The Solari Report

July 04, 2019

2nd Quarter Wrap Up
News Trends & Stories
Part I with
Dr. Joseph Farrell

Catherine Austin Fitts
Dr Joseph P Farrell
C. Austin Fitts: Ladies and gentlemen welcome to the 2nd Quarter Wrap Up. This is News Trends & Stories. You would not believe the trains, planes, and buses story that it took to get here to be with Dr. Farrell. It was a three-day ‘shaggy dog’ story, which we won’t dive into. Needless to say, it’s a pleasure, Dr. Farrell, to be here with you.

Dr. Joseph Farrell: Thank you for having me. I’m sorry it was so hard to get here.

Fitts: It was quite an education in the reengineering of America and what is going on. One of the things that we are going to talk about today is the extraordinary impact of what is happening with the weather. It’s wreaking havoc with farms, with businesses, and with operations. If you don’t live in the heartland, it’s hard to understand. If you live on the coast, everything is just ‘moving along’– unless you’re getting burned out by fires.

Let’s dive in. We’re doing Part I, and we are talking about Economy & Financial Markets. When we went through the Top Ten Stories in Part I, one thing I said was that two years ago on the Annual Wrap Up, for many, many years –
– more than a decade – I’ve been saying things are going to slow burn. Then I said the erosion of the institutional framework and relationships from the slow burn was so great that the scenarios of what could happen were so wide, and the uncertainty is so great that we really were in ‘never-neverland’.

I think that after going through these ten stories, we are going to say, “Get ready for anything!”

**Farrell:** Truly.

**Fitts:** Story #1 is near and dear to my heart. We finally mailed the first of two parts – the other part will go out at the end of this month – of the definitive written collection on the $21 trillion missing from the US Government and FASAB 56. Our number one focus is FASAB 56 and what it means to the US securities market.

**Story #1: Secret Books & FASAB 56: US Securities Markets Go Dark.**

**Farrell:** I want to tell you that this book that you sent out about the FASAB 56, which is 200 pages in the first volume, people have to study. If you have this book, you have to study this very, very carefully. With your permission, I want to read some things that you wrote inside because this is very important for people to understand what the FASAB 56 rules do.
This is something that you wrote during the Kavanaugh Supreme Court hearings. This is on page 36, and to my mind, this sums up what the FASAB 56 regulations really do. This is what you said:

The U.S. government just officially changed its governance model from a constitutional republic to fascism through an obscure accounting policy; no need to bother with a Constitutional convention.

What does this mean for the sovereignty of US securities and of treasuries and so on?

Then you continue:

So, not only are the U.S. sovereign bonds no longer sovereign, but the U.S. military that has heretofore served as the backbone of the U.S. financial strength is no longer a sovereign military—it is increasingly being privatized or replaced by private armies, free to roam in U.S. territory as well.

The thing here that gets my attention about that statement is that this is an accounting procedure which really does make that possible. In turn, privatization of security of the military, in effect, is an end run around posse comitatus law. If that is the case, that means that any local state or other jurisdiction can hire these private armies and use them in order to enforce the status quo. This is very, very bad.
Fitts: Yes, and it’s very frightening. It’s as though you took the US Treasury and turned it over to the mob and gave them permission to do whatever they want in secret.

One of the things that you see in Washington is that people are constantly lobbying Congress to change rules or appropriate money that will do something that will make the stock market go up. What this means is that every mercenary – every ‘black water’ in the world – is bringing in proposals and saying, “Let us do this, and we can make your stocks go up and from those stocks, we can generate this much in political contributions.”

It’s open season, and any false flag, any covert operation you can finance, no problem.

Farrell: That’s right, and the problem here is raised in this book, which people have to read because this is actually something to study and absorb, not just put on the coffee table.

Fitts: I would like to mention that you are going to have a way for your members to buy it. It’s subscribers only, but Giza Deathstar members are going to have a vehicle and a way to buy it.

Farrell: We are going to do a dialogue together on how they go about doing that because I think it’s important for people to get this information.

And let me encourage you to put this up for the general public.
Fitts: Eventually we will. One of the things that really inspired me to do this was, of course, that you deal with it, and we deal with so much hacking. If I want a book, I may buy an e-book so I can read it while I’m flying or traveling, but then if I want it, I buy a hard copy.

Last year, I considered that there was such a serious effort to destroy this story, and I was thinking of your words. I said, “I have to take all the critical documentation on the $21 trillion missing and the FASAB 56 that any serious citizen or investor – whether it’s a retail investor or an institution investor – would need, and I have to put it in hard copy, and I have to mail it to three continents.”

I could just hear your words about why the digital format was completely untrustworthy.

Farrell: It’s totally untrustworthy. We somewhat had a theme for this Wrap Up, and you said, “If the systems don’t have integrity, then neither do the technocrats running them.”

The other thing about these FASAB 56 regulations that you bring out in this book, particularly with the idea of sovereign securities is: Are they really sovereign anymore? They’re not, of course. Therefore, what sort of position does that place you as the investor in? Where is the guarantee ultimately on your investment coming from?

Fitts: If you’re a US citizen, it’s an IOU from yourself. You have taken an asset – cash – and turned it into a liability. It’s quite clever.

Farrell: It’s very clever and diabolical and unreal.
When I read that section that I quoted, the first thing that sprang to my mind was ‘posse comitatus’.

**Fitts:** One of the things that happened, which I think is important to realize because it’s important on the timing of FASAB 56, is that Mattis and Kelly are against the use of mercenaries. FASAB 56 gets promulgated and it’s basically approved by GAO and OMB, but there is no way that they can do that unless the bipartisan leadership – both in Congress and the White House – agree.

In terms of cleaning up the swamp, this is the single greatest increase in the swamp’s power since the 47 and 49 Acts.

**Farrell:** Absolutely. I would say that this is the single greatest increase in the swamp’s power since Roosevelt confiscated gold and Wilson gave us the IRS and the Federal Reserve.

**Fitts:** This is a major step up in swamp power. So, Mattis and Kelly used their very considerable gravitas to help get appropriation increases for essentially military and enforcement. As soon as this passes, ‘boom’, they’re out! And who is Kelly replaced by? Kelly is replaced by the head of OMD, who was the person shepherding for Trump FASAB 56. So, what does that tell you about what is really occurring?

Trump is just a distraction at this point.

**Farrell:** The other thing that you pointed out with regard to the FASAB regulations and how they were snuck through, is that it was all done during the big Kavanaugh blow-up. They gave us ‘bread and circuses’ to distract us, and they snuck this through.
Fitts: Right, and the thing to understand is that McConnell and Pelosi and Schumer are all cooperating on getting this through.

Here is the other thing which is very interesting. When did Pelosi win? It was after FASAB 56 went through. So FASAB 56 is passed, she won her election and was made Speaker of the House. As soon as she is made the new Speaker of the House in January, what does she do? She reinstitutes PAYGO. PAYGO is the rule that says that you cannot make an expenditure unless you identify a revenue source or cut another expenditure to create a revenue source. It’s financial accountability.

So, now that the DOD can spend as much as it wants whenever it wants outside of the law, we are held to financial accountability. So, with the balance of power you have the ‘one-way mirror’, and now they can spend as much as they want and print as much as they want, and we are held to complete financial accountability.

Pelosi did that; she did both of those things. That is why I have trouble relating to the ‘little fur ball’ about Republicans versus Democrats.

Farrell: This is all a bipartisan effort on the part of Congress to surrender its Constitutional responsibilities. It’s totally unreal.

Fitts: During this period, Mnuchin was sued. When it was clear that Sears was not going to make it, a group of investors spun out all the valuable real estate into a separate entity. Then a year or two or even three years later, Sears went down. It’s beyond the statute of limitations, and Sears goes down.
This is a typical asset-stripping move. Basically, Ross and Mnuchin both made their money reengineering troubled companies.

I think that the whole play to asset-strip the US is the real estate and the land.

Farrell: Right, and we will get to that.

Fitts: You have FASAB 56, and you have it with a Secretary of the Treasury who is essentially a Goldman Sacks royalty, a member of Skull and Bones, and whose expertise is in asset-stripping and is being sued by investors about asset-stripping. So, what is it that we don’t see here?

Farrell: That is a good question. I’m suspecting that if you look at the timing of all this and the way that they’ve rolled this out, this is the flip side of the weather that we are going to talk about later. They are going to pick up the real estate on the cheap, and they are probably going to use that money to do it.

Fitts: Right, and I think that FASAB 56 is absolutely part of paying for the weather warfare that is being used. As soon as FASAB 56 was over, DOD announced a formal agreement with California to help with the fires.

Anything else on Secret Books?

Farrell: Yes, but it’s better under Story #2.
**Fitts:** The one last thing that I have to say on Secret Books is that because of the way that FASAB 56 works in combination with other national security laws and waivers, you are making the entire US stock market, with some exception, private, and most of the bonds, too, and certainly the treasury market.

One of the things that I write in detail about in *Caveat Emptor*, which is published in this book, is the fact that when the rating agencies downgraded the US credit, the Department of Justice went after them. They went after them in a way that fundamentally destroyed their holding company, and they had to sell out. It was a huge mess. It’s described in the article, *Caveat Emptor*, which is on the website and in the book.

One thing that we describe, is why you can’t depend on anybody else to do this due diligence; you have to do it yourself. The rating agencies have taken the whole thing black.

**Farrell:** Everything. This is what people have to wrap their heads around. It’s what you said, “They’ve taken the securities markets black, they’ve taken the finances black, and everything”.

**Fitts:** The head of S&P – 18 days after they dropped it – had to resign. He was fired.

They are using violence and force to create fake realities. You’re not allowed to downgrade the bond. At this point, if the President of a rating agency called me and said, “The right thing is to downgrade the bonds. Can we do it?” I would say, “Not unless you want your kids to get killed.” It’s that kind of violent force.
Farrell:  I want to stress something that you just said, which is very important for people to wrap their minds around: All this and what I said earlier about FASAB 56 and posse comitatus, is that this is a way of using force to enforce a view that is unreality and not related to reality.

Fitts:  You are using extreme violence at the nanoparticle level to implement an official reality which is completely fake.

Farrell:  It’s totally fake. To put it in quasi-theoretical terms, you have a gnostic system of finance that is totally divorced from reality.

Fitts:  And price. This brings us to Story #2 – which is not a surprising result – US Debt Spiral and Reserve Currency Pains.

We are in a debt spiral, and the reserve currency is under real pressure. There are many different aspects to this, but one of the reasons I am concerned about asset stripping is because we watched the US debt go up 6% last year and it’s expected to go up 8% this year, the Fed had a plan to raise interest rates, and they were ‘socked in the face’. Now interest rates are low because no one in the sovereign bond world can afford a rise in interest rates. It’s not only the US; there are many other countries.

The sovereign bond market will get wiped out at some point with higher interest rates if that should happen. So, you literally cannot afford higher interest rates. You have to do whatever you have to do to the economy to get the demand for capital back down.
Right now, almost all the treasury securities are being purchased by the Fed, the US government, and US pension funds. Foreigners are essentially sellers.

Social security next year is expected to go negative. That means that they have to become a seller of treasuries. If you depend on the Fed to buy all these, you are going to move into even greater inflation than where we are.

Mitch McConnell recently said, “The deficit is a real problem, so we have to cut social security and Medicare,” referring to social security as an entitlement.

Farrell: Wrong!

Fitts: Don’t let that happen, people; do not let that happen!

Farrell: Social security is not an entitlement; it was a covenant that was made with these people.

Fitts: And it’s funded by the beneficiaries; it’s a trust fund.

Farrell: Yes, and your tweet that you put out was ‘dead on the money’. Seriously, if you are going to cut social security and things that you have promised to people and made a firm covenant with people, then you need to go after that missing money.

I say to Mr. McConnell, “Before we start talking about cutting people’s social security, we want to know what you have done with the money.” You made three points in this respect.
We need to get that money back, and we can do it through common law offset, liens on assets and so on and so forth. We now need to move into serious practical discussions about states insisting that the Federal government lives up to its promises.

**Fitts:** I believe when Skidmore published his report, the announcement that the DOD was missing $6.5 trillion in 2015 came after the company that for decades, has run its payment and information systems – their lead contractor – spun out their division to another company. I called it a ‘cut and run’.

Here is what is interesting: You have two sides to the payment systems. One is the defense contractor running the payment systems, and the other is the New York Fed as a depository.

A week or two after Skidmore published the report, there was an article in the *New York Post* that on Saturday night, there was a fire on the roof at the Fed because somebody was using a fireplace in the basement of the New York Fed, and this was in October.

So, when I tried to get a copy of that article to archive it, the thing about the fireplace was gone. I should have gotten it right away, and that was my mistake.

That is because there is liability.

Here is what is interesting: If you can figure out where the money was spent, you can put a lien on that asset. Let’s say that you can’t, and they burned up all the records.
The New York Fed and all those member banks who run those accounts are liable for performance. So, let me dive into some arcane knowledge.

Hamilton Securities was in litigation with the Department of Justice for many, many years on this exact point. We had run a loan sale as an agent, not as a principle. The loan sale had made a great deal of money for them, but one of the subcontractors made a mistake. We found it and fixed it, but in theory, it is possible that if they hadn’t made that mistake on the loan sale that made hundreds of millions of dollars of profit for the government, we might have gotten another $3 million.

It’s a theoretical exercise, and the government’s expert says there was no cash cost to the government; it was just a theoretical issue. But they asserted a common law right of offset and said, “You owe us that $3 million, and we can offset that against what you owe. Whether it’s the receivable or your asset, we can assert a common law right of offset.”

For years the Department of Justice asserted common law rights of offset against a financial institution or a government contractor. A government contractor definition is anybody who gets FDS insurance. What that means – and it depends on how creative you want to get – is that for the depositories, the companies doing the banks, doing servicing, or the banks doing the primary dealer, you can assert common law right of offset against all that, and you can get that money back.

I would also say that if you look at Congressional responsibilities, you may be able to get Mitch McConnell’s house back.
If you look at all the players involved in the $21 trillion, they are liable, but you have to be willing to have that conversation.

It’s interesting because my experience is that everyone says, “Oh, $21 trillion, that’s nice. It’s all very interesting,” but as long as they are getting their check, it’s not real. So, the moment that Mitch McConnell rang that bell, the bell said that the $21 trillion is real.

Farrell: And there is another thing that I want to mention. I think that there is another big geopolitical blowback happening right now because of FASAB 56. I put it in your header for this section. It’s that the reserve currency status of the dollar is now under severe strain because of this.

When the Malaysian Prime Minister came out with an announcement a couple of weeks ago to the effect that they needed to create a regional international currency for trade in that region, but allow countries to keep their own currency for domestic spending and medium of exchange purposes, I think that in effect is what you are looking at now and this is the way they are going to stair-step to a global currency. They are going to do it through regional currencies, trading currencies, and units of account.

I believe this is a direct blowback from FASAB 56 because those countries are in an even more difficult position than we are. There is no accountability now on the part of the American Federal government finances, and that puts the dollar under severe strain. So they have to do something, and we are looking at the blowback.
**Fitts:** They are looking at incredible amounts of fiscal and monetary stimulus which are secret, and can cause hyperinflation in their economies.

**Farrell:** Absolutely, and they need to get out from under that thumb as fast as they can. So, we are going to see a lot more of this happening. This is going to put the Chinese-Russian model of trading with each other directly and their currencies bypassing the dollar. This is now going to go full steam ahead.

**Fitts:** One of the reasons that I have worked so hard for 30 years to constantly keep pushing this money back is because my fear is not only that they are emptying the assets of the government, but they are using a treasury mechanism to empty the real assets of the pension funds. So, we are going to wake up one day and the Treasury is going to be empty and the pension funds are going to be empty – or certainly massively depleted.

Remember that at 9/11 we were fully funded, and now it’s 70% and falling. Some of that is the lower interest rates, but I think that some of it is depletion. Certainly, if you look at the fraud that they stuck into the pension funds during the internet bubble and during the mortgage bubble, that is depletion.

What I wanted is the facts so that as a matter of political leverage, we could say, “Wait a minute. What about the $21 trillion?”

So, even if you don’t assert common law right away and even if you don’t get a lien on the spaceship, you are at the table ———
— and you have major political ammunition. This game can never be fought without the spin. In other words, if they can say, “Americans are profligate. They haven’t saved. That’s not our problem,” it’s incredibly important to be at the table and to say, “Look, you stole $21 trillion. You stole $24 to $29 trillion on the bailouts. You pumped and dumped the internet bubble;” and on and on. You have to be at the table, and you have to have the spin balanced with the facts. And those facts can provide immense political leverage if the right people have them.

**Farrell:** It’s time for states to step up and start passing some preemptory nullification laws.

**Fitts:** I totally agree.

**Farrell:** Missouri has already done this regarding the 2nd Amendment gun rights. They passed a law essentially saying that if the Federal government ever decides to curtail 2nd Amendment rights, Missouri officials do not have to enforce it. All the states need to start doing this with the finances.

**Fitts:** They need to start doing it with the systems. If we own guns, but our minds are crazy…

**Farrell:** Exactly. If the systems have no integrity, neither do the technocrats running them. Then we’re back to our theme. States really need to start looking at this whole FASAB 56 issue and step up to the plate. It’s their people who are going to be affected.
Fitts: I keep hearing from people, “The $21 trillion can’t be missing. If it was, there would be hyperinflation,” which is not true. But that is the latest pushback and spin.

If you look at the current increase in household goods in America, they say that the inflationary rate is 2% or 3%. It’s not. If you look at the Chapwood Index in America, it’s 8-14%. In Europe, it doesn’t seem to be as much, but it’s there. When I was in Romania, they said it was 5-6%, so they are being more honest.

If your income is flat, and your expenses are going up anywhere from 8-14%, how long is it before you’re in debt?

Another thing that I want to mention is that we see Pritzker, who became Governor of Illinois, talking about moving government assets into pension funds.

It’s very interesting. If you’re depleting the pension funds and you’re depleting government, then you take the government assets and move it into the pension funds. Then, of course, the pension fund trustees will decide that it has to be sold to raise money for the pension funds. It’s another ‘shell game’ with peas.

Farrell: It’s a ‘three-card Monte game’.

Fitts: One other thing that I want to mention here to show you how fragile things are is that late last month we saw the number one and number two people on the Plunge Protection Team who basically manipulate the price of gold and such, announced that they are resigning.
That was on May 28th. On May 30th Mnuchin, the Secretary of the Treasury, has an emergency meeting.

Let me back up now. One of the vice presidents of JP Morgan, who was involved in the gold manipulation, was prosecuted. There was a decision, and the case was delayed in May. There was an indication that the vice president is now cooperating with the prosecutors. The Department of Justice had interceded to stop all civil suits on the suppression of the gold price on the theory that it’s a criminal investigation. That’s what they do when they just want to stall and make it go away.

You think, “How in the world did Treasury and JP Morgan allow this to happen?” It looks like this person is getting ‘hung out to dry’, but it creates leakage.

Literally 15 days later, the number one and number two people in the Plunge Protection Team, which depends tremendously on the manipulation of the gold price, resign. A day and a half later, Mnuchin has the emergency meeting, and guess what happens that afternoon at 5:45? At 5:45 in the afternoon Bloomberg publishes an article saying that the Chief Accountant at the SEC has resigned. Here is the question: Did he learn that from reading it in Bloomberg?

If you were the Chief Accountant at SEC, how would you feel about FASAB 56? Remember that when they commented on FASAB 56, they had no objection, and they are responsible for transparency in the securities market.
So the Chief Accountant resigns, and then the next day it’s announced that the top economic advisor of the United States has resigned.

I’m glad that you brought up Malaysia because, if you look at the effort to get countries around the world working on their currencies, it’s underway. The IMF is pushing for the gold to be rebalanced.

I will mention one little factoid: For Facebook’s new cryptocurrency, do you know where the headquarters are?

Farrell: Let me guess: It’s close to CIA headquarters?

Fitts: No, it’s in Geneva.

Farrell: Isn’t that convenient?

Fitts: I knew you would like that. It wasn’t Basal, but they put it about 100 miles away.

Farrell: At CERN. How nice and how convenient!

Fitts: Story #3: Slowbalization: Recession Looms, Equity Markets Correct; Interest Rates Fall.

‘Slowbalization’ is the term related to the end of globalization. I would say that the friction in the day-to-day economy is at an all-time high and getting higher. There is no way that an economy can grow under these circumstances. Part of it is technocracy. Technocracy is wasting everybody’s time and destroying productivity everywhere.
Farrell: Yes, and we need to emphasize that. The way that we are looking at this right now is the so-called ‘populist’ or ‘nationalist’ movements that are occurring. I think that you are correct here. This is really an anti-technocrat phenomenon. Therefore, if that be the case – and I think you are spot on here – then any political analysis that is trying to understand this phenomenon by using the old labels of populism and nationalism do not know what is going on.

Fitts: Let’s go to Story #4: Technocracy, Farmageddon, and the Reengineering of Land and Real Estate.

I watched a very interesting presentation at the Eurasian forum with George Galloway and Steve Bannon talking about how the European elections really showed the revolt of the working man, and I don’t agree with that. I think that it’s a revolt against technocracy.

Farrell: I do, too.

Fitts: If you talk to very wealthy businessmen, they are just as angry because they are trying to sell it for more than it costs them to make it. They are still trying to function in a market economy, and they see technocracy as an absolute destruction of productivity.

Farrell: This is the problem with the EU and Brussels. It’s the problem with this country. It’s literally everywhere, and I think that you are going to see it starting to happen in China, too. You mentioned Hong Kong. I think that there are certain signs that is true there.

Fitts: That is definitely an anti-technocracy place.
At first, I was concerned when the youths marched in 2014 or 2016 that it was the US intelligence agencies using entrainment and getting them all worked up. I was worried that it was the same thing as occupy. But then when I went there – I was in Hong Kong two years ago – it is such a vibrant place. You are in the middle of the world; the world is your country; the planet is your country.

You are trading with everybody; you have people in Hong Kong who are from everywhere, and it’s such an open, innovative, and mercantile capitalistic place. It’s market-driven.

There was a belief in Hong Kong that you could come from the poorest background and could make it in Hong Kong. It had that possibility.

What you felt two years ago was the oppression of the Chinese communists moving in. People absolutely feared for their lives and their property rights, not unlike what is happening here, but much worse. You could feel the innovation draining out and could feel the hope draining out.

Richard Eberhart has a poem where he talks about ‘Violent, vivid, and of infinite possibility’. It was like the infinite possibility was draining out and being replaced by this oppression.

I was at the university where I studied in Hong Kong, and I was with the business people and did a radio show on Bloomberg. I was at Chung Chi University, and I heard from everyone in academia and everyone in business and everyone in retail that the children are depressed. This is the end of their future.
Farrell: This revolt against the technocrats is the way to look at it. The reason I say that is because if you look at the rhetoric coming out of Italy particularly, they hate the technocrats. You listen to Spadolinni and some of his statements about the European Commission in Brussels and so on, and it is clear. What is being misinterpreted is that they are couching the anti-technocratic theme in nationalist terms and in cultural terms.

The technocrats do not understand culture, they do not understand markets, they do not understand entrepreneurship, but above all, they do not understand national culture. This is why this complete anti-technocratic movement is being misinterpreted.

Fitts: I learned this when I did all the simulations of databases by place to look at money by place. When you look at how an economy optimizes, it optimizes around two things: It optimizes around the communication that comes with price and markets. So, if I can grow a pear for $0.50 but I can buy it at the farmers market for $0.25, I am going to stop growing it and start buying it. So that is one, but the most powerful optimization is around what I call ‘morphogenic fields’—it’s around cultural shared intelligence.

You will find situations in this county where what we know how to do is raise livestock. We could double our money if we raised chickens, but we won’t do it. We won’t change for a variety of reasons.

So shared intelligence, much of which is embodied in culture, is unbelievably phenomenal to optimization. If you want people to change from cattle to chickens, you try to do it by making ——
it attractive through price. To do it through rules from Brussels, it doesn’t work.

**Farrell:** Number one, they are not based in the culture. Number two, they don’t have any culture. And number three, it’s shadow work.

**Fitts:** It’s shadow work, shadow work, shadow work. This whole economy is dying from shadow work.

**Farrell:** It is.

**Fitts:** That is what is causing ‘slowbalization’.

**Farrell:** I keep telling people to watch Italy very closely because Italy has also recently been hinting at this idea of a regional trading currency. In other words, they are talking openly about busting the EU and busting the euro and creating a more regionally-appropriate trading currency.

I believe that currency is going to be based on a cultural perception that, “We’ve had enough of the refugees and so on.” This is why they are talking with Hungary and with Poland etc..

I am willing to wager that at some point you are going to see those countries who have had it with Brussels start thinking in terms of creating their own internal trading currency or unit of accounting.

**Fitts:** I’ll say it now. I think that every central bank and every country ‘worth its salt’ is working on new currencies. Everybody is working on it.
Bretton Woods has now fallen apart, and the currencies are not working. So, everybody is working on how they are going to replace the existing systems.

**Farrell:** In a way, FASAB 56 is the principal catalyst now moving all these things forward.

**Fitts:** I don’t understand why they did it.

**Farrell:** I don’t either.

**Fitts:** It is showing your hand.

**Farrell:** It’s showing your hand, and it’s creating all this geopolitical blowback. I can’t understand this either. The only thing that I can think of is that you are dealing with technocrats who are so far removed from any real world experience.

**Fitts:** Here’s what is happening, and I’m going to make a prediction. This is just my ‘high-octane’ speculation.

**Farrell:** Go for it.

**Fitts:** Skidmore and Fitts came out with the first report in September 2017, and you go through ‘brouhaha’ and pushback and, “It’s not working.”

They turn to all the people who have run Treasury. They went to Brady. Brady and Bowsher initially created FASAB with Darmen, but Darmen is dead. So you get Bowsher, who is still around, and you get Brady.
Then you get Rubin. You get a couple of other smart people involved from the Treasury. You might get Powell because Powell was in Treasury with Brady. Then you say, “Figure out how to solve this.”

So, they come up with FASAB 56. Then they put it through the process, and they keep it secret. I think that you had the people who had been running the Treasury system and GAO, who are outside of government and retired now, so they could do this.

**Farrell:** Even then, the problem is that we are still left with the same conundrum. The geopolitical blowback from this has already started. In other words, I return to what I said. They have so insulated themselves in a unipolar financial world that they are not looking at the repercussions of what they’ve just done regarding how it’s going to affect other regional economies – Europe in particular. As far as I’m concerned, what they’ve done is split the EU. They are going to create a much more independent Europe out of this.

Would you want to trade with a FASAB 56 country?

**Fitts:** No, I would never trade with a FASAB 56 country.

**Farrell:** Exactly. I think they are operating in some sort of bubble of unreality.

**Fitts:** Unless they have their allies in Europe as an integrated part of the deal.
Farrell: Maybe they do.

Fitts: I’m jumping ahead to geopolitics, but if you look at the article that just came out from the Council on Foreign Relations; we have a CNN correspondent who published an article saying, “The unipolar moment is over. America blew it. It was the result of bad behavior and bad habits, and it’s over.”

What that looks like is: We’ve stolen all the money; we’ve moved it upstairs into the holding company, and now the US is only going to be a subsidiary of the holding company. What we have here are liabilities and no assets because we’ve moved the assets to the holding company, and now we are declaring that the US is just a subsidiary with a large number of liabilities and people who blew it.

Let’s just pretend that the new preferred offshore haven is not only in the British islands, but we now have British jurisdictions and Luxemburg jurisdictions in the satellites, and we have blockchain and digital. So, we can keep all the money up in the orbital platform outside of any US or planetary tax jurisdiction and disclosure.

So, let’s say that we have the $21 trillion and the bailout $24 trillion up in the suborbital platform in a British tax haven that is completely outside of regulatory jurisdiction of anything here on the planet. That’s the holding company. Who owns and controls the holding company? I don’t know.

Farrell: No one knows. My best guess is that you have some sort of consortium of global defense contractors – Lockheed Martin, British Aerospace, and all these big names.
Fitts: They control the hardware.

Farrell: They control the hardware, so my guess would be that they set up something on the books that is hidden from everybody’s eyes. Think of it as somewhat of an outer space IG Farben.

Fitts: We truly are back to *The Truman Show*.

Let’s hit ‘Farmageddon’ because my biggest fear about FASAB 56 is the California fires and what is happening in the heartland with the weather. We are seeing steered hurricanes.

Farrell: Tell people the story you told me.

Fitts: I asked my subscribers to write in as many examples as they could about weird weather. I find that my best sources of intelligence are from my subscribers.

I’m not looking to be right; I’m looking for actual intelligence that will help people be successful in their lives. Actionable intelligence is different from trying to prove something to *The New York Times*.

One subscriber posted a description of the way tornados have been steered down interstates, but then he describes one taking a right turn to knock out a farm. I think that this is about controlling the farmland and controlling the food supply. It’s happening at the same time that we see Trump come out with a devastating new executive order on, not only GMO food, but GMO animal and meat. Of course, the venture capital world is going crazy over lab-grown and plant-based meat.
Farrell:  We will return to some implications about that later, but the reason I wanted you to tell that story is because, where I live, we have had a hellacious month of weather. It has knocked my work schedule off and it has knocked your schedule off.

Fitts:  I essentially spent 20 hours trying to reengineer my travel arrangements. It was 20 hours on the phone and it was a mess. If you look at the expense of both time and money, it was extraordinary.

Farrell:  Same here. I’ve been trying to schedule people for interviews and so on, but I couldn’t do it for one week because we had such bad weather here. During that seven-day week, four of those seven days I had to hit my storm shelter. There were so many tornados and so many warnings going off in that short span of time that it topped the highest tornado season that we have had for an entire year – in one week!

The other thing about this is that on two occasions, I had about two minutes of warning, so the warning system was not operating with peak efficiency. I blame that a lot on the spraying and so on, that distorts their weather radar.

Fitts:  Or is it because they can come up with one so fast?

Farrell:  That could be, too.

Fitts:  If you look at the fires, you would go from no fire anywhere to suddenly – boom – ‘burning bush’!
Farrell: Exactly. I had the same experience as your subscriber. During that week I sat watching the storms on the weather radar, and day after day, – not just one day – the same system would reappear, and it would move up to a certain highway where I live, and it would just stop and stay there. Everything about it was unnatural.

Fitts: One thing that I have heard described several times is the tornado coming up to something very big and expensive, stopping, and then after the situation is over, the municipal officials behave very strangely and differently. I literally think that somebody is on the phone saying, “Unless you do something-or-other, we are going to take out City Hall,” or, “We are going to take out the stadium,” or, “We are going to take out the bridge.”

I think that the blackmail of government officials occurring behind the scenes is extraordinary.

Farrell: I do, too. Where I am, the flooding has been so bad that it has literally put a crimp in the planting. We are facing many farmers who are going to lose their farmland because of all this, they haven’t been able to plant.

Fitts: One thing that I want to point out is, if you look at the average age of the American farmer, they are basically 65-75. They need to liquefy their estates, and many of them can’t plant now and are going to take big losses this year, which is going to force sales.

If you watch what is happening with the weather and Farmageddon, it appears that the goal of this is to take control of the farmland.
Farrell: Take control of the farmland; you have the Trump GMO executive order, and they are going to cram it with GMOs and GMO meats and all of that. That’s exactly what I think is going on here.

Fitts: Right, and here it’s tornados and rain; in California it’s fires.

Farrell: And DOD steps in now with offers to help.

Fitts: It’s a complete agreement. Now that they have their system worked out, I think the real test in 2017-2018 was: Will the mind control work? It’s frightening the extent to which it has worked.

Farrell: I think so, too. The other thing that is very frightening is that it’s not only the United States that has this weather.

Fitts: No, it’s happening all over the world.

Farrell: It’s going on everywhere.

Fitts: The interesting thing is that the Chinese have been very open about their weather modification. They just announced that they are putting weather modification machines everywhere.

Farrell: They are basically turning all of Tibet into a weather modification machine – the whole country; this entire thing is getting bad. We may be looking at an actual weather warfare scenario, too, that can be rather scary. This rationalizes why the DOD is stepping in with the California fires.
Fitts: Michel Chossudovsky wrote a book, *The Globalization of Poverty*, and he describes why he believes that North Korea has been a target of severe weather warfare for decades, which I think is the case.

Farrell: I do, too.

Fitts: I wanted to mention **Opportunity Zones**. Patrick Wood was on The Solari Report and did a show on technocracy that was so helpful. We have had many different ways of describing technocracy, but he has really put a word and a definition to it, which is very helpful.

He wrote an article about Opportunity Zones, which had been a real concern for me. It gave me an opportunity to talk about them.

Opportunity Zones are a tax shelter created by the 2017 Tax Act that allow extraordinary profits in capital gains profits to be sheltered by moving it into real estate, presumably in a low-income area. But if you look at what is being designated as a low-income area, there are now 8,000 throughout the country.

It allows you to get your money out of the tech company at a high price, and then you invest it into real estate in a way that brings technocracy that last mile. It’s the invasion of homes with 5G and the Amazon Alexa and the Nest machines. In other words, it is bringing the internet of things literally into chipped everything. It’s so ugly and frightening that you almost don’t know what to say.
Farrell: We are going to have to talk more about this when we get to the engineered food aspect of things. This is the next step that they are going to take. They are going to start putting this into the food – if they’re not already.

Fitts: I think it’s hard for most people – not your members or my members because I think they understand – because the ultimate vision here is so ‘nuts’. No one can believe where they’re going.

Story #5: Trade Wars: Superpowers Bare Their Teeth over Sea Lanes, Borders, Back Doors, and AI.

You and I have talked about this for many, many years. There isn’t a lot that is new to say other than we are really watching China and the US. It’s like two Siamese twins fighting, but they really are contemplating separation.

Alibaba has just filed a major IPO in Hong Kong, and you see other kinds of IPOs happening in Hong Kong. I think that the Chinese are basically saying, ‘We need to not depend on Western financial markets. That’s a real separation.

Farrell: That is exactly it, a real separation. The telltale sign there is that China and Russia have put the finishing touches on their clearing. If that’s not a warning sign for the technocrats in this country, I don’t know what is.

Fitts: They are totally clear. For every aspect of the financial system, they need an alternative around the US.
I want to point out that China’s largest chip maker withdrew from the New York Stock Exchange. That was over the spat.

Let’s move into Geopolitics.

**Story #6: Elections Signal a Rise of Nationalism and Citizen Frustration.**

But as we said, across the board one way to look at this is it is just anti-technocracy.

**Farrell:** This really needs to be pushed and I think that we have to start forcing this. This is not a populist revolt; this is not a nationalist revolt. It’s certainly a cultural revolt. It’s a revolt against this whole technocracy thing. The biggest symbols of this anti-technocracy push are two things, both coming out of Great Britain. The first is Nigel Farage and the Brexit Party. This came out of nowhere like a whirlwind, and I can’t emphasize how important this is. When I was in the United Kingdom, British politics was rather gentlemanly, curmudgeonly fight between Margaret Thatcher and Neil Kinnock, and things moved at a leisurely pace. The idea in the 1980’s of new political parties forming in Great Britain that would completely remake the political landscape in a matter of weeks was absurd. It was unthinkable.

This is exactly what has happened over there. The Tories are in complete disarray. I could go into why I think that is the case, but it boils down to the fact that when they got rid of Thatcher, they really closed off that whole wing of the Tory party, and now we’re facing the blowback.
The Brexit Party, as far as I can see, if you look at Nigel Farage’s statements over the years in the European parliament, it is very clear that this is an anti-technocrat.

**Fitts:** I think that there is something coming behind the anti-technocrat, and that is anti-transhumanism.

Technocracy is just trying to replace markets and democracy with a rules-based centrally-controlled AI-driven system, but embedded in that is an effort to change the model from a model where we are humans with rights and authorities by divine authority, to a model where we are basically a natural resource like an oil deposit, and the state can harvest our organs and do whatever it wants. It can put chips in us.

You are talking about something that is slavery, but more gruesome because of technology.

**Farrell:** It’s more gruesome because, in a way, it’s an anti-human one. All forms of slavery are anti-humanizing, but this literally is anti-human; it’s against women, it’s against men. Every conceivable way that you can think of it, it’s anti-human. This is an anti-transhumanist phenomenon.

**Fitts:** One of the reasons I have trouble with it being described as ‘working class’ or ‘nationalist’ is because I know very sophisticated people who live globally, and they are finally opposed to this.
We meet on our team round-up twice a week. I said, “Our richest subscriber is worth hundreds of billions of dollars, and our poorest is homeless and reads us from the library. They are both in synch because they believe in markets and democratic process and freedom and human rights by divine authority. So they are totally in synch. So, this idea of the 1% and the 99% doesn’t work.”

Farrell: It doesn’t wash, and this goes to something that you and I have both talked about before, which is this whole drive to computerize markets and have markets being run by algorithmic training. This is not a human market activity; that is part of this.

Back to Brexit here for a moment, Farage’s party has actually reshaped politics in the United Kingdom. He came out of nowhere, and Theresa May is gone.

There is going to be a huge political upheaval, but the other sign that this is really getting some traction is when Price Andrew went on the BBC and announced, “I don’t see any problem why there can’t be an entrepreneurship under Brexit.” That’s epic, and this would have been absolutely unheard of – even under Margaret Thatcher. The royal family was not terribly keen on Mrs. Thatcher, but they would never come out and do an interview on the BBC about what they thought about everything.

This is the royal family putting a political stamp of approval on a particular political direction that would have been unthinkable even two or three years ago. In other words, I think that you are correct here when you say that this phenomenon of anti-technocracy slices through all demographics.
There is the ‘proof in the pudding’ right there.

**Fitts:** It’s the productive versus the subsidized.

**Farrell:** Exactly.

**Fitts:** One thing I keep hearing all quarter long is that everybody in France knows that Notre Dame was arson.

**Farrell:** Absolutely.

**Fitts:** I have to say that I’ve always loved French culture and French food and French art. The French are people I admire.

Somebody once said, “London? Are you kidding? If everybody spoke French, no one would go to London!”

**Farrell:** This is true!

**Fitts:** The French handling of the Yellow Jacket arson in Notre Dame is just a tribute to how much they love their culture. They love their culture, and they appreciate their culture. They are interested in their culture, and they are only interested in their culture.

I watched some of the dialogue between Macron and the Yellow Jackets as they tried to teach him about the economy, and I felt really sorry for him. I give him credit because he was in the streets talking with people, and he didn’t realize that he didn’t understand the economy; he had no idea.
Farrell: He’s a technocrat.

Fitts: Right, and he came up fast. I was one that came up fast. I wasn’t really a technocrat because I believed in markets, but when you come up fast, and you are in your bubble, and you think you understand the world; you don’t.

Farrell: I go back to what I’ve always said about this ‘little weasel’, “You are the President of France, which is a thermonuclear power. You go to the battlefield memorial of the Battle of Verdun, and you come out with the statement that, “There is no such thing as French culture,” and you are surrounded by graves of thousands of Frenchmen who died trying to defend their country during that battle, and you say something like that!”

Fitts: I hate to get gruesome, but we had a ceremony when I was a child. Have I ever told you about this?

Farrell: No.

Fitts: It’s called ‘turn your heart to stone’ in the secret societies. They take a huge knife, but when you’re a child, it looks like a sword, but it’s a big knife. They cut across right above your heart and they do it in a way that scares you to death. It’s called ‘turn your heart to stone’.

The idea is that you are going to rise and handle a large amount of money and you need to be in your ‘head’. You need to be rational and not be emotional. You need to not be, what a friend calls the ‘four chakra’ people. “Oh, they’re going to kill the dog, aww,” and they are easy to manipulate.
I used to watch Condoleezza Rice and think, “There but for the grace of God go I,” because they try to make you very dispassionate on the theory that then you can manage all this money or handle power or whatever. But it takes the most intelligent part of us, and it cancels it; it deletes it.

You look at Macron, and he is so in his ‘head’ that he can’t feel.

If you want to understand how money works in a place, you have to use your brain and have to unpack it, but more than anything, you have to feel it. You have to intuit and feel the flow of it.

I can go into a county and learn all the money and unpack it, but then I have to walk around and have to feel it. If you can’t feel it, then you can’t understand it.

**Farrell:** You can’t deal with it because you can’t understand it. I think Macron epitomizes the typical technocrat and the typical Mr. ‘Globaloney’. They are so far removed from anything that found their cultural matrix in which they operate, and they end up doing stupid things.

**Fitts:** When you watch him, you realize that when people are trying to explain to him, he is clueless because it’s as if he is blank from the neck down.

**Farrell:** He is a perfect example of what C.S. Lewis called ‘men without chests’. It’s a perfect example, and that is what most of these technocrats are.
I can think of another example: The other man on the European Commission, Guy Verhofstadt. There is another man, and I listen to him sometime in the European parliament. He is such a technocrat; he has absolutely no sympathy.

**Fitts:** Is this why they are trying to create autistic children?

**Farrell:** I think so.

**Fitts:** They are looking for the perfect technocrat.

**Farrell:** They are trying to disconnect everybody from their culture, and particularly from this culture.

**Fitts:** There is a great scene in *The Neverending Story*. It’s the punchline in the first movie. The youngster has one more wish, and he is fighting a force called ‘the Nothing’. The Nothing is a force that strips the meaning out of everything.

He gets his one last wish, and he turns to the Nothing and says, “I wish you had a heart.” Then the Nothing fails; it’s very beautiful.

Next is **Australia**. The conservatives won in a shock election. I have to believe that that was rigged, but everybody in Australia is happy that it was.

Modi wins, and he is a major technocrat. That is going to be very interesting because he has racked much pain on India, and he is popular despite it. That is what I don’t get.
Farrell: I haven’t been able to figure out Indian politics, but I think that most of it – particularly in Modi’s case – goes back to the prolonged impact of Indira Gandhi and the Congress Party on that country. It has to be.

Fitts: The other thing is that he is very Hindu. He is promoting Hinduism, and it’s an interesting combination of technocracy plus religion.

Farrell: Hinduism is almost the perfect religion to do that with because you have all those technological illusions in their Vedas text.

Fitts: You also have plenty of hierarchy.

Netanyahu won, but he couldn’t put together a coalition.

Farrell: Oh, I’m so broken up about that!

Fitts: Here is what is interesting: I really believe that the push for the war in Iran was basically going to be that Netanyahu has Trump as President for at least two years, and this is his chance to get it done. If he doesn’t take it now, the odds will never get better. So he has to push, and yet he can’t even get a coalition together. So, somebody is fighting this.

Farrell: It’s an indicator that the Israelis are probably, better late than never, fed up with Likud. I think that he is behind much of this Iran tanker matter right now. I think that the Saudis are behind it, but we will get to Iran later.

Fitts: They are to some extent ‘the cowboys’.
Farrell: This is another ‘wag the dog’ scenario.

Fitts: It’s the worst combination of *The Truman Show* and spaghetti westerns.

**Story #7: Technocracy and the Rise of the Global Truman Show.**

We keep coming back to this. The invasiveness of the technology everyday only gets worse. Every day we have a new announcement.

In a certain kind of way, and what you said about the technocrats and the systems not having integrity, and the technocrats having no integrity, to a certain extent, I am hopeful. I think that we are better off having no integrity because then people will have to put it back.

Farrell: I agree.

Fitts: **Story #8: It’s a Mad, Mad World: Censorship, Disinformation, Entrainment, and the Weaponization of Populations.**

I feel so lucky because every week I do a Money & Markets, and I sort through what is really happening. By the time I do Money & Markets, I am very clear about what is happening. I have the framework, I see the trends, and things make sense. But if I didn’t have that, nothing would make any sense; it would look completely ‘nuts’.

I don’t even know how people function in it.
Farrell: I don’t either except that I am increasingly told by my subscribers that they are tuning out the noise.

Fitts: You have to.

Farrell: You have to in order to stay sane. I don’t know about ‘weaponization of populations’, but I think that much of this in this country – and you mentioned disinformation – leaves me in shock at the way that the television media has ceased to function altogether in any sort of objective journalistic way, and more importantly, they have even ceased to function in any sort of financially responsible way.

Fitts: They are acting very childish and very irresponsibly.

Farrell: I don’t get this. If your ratings have declined to the point that you’ve lost millions of viewers and yet you still continue to churn out the same old nonsense – and I’m talking about both the left media and the right media – and you are losing your audience and you continue to operate, that is financial irresponsibility. That is telling me that these institutions are being propped up from somewhere with a large amount of money, and I’m back to the missing money here.

They are pushing a narrative deliberately.

Fitts: I had a meal once with a woman who had worked as the assistant to the Chairman of Disney. Their news subsidiary would send in the top headlines, and he would edit them because he needed to make sure that the headlines didn’t conflict or cause problems with any of the ———.
You always make money from your media – not on your media company, but on your greater operation. So, if I could use my media to get a rule changed that makes me $1 billion, then it’s worth it to spend $100 million on that media operation.

**Farrell:** This is why I think that more and more people are turning to alternative media sources. At least the people who are woken are.

**Fitts:** I’m equally frustrated with the independent media.

**Farrell:** I am, too.

**Fitts:** What I have found as an investment advisor is that if I can’t get you to put your money into the Military-Industrial Complex, then I am going to cycle you around with ‘fear porn’ and ‘hope porn’ into all these other realities, and I am going to shake you down with those.

I’ve had clients who have lost as much if not more by running through the 57 varieties of disinformation and fear porn and hope porn, and then got creamed by the establishment and Madoff or the financial crisis.

In other words-Curtis Mayfield has this new album called *New World Order*, and one of the lines is, “There is one way in and no way out.”

They are trying to cycle you to make money for them. If they can’t cycle you through the official reality, they will cycle you through all these alternative realities, which are as much of a trap if not worse.
Farrell: I believe the biggest example of that phenomenon was this so-called ‘Q-Anon’. I’m very serious.

Fitts: It was the most sophisticated hope porn yet.

Farrell: There were people following this regularly to see what little bread crumbs would be dropped. It was like they were waiting for the revelation from the Magisterium in the Vatican.

Fitts: The key to great hope porn or fear porn is that it keeps you passive. So you don’t act; you don’t take the missing money story, and you don’t go to the Congressional meeting. You don’t write your Congressman or your mayor or your city council.

There is a wonderful subscriber who I am a great admirer of, and I recently had a screaming match with her because she still banks at JP Morgan Chase. I said, “What is it that you don’t get? Why do you feel safe?”

Farrell: Why would you feel safe at that bank in particular?

Fitts: After Madoff, anybody who would think that their money was safe at JP Morgan Chase doesn’t realize that you could wake up tomorrow and your money would be gone.

The other thing is that energetically, you are supporting them. So, if you are watching Q while you are banking at JP Morgan Chase, there are so many actions that we could take.
If at the end of the financial crisis, 10% of the people who banked at JP Morgan Chase said goodbye, it would have rocked the world; it would have changed everything. But all this is designed to be entertainment. Forget the news; this is entertainment. The goal of the entertainment is to keep you passive. “Don’t touch the power line.”

**Farrell:** If we could get people to understand that the media is in the same position as the financial institutions in 2008, and pull their support and realize that they have to do the hard research on their own, we are being forced back into personal responsibility. As far as I am concerned, and I will say this again, if you are doing that kind of research and relying on alternative research sources for your information, make sure that your sources supply their sources.

It’s going to be an epitaph on my grave, “He lived for footnotes.” I’m very, very serious about this.

**Fitts:** Look at *The Real Game of Missing Money*. Did you see how many footnotes there are in that book?

**Farrell:** That is my point. This is a documented, argued case. This is what you are never going to get from the television media because all they can supply you with is soundbites. As for those alternative sources that say, “My sources say…” or “My anonymous sources say…” or “I’m an insider, and here’s what I know…”, no.

**Fitts:** I want everyone to think about this: There are three things, and they are different. One is entertainment, one is news, and one is actionable intelligence.
I love entertainment, but when I get entertainment, I am watching a movie, and I am being entertained. When I watch the news, I am not looking to be entertained; I am trying to understand what is going on. I read many of the better financial press just trying to understand what the facts are – as to those things that they tell the facts about. Other than that, they are a huge material omission. For actionable intelligence, that is something different.

I knew this intellectually, but I didn’t experience it emotionally the way that I did going into the 2014 Secret Space Program. You were like a grizzly bear screaming about the fact that we had to function at a research standard. The only people who would be invited were the people who were willing to function at that level, and there would be no exceptions; no ‘dead rats’.

Farrell: And no ‘blue chickens’.

Fitts: None of that. We didn’t get there completely, but we tried. Then in 2015, we really got there; a field started to form – a momentum that was powerful.

Farrell: It was so powerful that they had to invent the blue chickens.

Fitts: The blue chickens existed because, if you remember, they kept screaming and trying to ‘weasel’ their way in for the 2014 program. But they took it to a whole new level after that, and they were really successful at destroying the momentum.

Farrell: Yes, and the ‘To The Stars Academy’ also did plenty to destroy that momentum and regain control of the narrative.
Fitts: It was a lesson for me in the power of what happens when the field can enjoy integrity.

I received an email from a wonderful subscriber last week — and this has happened to me plenty over the last year — who wanted me to post a video of somebody who I know that is not with integrity. He keeps promoting disinformation intentionally, and he knows better.

I said, “I’m not posting that person,” because one thing that I’ve learned is that if I post someone, everybody says, “You’ve confirmed them with the seal of Good Housekeeping.” I’m supposed to agree with anything that he and any of his guests say, which is impossible.

I said, “I’m not doing it. You are confused about the difference between entertainment and news and actionable intelligence. Solari’s business is searching for actionable intelligence, and we can’t maintain the quality of the field if we drag dead rats in.”

Farrell: We can’t maintain the quality of the field either if we lay down a priori standards of what you must believe to function.

I don’t agree with everybody at those Secret Space conferences, but one thing that I respect is the fact that they have all done research, and they are presenting a conclusion based upon their research. That is what we need.

Those conferences were filling an academic hole because even our universities don’t function that way.

Fitts: We are trying to help each other figure it out.
**Farrell:** This lack of integrity in the media right now is so all-pervasive, and it is part of the culture.

**Fitts:** I’ve gotten into a real snit with a couple of hosts where I have said, “I’m not coming on the show again,” or, “I’m taking your stuff down because what you’ve done is wrong. It’s unethical. It’s misleading,” and they are surprised.

Their response is, “It gets hits,” and I’m stuck! Or they will say, “It makes us money.” They seem to think that if it is viewed, and it makes them money, it’s okay to promote stuff that they know is false. You think, “What is happening? I thought that we were supposed to be an alternative.”

**Farrell:** What is happening in the alternative field is the same thing that has happened in the universities and in the mainstream media. It’s now anybody with a story is given a platform just so that they can make their profits, and I am absolutely, totally 100% opposed to that whole scheme.

**Fitts:** What I want everybody listening or reading this to know is: Entertainment, news, and actionable intelligence. There is a reason all three are things that we access, but we do not need to get them confused.

**Farrell:** With these conferences, this is what has happened: In most cases conferences, as they have developed in this country, you can use them as an analogy for what has happened to the culture at large within academia and everywhere else. You can get researchers at a conference, and you can get the whistleblowers and the people telling their stories.
There is no attempt to create a venue for seriousness; everyone is just given a platform.

We have to get away from the idea that everybody deserves a platform. I’m sorry, but they don’t.

**Fitts:** That’s what my pastor said, “God does not bless a mess.”

I would like to bring up the Mueller Report quickly. I believe the Mueller Report is just a total ‘fur ball’. From a legal standpoint; there is a great website, The Last Refuge at Conservative Treehouse. They are very knowledgeable about the inside baseball of the legal games, and they do a good job. But the reality is that once Trump did FASAB 56, I said, “I know where this goes, so I’m not interested in the fur ball.”

What does interest me about the fur ball is the state visit to the Queen.

**Farrell:** Let’s discuss that.

**Fitts:** One of the most important things that you need to understand about Trump is that his mother was Scottish, and he has business interests in Scotland and the UK.

If you go back and study the clans; I did not understand Donald Trump until I went back and started watching documentaries about this man’s clans. They were such alpha male fierce warriors and were almost ‘nuts’. He is very much a Scottish clansman kind of warrior; that is his MO.
The Queen and the royal family are very, very important to him and his mother. That is his world – believe it or not. Trump got a state visit, which is a big deal; not every President gets a state visit. I’ve always believed that the Brits – one way or another – were behind the sealed dossier. The hard thing about giving up on the Mueller Report was: How are you going to bury the hatchet with the Brits and get over it?

It appears that the Queen has engineered that. So, we now have the Bushies in place, and Trump and the Queen having a ‘love fest’.

I don’t know if you saw Trump’s interview with Piers Morgan, who is an old friend of his, and he was just gaga about the Queen. It was rather funny.

As soon as that happened, all these people in and around, what looks to me like the Wiener laptop, suddenly are killed. It’s like a clean-up; the hatchet is buried, and now we are going to clean up. And those were all people who had ‘bet the ranch’ on a swamp drain that they were not going to get.

**Farrell:** I’m largely in agreement with your scenario, and now I’m going to give you my ‘high-octane’ speculation in addition to it. I think that somewhere after 9/11, and probably during the Blair government – and the reason I mention the Blair government is because most people don’t know that in the Blair government the Labour Party undertook a study of the reserved powers of the Crown, and that is the first time a study had been done like that of the British Constitution in modern history, and it is very significant.
The reserve powers of the Crown are quite considerable. We have to get rid of this idea that the Queen just automatically signs legislation into law. She does not have to; it’s a pocket deal, essentially.

I think that somewhere along the line in the aftermath of 9/11, the royal family lost their power and influence over British intelligence, otherwise a sealed dossier would not have happened. I don’t think that would have happened.

**Fitts:** So you think that was MI-5 or MI-6?

**Farrell:** I think that was MI-5 or MI-6 acting on their own, and the state visit symbolizes or suggests to me that, “No, that has been put a stop to.” We cannot risk a special relationship with the colonists across the seas with this sort of nonsense. And the fact that you have Price Andrew coming out on the BBC talking about Brexit, and the fact that you had the Queen a few years ago summoning the Vice Premier of Buckingham Palace for dinner and posing questions, “Can you name three good things about the EU?,” signals to me the fact that the royal family may not be too happy with the direction that things have gone, and they are trying to reassert their hidden power behind the scenes. I think that state visit was a huge signal that they were successful.

**Fitts:** Oh, they are very successful. Part of it is that the royal wedding was one of the great public relations coups of the 21st century.

**Farrell:** It was a public relations coup clearly. Another thing that was significantly obvious during the royal wedding was something ———
I suggested years ago when the Brexit was first being floated, and that was the idea that if that happened, you would see Britain play the soft power card at the commonwealth, and the commonwealth symbolism in that wedding was all over the place. It was unbelievable.

**Fitts:** Apparently, whenever I go to the dentist or the hairdresser, I read *People Magazine*. According to the latest *People Magazine*, Harry and Megan are fighting with the Queen because the Queen wants them to go to Africa for three years, which makes perfect sense if you look at the gold rush and the land rush occurring in Africa.

**Farrell:** There is another thing that I think the Queen may be interested in here, and that is what is happening with South Africa. As far as I know, that is still a commonwealth country. I think there is a bit of ‘Let’s see what we can do to try to clean up that mess’ going on.

People have to understand that she is not a stupid lady. She is very, very smart.

**Fitts:** The other thing is that I have on my list to take a detailed look at the commonwealth, but every time I have dipped in and have looked at it quickly, one thing that you notice is when the Prime Minister who takes his oath, swears allegiance to the Queen. His primary allegiance is to the Crown, not to the country. So, that is number one.

But if you look at the commonwealth and every time I’ve looked at it, it appears as though you have a trust, and the governments are running the top layer, but the Queen ultimately, is running the equity. So, her job is risk management.
Despite the enormous wealth, it looks a lot easier and less risky than it is. Everything is about risk management, and it requires the person responsible for all of it to be conservative beyond imagination.

**Farrell:** There is enormous liquidity there, so they have to be.

**Fitts:** It’s highly, highly leveraged. That is why if I was the British, I would want the Germans out. Remember that I run the premier offshore havens around the world, and as the money has gone missing from the governments, those offshore havens have exploded.

I didn’t mention when we were in debt, there was a headline that $150 billion is missing from the Swiss Bank.

So I’m running the offshore havens, and God only knows what I am planning to do in space now with my offshore havens, and I would want the Germans out.

**Farrell:** I would want the Germans out, too, for that reason. Also, if you are the Crown or you are the City of London and are looking at the shape of Deutsche Bank and all its tentacles into the whole European Union experiment, I would be looking at that complete thing and saying, “We need to get out of this fast.”

I think that ultimately, this is why the Italians have done this, too. There are too many tentacles of Deutsche Bank in the Italian banks.

**Fitts:** The Americans stuck the entire bank problem onto the taxpayers and drained the pension funds. The Europeans did not ‘stick’ it to the taxpayers, and that is the difference.
Next is Assange. The British are intent on a slow kill of Assange. That is what it looks like to me.

**Farrell:** It does to me, too – or somebody with British-acting proxies. I don’t know ultimately who, but the British are certainly involved.

**Fitts:** My impression is that Pompeo is deeply out to get Assange. I don’t know if that is true or not, but he seems to be the most rabid on the topic.

**Farrell:** It’s a bad precedent. I think that you are right about Pompeo. I think that the Brits are involved, but the question is to what level.

**Fitts:** Clearly they control, but I think that this is a frightening precedent, and I don’t understand why they are willing to tolerate that bad of a precedent.

**Farrell:** I don’t know either unless it has something to do with some of their security laws in Great Britain that stem from World War II. Effectively, the World War II emergency placed all the British media under the Premier. In other words, Churchill actually had control of what was happening.

**Fitts:** But what are they afraid of?

**Farrell:** With Assange?

**Fitts:** Right. Is this because they are trying to go to war with Iran?
Farrell: No, I think they are afraid of Assange because he probably has a lot more information than he has released to the public, and I think that they are also deathly afraid that he might have a ‘dead man switch’, so a slow kill may be their way of trying to force his hand with that. It doesn’t appear to be working, but my guess is that he has a dead man switch somewhere, and that is what is holding off what may be his ultimate demise. That is just a guess, but I can’t think of a man in his position not having one.

Fitts: I’m assuming that he does.

Farrell: I am assuming that he does, too. Let’s put it this way: If you wanted to get rid of him and you knew that he didn’t have one, you would have done so already.

Fitts: How much of this has to do with the Seth Rich kill?

Farrell: I think a great deal of it.

Fitts: So here is the question: Did the Mossad kill Rich? Did the British kill Rich? Who killed Rich?

Farrell: It has all the hallmarks of an intelligence hit, so it could be anybody with something to lose. I would be willing to put more money on the Mossad than the Brits.

Fitts: But it would have to be whoever was backing Clinton. I think it clearly looked in the end that the Mossad backed Trump.
Farrell: I’m not so sure. I am frustrated with Trump because he is so slippery to try to analyze. You mentioned his Scottish connection earlier. A friend of mine and I did a private dig into Trump’s family background in Germany.

Fitts: He came from the same town that the Heinz family is from.

Farrell: He is from a region of Germany which raises my suspicion meter into the orange zone. I’m very serious.

The German version of the family name of Pence is Penz or Pentz. So, he has a German background as well, and that family is from northern Germany. Trump is very difficult to analyze. I started out with a model that the 2016 election had two deep state candidates, but they were being backed by very different factions.

Fitts: One wanted to stay global, and the other wanted to pivot to North America. The people who backed Trump said, “We’ve lost the unipolar model. We have to pivot.”

Farrell: It was very clear that the intelligence community was behind Hillary and the military was behind Trump. The inauguration with the military coming out and standing beside him was a message.

Fitts: I have to stop and say that if you believe you have a pivot to North America, I think that as a political job, Trump has done a very good job of it because that is about the most difficult job in the world to reverse that flow.
**Farrell:** If that was the goal of that faction, then he has served them very well. But I also believe the other part of the deep state that was backing him was the mafia given his connection with Roy Cohn, ‘swamp creature’ par excellence.

**Fitts:** The mafia needs the middle class to succeed.

**Farrell:** Absolutely, but after he gets into office, there has been this slow trickle of Ziocons into his Administration. So what does this mean? Did the other faction get some control over him, or what? I don’t know. It’s very difficult to read.

**Fitts:** Part of it is they have so much IT cyber security power. They were part of the Stuxnet team; they were given a back door by the NSA to many things, and you have more and more companies facing cyber security operations there.

I think they have gotten very infested into the global information systems, and that is part of their power.

**Farrell:** I think so, too. I have entertained the suspicion that Trump or his faction have their own back door into all of that, too, but that is merely a suspicion. I am not basing that on any evidence.

He is very difficult to read. He keeps those faction cards very close to his chest, so it becomes very difficult to analyze what is actually going on.

My problem right now, especially with this Iran tanker thing, is I’m looking at it as Trump is somewhat of a figurehead that they are trying to euchre into a war with Iran.
I don’t know if he genuinely wants it, but he is reading the script cards. In other words, we are looking at Bay of Pigs version 2.0. That is basically what we are looking at.

**Fitts:** Let’s turn to **Story #9: Oil Wars, Trade Wars, Economic Sanctions, and the Silk Road.**

So while Trump is trying to pivot to North America, he is also trying to keep the unipolar model going or make it look like it’s going. He is using sanctions to weaken the enemies. It doesn’t seem to be working too well with Russia, but it seems to be draining many other countries and businesses.

Venezuela is being destroyed, and the trade wars are making life very difficult and complex for all different sorts of businesses.

We knew that the rebalancing had to happen anyway, but there is no doubt that this is causing enormous economic pain and slowdown to try to engineer the rebalancing with China.

In the middle of this, we see Pompeo give a speech to an oil and gas group. He was fundamentally saying, “We are going to take Iran, Syria, and Venezuela’s oil off the market and hold the price up.”

You know that Russia has to be enjoying that. But we also see much more news about hydrogen being used to fuel cars, Lockheed having fusion, and of course, the renewable energy keeps getting more and more efficient. So, hanging in the background, it looks like we are maybe five to ten years away from technology essentially wiping out the oil and gas industry.
We have made big bets on gas, so I’m not saying that it’s all over, but I think that we are looking at major drops in the energy price.

**Farrell:** I think so, too. I think that the business about keeping the oil prices high, and keeping Iran and Venezuela and so on out of the market is directly related to this technological end run around petroleum that we see coming down the pipeline. I don’t think they would be doing this right now if they weren’t relatively secure and certain in their knowledge that in 10-20 years – let’s give it a very liberal window here – that things are going to transition so much technologically that the current energy system is going to be gone. I don’t think they would be doing what they are doing.

**Fitts:** So, are we looking at a world where the technocrats gain their confidence from their ability to deliver cheap energy through their systems?

**Farrell:** I think so; I think that is definitely part of it. The geopolitical blowback which I don’t think they have calculated very well is Europe. If that change in the system of energy happens, which inevitably implies a change in the system of finance, then Europe is going to become much more independent regarding their ability to project power on the global stage than they are now. Right now, they are too dependent on foreign oil – whether it’s the Middle East or Russia or what have you.

Once the changeover occurs, France and Germany are going to become much more independent.

**Fitts:** Because of nuclear power, France has always been relatively independent.
Farrell: Absolutely, and that is going to have a ripple effect to Germany and Italy.

Fitts: Think about it. Europe is such a big consumer market. If you think that the US has a big consumer market, Europe is the biggest consumer market in the world. With independent internal energy, Europe is powerful beyond imagination.

If we have totally destroyed and corrupted our culture, then they have the cultural advantage. So, they have the consumer market advantage, they have the cultural advantage, and with energy, everybody has the advantage, so that is out of the picture. What are they missing?

Farrell: They are missing a platform for genuine European cooperation, which the EU does not provide. I think that in looking at Italy again, which I think is a profoundly important country in this mix right now, they have to be seeing the same thing ‘coming down the pike’. This is why they are ‘climbing into bed’ with the Chinese, and this is why they are ‘thumbing their nose’ at Brussels and Berlin.

Once that whole thing happens, if that technology gets out and there is a new energy technology, that implies a new financial system and the EU will have to be restructured, and it will no longer be Berlin ‘calling the shots’.

Fitts: Is that why the City wants to ‘call the shots’?

Farrell: I think so.
Fitts: So, this is a city versus Berlin?

Farrell: I think so. In the long term, it benefits Berlin as well, obviously, because Germany imports so much of this energy.

Fitts: Let me speculate: I go back to the US now being a subsidiary, and there is a holding company. Is the City the holding company? Is this reversing the American Revolution?

Farrell: It could be; this is going to sound weird.

Fitts: No, it’s not going to sound weird. It can’t possibly sound weirder than half the news over the last quarter.

Farrell: This is true, but this is going to sound weird. I have tried and tried and tried to find where and when this country paid off the bonds for the Louisiana Purchase. People will say that we did, but in a milieu where everything financial is a lie, I have to question it. The reason I question it is because, if you look at the shenanigans that Bonaparte and Thomas Jefferson and Barings Bank in London were pulling with all this, it’s phenomenal.

You have a British bank underwriting loans for a purchase that is being done by an enemy that you are at war with at the time with the former colony across the pond, and the bonds are being floated in Amsterdam, of all places. That says that there is something going on here. The ‘something’ going on – to my mind – means that the City pulled a fast one and gained a great deal of control and influence in this country through those bonds.
Nothing would surprise me anymore. If the holding company was in the City, that would not surprise me in the slightest.

Like you said earlier, given the fact that they are moving these tax havens into outer space, – thank you, Grand Duchy of Luxembourg.

**Fitts:** But that gives the people who control the hardware so much power. If you look at the UK’s power with satellites in space, it is extraordinary for such a small island, but it doesn’t match the US or China, and now India is catching up. So how does the City maintain control of the hardware?

**Farrell:** Good question. The only way that you can maintain control of the hardware is by weaponizing something up there. Everybody can talk about not weaponizing space, but space is weaponized. It has to be. The real signal of that was when the Grand Duchy of Luxembourg launched those two satellites last year with Elon Musk and proclaimed, “We have the ability to protect these things, and you can rent time on them.”

**Fitts:** Every time that the independent media said that the dollar was going to collapse, there was an intercession, and it can ultimately only be explained by invisible or space weapons.

How did the 200 scientists in the nuclear facilities in North Korea suddenly collapse?

**Farrell:** I don’t know what is occurring, but as far as the City and the holding company, with India alone – since it’s a commonwealth country – I would not be surprised if there was some sort of very hidden deal going on between the UK and India.
Fitts: India is not a commonwealth country the way that Australia and Canada are.

Farrell: That is true. It’s more of a hybrid country, but the fact of the matter remains that there is a tithe.

The Indian space program launching 28 satellites in a week is unbelievable.

Fitts: I was in Thailand for ten days. The excitement and the energy on the Silk Road was so wonderful to be a part of because everybody is excited about the future. The innovation was so exciting.

The other thing that was really exciting was that I was in Beijing and Shanghai in 1997. The Chinese were experiencing explosive growth, but they didn’t have the managerial talent.

Now what you feel when you are out in Asia, is that they have invested an enormous amount in the young people for the last 40 years, and now you have such a wealth of managerial talent in infrastructure.

Farrell: They have a talent pool that is unbelievable.

Fitts: They have a talent pool that is unbelievable, serious education, serious investment in the kind of legal and other managerial infrastructure that you need to field great companies, and they are building great company after great company after great company.
One thing that was really refreshing in my life is I underwrite thousands of companies, looking for the screens that I do as an investment advisor, and it’s so wonderful to see private people and entrepreneurs just building great companies to deal with the problems of this world. It is very positive, but it doesn’t get any press. It doesn’t get any attention because they are only private people figuring out how to do braces that are see-through. It’s thousands of little things that make it enormous. If you are a teenager and have to wear metal wire braces, it’s nowhere near as exciting as the see-through ones made with new materials and composites.

If you look at the juggernaut that they are building concerning human and intellectual capital along the Silk Road, it takes your breath away. It’s not hope porn; it’s hope.

Farrell: The real problem with the Silk Road that I see geopolitically – and it’s a problem that I have suggested the Chinese Communist Party has been very quietly looking at – is I think they know at some point what they are doing and what their ideology commits them to are two different things, and they are going to have to change. The questions are: How? And in what direction do we go?

For a number of years, I’ve been watching these studies that the Chinese Ministry of Interior has been doing of religion, and they concluded a few years ago – and I’ve even blogged about this because I find it in a way mystifying and in a way not – that if China were to adopt a religion, it would have to be something like evangelical Protestantism. That just floored me.
To this day, I can’t figure out why they came to that conclusion because you are dealing with a Confucian culture. You have the Chinese Communist Party, but it is overlaying this deeper structure.

Then it dawned on me that maybe one thing they were thinking about goes all the way back to Sun Yat-sen and the Kuomintang, the rise of the nationalists in China. He was from that tradition. He was an evangelical Christian, and so was Chiang Kai-shek.

**Fitts:** There are many evangelical Christian philosophies that are very similar to Confucianism.

**Farrell:** Precisely. That was the giveaway, especially when I thought about Sun Yat-sen and Chiang Kai-shek. You look at it that way, and that would resolve in an instant their problems with Taiwan because it would be a step towards the Kuomintang, who are still in charge of Taiwan.

**Fitts:** I don’t think a culture that is hyper-materialist can survive.

**Farrell:** I don’t either; it’s suicidal. This is the other thing that I think the Chinese Communist Party is facing. They had a brush with it at Tiananmen Square, and that was their wake-up call. Since then, I think they have been doing these studies very quietly, but they know they have to change somehow.

**Fitts:** Evangelical Christianity is not compatible with technocracy.

**Farrell:** No, it isn’t. That is their other problem. They are rolling out technocracy over there at lightning speed.
Fitts: Where is the push for technocracy coming from?

Farrell: In China I think it’s coming from the hardliners.

Fitts: Where is transhumanism coming from? Somebody has a vision of changing a human being to a slave natural resource, and they are pushing that very hard with AI and all these other things. For a long period of time, there was an entire class of people who could make money implementing it. It’s a gold rush and they are all making a fortune implementing that.

Farrell: I’m guessing here about China, but appears that the same phenomenon there, you have here. You have the hardline technocrats, which would be the hardline in the Chinese Communist Party – the Maoist essentially – and then you have the Deng Xiaoping people on the other side. In the middle trying to hold this all together is Xi Jinping, who just made himself Emperor.

Fitts: That’s a very difficult job because you have technology automating everything, and you have to keep everybody fed and employed and that’s difficult.

Farrell: So far, he’s walked that tightrope very well.
Fitts: I would be concerned.

I want to point out in this category that Trump has rolled out a large amount of farm aid. He had tremendous political support among the farmers, but Farmageddon is putting all the farmers out of business.
I would say that if you look at what is happening with the reengineering of the weather control, this is the most anti-farmer Administration in the world, and the deep state gang have to be watching Trump and saying that he’s doing a good job for them. He has the farmers believing that he is really for them.

**Farrell:** Pence was actually here a couple of days ago to inspect the flood damage. I was suspicious about the visit because he showed up, and then FEMA is here. I don’t know enough about what is going on with what FEMA is offering people, but it has a little ‘odor’ to it.

**Fitts:** **Story #10: The Push for War – Secret Money for Secret Armies and War.**

FASAB 56 has turned on an infinite amount of money for paying private mercenaries or foreign intelligence agencies and armies to do anything we need. We now have a false flag against a Norwegian and Japanese oil tanker.

**Farrell:** I’m so glad that you brought that up! Look, let me put my cards on the table, I have no love lost for the regime in Tehran – none whatsoever. I have no use for it, and on I could go.

**Fitts:** I do love the Persian people.

**Farrell:** The Persians are not stupid.

**Fitts:** Have you ever met anybody from Persia that you like?

**Farrell:** Yes, absolutely!
Fitts: I love them! They are amazing people.

Farrell: They are very nice people and are smart.

Fitts: They are very smart and very well-educated.

Farrell: Say what you will about the Ayatollahs; they are still Persian. My problem with this whole tanker narrative is that you had two tankers that were attacked – Norwegian and Japanese. The Japanese tanker is attacked while Prime Minister Shinzo Abe is on a state visit to Tehran.

Number one, I suspect that Abe went there as an informal representative of Trump.

Fitts: Right, because he had just met with Trump.

Farrell: Number two, I suspect that Abe was there because the Japanese – if you’ve been watching them – have been striking out on a very independent diplomatic course recently. So for the life of me, I cannot figure out a narrative that would say that Iran attacked a Japanese tanker while the Japanese Prime Minister is visiting makes any sense because the Japanese are going to find out about it eventually.

Fitts: After Pompeo announced that it was the Iranians, the Japanese came out and said, “We need more evidence.”

Farrell: The CEO of the company that owned the Japanese tanker came out and, not only said that, but said that the crew reported something flying into the ship, not a mine; ——
— ‘thank you very much’. They pointed out the obvious thing that conventional naval mines explode below the water line, not above it. That is what they are designed to do.

The very fact that you would have the CEO of the shipping company that owned the tanker come out and make that statement; absolutely nothing gets done in Japan without the government’s say so. So, that was a little statement from Abe himself, “We’re not buying the narrative.”

**Fitts:** I talk a lot in the *Red Button Problem* about the fact that everybody in America wants a check and the story of ‘I am good’. So they don’t need the story to be real; they only need to be able to say, “We’re not really war-like in organized crime; we are good people.” So, they just need the story of ‘I am good’. They don’t need it to be an authentic story.

So, Pompeo announces that it is the Iranians. The entire time he looks like he is trying not to break out laughing. He’s not even trying to make it look like he believes it. It’s almost a joke; it’s like a kid in school who is playing a joke, and everybody knows it.

**Farrell:** I saw that. The question is: Is he complying and reading the script that he is supposed to? Is he doing it in such a way to signal the fact that, “No, we’re not buying this either,” for whoever created the narrative script?

**Fitts:** I have no idea, but remember that this happened after the state visit.
Farrell: It happened after the state visit. So is this really an American false flag, or is it that we are going along with the narrative? I believe the narrative appears to have been written in Tel Aviv and Riyadh.

Fitts: I don’t believe that Tel Aviv and Riyadh have enough power to do this unless the City wants it.

Farrell: That’s my point.

Fitts: If you look at how the City created Israel, it’s as if they wanted a front. They wanted their own Pitbull sitting in the Middle East. Israel’s power has grown as they have gotten infested in all the systems around the world, but Israel has only four million people.

Farrell: There is a bigger dog in the hunt.

Fitts: There is a bigger dog holding the leash than the Pitbull.

Farrell: The way that I am looking at this scenario is: I don’t think that Trump wants to go into Iran. I think that we are looking at a Bay of Pigs situation where they were trying to force Kennedy’s hand with the invasion.

Fitts: But who would invade? Israel can’t invade and win; the Saudis can’t invade and win; the US can’t invade and win. The only way that we could do something is if we teamed up with the Russians and carved it up.

Farrell: Bingo!
Fitts: So the question is: Will the Russians agree to carve up Iran?

Farrell: I think that the Russians would be happy to earn as much oil as possible as the prices spike, but if this is a deal to carve up Iran, then the only model that exists for them to do that is what they agreed to do in World War II: The Brits get the southern half and the Russians get the northern half, and that is that.

Fitts: The Chinese would have to go along with it.

Farrell: I don’t see that happening. What I think may have happened here is that some sort of deal was worked out vis-à-vis Iran during the state visit. The Trump people said, “Yeah, we will go along with that.” What they didn’t say is, “We will go along with the letter, but we are going to do so in such a spirit that makes it obvious that we are not on board.” That was Pompeo getting up and laughing his way through it.

Fitts: I can’t imagine Trump doing a deal with the British and then sabotaging it that quickly.

Farrell: I don’t think that he would do it in a sabotaging attempt. In other words, if they are playing by the rules here, he is ‘going along with it’. He is going along with the narrative, but it’s clear that he is not 100% committed.

But, on the flip side, supporting your version of this is that strange video that I sent you of Chancellor Merkel with the Ukrainian President. She was standing there as they were playing the German anthem, shaking violently like she was having either an epileptic seizure or something.
Fitts: Her legs were shaking, too; it was her whole body. You could tell that she was working very hard to try to maintain control.

I wrote you and said, “That looks to me more like electromagnetic weapons or poisoning than Parkinson’s.”

Farrell: It could be, but that was before. Today I heard on the news that she had come out in agreement with American intelligence that Iran was behind the attack.

Fitts: Which it obviously is not. So, that argues that it was electromagnetic weapons.

Farrell: That argues that her problems were some sort of an attack.

Fitts: I brought up to you the scene – and I forget if it’s in the first or second Kingsman movie – where basically, they have all the world leaders with the chip, and if they don’t do what they are told to do, the chip explodes and kills them. It’s getting to that kind of point.

Farrell: It is. With this tanker thing, I don’t know. The one thing that I am absolutely convinced of is that Iran didn’t do anything.

Fitts: The speed at which Iran came out and said ‘false flag’ was rather exceptional. They are clearly reading independent media.

One of the problems that I see when I travel is, if you look at the people representing China or Russia, they are respected. Lavrov is respected and Pompeo is not respected.
I don’t know anything about Mike Pompeo, but he has an incredible resume – a very impressive resume – and impressive experience. Yet when you listen to him, he’s like a child.

I would see that happen to people in Washington, so I can come up with logical explanations on how it might be, but I don’t get it.

Farrell: I don’t get it either.

Fitts: He is a smart man and he is an experienced man.

Farrell: The bottom line is that the situation makes no sense. There is no way of analyzing this to find out who is behind this and what their objectives really are.

Fitts: For many years – for decades – I tried to make sense of the Middle East, and I cannot come up with an intellectually-satisfying explanation of what is going on.

I told you before that I have a friend who swears that this is all a war over the portals.

Farrell: Let’s sum up what we have so far. I have entertained the scenario that there is going to possibly be an energy revolution in technology that is going to move the world away from petroleum-based energy. That implies a tremendous shift in the financial structure of the world, and that may be why we are seeing these moves to alternative currencies, regional trading currencies, units of account, and so on.
Coupled with that, we have seen the USA try to basically embargo Iranian-Venezuelan oil on the world market, and that makes Russia happy in spite of the sanctions talk. So with this coming down the pike, is there a convincing financial energy reason to project military force into Iran? The answer is, “No”.

So why are they going into Iran? What is the big push? Crazy and nutty as it sounds, it’s to get their hands on the antiquities in that country.

**Fitts:** Iran knows more about where we really come from than anybody in the world.

**Farrell:** If you look at the map from ancient Persia of where those antiquities are; they are all in Western Iran – close to Turkey and close to Iraq.

**Fitts:** You gave an incredible presentation at the 2015 Space Program on how so much of what is happening in our world reflected a scenario where we are under a treaty obligation. If you look at the move to try to centralize and secretize control of the antiquities, it really does look like a treaty obligation.

**Farrell:** It either is a treaty obligation or it could be that these ‘occult technocrats’ – the people who are technocrats but who are interested in the occult aspects of it and esoteric lore and so on – are involved. If you look at it that way, then every country under assault in the Middle East in recent history has an antiquities connection – Egypt, Libya, Syria, Iraq, and now Iran.
Of all them, Iran and Iraq are the two real biggies next to Egypt. So, it may be that this is a scenario where they want to go in and grab some antiquities that they suspect may be there.

I am going back to my scenario about Iraq. Everybody says that the Bush Administration lied when it said that there were ‘weapons of mass destruction’, and at one level they did. But if by ‘weapons of mass destruction’ they might be talking about those ancient texts that refer to those technologies. That is a different thing, and they weren’t lying about that. I do think there is something very fishy about the whole Iraq exposition under Bush II because I think they were trying to get their hands on something. Oddly enough, the French and the Germans were in there with archaeological teams digging for Saddam Hussein. So, there is some sort of antiquities aspect to what is occurring in the Middle East that I don’t think most people have on their radar.

Iran is huge with it. I think that those Ayatollahs are probably thinking along those same lines and they know this might be part of the agenda. In that case, you would not need to take and occupy the whole country; you could take the Western portion of Iran and seize most of those antiquities.

Fitts: Is Tehran in that scenario?

Farrell: It would be in that belt.

Fitts: So, that is the big ‘slug’ of the population.

Farrell: It is the big ‘slug’ of the population, but I’m thinking of the old capital of Persepolis.
Fitts: You could get a lot without getting everything.

Farrell: You could get a whole pile of things without getting everything, and you can cover it up.

Fitts: This is just wild speculation, but is it imperative to get the real history wiped out in order to implement technocracy and transhumanism?

Farrell: Wow! That’s a good question and I think it may be.

Fitts: So, this is part of the rush to a new currency – not because you need everybody in the central banking system as much as you need the ability to create an official history that is not the history.

Farrell: You need the ability to create an official narrative and keep people from having access to it.

Fitts: More than anything, this is about cultural power.

Farrell: Absolutely, and I will tell you that two other ‘big rugs’ are coming down the pike. China has ‘gobs’ of it. You look at the Chinese government and the way they guard their antiquities, and they are absolutely fanatical about it.

Fitts: I told you that I think that reports of thefts around the world are officially sanctioned on these operations to steal. They have government funding and government operatives running around the world stealing it all back. I think they are doing that.
Farrell: I absolutely do, too. The other big depository of antiquities is India.

“Oh, what a tangled web we weave…”

Fitts: This is becoming very Shakespearean. I was going to quote that, and you beat me to it!

The final thing that I wanted to mention under ‘The Push for War’ is that we had Trump at the state visit, and then they announced a big arms deal with the Saudis. At the same time, the Saudis made a big investment in Ivanka Trump’s $100 million fund for women venture capital.

Where I come from, we call that a kickback.

Farrell: Where I come from, we call it a kickback, too. And where I come from, we also call it ‘hypocrisy’ and ‘big trouble’. The Saudis don’t have a great record on women’s rights.

Fitts: If you look at Tillerson’s squabble with Jared Kushner and the use of the Qatari to then finance out the 666 Fifth Avenue, it was Brookfield who has a big investment from the Qatari. So, it really did look like ‘tit for tat’ and it stunk to high heaven, and Tillerson went ‘nuts’ about the whole thing.

If you would trust any solid businessman to assess whether that was across the line or not, I would trust Tillerson.
We know Jared Kushner is way over the line in many respects, and now Ivanka is way over the line with him.

I’m not saying that this is going to happen – because I don’t think it is – but I think that if the Democrats put a special prosecutor on what is now called Javanka (the nickname for Jared and Ivanka), I think they go down, and they take the entire Trump family with them.

I don’t think there is enough mind control to protect the Trump family from a clear vetting of that. The reason I don’t think it’s going to happen is because they’ve been trying to get Trump on ‘BS’. The reason you try to get Clinton on ‘BS’ or Trump on ‘BS’ is because it’s the only way that whatever you get them on won’t come around and reverberate on you. If you get them on something authentic, it’s going to reverberate and hit everybody else because they are all in the swamp together.

I think it was Vicky Ward who writes for the New York Times, and wrote a new book called Kushner Inc. It’s pretty devastating. I read it and thought, “How is Trump going to explain this in the heartland during the campaign?”

You have two young people who grew up extremely wealthy, with very powerful, domineering fathers, who see their role as pleasing rich people. Now they have the Federal credit to use to please rich people.

**Farrell:** I’ll tell another reason I don’t suspect that they are going to get a special prosecutor for it, and that is because Prince Talal, who was heavy ‘in bed’ as an investor with Hillary, was one of the people ——
—— who was taken out in the coup. If they go that route, it opens up so many ‘cans of worms’ that they are just not going to do it. The Saudis are the snake in the middle of the swamp.

Fitts: Anybody who has grown up rich and is into pleasing rich people, and get them near the Federal credit, and you have a mess. There is nobody there to say no. In fact, what is interesting is Ward points out that when Kelly first got hired, Trump asked Kelly to figure out a way to get them to go back to New York. So, he was clearly worried about it. One way or another, down the road that is going to turn into a very stinky problem.

Trump Report Card.

We do this every quarter, and if you go back, you can see our grades. In the web presentation-I want to encourage you to look at the web presentation- we have the News Trends & Stories listed with headlines. You can link to everything. We also have a Trump Report Card and show the 2017 grade, the 2018 grade, and our 1st Quarter grade for 2019 from Dr. Farrell and myself. We will go through it now.

‘Vision’. You dropped him to a C-.

Farrell: I think I’m going to keep him there. I can’t figure out what the vision is right now.

Fitts: I think that the vision is to keep the unipolar model long enough to be able to pivot back, but he hasn’t found a way to explain it.
Farrell: That’s my problem. He’s articulating things less well than he did during the election campaign, and this is what I can’t figure out. What is your grade?

Fitts: I gave him a C-, and I’m going to stay where I am.

‘Recruiting a Team’. I’m going to stay where I am at a D-.

Farrell: I’m going to stay at a D- too. I’m alarmed at all the Bushies and Ziocons that he has in his Administration.

Fitts: For ‘Building a Team’ I was an F and you were an F.

Farrell: I think I’m going to keep him there. Again, I don’t like these Ziocons. And you?

Fitts: I’m going to keep him at an F. Here is the problem: If you run a small family business-his business has a global scope-but if you look at how many people he had working for him, he had tight entrepreneurial control. You can’t run a big government with a global presence that way. He just doesn’t have the background or the temperament. It’s scaring many people unnecessarily.

‘Accomplishments to Date’. I’m going to raise him to a C+. I was at a B+, then a B-, and then a C. I will say this: If you look at what it takes to pivot to North America, that is a huge thing, and he has really tried. I think that he blew it, and I’m going to give him at a C+ because of FASAB 56, but he has gotten much more accomplished than I ever dreamed he could.
Farrell: I’m going to go with C+ too. I originally had him down as a B-, but I’m going to go C+ because of FASAB 56.

Given the gale of hostility that he has faced, it’s totally unbelievable that he was able to have anything accomplished under those circumstances.

Fitts: He got Common Core ‘killed’ and he had the climate change ‘Paris Agreement’ ‘killed’.

Farrell: And in my opinion, he has been fairly solid on his judicial appointments. I think that is a huge accomplishment.

Fitts: I do, too. ‘Effort’. I was a B+ and I’m going to stay at a B+.

Farrell: I’m going to keep him at an A-. I think given the gale that he’s been under, in a certain sense we may be being too hard on him. I haven’t seen anything like this with any other President. We have not had a peaceful transition of power.

Fitts: There are a couple of things going on, but one thing that has been shocking to me is the extent to which the people in the swamp can’t see themselves clearly. He is holding up a mirror to the swamp. If you look at their reaction to it, they don’t see themselves clearly.

The scariest thing is the extent to which the mind control reverberation is reverberated back in the swamp, and the swamp is in its own mind control.
In other words, if I can get 325 million people to do something without financial incentives only by mind controlling them, I start to veer away from reality too. I forget what reality is.

**Farrell:** I have a scenario that I will talk to you about later that I think may be going on with him pertaining to a long, historical context that may rationalize things a bit – but later, because it’s so out there.

**Fitts:** Trying to come up with a logical explanation forces us to go way out there.

‘**Communication**’. He keeps missing so many opportunities, although he does get out there with the rallies.

**Farrell:** I’m going to keep him at a C-.

**Fitts:** I will, too.

‘**War Games (Mapping the Swamp)**’. I had him at a B, and I’m going to keep him at a B because, since he’s gotten there, he has improved at understanding the nuts and bolts of what the war games involve.

**Farrell:** I’m going to raise him to a B+. I think that he is showing a lot more understanding.

**Fitts:** ‘**Building Bottom-Up Support**’. I will keep him at a C-.
Farrell: I’m going to raise him to a C. I think now that the campaign is underway again, I think he is going back to trying to hit his base, but he needs to stick with it this time.

Fitts: ‘Introducing Important Change’. I’m going to keep him at a C, and I’ll tell you why. Of all the good things he’s done, this latest EO on GMO or bringing in John Bolton drops him down.

Farrell: I’m going to drop him to a C-; FASAB 56, the GMO executive order, and so on is bad.

Fitts: ‘Building Bridges Internationally’. I’m going to keep him at a C.

Farrell: I think I’m going to keep him at a C, too.

Fitts: ‘Building Bridges Domestically’. I’m going to keep him at a C-.

Farrell: I think so, too.

Fitts: ‘Managing the Executive Branch Bureaucracy’. I’m going to give him an F. I’m dropping him!

Farrell: I’m going to go D-.

Fitts: ‘Grand Strategy for America and Our Role in the World’. I’m going to keep him at a D, and I’ll tell you why. I am tired of being in Europe and Asia and seeing people think that America is a bunch of children.
Much of that comes out of the media, but when you are in Asia or Europe and you watch the news, we look like children.

**Farrell:** Oh, I know we do.

**Fitts:** I think we all need Lavrov to give us lessons on how to conduct ourselves.

**Farrell:** I would agree and I’m keeping him at a D, too.

**Fitts:** ‘Managing the Federal Budget and Contracting Budget’. Last quarter, thanks to you, I conceptualized something I’ve never conceptualized. I always thought that an F was the lowest that you could go, and then you pointed out that we could do an F-. I’m still an F- here.

**Farrell:** I’m lowering him to a G. I’m serious! This whole FASAB 56, and on top of this, the GMO executive order – you put those two things together, and it’s as if, “For Sale: Joseph P. Farrell. Buy cheap.” It’s absurd!

**Fitts:** It’s bad.

‘Staying Physically and Emotionally Healthy’. I’ll stay at a B.

**Farrell:** Same here.

**Fitts:** ‘Growing in the Job’.
Farrell: That’s a hard one. The FASAB thing is going to drop him to a C-.

Fitts: I’ll go with you because I essentially think that this is where it all falls apart. When you hit the money and look at the accountability in the money; if you look at how unaccountable the whole country is about the money, you can hardly blame one person for an entire nation of 325 million people who – with rare exception – behave irresponsibly when it comes to money. But I think that FASAB 56 is over the top.

Farrell: He has inherited a long history – a whole century – of financial malfeasance. Woodrow Wilson, FDR, Reagan, and then the Bush/Clinton/Bush/Obama fiasco occurred. He has inherited much of that, but he did not try to reverse that entire process; he sold out to the final epilogue in the whole thing with FASAB 56. I don’t understand that at all.

Fitts: I believe that is what you do if you are functioning under a governance model where you have a treaty obligation with a much greater power. The transparency of that power would basically shut down the economy in a way that would be even more dangerous. That is why you would do it.

Farrell: I can see that.

Fitts: You unravel the transparency and bring about the transparency slowly.
Here is the reality of FASAB 56: Everything that I do and say with all my money is 100% disclosed to a group of secret people. They can do whatever they want with my taxes and my Treasury and my pension fund, and I can’t say anything about that. So, we know how this is going to go.

We will discuss this when we get to ‘Take Action’-why anybody would support the people who are doing this – any of the banks or any of the companies. Why are we going along?

**Farrell:** You put it well with this idea that they are beholden to some higher power. The uncertainty in my mind is that the power doesn’t really appear as any player that we know on the board; it’s not the central bankers and it’s something else.

**Fitts:** Look at how the central bankers got socked this year. They had a plan on how they were going to clean up their balance sheets and it only lasted about two days.

The quote that I used, and which everybody is using now, is from the boxer, Mike Tyson, “Everybody has a plan until they get punched in the face.” Al had a plan, and he got punched in the face. So whoever it is, it’s not the central bankers.

I have to say that this has been an absolutely fascinating conversation. Everything is on the web presentation – the stories with the different headlines within them and the Trump Report Card. We hope that you will access them. We will be back next week, and we have a lot to talk about!
We are going to talk about the war on children and the war on men.

If you think that the politics or the economy are bizarre, wait until you see the culture!

Before we close, do you have anything that you want to add?

**Farrell:** That will do it for me.

**Fitts:** Thank you very much for joining us for News Trends & Stories Part I of the 2nd Quarter Wrap Up. Ladies and gentlemen, goodbye and have a wonderful day.

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**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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