because they were talking about Monica Lewinsky.

Monica Lewinsky was the air cover. If you observe what is going on in Washington with the press versus Trump, it looks like Monica Lewinsky II. That is why I am so concerned about the Constitutional Convention.

I think we are looking at the big 3rd leg of that financial coup d’état.

Edwin Vieira, Jr.: That is what eventually they would need; they would require the legal coloration to justify what they have done and to rationalize the looting that they plan to do. They really can’t find it under the present Constitution. Or at least if they attempted it under the present Constitution, in some states someone might come back and say, “Wait a minute. We need to investigate this from the RICO point of view.”



C. Austin Fitts: They tried with Jeb or Hillary. Remember the Bush's and the Clintons have led this all along. They tried to get Jeb or Hillary to be elected President, and now with that not happening, this is their route.

Edwin Vieira, Jr.: What do you think now that we have Trump in there? What do you think of the prospects that anyone in the Trump Administration is going to look at this from the perspective that we have been discussing?

C. Austin Fitts: That's why I'm going to make this Solari Report public.

Edwin Vieira, Jr.: Run the flag up the pole and see who salutes it, right?

C. Austin Fitts: That's right. One thing that has been heart-warming to me is that the new Administration comes in, and every time they start to get off course, I call them 'Titanic Turners'. I said to everyone that there are four profiles you need to understand to know what is happening in Washington: You have the Titanic Turners who are trying to turn the ship in time. You have Piggies who are just trying to get a 'piratization' going, but if you can manage them right and say, "Look, the way that you make money is helping the Titanic Turners," then you can get them to play along.

The number one question in the Administration is: Is Gary Cohen going to be a Piggy or help the Titanic Turners?



Then you have the Scaredy-Cats who are just scared to death of everybody and don't want to play the game. Finally, you have Scorpions who are all about grabbing power and being a tollbooth and an obstacle. They are trouble and you have to keep the Scorpions in the corner.

So you could see Trump and his team getting downed by the Scorpions and forgetting about what they came there to do. For example there was one week when Drudge and Steve Forbes and David Stockman all swarmed in and said, "No, no, no. We can't wait on tax reform. This is why we voted you in. You have to focus on what is important."

You could see that Trump was thinking, "Oh, you're right," and he did a 180.

What is happening is the Titanic Turners are swarming in and trying to help in a very positive way. It's very gratifying to see.

I'm ultimately the optimist because this is the reality: If you pull off the nuclear strike at the end of the financial coup d'état with the Constitutional Convention, these guys are Scorpions; they are always going to drown the frog in the middle of the river, and they are going to drown with it. You're going to kill the goose that lays the golden egg because you're talking about complete lawlessness.

I don't know where these folks think they're going to live because, Edwin, just talking to a banker, if the price earnings ratio of the S&P is 10 or 12, with no law it's 1.



If you have law, it's 10 or 12. That is a lot of money. The price of lawlessness destroys values in an economy.

Edwin Vieira, Jr.: Well, they still might be able to convince themselves that they can keep the lid on.

C. Austin Fitts: Oh, I'm sure that they can convince themselves that they can keep the lid on, but I don't think they can this time. I think if you let them do what they really want to do, they will kill the goose that laid the golden egg. But I don't think they know that.

Here is the fact of the matter: When society allows the Scorpions to take control, that society is not going to last. I think that the Titanic Turners have to swarm in and help each other.

I've never met someone who wanted a Constitutional Convention who wasn't really good-hearted. Some people might describe them as intensely brainwashed, but there are many, many people who don't understand the mechanisms to achieve enforcement of the things they want to see enforced. They don't know the specifics of how to get what they want.

They see the musical *Hamilton*. as I did last year in New York. I love a great deal about Hamilton. He was a very transparent kind of guy.

Anyway, you see *Hamilton* and think, "A Constitutional Convention – how wonderful! Let's all get in there – all of us young people with great ideas, and we'll reinvent our country."

You can see the lies pouring out. This is going to be really bad.



Edwin Vieira, Jr.: I agree with you that many people that I encounter who are in favor of this Constitutional Convention idea are extraordinarily naïve. They are sick and tired of the present failure within the system to enforce its own rule of law, and are desperately searching for some kind of panacea. So they will buy whatever snake oil the con man is offering to them, and haven't thought it through in any way, shape, or form.

They probably imagine it in terms of what happened the first time, "Oh; we have this wonderful Constitution. It wasn't as good as it could have been, but now we know that and we know what the areas of controversy and what the problems are. So let's do it again and correct those problems," not understanding that the people who are going to this new Constitutional Convention will not have the ideological mindset of the ones who came to the first one. There is your problem.

In a sense, the Constitution was foreordained as a consequence of things that had happened before. There was the British Constitution, which the US Constitution is modeled to a great extent on the basic structure of the British Constitution. There were the Articles of Confederation based on the various experiences that the states had in forming their own state constitutions prior to the Constitution of the United States. All of this 'conspired' – if I may use that word – resulting in a group of people with a certain perspective on political science and practical politics coming together and simply working out in the most pragmatic fashion possible a document that they thought would be most acceptable in a country made up of people who largely thought the way they did.



C. Austin Fitts: Right.

Edwin Vieira, Jr.: This wasn't a country divided 50/50 between Leninist progressives and Constitutional conservatives, which we seem to have today; it was a country that was very much on the same plane ideologically and politically.

As always, there were economic class conflicts, and they were trying to finesse those in the US Constitution. They did a very good job of it because it was ratified. You didn't have a split in the country between the slave states and the Northern states or whatever kind of dichotomies that you would imagine.

Today it's exactly the opposite. So one would imagine that if the Constitutional Convention delegates faithfully represented the split in the country, nothing would come out of that convention, whereas, if it reflected the so-called 'progressives' or the leftists in this country, God only knows what the product of that convention would look like.

I don't believe that that convention is going to be staffed with delegates who are 'Constitutionalists' in the sense in which you and I use that word. I would be willing to bet a stack of Krugerrands as tall as I am that those people would not be Constitutionalists. There might be one or two of them there for coloration, but the other 200 would be the Charles Schumers and the Nancy Pelosis.

C. Austin Fitts: Yes, but those two would have an enormous control file.



Edwin Vieira, Jr.: Yes. Is Congress going to set up a call that will not draw people from the establishment into the Constitutional Convention?

C. Austin Fitts: They are going to have people from the establishment that is for sure.

Let me mention one more thing about a former city councilman in Philadelphia whose name was Ed Schwartz. He had a group that I loved, called The Institute for Civic Values.

One thing that he would make people do is take the Constitution, read it, and have all the neighbors read it. Then they would sit down and go through it and say, “Okay, what does this say about how we should run this neighborhood?”

He would basically get them to try to reinvent the application of the Constitution for their neighborhood or their county or their local area. It was a remarkably edifying process, and it certainly informed them on many of the things that they could clean up locally.

I always tell people about enforcement, that if you want to enforce, the corruption starts one county at a time for 3,100 counties. The power flows bottom-up. So clean up your county and you will be doing a noble process to cleaning up the whole thing.

Edwin Vieira, Jr.: That’s right, and it’s a lot easier to control it at the local level.



C. Austin Fitts: Absolutely. I have to tell you that this has been a remarkable conversation and every conversation with you is a remarkable conversation. As I said, we are going to make this public because I do hope that this becomes known. Everybody needs to hear it, including the team in the Administration.

I recently told someone, “Stop sending more names to those people. Help them do what they want instead of trying to push more people in there. They are too busy.” But I think you are an exception to that rule.

Edwin Vieira, Jr.: I hope so.

C. Austin Fitts: I hope they reach out.

Before we go, please review with us your website and books and how we plug into and get access to your wonderful work.

Edwin Vieira, Jr.: You can find most of my information on www.EdwinVieira.com. You can get books, CDs, and even a DVD called *The Purse & the Sword*. It’s an eight-hour lecture series on the Constitutional structure, starting with the Declaration of Independence. All of that is available on Amazon.com.

C. Austin Fitts: Tell us about the lecture series.



Edwin Vieira, Jr.: The lecture series is called *The Purse & the Sword*. It ties the Declaration of Independence into the Constitution, and uses those two powers of government as the foils for the discussion. In *The Power of the Purse* I focus on the monetary system and the Federal Reserve, and how the power of the purse has gotten out of control of the people and into control of the banks. In *The Power of the Sword*, if you read the Constitution and understand history, this was about the militia structure.

C. Austin Fitts: I thought I owned everything, but I haven't found that. I'm going to check it out.

Edwin Vieira, Jr.: If people want to look on the internet, place my name on YouTube. There are a number of videos that I've done. I did one for a group of house staffers a couple of years ago that dealt with the monetary history of the United States and tied the Constitution into the various developments – or 'devolutions' if you will – of the monetary and banking system. That lecture lasted a couple of hours and was presented in the Rayburn building. So that is on the web and is a good overview. You can see in a relatively short period of time – taking it through 150 years of American legal and political history.

So there is a great deal of that kind of material out there – various talks that I've given. That particular one was more professionally done.



C. Austin Fitts: Have you by any chance seen the documentary *Hot Coffee?*

Edwin Vieira, Jr.: No.

C. Austin Fitts: It's a documentary by an attorney about the process by which tort reform was achieved. It is one way of describing why I'm so concerned about the process at the state level not being a clean one given the kind of money that is amassed to deal with.

I have to tell you that this has been a terrific discussion, and I think your work and your knowledge is the kind of protection we need when the wall gets breached. Hopefully we can build this intellectual wall back up to stop us from any kind of foolishness.

I think it is going to be a very interesting year going forward, and I am very, very glad that you are on the planet and that we are in cahoots.

Edwin Vieira, Jr.: Thank you. and I agree. I am very, very glad that you are on the planet, also. All we can do is keep laying the bricks and seeing how much reconstruction we can do in the time we have left.

C. Austin Fitts: Thank you and have a wonderful day.

Edwin Vieira, Jr.: Thank you.



MODIFICATION

Transcripts are not always verbatim. Modifications are sometimes made to improve clarity, usefulness and readability, while staying true to the original intent.

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