WILL ESG* TURN THE RED BUTTON GREEN?

* Environmental, social and governance (ESG) refers to three factors used to measure the sustainability and ethical impact of an investment in a business or enterprise.
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> So please, oh please, we beg, we pray, go throw your TV set away, and in its place you can install a lovely bookshelf on the wall."

~Roald Dahl
In the summer of 2000, I asked a group of 100 people at a conference of spiritually committed people who would push a red button if it would immediately stop all narcotics trafficking in their neighborhood, city, state and country. Out of 100 people, 99 said they would not push such red button.

When surveyed, they said they did not want their mutual funds to go down if the U.S. financial system suddenly stopped attracting an estimated $500 billion-$1 trillion a year in global money laundering.

They did not want their government checks jeopardized or their taxes raised because of resulting problems financing the federal government deficit.

Our financial profiteering and complicity is not limited to aristocrats and the elites who do their bidding.

Our financial dependency on unsustainable economics is broad, ingrained and deep.

~Catherine Austin Fitts,
Dillon Read & Co. Inc and the Aristocracy of Stock Profits

The Solari Report looked at investment screening in our 3rd Quarter 2016 Wrap Up: Investment Screening: Can We Filter for Productive Companies? My answer was “yes, of course we can,” there being thousands of productive companies operating around the world and more available for investment every year. However, we can do so only if—and the “if” is important—we have a good map of what is really going on in the world. Unfortunately, national security and municipal and financial markets secrecy is significant and growing, making it difficult to determine who and what is truly productive and who and what is not.

Our 1st Quarter 2019 Wrap Up: Will ESG Turn the Red Button Green? continues the discussion, inspired in part by the explosive growth in ESG (environmental, social, and governance) investment over the last two years. Can ESG turn the red button green? Again, the answer comes down to whether or not we apply our ESG criteria using a reliable map of our world. The more we practice ESG without sound maps of the real political and economic flows around us, the more the cost of secrecy rises and the greater our misallocation of capital. And secrecy in the financial markets is still growing.
For those interested in integrating "the real deal" into their map of the world, I want to contribute to the ESG industry. This starts with ensuring that the industry understands FASAB 56 (see below) and recent developments in the U.S. federal government's decades-long refusal to obey financial management laws. My goal is to provide sufficient information so that ESG professionals can incorporate these developments into their analytics and process—no small undertaking. Ideally, this could create significant support for U.S. compliance with financial management laws. Without a reduction in secrecy by the U.S. and global governments, the application of ESG criteria to investment will be difficult.

The U.S. Federal Accounting Standards Advisory Board (FASAB) released Statement of Federal Financial Accounting Standards 56 (FASAB 56) last fall. Our report on FASAB 56 can be found online at https://constitution.solari.com/fasab-statement-56-understanding-new-government-financial-accounting-loopholes/. The exposure draft (the document intended to solicit public comment) for FASAB 56 was published on July 12, 2018, with comments due by August 13, 2018. Seventeen comments were submitted by various departments, agencies, and accounting firms. The final Statement 56 was published on October 4, 2018, with little if any change from the exposure draft.

Reporter Matt Taibbi aptly described the FASAB 56 issuance in his January 2019 article in Rolling Stone titled "Has the Government Legalized Secret Defense Spending?" and subtitled "While a noisy Supreme Court fight captivated America last fall, an obscure federal accounting body quietly approved a system of classified money-moving." Taibbi wrote:

"We believe that this would be misleading and likely to cause confusion for financial statement readers, by implying that SEC is involved in classified activities. It’s likely that SEC, as well as other agencies, would receive numerous inquiries from the public and from the media by including such an unexpected disclaimer in its financial statements."
of undocumentable adjustments at DOD and HUD between federal fiscal 1998–2015, and silent regarding the recent announcement by the Harvard Endowment—a source of a significant amount of her personal wealth—that future financial results would no longer be disclosed.

This, of course, raises the question, if financial disclosure is going to be meaningless, why make it more complicated and expensive to provide? If you look at the proposals being made for company climate change disclosure and compliance, they have the potential to drive many companies into bankruptcy or into the arms of their larger competitors at a cheap price.

The Solari team published a wealth of information about FASAB 56 and the “missing money” in our 2018 Annual Wrap Up: The Real Game of Missing Money. If you have not had a chance to read it, I strongly recommend reviewing the first volume (Part I) and the missing money portions in the second volume (Part II). This is critical “due diligence” information for any retail or institutional investor globally or any citizens dependent on (or whose country is on the sanctions list maintained in connection with) the U.S. security umbrella—essentially, everyone on the planet.

Please feel free to share our information regarding FASAB 56 with your financial professionals, and certainly with any ESG provider. The more transparency we can achieve on this issue, the better off we will all be.

As we finalize our written discussion for the 1st Quarter 2019 Wrap Up, we note that the U.S. House of Representatives approved a resolution in July 2019—by a vote of 398 to 17—condemning the global Boycott, Divestment, and Sanctions (BDS) movement, which seeks to pressure Israel to comply with international law. This follows a steady and successful effort to lobby state governments to require contractual commitments to not participate in BDS boycotts as part of the award of government grants. Twenty-six states have laws or policies on the books that tell businesses they can’t boycott Israel.

This raises another question: what is the point of an ESG industry if government is going to dictate that the politically protected will be immune? This House Resolution has extremely ominous implications for the future of ESG investment, let alone for the government’s involvement in setting, controlling, enforcing—and politically abusing—standards.

Examples always help, so I want to give at least one example in this presentation of applications of ESG that I find stupefying.

If $21 trillion of undocumentable transactions and adjustments have occurred in the U.S. federal accounts, then those and related transactions were processed through the U.S. federal bank accounts. The U.S. federal bank depository is the New York Federal Reserve Bank, which is owned, governed, and operated by its member banks. The largest of these banks—in fact, the largest U.S. bank—is JPMorgan Chase. Like the other leading members and owners of the New York Fed, the stock of JPMorgan Chase is a prominent holding in many ESG mutual funds, exchange-traded funds, and private portfolios. This is despite several decades of significant settlements with regulators for violations of civil and criminal law. (See the Table in the full discussion in this Wrap Up.) Yet, if you read JPMorgan’s disclosure on their record in social responsibility, you will understand why I believe that Jamie Dimon, Chairman of JPMorgan Chase, and the board of directors deserve an award for “Best Multiple Personality Disorder Management Execution” in the United States.

JPMorgan Chase can borrow at the Fed window for 2.25%; the average U.S. credit card holder is paying 17%. I don’t know what the average student loan borrower is paying, but it is a lot more than 2.25%, and the loans come with the stripping of standard consumer protections. We used to call this usury and entrapment—and it used to be illegal. Now JPMorgan calls it their “return to the community.”

Despite this, I continue to encounter Solari Report subscribers who bank at JPMorgan Chase or the other leading New York Fed and San Francisco Fed banks whose participation in the bailouts, responsibilities for U.S. government transactions, and litigation and regulator settlements document clear patterns of fraudulent dealings that harm millions of consumers and citizens.

Why? Please don’t tell me that you or your account are not important. You are important to me. I do not want you to be defrauded. I do not want you to be harmed by data or identify theft. You deserve a fine banker attending to your needs—and the fine bankers of this world deserve your support and your business. If you don’t have an excellent bank, finding one is an important opportunity.

The growth of ESG investing is important. If it is applied sincerely, it could be powerful. If used as a Trojan horse with controlled politics, controlled science, and controlled media to further privatization and technocracy, it could be dangerous. Consequently, this discussion will continue on The Solari Report and in our lives.

I hope this 1st Quarter 2019 Wrap Up helps you to explore the connections between this trend and your life and work—helping you see how you can best live your free and inspired life!
I. Introduction: The Power of Shunning

“Monsanto can do anything they want to you, and put anything they want into your food. There’s nothing you can do about it.”

—Gov. Jesse Ventura

It was a beautiful spring day in 2010. I was having lunch with a money manager in Zurich. Schooled in Austrian economics, he understood the deterioration of the legal and financial systems in the United States. He focused on investing his and his clients’ family wealth in real assets—whether in precious metals or companies that produced enduring value and dividends. He wanted to know if any of my clients would be interested in his fund.

The answer was no. The fund held an investment in Monsanto. The money manager was taken aback—he did not engage in “socially responsible investing” (SRI). I explained that this had nothing to do with SRI. This was a cultural phenomenon—a deep fury against centralizing trends for which Monsanto had emerged as the poster child. These trends included:

- Efforts to patent seeds, corrupt the seed supply, and control the food supply through genetically modified organisms (GMOs)
- The use of “substantial equivalence” to achieve regulatory approval for untested GMO products and technologies, resulting in widespread experimentation on uninformed humans
- Intrusive and expensive political lobbying and public relations to force regulators in Europe, Asia, and Latin America to accept GMOs and nanoparticles in their food supply
- Use of foreign aid and disaster capitalism to introduce GMOs in foreign war zones and disaster areas, with dramatic impacts on local farmers and agriculture
- Political targeting and firing of scientists whose research indicated serious problems with GMOs
- Increased presence in the food supply of glyphosate via pesticides, GMOs, and engineered nanoparticles—and strong correlations of glyphosate with rising rates of chronic disease
- Aggressive lobbying to change state laws to mandate “terminator” seeds (seeds genetically engineered to be sterile) and prevent farmers from saving and using their own seed
- Rumors of mercenaries in black vans arriving in the dark to assault farmers who resisted conversion to terminator seeds
- Entrapment of and lawsuits against farmers whose fields were corrupted by GMO drift from neighboring farms (such as Percy Schmeiser)
- Sabotage of labeling law efforts, making it expensive and difficult for consumers to differentiate between food and “Frankenfood”
- The suicide of 200,000-plus farmers in India that stalled the World Trade Organization’s Doha Round and efforts to industrialize agriculture globally

II. Will ESG Turn the Red Button Green?

WILL ESG TURN THE RED BUTTON GREEN?

What is relevant is what solves the problem. If we had thought through real relevancies, we would be on Sirius by now.

—Sir Peter Medawar

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That backlash is now doing the same to the German company that purchased Monsanto, as U.S. civil litigation and judgements against Monsanto slowly reflect the reverberation of an anger that continues in the United States—for now. However, the fury directed at the use of “fake science,” abetted by a corporate media that is heavily funded by pharmaceutical advertising, is being distilled down to the personal behavior of those promoting climate change action. If someone believes in climate change, why are they flying around in a private jet? Why are they buying a $15-million mansion by the ocean?

For cultural values to work, and for those values to be integrated into our beliefs and daily actions, there must be a system of laws and rules that is out of alignment with our values ultimately endure. This is why a healthy culture does not need lots of laws and regulations—not an expensive infrastructure of police, prosecutors, and courts to enforce them. In a healthy culture, everyone understands and shares the group values and does their best to behave productively. Pressure on those behaving unproductively is immediate and happens in our daily lives. Historically, shunning has been one of the most powerful and effective tools to exert this pressure—and explains why transparency of government and other shared resources in combination with free markets can make such an enormous difference.

It turned out to be a wise investment choice. The backlash against the pharmaceutical companies from liability and requiring the American taxpayer to fund victim compensation are protecting vaccine makers that have exploded in size since corporate liability was waived, will eventually punch through—one way or another. So will the anger directed at the use of “fake science,” abetted by a corporate media that is heavily funded by pharmaceutical advertising.

Ultimately, our adoption and maintenance of values and the application of those values to the institutions and activities around us are cultural. No system of laws and rules can enforce what is not inherently integrated into our beliefs and daily actions. Nor can a system of laws and rules that is out of alignment with our values ultimately endure.

Consider how the climate change debate keeps being distilled down to the personal behavior of those promoting climate change action. If someone believes in climate change, why are they flying around in a private jet? Why are they buying a $15-million mansion by the ocean?

II. What Is ESG?

Centralizing forces are weaponizing ESG to implement technocracy. A key tactic is to encourage the shunting of traditional values that would not hesitate to achieve its political goals by using the laws and modern techniques for influencing public behavior and keeping society under close surveillance and control.

What is ESG? ESG stands for the environmental, social, and governance criteria increasingly being applied to corporate operations and investments.

Welcome to the explosive growth of environmental, social, and governance (ESG) investing—where technocracy and capital controls collide with our savings and use of resources in the push for ever greater central control.

My clients’ rage was not the expression of a desire for socially responsible money management services. It reflected the desire of intelligent people not to spread a corporate disease that was draining time, health, and finances in their daily lives. At the deepest level, their aversion to investing in Monsanto shares reflected an intuitive understanding of biophysics—they wanted no energetic connection with something this repulsive.

Some would assume that investment by this particu- lar money manager in Monsanto reflected either a deep ignorance of how the world really worked or a deep hypocrisy in his stated values. For many investors, the only thing worse than a hypocritical money manager is a clueless money manager. In this instance, the money manager looked into the matter and ultimately sold the fund’s position in Monsanto.

It has not addressed the U.S. Department of Justice targetting of U.S. rating agencies that took the step of hijacking the instant to shun before it does damage to centralized systems. However, with some spiritual and cultural inputs on our part, it is also a mechanism that we can use to integrate our values and our investments. It can be used to extend the Golden Rule: “Do unto others as you would have them do unto you”—or to also mean “finance unto others what you would have them finance unto you.”

Oh, goodbye—another powerful escalation in the battle with Mr. Global for the soul of the planet! Can we take responsibility to lead in a more positive direction while facing and managing the real risks before us? Here goes!

The technetronic era involves the gradual appearance of a more controlled and directed society. Such a society would be dominated by an elite whose claim to political power would rest on allegedly superior scientific knowledge. Unhindered by the restraints of traditional liberal values, this elite would not hesitate to achieve its political agenda by using the laws and modern techniques for influencing public behavior and keeping society under close surveillance and control.

Centralizing forces are weaponizing ESG to implement technocracy. A key tactic is to encourage the shunting of traditional values that would not hesitate to achieve its political goals by using the laws and modern techniques for influencing public behavior and keeping society under close surveillance and control.

What is ESG? ESG stands for the environmental, social, and governance criteria increasingly being applied to corporate operations and investments.

The stated goal is to ensure that companies are good citizens, with the implication that investors will hold them accountable if they are not. For the time being, ESG applies primarily to securities (see the documentary The China Hustle).

Will ESG Turn the Red Button Green?

Screening: Can We Filter for Productive Companies?

Our 3rd Quarter 2016 Wrap Up: Investment Screening: Can We Filter for Productive Companies? provides an overview and history for those who are new to this area of investment criteria and screening.

The Solarl Report has a wealth of additional background information to help you understand ESG. One resource that I recommend in particular is our interview with Patrick Wood on technocracy.
of downgrading the U.S. credit rating—S&P/McGraw Hill and Egan-Jones. ESG has ignored FASAB 56. If you have not read our 2018 Annual Wrap Up: The Real Game of Missing Money, please consider it essential reading to understand what the current application of ESG is all about. Start with “Caveat Emptor: Why Investors Need to Do Due Diligence on U.S. Treasuries and Related Securities.”

III. Why Is ESG Important to You?

To many executives, the word sustainability is a cue to stop listening. One way to begin changing the perception of sustainability is to stop using the word.

-Lawrence M. Heim

You’re busy—why should you care about the growth of ESG investing? After all, talk about sustainability and social responsibility has been putting busy people to sleep for decades. Here’s why you should care.

First, technocracy—including weaponized ESG—is headed toward your home, workplace, and community in the form of a tsunami of micromanaging laws and regulations. If it does not eat up your time or destroy your business, it will certainly raise your expenses and cause dissension among those around you. This is a major wave—and you need to be prepared to navigate it. That starts by understanding it and exploring the impact that it may have on your individual situation.

Second, while large corporations and investors may be intent on weaponizing ESG, there is no reason that honest and ethical people cannot redirect ESG in a more positive direction. The ESG industry has attracted an impressive number of intelligent, capable data and financial analysts and money managers interested in providing services to investors who really do want to align their investments with their values. There is significant and sincere market capacity, interest, and demand. This is an opportunity to evolve our financial and investment systems in a direction that nurtures human civilization.

The goal of this discussion is to give you some ideas about how to do that. What’s good for the goose can be good for the gander—so now is the time to get into the thick of things.

IV. Recent Growth in ESG

The story of ESG investing began in January 2004 when former UN Secretary General Kofi Annan wrote to over 50 CEOs of major financial institutions, inviting them to participate in a joint initiative under the auspices of the UN Global Compact and with the support of the International Finance Cooperation (IFC), and the Swiss Government. The goal of the initiative was to find ways to integrate ESG into capital markets. A year later this initiative produced a report entitled ‘Who Cares Wins,’ with No Knoepfel as the author. The report made the case that embedding environmental, social and governance factors in capital markets makes good business sense and leads to more sustainable markets and better outcomes for societies. At the same time the United Nations Environment Programme Finance Initiative (UNEP FI) produced the so-called ‘Fieldfish Report’ which showed that ESG issues are relevant for financial valuation. These two reports formed the backbone for the launch of the Principles for Responsible Investment (PRI) at the New York Stock Exchange in 2006 and the launch of the Sustainable Stock Exchange Initiative (SSE) the following year.

-George Kell, “The Remarkable Rise of ESG,” Forbes, July 11, 2018

The Global Sustainable Investment Alliance is a collaboration of membership-based sustainable investment organizations around the world. It has published a Global Sustainable Investment Report every two years since 2012, including a report in 2018. The Alliance documents the growth of ESG investing in Europe, the U.S., Australia, New Zealand, and Japan and is tracking the development of such networks in Latin America and Africa. The Alliance does a valuable service by making its reports available to the public. You can access the 2018 report at http://www.gsi-alliance.org/trends-report-2018/.

As described in the 2018 report, managed investment assets subject to ESG criteria have grown 34% from $22 trillion to $30 trillion.

FIGURE 1: SNAPSHOT OF GLOBAL SUSTAINABLE INVESTING ASSETS, 2004-2018

<table>
<thead>
<tr>
<th>Region</th>
<th>2018</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>$12,040</td>
<td>$2,145</td>
</tr>
<tr>
<td>Japan</td>
<td>$474</td>
<td>$2,145</td>
</tr>
<tr>
<td>Australia/New Zealand</td>
<td>$515</td>
<td>$2,145</td>
</tr>
<tr>
<td>Total</td>
<td>$29,836</td>
<td>$36,683</td>
</tr>
</tbody>
</table>

Note: Amounts are expressed in billions of US dollars. All 2018 asset data is according to UNEP FI’s application of the GIPS standards. For 2018 data, all asset classes are converted to USD based on their exchange rates at the time of reporting.
Europe continues to maintain the highest percentage of assets subject to ESG criteria.

The leading application of ESG criteria continues to be in the equity markets. However, significant fixed income assets are also subject to ESG criteria. To date, real estate subject to ESG criteria is relatively small; it will be interesting to see how that changes as more real estate securitizes through global REITs and other publicly traded investment vehicles. (For more on growth in publicly traded real estate, see our report 3rd Quarter 2018 Wrap Up: Majestics and the Growth of Global Real Estate Companies.)

Numerous regulators and industry associations continue to encourage the use of ESG. Their support for ESG is steadily growing at the very time they are failing to address a steady deterioration in compliance with financial laws and traditional standards of accounting and disclosure related to governments and corporations as well as the securities market. Watching the evolution of ESG, one wonders if this is not a campaign in complexity as “whitewash.”

In 2014, the European Union adopted a directive requiring large companies (approximately 6,000 listed companies, banks, insurance companies, and other companies designated by national authorities as public-interest entities) to provide non-financial disclosure on environmental, social, and employee responsibility, human rights, and anti-corruption and bribery matters. This occurred in the same year that Dutch auditors claimed that NATO members could not determine how their funds were being spent in the annual $1 trillion of NATO spending, indicating that NATO’s expenditures were largely classified. This appears to be another example of ignoring the failure to comply with existing financial disclosure standards while creating additional non-financial disclosure requirements.

After all, if something is not working, then just try more!

In 2015, the Paris Climate Agreement included a commitment to make financial flows consistent with a lower carbon world and sustainable development. However, President Trump snatched the United States from the jaws of that commitment in 2017, much to the dismay of the financial interests keen on global taxation.

In fiscal 2015, the U.S. federal government was missing $6.5 trillion in accounts at the Department of Defense (DOD) and $27.85 billion at the Department of Housing and Urban Development (HUD). (See documentation at https://missingmoney.solaire.com.) During 2015, the U.S. Department of Labor (DOL) confirmed that incorporating ESG into investments is compatible with fiduciary duties under the Employee Retirement Income Securities Act (ERISA). DOL has said nothing, to my knowledge, regarding continued purchasing of Treasury securities by pension funds and retirement accounts—or the securities of related banks and IT contractors—despite the possibility that significant funds may be illegally leaving federal accounts through the back door and despite bullying of rating agencies to ensure that U.S. Treasury and related securities maintain high investment grade ratings.

As of 2017, signatories of the United Nation’s Principles for Responsible Investment (PRI) have grown to more than 1,750 from 50 countries, representing approximately $70 trillion. The UN launch of PRI in 2006 coincided with the takedown of the U.S. mortgage bubble and the beginning of the financial crisis.

Recently, the EU published new requirements for managers of large asset pools, who must publish their policies on the integration of sustainability risks into their investment decision-making process by 2020. Asset and fund managers will be required to have sufficient resources for the assessment of sustainability risks. Remuneration policies will be tied to sustainability targets. Investment policies and documentation will need to be reviewed and amended.

During this period, the private sector also contributed mightily to the complexification process.

The Sustainability Accounting Standards Board (SASB) was founded in the United States in 2011 to develop additions to the accounting principles used in financial reporting in the U.S. A review of the Board’s founders and leadership makes the reader wonder to what extent this was funded by a teeny-weeny reinvestment of the lush profits enjoyed by those founders and supporters as a result of the mortgage bubble and the subsequent bailouts that cost the taxpayers $24 trillion. Most of those trillions had rolled into Wall Street by that time. There is no reference that I can find in the Board’s literature to the fact that the basic accounting standards had failed to the tune of $36 trillion—$24 trillion of bailouts and what was then approximately $12 trillion missing from U.S. government accounts. Again, the focus seems to be on further complexifying the reporting requirements rather than getting the traditional requirements to work.

It is not clear why the SASB founders wanted an alternative to the Global Reporting Initiative (GRI) originally founded in the United States in 1997. The GRI is now based in Europe and has become an international independent standards organization to help “businesses, governments and other organizations understand and communicate their impacts on issues such as climate change, human rights and corruption.” Add the standard-setting involved at the PRI, the OECD, and a variety of other parties, and we have quite a collection of groups mapping out human and planetary ecosystems without any apparent interest in the collapse of traditional accounting standards or the explosive secrecy masking growing military and intelligence spending managed by large publicly traded corporations and banks.

On October 1, 2018, three days before the Federal Accounting Standards Advisory Board adopted Statement 56—with the approval of both the Government Accountability Office (for the Congress) and the Office of Management and Budget (for the White House)—a group of large investors petitioned the SEC to develop ESG reporting requirements.

Investors Petition the SEC to Develop ESG Reporting Requirements

A group of investors representing more than $5 trillion in assets under management petitioned the U.S. Securities and Exchange Commission on October 1, 2018 to develop a comprehensive framework that would require public companies to disclose environmental, social and governance (ESG) aspects relating to their operations. Petitioners include CalPERS, the New York State Comptroller and the U.N. Principles for Responsible Investment. The 19-page petition, available here, cites increasing demands by certain investors for information to better understand the long-term performance and risk management strategies of public companies. The petition notes that the voluntary “sustainability reports” that some companies have produced in response to these demands are insufficient and instead, an SEC-mandated comprehensive framework for clearer, more consistent and more fulsome, reliable and decision-useful ESG disclosure (above and beyond existing SEC disclosure requirements).
requirements) would meet this demand. The petition does not lay out a framework for the SEC to consider other than a suggestion that the climate risk disclosure framework issued by the FSB Task Force on Climate-Related Financial Disclosure could be used by the SEC “as a starting point in promulgating its own framework for comprehensive ESG disclosure.”

The petition comes on the heels of Senator Warren’s September 14, 2018 bill, the Climate Risk Disclosure Act, which, if passed, would require the SEC to issue rules requiring public companies to disclose climate change-related risks, including climate change scenario analyses similar to those called for by the FSB Climate Task Force referenced in the petition, as well as companies’ direct and indirect greenhouse gas emissions, the total amount of fossil fuel-related assets they own or manage and their management strategies related to physical risks posed by climate change.

Not to be outdone by the indifference of Senator Warren’s bill, the Business Roundtable, an association of CEOs of large U.S. companies, published a “Statement on the Purpose of a Corporation” in August of 2019, the Business Roundtable, an association of CEOs of large U.S. companies, published a “Statement on the Purpose of a Corporation” (https://opportunity.businessroundtable.org/sustainability).


Statement on the Purpose of a Corporation

Americans deserve an economy that allows each person to succeed through hard work and creativity and to lead a life of meaning and dignity. We believe the free-market system is the best means of generating good jobs, a strong and sustainable economy, innovation, a healthy environment and economic opportunity for all. Businesses play a vital role in the economy by creating jobs, fostering innovation and providing essential goods and services. Businesses must and will consume products; manufacture equipment and vehicles; support the national defense; grow and produce food; provide health care; generate and deliver energy; and offer financial, communications and other services that underpin economic growth. While each of our individual companies serves its own corporate purpose, we share a fundamental commitment to all of our stakeholders. We commit to:

• Delivering value to our customers. We will further the tradition of American companies leading the way in meeting or exceeding customer expectations.

• Investing in our employees. This starts with compensating them fairly and providing important benefits. It also includes supporting them through training and education that help develop new skills for a rapidly changing world. We foster diversity and inclusion, dignity and respect.

• Dealing fairly and ethically with our suppliers. We are dedicated to serving as good partners to the other companies, large and small, that help us meet our missions.

• Supporting the communities in which we work. We respect the people in our communities and protect the environment by embracing sustainable practices across our businesses.

• Generating long-term value for shareholders, who provide the capital that allows companies to invest, grow and innovate. We are committed to transparency and effective engagement with shareholders. Each of our stakeholders is essential. We commit to deliver value to all of them, for the future success of our companies, our communities and our country.

Nowhere in the Business Roundtable presentation was there any mention of the serious criminal and civil violations committed by some of the financial institutions and companies represented on their board and membership—or of their extraordinary dependency on federal government spending and credit which, in turn, depends on missing money, bailouts, secret books (now institutionalized with FASB 56), and skyrocketing debt. Indeed, some of the financial institutions represented by the Roundtable served as leading members and agents of the New York Fed—the depository for the U.S. government when the $21 trillion went missing.

What has prompted public regulators and private companies and associations to issue these statements, there is little doubt that the rush of regulators and CEOs to get on board continues to fuel significant growth in non-financial disclosure regulatory requirements. It remains to be seen what the responses of the retail investor will be, or of the many nations outside of the G7 areas of influence. But after several decades of explosive amounts of financial fraud and corruption, it is hard for experienced investors to be lectured to regarding “values” by the leaders of monopolistic enterprises, many of whom have been both perpetrators and beneficiaries of the fraud and corruption.

It’s a bit like Tony Soprano lecturing his HUD mortgage fraud victims on the importance of their adopting a more modest lifestyle and learning to take better care of their neighborhood.

V. Toward a Coherent Vision for ESG

"Reality is that which, when you stop believing in it, doesn’t go away."

—Philip K. Dick

A positive development regarding ESG is the increased availability of talented people interested in helping enterprises better understand their dynamic economic relationships in a manner that can improve risk management and productivity. One of the benefits has been an increased investment in the analytics software and data that can help. However, even with these improved tools, defining and applying ESG criteria is not as easy as it sounds. Critical issues include differences in values, maps of reality, and goals; the significant impact of negative returns in government and central banking operations (crucial aspects of our existing economic and financial models); the growing pressure on resources; and the secrecy surrounding our planetary governance system.

A. Values

People of different cultures and faiths have different values.

A Muslim or Buddhist would likely shun investment in alcohol and tobacco companies, whereas a Christian would not, unless those companies depend on illegal tactics such as aggressive marketing to target underage children or the use of enticement in their digital marketing campaigns. Someone who practices Sharia law might object to banks that profit from usury. However, large U.S. banks have been instrumental in changing the usury laws and stripping normal consumer protections from student and consumer lending; their boards and management appear to be quite comfortable engaging in practices that were once illegal. The result is that the largest U.S. banks have a low cost of capital—thanks to taxpayer-supported credit—while the average American not only has an exceptionally high cost of capital but also bears the costs of bailouts, currency debasement, and the federal credit...
used by the banks. These same banks have expensive and glossy sections in their Annual Reports and on their websites regarding their commitment to social responsibility. They see no conflict; it’s all part of “caveat emptor”—buyer beware. It is one of the reasons I sometimes wonder if the War on Terror is really just a “war on people with oil who oppose usury” to allow clever arbitrage and “debt control” to follow the smartphones globally without interference from religious or traditional values.

Ordinarily, differences in values are a problem that markets are excellent at addressing. Let every participant engaging with “other people’s money” fully disclose their practices and let investors simply express their values with their choices in a free market—just as my former clients did regarding Monsanto.

The challenge comes when savings become highly centralized into professionally managed pools of capital. Professional investors are then left with the task of choosing sets of values with highly unique results. For example, a company that enjoyed rich profits from the mortgage bubble and related securities fraud—which resulted in trillions in bailouts, millions of foreclosures, and significant unemployment and bankruptcies—is deemed to be “women-friendly” because each year it hires a few dozen female graduates from Ivy League business schools.

The application of ESG criteria can get very complicated very quickly. If you—either as an investor or as a business owner—wish to apply ESG criteria, you first need to determine your values and what is important to you. That also means determining what is strategically important and what is not.

A former client of mine had a large deposit at a local community bank that had opened with a strategy centered on progressive values. The bank did a significant market research study on whether or not—and how—they could offer “green” products. The study’s results demonstrated that while many of their clients wanted green products, they would never fund the expense of providing them. In short, “green” was a style choice, but not an economic one.

This is one of the reasons I often tell the Red Button story. Some of our values are relative. We don’t want narcotics traffickers targeting children in our community. However, we will tolerate it to avoid our taxes going up or our government checks disappearing—or because we are afraid of offending the people who control the operations and the accumulated profits. We will vote for the politicians who provide us a cover story: “We are good [pick one: Americans, Catholics, Episcopalians, Jews, Muslims, progressives]. It is not us doing it. It is those bad people over there.” A satisfying cover story combined with government largesse has been a winning political strategy.

Such tradeoffs are one of the costs of highly centralized systems. Different groups have different values, and each group engages in a multiple personality disorder between their stated values and the values they actually practice when they are asked to price out their willingness to compromise—both on a transparent basis and on a basis where good marketing supports their ability to pretend.

All of this makes defining and prioritizing our values complicated.

B. Maps of Reality

The second challenge in the application of ESG is finding a common understanding or “map” of reality. Often, disagreements about values turn out to reflect a difference in maps of reality.

The Solari Report recently published an excellent interview with Dr. Mark Skidmore called “Navigating Reality,” which addresses the issue of operating in a world where perceptions of economic, political, and social reality differ significantly. The explosion in information technology and globalization, by its very nature, means that we have people with differing languages, experiences, education, and points of view colliding in what Michael Ventura once described as “the psychic storm of our own being.”
One of the challenges of building an accurate map of reality is that many of the most powerful systems used to govern and control are invisible. Monetary and fiscal policy, for example, has been used in the United States to engineer a wide discrepancy in costs of capital. A New York Fed member bank may borrow at 0%-2% using the federal credit, while it can charge the citizens who provide the backstop for such credit 12%-30%. Remarkably, many of the bank’s customers will not connect the dots because cost of capital is a relatively invisible phenomenon for most people.

Surveillance capitalism has been a source of great wealth for the tech industry and investors. However, most of the people who are surveilled do not “see” this happening to them. They do not see how others are compromising their privacy and intimate relationships to make money and build companies. They do not see how this surveillance and the related data harvest and manipulation are draining local economies and subverting their political impact broadly.

There are countless other examples of invisible factors—certainly many you have experienced personally. You will find significant attention given to these on The Solari Report. Superior intelligence on invisible control techniques can significantly improve personal productivity after you get over the initial shock of discovering that your existing map of the world requires a refresh.

C. Government

In any system of laws, regulations, contracts, and transactions, someone needs to enforce. In the investment world, capital only flows into an activity where enforcement is possible. Good enforcement is an essential part of achieving successful investment returns.

One of the key questions under any governance system is, therefore, “Who enforces?” The central banking-warfare model that has defined the global economy for the last 400 years depends on military and other forms of government enforcement. The central banks print currency—and the government (with both military and intelligence arms) makes sure people use it. Ultimately, the model relies on force to make the currency and monetary system go.

In theory, the more a society can depend on culture to enforce, the less need for expensive enforcement. Years ago, my Bible class teacher asked me to explain Leviticus. It says we have to take care of the land, of one another, and of ourselves.” The more we do, the less we need police to write speeding tickets or jails to lock up troublemakers.

Unfortunately, reliance on culture for enforcement is shrinking, while spending for military, intelligence, and law enforcement—including related weapons manufacturing and IT and communication systems—continues to grow, building the largest, most powerful industry on the planet. Official defense expenditures have surpassed $2 trillion a year. These expenditures are matched by deeply invasive applications of new technologies in unprecedented public-private partnerships increasingly controlled and operated by large corporations.

A significant portion of military budgets is financed with sovereign government debt denominated in fiat currencies. Operating on this model creates financial incentives that are often win-lose between the parties, as opposed to an equity model that promotes win-win incentives. The Western world became deeply addicted to debt when the central banking-warfare model made it possible to finance wars on a “fight now, pay later” basis. As time has gone by, we also have found ways to replace many military wars with economic wars and to control through financial means. For example, consider the number of times you’ve heard a U.S. president use the word “sanctions” in the last two decades.
Since World War II and the emergence of the Bretton Woods global trade system, military and intelligence agencies have engaged in significant covert surveillance, operations, and warfare to engineer elections, regime change, markets, and the allocation and management of natural resources. The growth of government secrecy has been matched by an explosion of secret funding, which has contributed to a national security infrastructure that remains hidden from view and has at its disposal powerful, invisible technology. This has occasioned the emergence of the term “deep state” to refer to integrated networks of secret societies and bureaucracies that manage secret money, secret technology, and secret armies—and invariably lead back to global power centers such as the District of Columbia, Vatican City, the City of London, and other financial centers.

In addition, globalization has facilitated a fusion of transnational-organized crime networks, with Asian, Eastern European, and Emerging Markets criminal networks becoming more powerful players in the global markets.

Indeed, it’s all in the movies. Here are some of my favorite examples:

**The Good Shepherd** describes the role of secret societies and the CIA in the deep state.

[https://www.youtube.com/watch?v=jl_9ayxs69A](https://www.youtube.com/watch?v=jl_9ayxs69A)

**Enemy of the State** describes governmental surveillance used to centralize political and economic control.

[https://www.youtube.com/watch?v=2u6KdHmoMbw](https://www.youtube.com/watch?v=2u6KdHmoMbw)

**And Kill the Messenger** describes CIA drug dealing during the Iran-Contra period and the media role in covering it up.

[https://www.youtube.com/watch?v=siTqF2t3S1w](https://www.youtube.com/watch?v=siTqF2t3S1w)

**Independence Day** hints at the extraordinary infrastructure made possible by secret federal accounting and appropriations.

[https://www.youtube.com/embed/QldnH47vNIS4](https://www.youtube.com/embed/QldnH47vNIS4)

If you have listened to whistleblowers like Edward Snowden or Solari Report interviews with retired NSA technologist Bill Binney, you will understand the extent to which this infrastructure is run by private telecommunications, information technology, social media, and defense companies that feature prominently in ESG managed funds.

Questions about secret funding have grown, as frustrated auditors have repeatedly failed to account for expenditures in the U.S. Defense Department and NATO and missing money at HUD—and mortgage fraud has resulted in trillions in bailouts.

With over $24 trillion in bailouts and $21 trillion missing from U.S. accounts, the U.S. government has now implemented FASAB 56, claiming to authorize secret books. This is a process that The Solari Report has covered extensively as the “financial coup d’etat.”

**Will ESG Turn the Red Button Green?**

Cynthia McKinney grills Rumsfeld on Pentagon’s missing trillions.

[https://www.youtube.com/watch?v=Aupqwx6vaCs](https://www.youtube.com/watch?v=Aupqwx6vaCs)

Solari Report interview with retired NSA technologist Bill Binney.

[https://vimeo.com/222888823](https://vimeo.com/222888823)

**FY 2006 DoD-Brigade COIN**
In the 1990s, I led a joint venture between my company and the Department of Labor. Working with a group of public and corporate pension fund leaders, we looked at the advisability of economically targeted investments designed to help selected neighborhoods, primarily in the U.S. We concluded that the necessary reform was to convert U.S. government investment and spending by place—in 3100 counties around the country—to a positive return on investment from a negative return on government investment. Increasingly, we found that government investment was organized to subsidize covert operations, central control, and the stock market—as opposed to optimizing local economies. Trying to solve the resulting waste and inequality by asking private investors to address the symptoms of government waste and criminality was not a good use of private capital.

Inspired by the extraordinary wealth-creating possibilities of reengineering government investment at the local and county levels, I created a software tool to make government investment at local levels, I created a software tool to make investment and the national security state, including secret money, secret armies, and secret societies. That means that concerns about the climate impact of cattle need to be compared with the impact of F-35s, global spraying, HAARP, weather manipulation, and nuclear testing. We cannot have an intelligent conversation about the environment in a world where the majority of the planetary balance sheet operates behind a wall of government secrecy and uses force to command an extraordinary amount of planetary resources while operating at a negative return on investment to citizens and taxpayers. Indeed, the degradation of the environment is the proof that government returns are systematically negative.

Author Thierry Meyssan at the Voltaire Network has spoken eloquently about efforts to shift environmental problems away from governments and onto individuals:

The tree that hides the forest

During 40 years of UN discussions on the environment, things have not improved, quite the contrary. But an amazing conquering trick has been achieved: the responsibility of States has been forgotten, that of the multinational has been obscured, whereas that of individuals is stigmatized. The tree hides the forest.

In international summits, no one attempts to assess the energy cost of the wars in Afghanistan and Iraq, including daily airlifts to transport United States logistical support to the battlefield, including the soldiers’ rations.

No one measures the living areas contaminated by depleted uranium ammunition from the Balkans to Somalia through the Greater Middle East. Nobody mentions farmland destroyed by fumigation as part of it through large corporations, banks, and financial institutions—and that is resulting in environmental damage, inequality, and corporate monopolies, why do we think that ESG disclosure and investment by the perpetrators and their monopolies will improve our situation?

If we want to apply ESG criteria to investment, then we must address the fundamental role of government and the national security state, including secret money, secret armies, and secret societies. That means that concerns about the climate impact of cattle need to be compared with the impact of F-35s, global spraying, HAARP, weather manipulation, and nuclear testing. We cannot have an intelligent conversation about the environment in a world where the majority of the planetary balance sheet operates behind a wall of government secrecy and uses force to command an extraordinary amount of planetary resources while operating at a negative return on investment to citizens and taxpayers. Indeed, the degradation of the environment is the proof that government returns are systematically negative.

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No one measures the living areas contaminated by depleted uranium ammunition from the Balkans to Somalia through the Greater Middle East. Nobody mentions farmland destroyed by fumigation as part of the war on drugs in Latin America and Central Asia; nor those sterilized by the spraying of Agent Orange, from the Vietnamese jungle to Iraqi palm groves.

Until the Cochabamba conference, the collective consciousness has obviously forgotten that the main environmental damage is not the consequence of particular lifestyles or civil industry but corporate wars to allow multinationals to exploit natural resources, and the ruthless exploitation of these resources by the multinationals to supply the imperial armies. Which brings us back to our starting point, when U Thant proclaimed “Earth Day” to protest against the Vietnam War.

The existing central banking-warfare model is reaching a crossroads. Sovereign debt as a percentage of GDP is at significant levels and rising. More than a few governments, including the United States, are effectively in a debt spiral. In addition, the credit quality of numerous governments is threatened by a breakdown of the Treaty of Westphalia system that developed with the central banking-warfare model—that a government would maintain a monopoly on force within its jurisdiction. The privatization of force into mercenary armies and banks, defense companies, and private corporations that can field private armies signals the end of government monopolies on force within their jurisdiction.

If the Mexican army is defeated by drug cartels and has to concede municipalities to the cartels, what are the implications for Mexico’s sovereign bond holders? Growing amounts of debt, spending the proceeds of debt, taxation in secret and in a manner that has a negative return on investment, and the breakdown of the Treaty of Westphalia system—all of these are signs that the failure of the central banking-warfare model without a sensible replacement is the 800-pound gorilla in the ESG universe.
D. Goals

Thus far we have identified challenges that include differing values and maps and a reluctance to address the negative returns resulting from some governments’ and central banks’ operations. Challenges also include the differing goals of various ESG efforts. It would be wonderful if everyone’s aims for the application of non-financial disclosure were well-intentioned, but they are not. Let’s look at some of the goals at play:

1. Marketing

The millennial generation is clearly frustrated with environmental degradation, inequality, and government and corporate corruption. Consequently, attention to ESG criteria presumably will attract younger people as customers, employees, and investors who are interested in greater system-wide responsibility and performance.

2. Privatization

There is a push to outsource more government operations and responsibilities to private companies and financial institutions. The more that corporations come to be considered socially responsible and capable of thinking “ecosystem wide” and long-term, presumably the more the body politic will accept increased privatization. The marketing of privatization must override the fact that, certainly in the United States, the more dependent governments become on private companies, the more money becomes on private companies, the more money they are willing to grapple with the negative returns of central control rather than help central control grow.

3. The Best Defense Is a Good Offense

Large multinationals have had quite a run over the last two decades as globalization allowed a great deal of free reign. Taxation is a perfect example. Large multinationals were able to shift revenues and operations between jurisdictions—arbitraging tax treatments, engaging in transfer pricing, and enjoying the full benefit of offshore systems. Now a backlash is building, not unlike the backlash against Monsanto. Governments are cooperating to protect their revenue flows. The business press and some of the more far-sighted investors are concerned about the growing monopolistic behavior by large corporations that benefit from political largesse and bailouts at the same time that productivity is falling. As we described in the 2nd Quarter 2016 Wrap Up, falling productivity can and will destroy a society. Falling productivity is proof that the current model is not working.

This backlash is growing as the global Bretton Woods trade system established after World War II unravels. Political campaigns are looking for scapegoats and entertaining a growing number of radical proposals. Embracing ESG is a way of trying to white-out complicity and get ahead of the backlash while establishing a brand concerned about solving social and economic ills.

Senator Warren’s efforts—in concert with a group of the largest pension fund investors—to promote SEC disclosure on climate change at the same time the Congress and White House were adopting FASAB 56 are no accident. It is political whiteness of the first order. Senator Warren is assisting in the permanent destruction of traditional disclosure that will significantly benefit the institution that employed her for many years: the Harvard Corporation.

4. Technocracy

The global leadership believes that information systems will make it possible for them to replace markets and democratic processes with technocracy—essentially managing individuals with complex surveillance and control systems highly dependent on AI and software. Using climate change to layer on more complicated rules and regulations (not to mention the onerous taxes that may be ushered in with them) is a leading technique for making technocracy go. Although adding layers of rules and regulations is expensive (as is the related enforcement and litigation), these expenses typically can be amortized by large enterprises, which can overwhelm and bankrupt small businesses and farms and independent professionals and their practices. Used in this manner, ESG can and will facilitate increased centralization of economic activity.

The rollout of technocratic systems looks different in various countries. However, whether it is the “yellow vests” in France, farmers in the Netherlands, Belgium, and Germany, street protestors in Hong Kong, or the “deplorables” who voted for Trump and Brexit, we are seeing a wholesale rejection of central control and its assault on highly productive small businesses, small farmers, property rights, and freedom of speech. Millions of people are prepared to change to protect their environment and their culture, but they are not willing to endure lawlessness, corruption, and the intentional destruction of their productivity and savings to support central control.

5. Aligning Investments with Values

In contrast to the technocrats, many financial professionals understand the power and potential of integrating our values with investments and our use of resources. They are quite sincere about helping companies and investment managers look across the full range of their impacts to improve risk management and productivity. They are looking to find common ground and support from those interested in providing resources, no matter the difference in goals. This group of professionals offers an opportunity to make ESG meaningful, particularly if they are willing to grapple with the negative returns of central control rather than help central control grow.

E. Resource Availability

Global populations continue to grow. With globalisation, the global middle class is growing, too. Consequently, pressure on resources and resource depletion continues. Climate change is being used as a way of marketing or requiring reduced individual resource use—at the very same time that many governments find themselves not in a position to deliver on their retirement and social safety net promises and facing concerns about increased costs of household goods resulting from aggressive monetary and fiscal policy. The climate change push includes an effort to use Agenda 21/30, financial and regulatory manipulation, and disaster capitalism to drive people from the countryside into high-density cities where they will be subject to much greater central dependency and control.

Understanding the basic facts of resources and resource use is essential for any ESG effort—including the statistics of people, resources, and unfunded liabilities—yet it is difficult and time-consuming to accomplish. One of the critical wildcards has to do with the possibility of breakthrough energy solutions over the next few decades.

F. Governance System and Secrecy

We live on a planet where the real governance system is invisible. In the absence of reliable disclosure, my nickname for the governance system is “Mr. Global.” The financial system is one of the primary tools used by Mr. Global to manage in an invisible manner. This includes the fiat currency and debt systems described above. Consequently, at the heart of this system is what some economists call “unnamed money.” My favorite comment on this aspect relative to ESG comes from Reg Howe’s award-winning essay, “The Golden Sextant”: 
VI. An Example—JPMorgan

The fact sheets for SRI and ESG mutual funds and JPMorgan Chase & Co. (ticker = JPM) as a common financial systems and must address the fundamental corporate monopolies further control resources. The disappearance of this research capacity has contributed to the U.S. capital markets going “dark.”

A recent book entitled Good Money touts “SRI”—socially responsible investing—or how to do good (socially) while doing well (financially). But whatever the legal currency—dollars, marks, yen, francs or pounds—in which practitioners of SRI make their investments, they cannot make bad money good. SRI cannot repeal Gresham’s law. Properly understood, good money is good, not because of the motives of its owners, but because of its own intrinsic character. Truly good money will produce far more social benefits than any amount of bad money spent with good intentions.

I was inspired to consider JPMorgan for my lead example in this ESG discussion after hearing an impressive presentation by JUST Capital (https://justcapital.com/). JUST Capital polls U.S. citizens to determine the values important to them and then applies those values to ranking U.S. companies that are the most “just.” In an online webinar, JUST Capital described JPMorgan’s inclusion in its index (“products and services should be high quality, fairly priced, and beneficial to society”). (In JUST Capital’s 2020 Rankings, released on November 12, 2019, the rankings changed slightly—but JP Morgan was still 886 out of 922 companies for “how a company treats its customers.”) See more at JUST Capital’s website (https://justcapital.com/rankings/) and https://justcapital.com/companies/jpmorgan-chase-co/

JP Morgan’s financial shenanigans are well-documented, as is its association with U.S. banking industry activities destructive of economic productivity and supportive of centralizing wealth. IFESG can so easily and quickly redeem JPMorgan, then ESG has the potential to become the financial equivalent of the Men in Black’s Neuralyzer. Consequently, JPMorgan seems an ideal choice to demonstrate the incoherence in the current application of ESG criteria.

B. Overview of JPMorgan

JPMorgan is the largest U.S. bank in terms of both asset size ($2.7 trillion) and market capitalization ($400 billion). It is the sixth largest bank in the world in asset size—behind four larger Chinese banks and one larger Japanese bank—and the largest in the world by market capitalization. According to the Nilson Report, JPMorgan is the second largest U.S. credit card issuer, with purchases falling slightly behind American Express.

According to its most recent annual report, JPMorgan has annual net revenues of $109 billion, net income of $32.5 billion, a return on common equity of 13%, and 256,105 employees.

U.S. government operations are deeply dependent on JPMorgan, whether in the latter’s role as a dominant party in the ownership and control of the New York Fed or as a dominant party in implementation of operations for the New York Fed’s depository, ESF, and market operations. In my experience as Assistant Secretary of Housing, this reliance on JPMorgan led to the bank having many other responsibilities and contractual relationships with federal government agency financial operations, such as mortgage servicing at Ginnie Mae at HUD. For many years, JPMorgan Chase served as a leading foreclosure agent and manager for the FHA/HUD foreclosure and property management system. JPMorgan Chase—when last I looked—also ran the Food Stamp payment systems for 37 U.S. states, outsourcing its data servicing and customer service to India.
In addition, these relationships extended to significant banking, lending, and underwriting relationships with state and local government. One Houston attorney explained to me that all of the housing bonds they issued using HUD Section 8 subsidy were required to use JPMorgan as trustee.

JPMorgan's relationships also extend internationally, with significant correspondent banking relationships. According to its website, “In December 1947, at the invitation of U.S. military authorities, Chase Manhattan Bank established the first U.S. postwar bank branches in Frankfurt and Tokyo. They joined the London and Paris branches and were soon followed by others around the world. In the 1970s alone, Chase added nearly 40 international branches, representative offices, affiliates, subsidiaries and joint ventures. The bank executed two historic firsts in 1973: opening a representative office in Moscow, the first U.S. bank presence in Russia since the 1920s; and becoming the first U.S. correspondent to the Bank of China since the 1949 revolution.”

A South African executive once explained to me that all funds in and out of the country had to go through JPMorgan as lead correspondent bank. I have not confirmed that statement but mention it as I was struck by his assumption that JPMorgan controlled the primary financial transaction track in and out of the country. In essence, JPMorgan had a financial kill switch.

JPMorgan has played a significant role in the SWIFT payment networks and the design and management of significant payment networks globally. This means that it plays an important role in the implementation of U.S. Treasury economic sanctions—a critical strategy for U.S. geopolitical power and financial control globally.

Along with Citibank, JPMorgan has been the leader in developing the OTC derivative market, with total notional derivatives of $47 trillion at the end of 2016. I have long believed that a significant portion of this position was as agent for the ESF; hence, it is a position for which the U.S. Treasury is entirely liable. Given the role of derivatives in the management of the gold market and various commodities markets, and the role of interest rate swaps in management of interest rates, JPMorgan’s role in market interventions is more than significant. There has been much criticism of JPMorgan’s role in these interventions, including serious questions about legality, ethics, and the destructive consequences of market manipulation for productivity and various economies.

JPMorgan is a primary dealer—one of 24 firms that facilitates the marketing and distribution of U.S. government securities. I am sometimes asked by subscribers and clients why the government does not do a better job of regulating JPMorgan. My response is simple. It is extremely difficult to separate the New York Fed, the U.S. Treasury, and JPMorgan Chase. Their operations are highly integrated and deeply interdependent. The conflicts of interest are substantial in number and size. Imagine a regulator who is highly leveraged and deeply financially dependent on the entity it is regulating. That is going to be a very timid regulator.

JPMorgan is also a major asset manager. eVestment’s global database at the end of 2018 listed J.P. Morgan Investment Management Inc. as the seventh largest, with nearly $1 trillion of assets under management. (BlackRock was the largest with $3.6 trillion, followed by second largest Vanguard with $3.1 trillion.)

For more information on JPMorgan, I recommend a review of their SEC filings available at the Investor Relations section on their website. Here is a direct link to their annual report and proxy statement: https://www.jpmorganchase.com/corporate/investor-rela-
tions/annual-report-proxy.htm. For more information on JPMorgan, I recommend a review of their SEC filings available at the Investor Relations section on their website. Here is a direct link to their annual report and proxy statement: https://www.jpmorganchase.com/corporate/investor-rela-
tions/annual-report-proxy.htm.

C. JPMorgan: Questionable, Unethical, and Illegal Activities

Having chosen JPMorgan to demonstrate the challenges of applying ESG in the current environment, I assigned a researcher to spend several weeks making a table listing recent regulatory and litigation settlements with JPMorgan. From open sources, they were able to identify 69 settlements totaling approximately $42 billion (or approximately 130% of the bank’s 2018 net income) from approximately 2001 to 2019 (with the majority subsequent to 2008). Please see the table at the link below to get a sense of the magnitude of JPMorgan’s questionable, unethical, and illegal activities during the period.

https://esg-solari.com/jpmorgan-chase-selected-legal-regu-

The chief of staff to the Senator who chaired the appropriations committee that included HUD once complained to me, “HUD is being run as a criminal enterprise.” While I agreed with that statement, I can assure you that it was made possible by JPMorgan running the HUD accounts, servicing, and foreclosures for which they were responsible as a criminal enterprise.

While there are numerous examples of JPMorgan’s socially irresponsible conduct leading the financial system during the last two decades, I will focus on two.

First, $21 trillion has gone missing from DOD and HUD since fiscal 1998, as documented in our 2018 Annual Wrap Up: The Real Cause of Missing Money. We do not know what portion of those transactions went through federal bank accounts at JPMorgan. We do not know what securities were fraudulently or secretly issued through JPMorgan. We do not know what portion of those transactions reflect securities
operations by JPMorgan on behalf of the ESF or other Treasury funds. What we do know is that we have a significant number of transactions that are in violation of the U.S. Constitution and federal financial management laws and that JPMorgan—as a shareholder of the New York Fed and a bank and securities dealer—continued to transact and finance the federal government while making extraordinary profits at essentially (as proved by the bailouts) little or no risk.

I am often asked why I bring up the missing $21 trillion if it is not possible to get the money back. I do not agree that it is impossible to get it back. The Department of Justice has historically supported a theory of common right of offset in which a government contractor is legally responsible for government losses and opportunity costs. Given JPMorgan’s assets and earning power, it is obvious they and the responsible officers and board members have the capacity to return some or all of the portion of the illegal transactions for which JPMorgan was responsible.

Thanks to FASAB 56, however, we are now in a world where we will have no idea how much money is going missing from federal agencies. This means that JPMorgan will continue to distribute U.S. Treasury and related securities, or purchase them in their asset management operation, knowing that the federal government is operating on essentially a criminal basis—having negated basic disclosure in a major portion of the U.S. securities market. JPMorgan also appears to have done nothing when the government threatened the very existence of any rating agency that lowered the U.S. federal credit.

The second is the Madoff Ponzi scheme. The person who has provided us with the most compelling case study of JPMorgan’s business model is the brilliant New York attorney, Helen Chaitman. Chaitman is the author of a book (and website) co-authored by Lance Gothoff, titled JPMadoff: The Unholy Alliance between America’s Biggest Bank and America’s Biggest Crook.

In our interview, I learned that Madoff’s investment operation had only one bank account from the mid-1990s until he was arrested. That bank account was at JPMorgan. I asked Helen who the securities custodian was. She explained that there was none, as no securities had been purchased. Indeed, billions had sat at JPMorgan uninvested or transferred through JPMorgan to a variety of beneficiaries of the Ponzi scheme. In short, JPMorgan had known that the Madoff investment operation was a Ponzi scheme all along. I remember commenting to Helen, “JPMorgan was the senior partner.” JPMorgan was the controlling partner for more than a decade in a $60 billion Ponzi scheme. Indeed, if you look at our table, you will see a major settlement by JPMorgan for its role in Madoff.

As I look across the numerous roles played by JPMorgan in market manipulations, Ponzi schemes, and trillions in money missing from the U.S. government or spent through the bailouts, I find it difficult to find a description for their business model other than criminal enterprise.

And yet a significant number of SRI and ESG institutional investors disagree. Indeed, JPMorgan has committed major resources to documenting how much it cares about social and community responsibility. If you have studied JPMorgan’s involvement in a wide variety of shenanigans, you will find their responsibility reports a shining example of corporate creativity.


Unfortunately, JPMorgan’s positive return on equity depends on running the U.S. government at a deeply negative return to taxpayers with a spiraling U.S. treasury debt and liabilities problem and out-of-control fiscal spending and monetary printing. The resulting JPMorgan profits finance a small trickle of token projects that are indeed heartwarming. However, they do not change the fundamental nature of the business model. Twenty-one trillion dollars is still missing. Students throughout America still do not have access to bankruptcy. Credit card holders are still paying 12%-30% on their credit cards while JPMorgan is using federal credit to borrow for next to nothing. It used to be called usury. It used to be illegal.

If an SRI, ESG, or Christian investor is investing funds in JPMorgan, then they are not serious about ethical investment or they do not understand how the world works. Or both.
VII. Turning the Red Button Green

We take on some of the most dangerous myths currently being pushed surrounding issues of climate, environment, ‘greening’ and unmask some of the dirty politics and global control measures behind it. What is happening is not just bad policy-making, but a psychological warfare aimed at the population, and especially the younger generations… and people must see it for what it really is.

-Aaron and Melissa Dykes, Truthstream Media

For those of you who are serious about using ESG to turn the red button green, here are suggestions to help you think through successful applications.

A. Start with the Fundamentals

Let’s get the basics right. There is no sense in requiring an investment in non-financial disclosure if we are corrupting and ignoring basic financial disclosure. Hold companies and governments accountable to provide transparency about operations and reliable and accessible financial disclosure. We will not achieve any ESG goals without excellence in traditional disclosure standards.

B. Seek a Reality-Based Diagnosis

Real solutions require a proper diagnosis of real problems. Whatever ill we seek to address—whether environmental deterioration, inequality, or falling productivity—we need an accurate diagnosis of who and what is causing the problem. This is why secrecy is so harmful and transparency along the lines of traditional disclosure standards is so important.

C. Address the Governance Issues

Our governance model on Planet Earth is secret—let’s bring transparency to it. How can we identify or implement real solutions when we are playing in the dark? Why do we not know who is in control?

This raises many of the risk issues we face as a society. Why are the people who run governance—whichever they are—working so hard to centralize political and economic control? What are the risk issues they are managing? How do we reduce their risks so they can operate on a more transparent basis?

Our analysis needs to look at population and demographics, resource use, and the introduction of new technologies on an unregulated basis. Why is planetary leadership in a rush to build a multiplanetary civilization? Why are they replacing markets with centrally controlled technocracy in defiance of existing laws and without popular understanding and support?

D. Address Our Fundamental Economic Models

The central banking-warfare model is breaking down. That means there are numerous aspects that must be addressed.

First, central banks have monopolies using fiat currency. In most areas, they prevent the emergence of communi- ty currencies and use fiat currency to debase values in a manner that harvests economies. We need to convert to sound money systems. Current prototypes indicate that digital currency will take us in the opposite direction—by keeping the fiat system going on a deeply invasive basis and furthering central control.

Second, trillions of dollars have been moved illegally out of sovereign governments or have been fraudulently “printed” and steered in quantitative easing programs by the central banks. If we have a global reset, we need to reset those resources back to the lawful owners. How can you ignore a series of “bank robberies” while insisting that the financial system has sufficient integrity to introduce and enforce non-financial disclosure and standards? You can’t!

Third, the largest global business is war, and the national security state and global war machine are causing the greatest man-made damage to the environment. Sources of damage include global spraying, weather manipulation, depleted uranium, nuclear testing (including nuclear testing in the upper atmosphere), HAARP, CERN, military sonar, EMF radiation, militarized drones and robots, nanoparticles, nuclear bombs and waste, and space junk—not to mention false flags and suppression of energy, health knowledge, patents, and technology. High-tech warfare is taking us in a very dark direction that investors need to reverse.

In addition to war, the global financial markets are dependent on transnational organized crime. The governance structure has used organized crime to centralize wealth and control. Given the power and control of the central banks’ payment systems and the Five Eyes surveillance systems, organized crime is entirely under the control of the establishment, including expensive enforcement funded by taxpayers, supposedly to prevent such activities. ESG investors need to stop pretending otherwise. ESG top holdings often read like a “who’s who” of the alleged money launderers.

Fourth, our economic model is based on debt combined with fiat currency. We need to establish pathways to an equity-based model if we are going to align interests between financial assets and living things.

Finally, U.S. government resources are managed on a negative return on investment basis—that is the heart of the national security state. Shifting them to a positive return will require place-based disclosure, public accountability, and freedom for currencies and equity to circulate locally.

In connection with the national security state, we have built up significant covert operations and private mercenary armies that profit from false flags, financial fraud, human trafficking, pedophilia networks, and the use of electronic entrainment, subliminal programming, and other forms of mind control to practice free-range slavery. These networks have funded centralized efforts to debase the culture and destroy the family unit. As a result,

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we are experiencing the emergence of a powerful psychopathic leadership class, including in positions of power in the media and Hollywood. Real change requires the ability to identify psychopaths and ensure they are not allowed to assume significant leadership positions.

For ESG to be successful, we need a way to practice serious shaming of psychopaths instead of making them holder by pretending they are socially responsible through ESG investment. Consider Wikipedia’s definition of Stockholm syndrome: “Stockholm syndrome is a condition which causes hostages to develop a psychological alliance with their captors during captivity. These alliances result from a bond formed between captor and captive during intimate time together, but they are generally considered irrational in light of the danger or risk endured by the victims.”

Too many sectors of the ESG industry display characteristics of the Stockholm syndrome.

E. Get Ready for the Emergence of a Multipolar World

The U.S. led the creation of a global trade system after WWII. After the breakup of the Soviet Union in 1989-1990, the U.S. attempted to convert this system to a unipolar model operating through both military and financial and legal controls. The unipolar effort has now failed. We are in the process of converting to a multipolar world. The resulting tensions are real and rising, and the process is more than dynamic.

Any sincere ESG effort needs to address the fact that the world order is changing. And with these changes, competition is rising for natural resources—land, food, water, and energy. If some regions practice ESG and some do not, there may be unintended consequences. Let’s get smart about both resource use and competition.

F. Choose a Human Future

The most important decisions before us come down to whether or not we will choose to be a society governed by the rule of law, and whether we are committed to a human society or will tolerate progressively more inhumane behavior—what some refer to as transhumanism but the Solari team refers to as subhumanism. We are experiencing a significant effort by some governments and large corporations to combine surveillance capitalism and mind control—with some of the more egregious examples overriding the Nuremberg code and international laws. These are warrant major attention from ESG investors.

G. See the Opportunity

I am always astonished when I hear that capitalism has failed. Free markets and capitalism are things we should try. However, they require the rule of law. There is a profound difference between organized crime and the national security state, on the one hand, and capitalism, on the other. Perhaps proponents of ESG can help us see that more clearly.

The centralization of political and economic power has resulted in a significant reduction of what is otherwise possible in our cultures and economies. As we grapple with the evolution of our governance, financial, and economics models, it is important to remember that freedom and markets allow for optimization. Lawlessness and tyranny do not. ESG, as a movement, can serve the forces of freedom, a great deal of wealth can be created.

At the heart of the effort to prevent technocracy lies a great deal of opportunity—for you, for me, and for everyone. Technocracy only works for a few. Freedom can work for everyone.

VIII. ESG: What Should You Do?

“The wise man does at once what the fool does finally.”

-Niccolo Machiavelli

The ESG industry and the application of non-financial regulations and disclosure are growing quickly. This effort ties into the push to integrate Agenda 21/30 into multiple domestic and international legal and regulatory standards, with the rules monitored by AI, software, and online systems as the very heart of technocracy. These complex rule systems will increase central control of natural resources and consolidate market share into large corporations as they are integrated into expanded business and investor disclosure in the U.S., Commonwealth countries, and Europe.

Increased central control will be marketed under the rubric of “climate change” and “saving the planet.”

From the leadership’s perspective, there is some urgency to this effort. Without a mechanism to radically reduce Western standards of living, financial and consumer markets will begin to express the true cost to household budgets of liberal monetary and fiscal policies, the financial coup d’état, and military and intelligence exercises. In the face of potential financial hyperinflation, the best defense is a good offense. So, why not engage the young people in “saving the planet” through rules that will achieve demand destruction? One of the reasons we are hearing more proponents of socialism marketing to the younger generations is that doing so allows for greater central control of economic resources than existing control systems.

What all of this means is that ESG in multiple forms is coming your way.

A. Business or Place of Employment

The impact of ESG compliance will be felt by large companies first. However, it will eventually make its way to smaller businesses, farms, and ranches. In fact, the agriculture sector and some small businesses have been grappling with Agenda 21/30 for quite a while.

You will want to be prepared to manage the technocracy wave, including this aspect. It’s worth taking the time now to understand the ESG game and prepare strategies for how you will manage the compliance and expense. It can be frustrating for business executives and owners who don’t understand the real game.

Here are two resources to help you prepare:

- Killing Sustainability: Blunt Truths about Corporate Sustainability/Social Responsibility Failures and How to Avoid Them by Lawrence M. Heim (see Solari book review);
- The Business Logic of Sustainability by Ray Anderson, CEO of Interface, Inc. (in the Movies and Documentaries section)

Heim and Anderson can help you think through how to navigate this regulatory wave to get something meaningful accomplished that contributes to performance—without getting drowned by the aggravation and expense.

Do not wait for these regulatory efforts to come knocking at your door. Get educated and start acting now to get ahead of the wave. Appreciate that many of your customers, clients, and vendors will be subjected to an enormous amount of propaganda and lies about climate change and resource management. If you are going to deal with this situation effectively, you need to educate yourself on how entainment and propaganda work on customers and employees—and have strategies ready.

B. Community and Networks

The same wave of rules and regulations is rolling down on regional and local governments—and the same advice applies. You need strategies that allow you to achieve meaningful responses to the real environmental and economic problems before us, while managing the expectations of a highly misled and naive population (whether employees, taxpayers, or citizens).
C. Investments

The first thing you need to decide is whether you want to take personal responsibility for understanding where your money is going—and for ensuring that it is going toward what you want to see grow in this world and that it is compatible with the personal and financial risks you are willing to take to get investment returns.

Next, think about how you might convert your investment model from one in which you buy products and services from corporations, while investing in corporations, to one in which you invest in providing your own products and services—both to yourself and to those around you.

Consider the basics: food, housing, and energy. All of these have the potential to make you more accessible to central control, taxation, and inflation; it is also becoming more difficult to ensure quality control. At some point, it becomes more economic for young people to learn how to build their own house and energy systems and grow their own food—or organize locally to do so—to depend on systems that do not have integrity. Clearly, the situation will be different for every person and family. Nonetheless, it makes sense to look at the long term and identify any opportunities to disintermediate large companies and governments from your income statements and balance sheets. This includes investing in the young people in your family and community who are creating businesses that provide the services you need. Buy some farmland and lease it to young people who want to start a farm—they can pay their rent with meat, fruit, and vegetables.

After investing in your own business and infrastructure, here are steps you can take to account for ESG considerations in your investments.

Step 1: Determine your values and decide which are most important.

You will need a clear idea of who and what you want to support and who and what you want to avoid. As you can see from our description in the 3rd Quarter 2016 Wrap Up, I am focused on finding companies that are fundamentally productive—that is, they add economic value to their ecosystem and have a business model that is lawful.

In determining your investment criteria, the following are some of the issues worth considering:

- U.S. government securities—The U.S. federal government is the largest issuer of securities in the world. You need to decide if you want to invest in these securities due to the numerous credit considerations raised in The Real Game of Missing Money: “Caveat Emptor: Why Investors Need to Do Due Diligence on U.S. Treasury and Related Securities.”

- Sovereign bonds—Screening global governments requires understanding and assessing the governance, management, policies, and budgets of individual governments. Your efforts will be enhanced by visiting the countries involved and doing first-hand due diligence.

- Municipal bonds—Screening municipal bonds requires reviewing the governance, management, budgets, and policies of the issuing government. There are some municipalities that I believe pass a serious ESG screen. There are others that do not. Again, it is advisable to visit the jurisdictions in question.

- Corporate bonds and stocks—Corporate investment constitutes the largest percentage of ESG investment. Focus your applications of values on both industries and companies. For example, because of my concern regarding delivery of surveillance capitalism, entainment, and subliminal programming (including delivery of pornography and other entrapment applications), I screen out most large telecommunications, media, and social media companies as well as companies with an origin in or strong relationships with DARPA and NSA.

- Precious metals—Mining activities traditionally have had a noticeable environmental impact. However, the environmental damage done by miners pales in comparison to the environmental damage done by central banks and fiat currencies paired with a debt-based system, not to mention the military machinery they finance. If you invest in precious metals, be prepared to explain the real environmental issues involved with both gold and silver mining and their currency alternatives.

- Jurisdictions—One of the most important investment decisions is who you choose as a custodian and under what legal jurisdictions your custodian and assets reside. This will bring you back to reviewing the lawfulness and competency of different countries and financial institutions. Again, it is advisable to do in-person due diligence.

- Risk/reward—An increasingly promoted theory is that investors do not have to tolerate reduced returns by doing ESG investing. In my experience, financial fraud, slavery, organized crime, and war are more profitable than most lawful businesses. However, they come with increased risks as well—whether financial or energetic. If ESG is dressed up to make criminals look socially responsible, then it is most likely that ESG returns will match the market index. My experience is that many well-crafted ESG portfolios are slightly conservative: less risk, less reward, and less volatility, with better protection of principal. The easiest way to test your portfolios is to back-test them against the relevant index.

Step 2: Emphasize governance as the most important of the three components of ESG.

The first thing I look at when I do due diligence on a company is “who’s who.” Who runs the management and operations? Who owns the stock? Who and who are the customers? Where and where are the employees? Who are the key vendors? Who are the attorneys and accountants? Who are the key regulators and related associations and politicians?

A company or municipal and government enterprise is first and foremost—a human ecosystem with cultural, intellectual, and social flows. If a company or enterprise has excellent leadership at the governance and management levels, the resources will be present to maintain social responsibility and a healthy approach to the environment and use of resources. If the company does not benefit from excellent leadership, no amount of rules and systems will compensate.

My advice is to focus on the “G” in ESG and trust good governors and managers to sort out the “E” and “S” in the process of optimizing thousands of variables in complex systems in which the cost of time and resources is an essential input to good decisions.

Step 3: Decide how you will implement.

Here are your choices:

1. If you manage your own money, you can apply your criteria as part of your own due diligence process. This is easier if your holdings are sufficient to access some of the software products created to help ESG investors.

2. Hire a money manager who will tailor an individualized portfolio to your specific instructions regarding a list of companies that are to be excluded from his or her list of approved investments.

3. Hire a money manager who uses an approved investment list that reflects an ESG screen sufficiently compatible with your values to be acceptable to you.

4. If you wish to use index funds for securities investment, ignore ESG. By and large, you will end up with the same stocks or bonds in an ESG index fund that would be in a general market fund. There is no point in taking on or encouraging the complexity of ESG if it is just going to be a more circuitous route to arrive at the same place.
5. Use an existing ESG mutual fund but recognize that you will have to make strategic compromises regarding values. I have never found a managed ESG mutual fund that reflected what I call “the real deal.” However, there are some funds that are serious about values that are important—including issues of war and military spending. As the industry grows and competition increases, I anticipate that consumer demand will improve the offerings. Before you choose a mutual fund, make sure you look at their full holdings in the company prospectus to understand who and what they are really buying and holding.

Step 4
Return control of your family wealth to you and your family.

Central control of investment and capital is limiting personal opportunities and freedom. One of the most significant contributions you can make is to return control of your assets and capital to family control. If significant assets remain in institutional hands, consider taking on a more active role in monitoring and communicating with the institutions who manage your assets.

Step 5
Keep learning.

The adoption of GASAB 56 by the U.S. government, as well as policies to reduce traditional financial disclosure by governments, endowments, and companies around the world, are having a major impact on the investment world. Add to this picture the introduction of new, unregulated technologies—including technologies that can take invasive surveillance and mind control to a whole new level—and it is clear that significant ongoing change is upon us. This is an environment that calls for continuous learning regarding your vision of your future and your approach to managing your assets and investments.

For those who want a detailed review of ESG investing, I recommend:

- **Handbook on Sustainable Investments: Background Information and Practical Examples for Institutional Asset Owners** by CF Institute Research Foundation of the CFA Society of Switzerland
  
  https://www.sustainablefinance.ch/upload/cms/user/201712_Handbook_on_Sustainable_Investments_CFA.pdf

- **Solari book review: Responsible Investing** by Matthew W. Sherwood & Julia Pollard

Know, however, that published sources will not give you the most important thing you need to grapple with the ESG phenomenon: a clear and coherent map of the world combined with your decisions about what values are most important to you. You will need to create these yourself—and the intent of The Solari Report is to help you do so. Keep on learning, and let the Solari team know how we can help.

IX. Conclusion

“Freedom is the right to tell people what they do not want to hear.”

—George Orwell

Will ESG turn the red button green? Given current trends and directions, the answer is no.

In the process of preparing this Wrap Up, the Solari team contacted and then mailed or e-mailed 100 copies of The Real Game of Missing Money to leading managers of SRI and ESG funds, leading Christian money managers, as well as several institutional managers who have expressed serious concerns about explosive government debt, environmental damage, and falling productivity. I offered to discuss or answer any questions they had. To date, I have not heard from anyone. Let that sink in—not one. The red button is alive and well, and it appears that too few are pushing it.

The weaponization of ESG in combination with the promotion of climate change myths are part of the global implementation of technocracy with software, AI, and IT systems, reminding me of one of Einstein’s sayings: “Technological progress is like an ax in the hands of a pathological criminal.” ESG’s weaponization is being specifically designed to keep the red button from being pushed—using non-financial disclosure to hide the failure to comply with traditional financial disclosure.

Could ESG turn the red button green? Yes, absolutely. Given millions of highly intelligent investors and research analysts committed to a human future, I believe a positive outcome for ESG is possible. It all comes down to you and me, and what we say and do.

As always, I wish you Good Hunting!
Movie

**Other People's Money**

**MICHAEL MOORE**

*Where to Invade Next*

*To show what the U.S. can learn from the rest of the world, director Michael Moore playfully visits various nations in Europe and Africa as a one-man “invader” to take their ideas and practices for America. Whether it is Italy with its generous vacation time allotments, France with its gourmet school lunches, Germany with its industrial policy, Norway and its prison system, Tunisia and its strongly progressive women’s policy, or Iceland and its strong female presence in government and business among others, Michael Moore discovers there is much that America should emulate.*

Documentary

**Ray Anderson**

*The business logic of sustainability*

**Vinay Shandal**

*How conscious investors can turn up the heat and make companies change*

*At his carpet company, Ray Anderson has increased sales and doubled profits while turning the traditional “take / make / waste” industrial system on its head. In a gentle, understated way, he shares a powerful vision for sustainable commerce.*

**Vinay Shandal**

*Shandal provides examples of the world’s top activist-investor actions to show how individuals and institutions can copy their engagement and tactics to drive a positive change. Simple divesting of a non-ESG stock does not work because the company will not change its tactics or behavior (“You can’t divest your way to a greener world”), but individual conscious investors should use their votes to have their money managed in line with their values.*

**Martin Kremenstein**

*How ESG metrics work and why all investors should care*

**Kevin Peterson**

*Impact investing: your money doing good in the world—and your wallet*

**Egil Matzen**

*Responsible investment: Government Pension Fund Global*

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*Martin Kremenstein, head of retirement and ETF solutions at Nuveen, explains how ESG metrics serve as an indicator of quality and can be used as a risk management tool.*

*Kevin Peterson, who leads New Hampshire Charitable Foundation, explains how ESG (or what he calls “impact investing”) is helping save the environment, boost local economies, and build child care centers through charitable foundations like his. He calls it a “credit union for philanthropy.” His advice on how you can become an impact investor: use local businesses, keep your money in a credit union, and invest in ESG local funds.*

*Egil Matzen discusses how Norway’s Government Pension Fund Global approaches responsible investing.*
ESG INVESTING

Christina Alfandary
Gabelli Funds: ESG Investing
Published November 2016

Women and millennials are particularly interested in ESG — Environmental, Social, and Governance — investing, but the majority of individuals do not know how to invest in socially responsible ways. It is the role of financial advisors to educate and guide their clients to create an ESG portfolio.

Graham Sinclair
The rise of social and environmental data
Published August 2016

Graham Sinclair is a sustainable investment strategist at Serco (Sustainable Investment Consulting). Sinclair discusses the growing availability of ESG data points for investors.

Christian Ryther
Socially responsible investing is bullish
Published July 2016

Christian Ryther of Curren Capital says it’s “buyer beware” when it comes to socially responsible investing (SRI) products.

Graham Sinclair
Investing as if the future matters
Published March 2014

Graham Sinclair is a sustainable investment strategist at Serco—Sustainable Investment Consulting—and co-founder of the non-profit Africa Sustainable Investment Forum project, AfricaSIF.org. His motto is “invest as if the future matters,” but he is worried that many investors do not do so. Sinclair encourages them to invest long-term in sustainably-friendly companies. Any individual investor is part of the investment chain.

Chris McKnett
The investment logic for sustainability
Published February 2014

McKnett makes the case that large institutional investors are the ones that can bring about some major environmental progress and that 80% of CEOs around the world seriously consider ESG factors as crucial to their future success. Some pension funds, like CalPERS in California and HESTA in Australia, have moved toward holding almost 100% of their portfolio in sustainable investments. Taking into account only strong financial data is no longer enough—investors need to look at companies’ ESG structures, too.

Sustainable Investing: What You Didn’t Know Could Make You Money

Gurneeta Vasudeva Singh
Sustainable investing: what you didn’t know could make you money
Published August 2015

Any individual investor is part of the investment chain. The world of socially responsible investing (SRI) is growing rapidly as more and more investors recognize the importance of ESG factors—energy, social, and governance—in their investment decisions.

Karina Funk
Running a business with a social mission
Published June 2015

Karina Funk is the founding mentor and judge of the Massachusetts Institute of Technology (MIT) Ignite Clean Energy Business Plan Competition. Using numerous examples, she argues that companies can achieve both sustainable investing and profit at the same time rather than having to choose one over the other.

Methdst Church: Investing Ethically

Don Larson
Running a business with a social mission
Published December 2015

Don Larson’s company, The Sunshine Nut Company, has a social bottom line as it helps transform the lives of his workers.

Gurneeta Vasudeva Singh
Socially-responsible investing for long term safety and returns
Published February 2013

In the 1980s, Van Dyck helped California pension funds to divest from South Africa securities in order not to support the apartheid regime. He analyzes the outperformance of the Domini 400 Social Index Fund to prove that sustainability investing is also good business sense. Socially responsible investments can deliver returns that are highly rated and durable.

Ernesto Sirrolli
Truly sustainable economic development
Published September 2012

Ernesto Sirrolli got his start doing aid work in Africa in the 1970s—and quickly realized how ineffective it was. In this passionate and entertaining talk, he shares his insights on sustainable economic development and how entrepreneurs can be truly supported. The first principle of aid should be “respect.” His message is: “Do not initiate anything—respond to the need and do not arrive in a community with your own ideas how to save them.”

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CHRISTINA ALFANDARY
Gabelli Funds: ESG Investing
Published November 2016

METHODIST CHURCH: Investing Ethically
Published July 2016

This five-minute film explains some of the work undertaken by the Joint Advisory Committee on the Ethics of Investment and the Central Finance Board of the Methodist Church in considering the ethics of investing.

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CHRISTIAN RYTHER
Socially responsible investing is bullish
Published July 2016

GRAHAM SINCLAIR
Investing as if the future matters
Published March 2014

SUSTAINABILITY ILLUSTRATED
Solving Our Sustainability Problems: Backcasting
Published January 2014

An animated explanation of the backcasting concept of planning, which is done not by looking at what happened in the past but by looking at a goal and planning all the steps that led to that goal. The backcasting principle is used in designing a sustainable society.

KARINA FUNK
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"If you’re yelling you’re the one who’s lost control of the conversation.”

- Taylor Swift

An Intelligent Conversation about the Environment

by Catherine Austin Fitts

For many years I worked with a passion to create a financial model that would align our accounting, information, and government financial systems with places. My goal was to create a win-win relationship system-wide between people and living things and the financial system. We could generate immense capital gains and wealth from healing and nurturing the environment. Global citizens could take responsibility to implement real change through the allocation of their time and resources.

I say this to emphasize how important I believe a healthy environment is for all life—including yours and mine.

Our environmental problems are symptoms of an invisible governance system, which has a different map of reality than we do and appears to have different goals than ours. It has purposely engineered our accounting and information systems to ensure central control. If we are to change how we manage and interact with our environment, then first we must illuminate and evolve our governance system, and with it our accounting, information, and financial systems.

Consequently, I am often challenged trying to have an intelligent conversation with people passionate about the environment who are in a state of panic about this or that environmental issue or problem. What I often hear is that they are eager to generate more cost for people and families and more wealth and power of the invisible governance system. This, they feel, is not a problem since everything is such an emergency.

For me to have an intelligent conversation about the environment, I must be able to integrate the following factors:
Wrap Up

An Intelligent Conversation about the Environment

**Space**
- What is happening in space, and how does space weather—including the sun and other planets in our galaxy—relate to our environment on earth?

**Deterioration in the electromagnetic field**
- What is happening in the plane's electromagnetic field?

**Geophysical condition of the earth**
- What is the geophysical condition of the earth?
- What risks does that pose to human and other living things?

**Air**
- What is the oxygen content in our atmosphere?
- Why is it declining?

**Governance structure**
- Governance: Who is really in charge? What are the facts of the UFO phenomenon? Who has the most powerful weaponry and military presence? Is there a "breakaway civilization"?
- Budgets: Is there a great deal of money disappearing from bailouts, quantitative easing (QE), and $21 trillion missing from the U.S. government. The governments of the world are spending $2 trillion-plus a year on military budgets. Where is all this money going?
- Energy: Breakthrough energy has been suppressed for at least 100 years, and possibly for thousands of years. Why? Our dependency on fossil fuel and legacy energy technology is enforced top down. Will we be able to implement low-cost energy through renewables and fusion technologies?
- Mind control: How do we protect our minds and reality from mind control so we can have an intelligent conversation about governance and the environment?
- Smart grid: "Smart technology" is often proposed as a solution. However, this technology allows AI to access every aspect of our life, delivers more corporate control, and facilitates invasive mind control. Is more central control really a solution or is it the problem?
- Debt: "Who owns our debt? Are there invisible secret agreements with creditors that function as "treaty agreements?"

**Man-made impacts**
- Space fence: Why are we building a space fence by ionizing the atmosphere?
- Nuclear testing: What has the impact been on the atmosphere, including testing in the upper atmosphere?
- Nuclear accidents: What has the impact been of existing accidents such as Chernobyl and Fukushima? What are the risks of future accidents and challenges of dealing with nuclear waste?
- Global spraying: Why are we dumping tons of heavy metals and man-made nanoparticles into the atmosphere?
- HAARP: What is HAARP and how is it being used?
- Weather warfare: Are some natural disasters a result of weather warfare? Is our weather being manipulated for greater control and profit? Is our weather being manipulated for greater control and profit or to make new territories accessible? Who has this technology?
- Energy: What is the environmental impact of the political requirement to use fossil fuels or nuclear energy? How will this be impacted by Asia's convergence with G7 incomes?
- Chemicals: There have been 150,000 new chemicals introduced into the environment in the last century. What effect does that have on climate?

**Manipulation**
- Why do environmentalists so often promote greater governmental and central controls?
- Why do environmental groups so often continue to support the financial interests most associated with central government control?
- Why do environmentalists so often insist that our situation is far too dire for the luxury of integrated analysis that includes the issues listed in these questions?
- Why do people passionate about climate change try to bully me rather than engage in a discussion about the issues listed in these questions?

**Invisible weaponry and technology**
- What is the state of our invisible weaponry and technology, and how does it relate to our weather, climate, and natural disasters?
- What are CERN and the other colliders, and how do they impact our magnetic core and natural and living systems?

I am happy to discuss the environment, including the climate, from a vantage point of reality. However, if you censor aspects of reality or uncertainty, I can’t have an intelligent conversation with you about it.

The next time the bully thing happens—or I meet with the implication that I am uncaring or unfeeling because of a need for an integrated analysis—I can just send the person to this article. While I am hoping to have intelligent conversations about the environment with one and all, the time has come for me to stack functions and bow out with a link.

[Originally published on September 11, 2018]

Related Reading:

Book Review: This Does Not Change Everything
Time is a sort of river of passing events, and strong is its current; no sooner is a thing brought to sight than it is swept by and another takes its place, and this too will be swept away.

—Marcus Aurelius

Every day, we post links to stories in our News Trends & Stories section. Analyzing this flow provides intelligence about the deeper news. Here are the trends we tracked for 1st Quarter 2019.
ECONOMY AND FINANCIAL MARKETS

I. Global 2.0: From Slow Burn to Real Burn
A. Controlled Demolitions Accelerate
   • Pension Funds
   • Entitlements
   • Bankruptcies
   • Piratization and Thermal and Weather Warfare
   • Disintermediation in Retail
B. Currency & Liquidity Wars
   • War on Cash
   • Cryptocurrency
   • Precious Metals
   • China, Russia, and the Buildout of Global Liquidity
   • Increased Sanctions and Alternative to SWIFT System
   • The Future of the Euro
   • Fed & ECB: Interest Rate and Bond Squeeze
C. The Debt Growth Model—Weaponized as QE Ends and Rates Rise
   • Bonds and Interest Rates
   • Equity Public and Private
   • Commodities
   • U.S. Dollar
   • U.S. Budget: Military Expense, Disaster Recovery, and Retirement
   • U.S. Debt and Interest Payments Accelerating
   • Transition from Quantitative Easing
   • Dramatic Rise in Demand for Capital: Treasury Markets and Corporate Maturities
   • NDI Waiver, FASAB 56, and No Mark to Market: Stock and Bond Markets Go Dark
   • Inflation and Deflation
   • Land and Real Estate Ownership
   • State and Local Finances
   • U.S. Bear Trap in Emerging Markets
   • Mortgage Fraud and ‘Natural Disasters’
D. Financial Controls
E. Tax Wars and Offshore Havens
F. Impact of Environmental Risks and Debasement
G. Student Loan and Consumer Debt
H. Housing Markets

II. Global 3.0 Rising
A. Reshoring to North America
B. Robotics, Drones, Genetics, and Automation
C. Explosion in Material Science
D. Surveillance Capitalism
E. Amazon and the Reengineering of the U.S. Government
F. Global Piracies
G. Technocracy Rising
H. Will Breakthrough Energy Come Through?

III. How Will Investors Handle the Transition?
A. Growth of ESG Screening
B. Technocracy: Allocation Without Markets and a Real Pricing Mechanism
C. The Cost of Secrecy

IV. Inside the Pressure Cooker: Will We Expand or Shrink the Pie?
A. Return on Investment to Taxpayers: Positive or More Negative?
B. Response to Missing Money: DOD Audit, FASAB Policy
C. Piratization: Will the Rape of Russia Happen Here?
D. Weather Warfare, Fires, and False Flags
E. Free Speech and Corporate and Social Media Meltdown
F. Addictions to War and Privilege
G. Global Slowdown + Peak Everything

GEOPOLITICS

I. Governance and Sovereignty
A. Enforce the Constitution
B. State and Local Officials Take Action
D. Con-Con Con and Efforts to Shred the Constitution
E. Decentralization: Can We Relocalize?
F. Individual and National Sovereignty
G. Voter Fraud
H. The Cost of Secrecy
I. Dual Citizenship of Politicians/Required Pledges

II. The AI Invasion
A. Growth of AI
B. Net Neutrality
C. 5G and Surveillance
D. Piratization
E. AI and the Sheriff of Nottingham
F. Weapons of Math Destruction
G. 325 Million Targeted Individuals Divided into Two Groups
H. The Future of the “Midianite Thing”
I. Free Speech and Corporate and Social Media Meltdown

III. The Trump Administration: The Third Year
A. Budget, FASAB 56 Missing Money, Debt Acceleration
B. Federal Reserve and Financial System
C. Health Care
D. Military Modernization/Defense
E. Swamp Drama and the Rise of the Bushies
F. Justice
G. Regulation
H. Tax
I. Trade and Tariffs
J. The Neocon Problem
K. The Loony Progressive Problem
L. The Deep State in Control
M. The 2020 Campaign
N. Push for Piratization
O. JEDI Contract
P. Team Turner

IV. The Shift to a Multipolar World
A. The Big Picture
   • Eurasia and the Silk Road
   • Australia
   • Africa
   • The War in the South China Sea
   • Fortress America
   • Latin America and the War to Control Venezuela
   • Vatican
   • Space Force
   • Europe: Brexit and Italy—Will the EU Come Apart?
   • U.S.-China Rebalance and the Trade Wars
   • The Middle Eastern Bog
   • Hot Spots
B. Global Powwows
C. Global Digital Trade Pact
D. Technocracy—Will Technology Continue to Centralize Control in a Multipolar World?
E. The Rise of the Asian Consumer
F. The Future of the “Midianite Thing”
G. The U.S. Future: Rape of Russia or Cultural Revolution?
H. The Deep State and National Security Public-Private Control
A. The Breakaway Civilization
B. The Big Investment Pools and Investors
C. FASAB 56: Secret Money for Secret Armies
D. The Cost of Monopoly
E. The Big Picture

VI. Migration and Immigration
A. North America
B. Asia
C. Europe
CULTURE

I. A Commitment to Transparency
   A. Food for the Soul

II. Mind Control and Sovereignty

III. Morphogenic Fields and Change

IV. Divide and Conquer and the Weaponization of People

V. Embracing Complexity and Uncertainty

VI. Artists, Scholars, and Others Leading Cultural Revival

VII. Additional Risk Issues
   A. Transhumanism
   B. The Asian Invasion
   C. Free Speech and Due Process
   D. The Cost of Secrecy

SCIENCE, SPACE, AND TECHNOLOGY

I. AI and Quantum Computing
   A. The Cloud Rush
   B. Quantum Navigation

II. Cybersecurity
   A. Blockchain
   B. Internet of Things
   C. Net Neutrality
   D. Data Laws and Regulation

III. Health Freedom
   A. Food and Water
   B. Vaccines
   C. 5G and EMF Radiation
   D. Quantum Biology, Sunshine, and Oxygen
   E. Nanoparticles and Smart Dust

IV. Robots and Robotics

V. Biotech, Genetics, and Superhumans

VI. Environmental Applications

VII. Advanced and Invisible Weaponry
   A. Disaster Capitalism
   B. Autonomous Weapons

VIII. CERN and Particle Accelerators

IX. Space
   A. Space-Based Economy
   B. China, Russia, and U.S. Space Deals
   C. Creation of Space Corp in U.S.
   D. Impact of Increased U.S. Appropriations
   E. Asian Space Race

X. The Future of Energy
   A. Drop in Renewable Prices
   B. Drop in Oil Prices
   C. Fusion

TAKE ACTION

I. Take Action, Begin Anywhere, Change Yourself

II. Local Finance: Local Currencies, Local Venture Capital, Local Traded Equities, and Crowdfunding

UNANSWERED QUESTIONS

I. The Governance Mystery
   A. Who Is Mr. Global?
   B. Where Are the $21 Trillion (and Financial Coup Proceeds)?
   C. What Is FASAB 56 Permitting: Private Armies?
   D. What Are Mr. Global’s Goals?

II. 9/11, Fires, Weather Warfare, False Flags, and Disaster Capitalism

III. Antarctica

IV. Interdimensionality and Time Travel

V. The Doubling of the Knowledge Curve

VI. Geophysical Risks

INSPIRATION

• Leonardo da Vinci 500th Anniversary
• Rembrandt: 350th Anniversary
• Hang with Solari—Stavoren 2019
• Dr. Joseph P. Farrell Digital Pipe Organ Crowdfund
Part I: Top Stories

Part I includes our stories for our first two categories: economy & financial markets and geopolitics.

ECONOMY & FINANCIAL MARKETS


Federal Accounting Standards Advisory Board (FASAB) Statement 56 took effect in October 2018 with the full knowledge and consent of the White House and both sides of the aisle in the House and Senate. Its passage without notice was helped by the shriek-o-meter—perhaps turned up to high volume on purpose—and “trust the plan” hope porn. FASAB 56 does not just take the U.S. Treasury securities market dark. Government contractors and companies that depend on big government flows effectively have gone dark, too. Statement 56 makes it possible for funds used to purchase Treasury securities by U.S. pension funds and the Social Security Trust Fund—to two of the biggest investors—to be transferred out the back door to corporate contractors or investors with no one the wiser. Not only that, but now the leadership can wage greater covert war without Congressional approval by financing mercenary armies with larger amounts of secret monies engineered through FASAB 56—in effect, facilitating nary armies with larger amounts of secret monies.

Story #2: U.S. Debt Spiral and Reserve Currency Pains

The U.S. is in a debt spiral that risks going out of control—official debt outstanding is up 6% last year and 8% this year. As a result, we are in a period of serious currency debasement and hidden inflation. The Trump-Bushie-Neocon-Netanyahu partnership keeps trying to prop up the unipolar empire and dollar hegemony, but foreign investors, including China and Russia, have stopped buying Treasuries and are looking to establish enough liquidity away from the dollar that they can succeed without it. Other countries such as India and Japan are jumping on the bandwagon. China is using its debt capacity to build itself out as a direct competitor—whether with currency, the Silk Road, the military, or telecommunications and data. Russia, spurred by the Rape of Russia in the 1990s and U.S. sanctions, now has almost no debt, has swapped its Treasuries for gold, and has used the opportunity created by the sanctions to significantly improve its agriculture—without GMOs.

Story #3: The Global Slowdown—Recession Looms

There are many signs of global slowdown—what The Economist calls “slowbalization.” Prepare for higher rates of inflation on basic goods and services and remember that changes currently happening slowly and steadily can suddenly start rolling out very fast. With the uncertainty surrounding the dollar’s future dominance, it looks like Mr. Global wants China to take over major responsibility for global financial liquidity. However, China’s 2,000-year history of financial speculation and fraud means the Chinese have to solve their branding problem first and demonstrate trustworthiness, perhaps by showing that they can make a regional currency work. Regional reserve currencies may be a strategy that other countries will use to cushion themselves against eventual American failure. Look at the rise of bilateral currency swaps—for example, between China and Russia, India and Iran, India and Japan, and Japan and Russia. Is a regional unit of account in the works along the lines of the International Monetary Fund’s Special Drawing Rights (SDRs)?—to smooth the process of these bilateral currency agreements? Joseph Farrell’s latest research (described in McCarthy, Annmouth, and the Deep State) traces the historical precedent of a circulating WWI occupation currency that was not denominated in any existing currency of the time.
Story #4: Fed Backs Down
With FASAB 56, the leadership has created the legal infrastructure for the covert side of the economy to run everything. This means giving up on any pretense that the overt side will do anything other than take orders—because almost everyone in the overt economy is either on the take or scared. How else to interpret the Fed’s recent and rapid reversal of its intent to clean up its balance sheet and run a sound money policy? Instead, the Fed went back to no increases in interest rates—apparently acknowledging that it reports to the covert side. There’s little doubt that the working group that engineered FASAB 56 understands the hidden system of finance and reports “upstairs” to the folks running the Bush faction, Harvard, and other endowments and foundations.

• The Fed’s dramatic about-face
• Fed holds rates, updates balance sheet
• Fed’s about-face reflects “extensive deliberations”
• Venture capitalist spreading funding to Middle America
• Federal Reserve now expects no US interest rate hikes in 2019

Story #5: Monopolies Bite
Secrecy has become an out-of-control and costly financial addiction that is supporting centralization into big corporations not subject to market forces. As recently calculated by The Economist, G7 economies are losing billions to monopolization. Even top investor Jeremy Grantham has marveled at the American political class’s “breathtaking” ability to engineer profits into the S&P 500 against all expectations. Centralization, secrecy, and the absence of markets increase the rate of debasement and entropy and can outweigh the productivity benefits that typically come with new technologies. The U.S. does not appear to care about efficiency, productivity, or innovation. So long as the dollar remains the global reserve currency, the U.S. can just buy everyone or wear them down with measures like economic sanctions—particularly if it doesn’t mind paying for expensive drone-o-meter cover-ups and has secret weapons in the mix.

• Monopoly power is growing in response to sustainable development
• The next capitalist revolution
• Across the West powerful firms are becoming even more powerful

With Microsoft and Amazon as co-finalists, what happens next with DOD’s JEDI contract will be significant. Amazon’s ownership of Whole Foods gives it a store not to almost everyone in America—and with data from the 17 intelligence agencies already in the Amazon cloud, the company is doing a bell-bottom job of sucking up data all over the economy. The JEDI contract would give Amazon the ability to reengineer the entire American government. [Note: The Department of Defense awarded the JEDI Cloud contract to Microsoft on October 25.]

• JEDI: Cornerstone of DOD’s cloud strategy
• Analysts say Microsoft is “the only company” that can provide Pentagon’s $8 billion contract
• How Amazon will dominate wealth management
• These chains are closing tons more stores in 2019

The Department of Justice tried to stop the AT&T-Time Warner merger, but the courts wouldn’t let them. This leaves AT&T free to continue with its corporate practices. In essence, the U.S. no longer has antitrust protections.

• U.S. Appeals Court rejects Justice Department antitrust challenge to AT&T-Time Warner deal
• “Asset transfers” to pensions: Be afraid

Story #6: Brexit: The Endless Agony
Brexit is a complex and difficult process to negotiate. That said, the odds of a “no Brexit” outcome are low, despite May’s resignation, because powerful and deeply vested financial interests (including the Queen’s) require it. Look at Commonwealth finances and how they relate to offshore havens and the finances of the royals, and you will appreciate the pressure to maintain offshore secrecy via Brexit. On the European continent, it is an open question whether and how the EU—currently the world’s largest consumer economy—will hold together. From the U.S. perspective, one of the greatest strengths behind the dollar is that the euro does not, at present, offer a viable alternative.

• FT Subscription: UK government puts no-deal Brexit contingency plans on hold
• WSJ Subscription: EU leaders agree to delay Brexit until Oct. 31
• Brexit: Theresa May ponders fourth bid to pass deal
• May’s Brexit deal is rejected for a third time by lawmakers
• Theresa May vows to quit if get Brexit deal through Parliament
• U.K. Parliament seeks to seize control of Brexit agenda
• Brexit: MPs vote to take control of Brexit process for indicative votes
• Secret Cabinet Office document reveals chaotic planning for no-deal Brexit
• Brexit: Govt preparing to enter “very high readiness mode” for no deal

Story #7: Technocracy and the Rise of Environmental Socialism
Technocracy is hyper-materialism on micromanagement steroids—supported by AI, software, and 24/7 surveillance—with no markets, no culture, and no divine mandate. Until recently, technocrats justified their system by creating a scandal, saying, “We need to do something,” and passing more rules applied to honest people who didn’t cause the problem in the first place. The new way of justifying technocracy is to channel people’s legitimate concerns about legitimate problems (such as the environment and inequality) into support for technocracy’s further buildout—with the Green New Deal being a case in point. The Green New Deal brazenly lays the foundation for unconstitutional piracy and theft of everything (especially land and real estate) that has not yet been stolen—while making the theft fashionable. The technocrats are trying to get young people to support wiping out their own inheritance through abrogation of contracts to their parents and grand-parents. Dr. Naomi Wolf’s analysis of the Green New Deal is a must-watch.

• The Green New Deal ASTONISHES – Vast $$ for VCs, “new banks,” Fed Reserve, net “smart grid,” no oversight
• Millenial socialists want to shake up the economy and save the climate
• Word to the wise: Beware the Green New Deal!
• Most industry hits back at government plant-based bias
• Outsourcing police investigations to Google risks privacy and justice
• All new UK cars to have speed limiters by 2022 under EU plans
• U.S. youth plan Washington rally to protest climate inaction
• The Green New Deal must put utilities under public control
• Climate change helped destroy ancient civilizations—with no help from your SUV

Story #8: Censorship and Disinformation Explode
The arrest and slow-motion murder of Julian Assange was one of the top stories of the quarter, signaling a serious abrogation of domestic and international laws, including those protecting attorney-client privilege and journalists. Censorship also is exploding, often in a sneaky manner, while disinformation accelerates thanks to new technologies such as 24/7 entainment, technology that can beam thoughts, deepfakes, and—soon—5G. Among the many
different disinformation tactics, smear campaigns seem to be common, while the drip-drip method keeps people from seeing what is really occurring. We are wasting too much time on things like the Mueller report while missing deeper trends, stories, and news—such as the Trump White House’s approval of FASAB 56. On the other hand, more people are realizing that the arc of American history since the JFK assassination has been one long lie—from Ruby Ridge, Waco, the Bank of Credit and Commerce International, and the Oklahoma City bombing to 9/11—and citizens’ level of trust in government institutions is falling toward rock bottom. To avoid 9/11—and citizens’ level of trust in government institutions is falling toward rock bottom. To avoid...
Part I: Top News Videos

**NINA HEYN**
*Food for the Soul with Nina Heyn*
Solari | 28 March 2019

**TRUTHSTREAM MEDIA**
*Pretty much the weakest argument against conspiracy theories ever*
Truthstream Media | 19 January 2019

**DR. MARK SKIDMORE**
*Deep State cover-up of missing $21 trillion deeply disturbing*
Greg Hunter | 19 January 2019

**ISRAELI MINISTER**
*"We always use the anti-Semitism trick or bring up the Holocaust"*
91177info | 04 July 2019

**MIGEL FARAGE**
*"Do you really want me back in this place? Reject the extension and let’s get on with Brexit!"
EFDD Group | 27 March 2019

**RT**
*Trump signs declaration recognizing Israel’s sovereignty over disputed Golan Heights*
RT | 16 March 2019

**CATHERINE AUSTIN FITTS**
*Federal government running secret open bailout*
Greg Hunter | 12 January 2019

**CATHERINE AUSTIN FITTS**
*World choking on debt*
Greg Hunter | 02 March 2019

**ISRAELI MINISTER**
*Antisemitism bill passing and what it means*
The Israel News Project | 08 March 2019

**ISRAELI NEWS LIVE**
*Russian comedians Vovan and Lexus prank U.S. Special Rep for Venezuela*
Sputnik | 07 March 2019

**SPUTNIK**
*The ‘permanent war state’ aims to plunder Venezuela*
The Real News Network | 26 February 2019

**MIKESON AND JAY**
*Israel is a rogue state*
ZAKHAROVA

**BONO**
*Public and private funds need to fight poverty—Davos 2019*
CNBC Television | 24 January 2019

**TRUTHSTREAM MEDIA**
*Beyond censorship: Destroying free thought online*
Truthstream Media | 29 March 2019

**JAMES CORBETT**
*Russiagate in 3 minutes*
Corbett Report | 29 March 2019

**NORMAN FINKELSTEIN**
*Israel is a rogue state*
Sewon Paekun | 13 February 2019

**ZAKHAROVA**
*We’re not out of the woods yet, U.S. might still invade Venezuela if coup fails*
Vesti News | 01 February 2019
Part II: Top Stories

CULTURE

Story #11: The Year of Da Vinci

This is the 500th anniversary of da Vinci. Da Vinci was an illegitimate child and largely self-taught—someone who worked his way up from the bottom completely by merit—and yet when he died, the King of France was sitting at his bedside. Da Vinci was a true Renaissance man—scientist, pathologist, civil and military engineer, artist, and musician. He even invented a musical instrument called the Viola Organista (a keyboard instrument that sounds a bit like a violin). He painted not for art’s sake but to earn money for his pathology research. When da Vinci envisioned something that could not be built with existing tools, he went ahead and invented and built the tools, too. His response to evil things that came his way was to create something to help solve the problem—he never stopped inventing solutions. A modern lesson could be, “When the system fails you, teach yourself.”

Story #12: Gates Apologizes for Common Core Failure / JEDI Contract: A Microsoft Win?

When the Trump administration came in, the President and his Secretary of Education were clearly opposed to Common Core. Bill Gates wanted in on the JEDI contract and likely knew that unless he sat down and “kissed the ring” on Common Core, he had no chance. His Common Core apology looks like the price he may have had to pay to weasel his way into Microsoft getting a JEDI co-finalist (see also Story #15). This represents quite a political accomplishment on the administration’s part—not only to stop Common Core but to get the champion and financier of Common Core to stand up on national TV and say that it was a mistake.

Common Core’s failure in the classroom and its deeper aim of consolidating centralized control over young people underscore the need for youth to take their own education in hand (just like da Vinci).

Instead of wasting their time—and their parents’ money—by wandering around in an educational system that makes money for schools and colleges but does not provide students with the necessary education, skills, and tools they need to function in the economy, young people need to ask themselves, “What is the knowledge that I need, and how am I going to get it?”

• Bill Gates admits his Common Core experiment is a failure
• CIA gives tech rivals chance to take on Amazon in cloud services
• Jeff Bezos accuses National Enquirer of extortion over threat to publish naked photos of Amazon CEO

Story #13: The Weaponization of Drug-Addicted Populations

West Coast cities like Seattle, San Francisco, and Los Angeles are facing a new type of homeless population: highly drug-addicted individuals who all seem to have smartphones and free Obama Plan cell service. Someone has spent a great deal of money ensuring that drugs and phones get to these populations. A hint that this is an intentional weaponization strategy to drive out small businesses and the middle class comes from the fact that despite massive numbers of felons committed by these street populations, no one is getting indicted, prosecuted, or sent to prison. The management of drug-addicted homeless populations is also draining municipal budgets, while creating shadow work and engineered dysfunction for rescue services, fire departments, and the police. Why is this happening? Why did the California fires happen? It increasingly looks like powerful interests want land and real estate—and they hate to pay market value.

• XOMO News Special: Seattle is dying
• New law limits authorities’ options in Santa Cruz homeless camp cleanup
• San Francisco’s leaders prepare to site a large homeless shelter in the heart of the city

Science and Technology

Story #14: 5G and IOT Rollout Accelerates

The U.S. and China are in a race to be the 5G winners. The U.S. wants 5G, in part, to move forward with cryptography (even though 67% of Americans do not want a cashless society) and also to double down on mind control and reengineering of U.S. federal government services with significant privatization. Trump’s enthusiasm for 5G indicates that he either isn’t aware of—or doesn’t care about—the serious health risks. On the other hand, a government minister in Brussels, the EU’s technocrat capital, is aware and cares enough to have put a stop to 5G deployment there, citing the absence of any safety studies. Perhaps the Brussels official’s decision reflects a desire to keep Europe out of the U.S.-China race, or perhaps the minister knows something that has not been made public. Early 5G tests have produced results that are of concern. People living in areas where 5G has already been deployed are complaining of having trouble thinking. What is even more disturbing is that companies could adapt the technology to be safer—but they have chosen not to do so.

• The latest new capitalism: Surveillance capitalism
• AT&T 5G rollout: Everything you need to know
• AT&T is creating a 5G hospital
• Brussels becomes first major city to halt 5G due to health effects
• Verizon turns on its 5G mobile network a week ahead of schedule
• Apple is building an iPhone app for vets’ medical records
• Jeff Bezos protests the invasion of his privacy, as Amazon builds a sweeping surveillance state for everyone else
• Many popular iPhone apps secretly record your screen without asking and there’s no way a user would know
• Google’s Sidewalk Labs plans to package and sell location data on millions of cellphones

Story #15: JEDI Contract—Amazon and Microsoft Are Finalists

Radical reengineering of federal government transactions and payments requires the JEDI contract, which would put the Department of Defense (DOD) into the cloud with the intelligence agencies. The Microsoft-Amazon competition for the contract—now rumored to be worth more than $10 billion—has gotten rather wild. Consider the most interesting questions raised by the Jeff Bezos phone hacking, which Bezos tried to answer by hiring one of the world’s top security experts. Was it the Saudis, as Bezos now says? Or, equally likely, Netanyahu and/or Kushner? Glenn Greenwald has not hesitated to point out the irony of the situation: the man who is doing the most to compromise people’s security and privacy is complaining that it happened to him.

• JEDI: Cornerstone of DOD’s cloud strategy
• CIA gives tech rivals chance to take on Amazon in cloud services
• Pentagon clear path for $10 billion JEDI cloud-computing award
• Amazon abandones HQ2 campus in New York
• Why America can’t take the federal government online?
• FBI, DoD IG conducting preliminary investigation into JEDI, procurements
• Missouri bill takes on federal gun control: Past, present and future
• Missouri nullification bill
• West Virginia Senate passes bill to start treating gold and silver as money
• How one state turned off the water to the Feds and won: Good Morning Liberty 02-11-19
• South Carolina bill would end civil asset forfeiture, effectively shut federal loophole
• Tennessee legal tender law would treat gold and silver as money; Foundation to undermine the Federal Reserve
• West Virginia committee passes bill to block unconstitutional National Guard deployments
SPACE

Story #16: Increased Competition—The New Space Race

Something is going on in space—and especially on the moon—that we are not being told about and for which there are more questions than answers. What does it mean that so many countries have been sending probes to the moon, including China’s visit to the far side of the moon? Is everyone trying to get to the moon to find out what is occurring up there? Why did a private Israeli company’s robotic moon lander crash in April despite Israel’s technological prowess? Why have U.S. satellites been deliberately maneuvering to within 10 kilometers of Russian and Chinese satellites? Is the U.S. deploying secret capabilities (or sending someone a message)? And what are we to make of the WikiLeaks dump (just after Julian Assange’s arrest) implying that the U.S. had a moon base in the 1970s that got destroyed?

FOOD AND HEALTH

Story #17: Glyphosate

More information is coming to light about glyphosate’s many environmental and economic impacts, including its effects in tourist areas. The herbicide’s build-up in waterways is doing to small waterfront tourism businesses what weaponized populations are accomplishing in Seattle. Studies are also showing how glyphosate destroys soil nutrients. Our interviews indicate that the yield of GMO crops decreases while farmers’ expenses increase, although non-GMO crops do not have that problem, the banks keep funding the glyphosate-dependent agricultural model. Sofia Smallstorm has been writing about unprecedented levels of race horse deaths, hypothesizing that horses’ multiple exposures to glyphosate are contributing to fatal weakening them. Whether it’s glyphosate or a combination of glyphosate and other toxic exposures, we should be asking the question, “If it’s doing this to race horses, what is it doing to humans?”

On the financial front, are offshore havens being extended into space to create a second financial system—above the law and immune from taxes and regulations? What does it mean that a banking haven like Luxembourg is becoming a leading player in the spy satellite business?

• US satellite approaches Chinese and Russian sats
• NASA is rushing to the moon
• Chang’s-4 update: Both vehicles healthy, new imagery from the moon’s far side
• Why China opted into the far side of the moon
• SpaceX launches Falcon 9 with final set of 10 Iridium network satellites
• Plans for first Chinese solar power station in space revealed
• WikiLeaks document exposes a “secret US base on the moon”

The vaccination issue is coming to a head, with efforts underway around the country to eliminate vaccine exemptions. Some sections of the pharmaceutical industry have been in a slump, so the industry is likely looking at ways to make more money from vaccines. The state of North Carolina’s bar association has targeted one of the country’s leading vaccine exemption attorneys—Alan Phillips. (You can find several interviews with Alan on The Solari Report as well as links to his website to help support his efforts.)

Story #18: A Million Acres of U.S. Farmland Flooded

With over a million acres of U.S. cropland ravaged by floods, disaster capitalism is in full swing. Investors are going to be able to pick up flooded farmland for cheap while consumers get hit with soaring food prices. Solaris’ 2016 Annual Wrap Up focused on the global harvest, describing how cheap food in the U.S. came in part at the cost of switching from real food to fake food. Now, that strategy is backfiring. People are not prepared for the changes that are coming in the food supply and food pricing. In Europe, the quality of food is better—and cheaper. Europe still has vibrant small farms, and, with the exception of animal feed, GMOs are largely absent. Russian agriculture—100% GMO-free—is booming. In North America, the push to centralize control of the food system puts every small farmer in danger. We should all do whatever it takes to establish a local food supply and support local farmers, particularly those using organic farming practices.

Story #20: Quantum Biology Blossoms

The blossoming of quantum biology is very exciting because it shows a pathway to better health at very low cost. Jason Bawden-Smith and Dr. Jack Kruse also recommend drinking deuterium-depleted water, and soil expert Don Huber recommends detoxifying glyphosate with a daily dose of organic apple cider vinegar. Let’s do whatever we can to withstand 5G’s assault on our mitochondria!

• China’s CRISPR twins might have had their brains inadvertently enhanced
• Mito HQ: Listen to an interview with Dr. Jack Kruse and Jason Bawden-Smith on deuterium depleted water
• The 5G EMF apocalypse and why health food won’t save you with Dr. Jack Kruse #191
• Mobile phone electromagnetic radiation affects amyloid precursor protein and α-synuclein metabolism in SH-SY5Y cells
• Oregon proposed legislation would require health officials to review independent research on microwave radiation from wireless technology
• Wireless industry confesses: “No studies show 5G is safe”
• New evidence for a human magnetic sense that lets your brain detect the Earth’s magnetic field

for measles vaccination order then changed it without telling anyone
• BREAKING: Rockland County NY becomes America’s first vaccine police state
• New York county bans unvaccinated minors from public places
• Measles outbreak: Rockland County, New York, declares state of emergency
• Association of American Physicians and Surgeons takes a stand against mandatory vaccination

Note: Numbers in parentheses correspond to the numbered list items.
Story #21: Weakening of Earth’s Magnetic Field

The geophysical record shows that the magnetic field goes through cycles. No one is adequately looking at the relationship of manmade electromagnetic energy and the magnetic field. Yet it seems likely that devices such as CERN’s Large Hadron Collider—which generates immensely strong magnetic fields that are locally several times stronger than the field of the earth—would be producing some sort of planetary resonance effect. This could have a great deal to do with what is happening with the sun because the magnetosphere of the earth and the magnetosphere of the sun touch. In effect, the solar system is electrically and magnetically dynamic. If you can produce a resonance effect in the planet’s magnetosphere—think ionospheric heaters—it seems possible that you may have resonance effects on the sun itself. We also should be considering the correlation between economic activity and solar activity. CERN may be conducting data correlation experiments that don’t just look at what happens to the magnetosphere but also what happens to human activity when the Collider is on.

• The weakening of Earth’s magnetic field has greatly accelerated, and that could have apocalyptic implications for all of us
• John H. Nelson’s theory of propagation: Is there anything to it?

Part 2: Top News Videos

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<td>Naomi Wolf</td>
<td>Green New Deal Astonishes- Vast $$ for VCs, “new banks”, Fed Reserve, nat’l “smart grid”, no oversight</td>
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<td>Truthstream Media</td>
<td>Finally admitted! “New” tech can beam voices directly into your head</td>
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<td>The White House</td>
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<td>Farmers Footprint</td>
<td>Regeneration: Support docu-series and/or farm transformation</td>
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<tr>
<td>Shirley MacLaine</td>
<td>Shirley MacLaine’s acceptance speech</td>
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News Trends & Stories
TAKE ACTION

Story #22: Support Great Leadership

There is great leadership around us. Regarding glyphosate, listen to Don Huber on The Solari Report Food Series—a courageous man who is taking extraordinary risks to “out” what is happening—and check out the work by Drs. Allen Williams and Zach Bush to promote glyphosate-free regenerative farming. On the vaccine front, Alan Phillips, the persecuted vaccine exemptions attorney, and Robert F. Kennedy, Jr. and his organization deserve our support. There are many people doing extraordinary things, but they are not getting the support and attention that they should. Pick the hero who you really love and go to the independent media platforms that you listen to and ask them, “Why aren’t you interviewing this guy?” Don’t be afraid to donate what you can—every little bit helps. A dollar is a prayer. It counts.

UNANSWERED QUESTIONS

Question #1: What is happening to the cathedrals of France and why?

The burning down and vandalization of churches and cathedrals in France is like the bombing of churches in Syria and black churches in the U.S. South. It seems to be part of a program to decouple Western civilization from its core. Some of the desecrations are beyond the pale—not only an op, but full-on demonic. The people behind these acts don’t want any divine mandate and intend to rule by force without any principles. It’s time for each of us to pick a side: divine or demonic.

Question #2: Will we go to war in Iran?

New York’s vaccine assault, the Assange arrest, the Notre Dame fire, the failed attempts to shut down Venezuela’s, Syria’s, and Iran’s ability to sell oil, and the push for war with Iran—these are starting to look like signs of desperation. The Bush team used to exemplify a certain “professionalism”—clever, effective stealth action carried out by people who knew how to
be discreet and kill without there being death lists on the Internet. Now, even though the Bushies are back in power, it feels like we’re watching frustrated Keystone Cops.

Question #4: Where did Mr. Global invest the $21 trillion (and the $24+ trillion)?

The parallel (or breakaway) civilization is big—with extraordinary investments underground, in space, and going toward China and the Silk Road. But running the planet with this type of secrecy is killing the environment and our culture. It is not overdramatization to say that our civilization hangs in the balance.

INSPIRATION

We are redoubling our efforts to own the culture. Although the path will be different for everyone, try reading core books such as Plato and Aristotle; read as much history as you can; learn about some of the major economists and economic theories; read the law. Pick what you are passionate about, but be prepared to cross over disciplines. Start thinking in terms of connections and building the frameworks that you need.

• The financial secret behind Germany’s green energy revolution
• Venture capitalist spreading funding to Middle America
• Virginia utility regulators have rejected Dominion Energy’s $5 billion plan to deploy “smart” AMI meters across the state

The Solari Report has a hero every week as well as every year. For 2019, we’ve already named Leonardo da Vinci the Hero of the Year.

1st Quarter Solari Heroes:

• March 21: Jo van Gogh-Bonger
• March 14: Peggy Noonan

Question #5: Who is Mr. Global and what is the governance structure on Planet Earth?

The burning of Notre Dame sent an unmistakable signal that Mr. Global thinks he can run the planet by force. On the same day as the Notre Dame fire, there was a fire at Jerusalem’s Al-Aqsa Mosque—a holy site sacred to Muslims and even older than Notre Dame. The gambit may have backfired, however, because the burning shocked and awakened Europeans in a way 9/11 did not. People are coming to realize that we are in a culture war and that Mr. Global has no interest in preserving any of it.

Food for the Soul Series:

• Da Vinci Part 2 – Milan
• Food for the Soul with Nina Heyn
• The Wandering Earth
• Monet Part 2
• De Young Museum Part 1 – Gauguin
• Binge on History
• The Year of da Vinci
• Oscar Treasures in Black and White

Wrap Up

Trump Report Card

Category | Catherine’s 2017 Grade | Catherine’s 2018 Grade | Catherine’s 2019 Q1 Grade | Dr. Farrell’s 2017 Grade | Dr. Farrell’s 2018 Grade | Dr. Farrell’s 2019 Q1 Grade
---|---|---|---|---|---|---
Vision | B- | C+ | C- | B- | B- | C-
Recruiting a Team | B- | D+ | D- | C | C- | D-
Building a Team | D | F | F | C | D- | F
Accomplishments to-Date | B+ | B- | C | B | C+ | C
Effort | B | B+ | B+ | — | A | A-
Communication | C+ | C- | C- | C+ | C- | C-
War Games (Mapping the Swamp) | C- | B+ | B | B | B | B
Building Bottom-Up Support | D | C | C | C | C | C
Introducing Important Change | B | B | C | B | C | B
Building Bridges Internationally | C- | C | C | — | C | C
Building Bridges Domestically | F | D | C- | D | C- | C
Managing the Executive Branch Bureaucracy | C- | D | D | C/ C- | D | D
Grand Strategy for America and Our Role in the World | Too Early | Too Early | To Grade | C | D | A- | C | D
Managing the Federal Budget and Contracting Budget | F | F | F | F | F | F | F
Staying Physically and Emotionally Healthy | B- | B+ | B | B+ | B+ | B
Growing in the Job | B- | A- | B+ | B | B- | B+ | C

“"There are advantages to being elected President. The day after I was elected, I had my high school grades classified Top Secret.””

- Ronald Reagan

There are advantages to being elected President. The day after I was elected, I had my high school grades classified Top Secret.

~Ronald Reagan
A system of capitalism presumes sound money, not fiat money manipulated by a central bank. Capitalism cherishes voluntary contracts and interest rates that are determined by savings, not credit creation by a central bank.

—Ron Paul
Financial Markets Roundup

Commodities

- Gold (GLD), Silver (SLV)
- Russia (RSX), Crude Oil (OILNF)
- Commodities Index (CRB)
- Baltic Dry Index
- Crude Oil (OILNF)
- Mining (GDX), Junior Mining (GDXJ)
Wrap Up

Financial Markets Roundup

Europe

International Developed (EFA)

Germany (DAX)

FTSE (VGK)

Asia

China Large Caps (FXI)

European Financials: Deutsche Bank (DB), Royal Bank of Scotland (RBS), Barclays (BCS), Paribas (BNPQY)

China Large Caps (FXI)
Wrap Up

Financial Markets Roundup

“Invest in yourself. Your career is the engine of your wealth.”
-Paul Clitheroe
V. Donations

We believe in doing what we can to support those around us who make a difference in this world or can do with a helping hand. We are here today because others did the same for us. Here are most of the people and opportunities we donated to so far in 2019. We hope our list inspires you to help others, whether it is a prayer, a kind word, or donation. If you are looking for great people and projects to support, here are some opportunities worthy of your generosity.

Keep giving!

"Giving back to the communities and institutions that helped us achieve success is a value we share and a privilege we embrace."

~Dinesh Paliwale

- Support Vaccine Rights Attorney Alan Phillips
- Autism Action Network
- Free Marty G. Martin Gottesfeld
- Farmers Footprint | Regeneration
- Thunderbird: We’re the leading open source cross-platform email and calendaring client, free for business and personal use
- Freedom for Targeted Individuals: Donate to the operations of FFTI
- Alan Collinge: Student Loan Justice
- Open Secrets: Help Us Shine a Light on Money in Politics!
- SouthFront is creating an independent military and political analysis
- Norman Finkelstein
- Empire Files: Unreleased Work From Gaza and Colombia
- Help WikiLeaks Fight the DNC
- Gun Owners of America
- PragerU
- Wildfire Relief Fund: CA
- Important Vax Rights Attorney “Witch Hunt” Update!
- The End Fund for NOFA-VT
- US Take Action: NY Times calls for eliminating religious and secular exemptions
- NY, CT and ME moving on ending exemptions
- The Free Software Foundation
- Individuals: A Kiva Micro Loan
The 1st Quarter of 2019 began in the winter here in Hickory Valley as we launched our 2018 Annual Wrap Up: The Real Game of Missing Money and prepared our taxes and compliance to close out the year. It is always a highly productive time—not much to interrupt our work here in our rural community in Tennessee.

Then I was off to the Netherlands to work with Robert Dupper in Stavoren. In early March, Ulrike Granögger (who hosts the Solari Future Science Series) and Brigitte Mouchet (who hosts the Solari Wellness Series) arrived to participate in Solari’s Stavoren Hang. We were joined by a wonderful group of subscribers from California, Ohio, Australia, Switzerland, and Hong Kong for a week of discussion, sightseeing in Friesland, and hang time. Jason Bawden-Smith joined us by Skype and Nina Heyn (author of our Food for the Soul column) flew in from Los Angeles.

As the Stavoren Hang came to a close, Nina, Robert, and I were off to Milan to tour the Leonardo da Vinci exhibit; while in Milan, we also made time for an evening concert at Teatro alla Scala. We then headed back to Amsterdam to tour the “All the Rembrandts” exhibition at the Rijksmuseum and visit the Van Gogh museum nearby.

If you want to experience pure joy, just follow Nina around a museum. Robert and I start to ask her questions and the next thing you know, a crowd has gathered to hear Nina pour out the history of the artists and their life and times. If you have not checked out Nina’s column (which publishes twice a month), I recommend it, and particularly her series on Leonardo da Vinci. Food for the Soul—something we all need in these times—will inspire you to get out and enjoy the many museum and art offerings still available throughout the world. If we value and celebrate them, they will endure. There is no such thing as too much beauty.

Next, I headed to Switzerland for a week with Thomas Meyer and his family and colleagues. We had a marvelous workshop in Basel for subscribers of Perseus Publishing’s magazines Der Europäer and The Present Age—it was a remarkable event. This was followed by an amazing salon at the Meyer home and a recording of “The Story of Gideon” for The Solari Report. We then headed to Copenhagen, where Thomas was giving a lecture and interviewing Niels Harrit, the Danish scientist who became famous for his insights on 9/11. Check out the resulting Special Solari Report on 9/11 with Thomas and Dr. Harrit.

While in Copenhagen, there was time to visit the National Museum of Denmark, which boasts a small but interesting collection of French Impressionists. Wandering through the last room, I turned a corner and suddenly was in front of my favorite Degas race horse painting. I love it when this happens. You are in a museum for the first time with no expectations, and then suddenly, there it is—a favorite painting that you never expected you would see in person. When you wander the world, expect the unexpected.

From Copenhagen, I flew to Geneva to visit with Alastair Thompson and his wife Wendy. Alastair is now working in Geneva, which makes it easier to visit and argue politics with him. Then I headed to Lausanne by train to visit a colleague for a few days of long walks and talks by Lake Geneva, one of the world’s most beautiful lakes. Then it was on to Zurich and the many planes and car ride to return to Hickory Valley, Tennessee.
For the 1st Quarter 2019 Wrap Up, our focus was on ESG investing—its growth and what it can accomplish. This was one of the most challenging topics that I have written about for The Solari Report and took significantly more time than I expected. My apologies for the delay in getting this copy to you.

Understanding ESG investing requires understanding all the money and investment on the planet. It’s a lot to integrate. However, that is not what makes it so difficult to research or discuss—it is the weaponization of ESG in combination with climate change to implement technocracy and central control that is frustrating to understand and describe. I found it quite a challenge to maintain my state of amusement.

When I was a little girl, my grandfather and I would have poetry contests. As I was researching the ESG topic, I could hear him saying lines from one of his favorite Kipling poems, “If—”: “If you can bear to hear the truth you’ve spoken, Twisted by knaves to make a trap for fools…” The weaponization of ESG investing is a nasty business, one that it was important for me to cover on The Solari Report. Real solutions require that we integrate our values with our investment of both time and money—creating real opportunities for a positive result. However, it is also important to me that Solari subscribers be forewarned and prepared to defend themselves and their assets against the weaponization of ESG standards as part of the incoming technocracy onslaught.

I had tremendous support and help during the first quarter of 2019. First and foremost, this came from the Solari team, who juggle tremendous business and family responsibilities and maintain coherence in an incoherent world. When I watch what we are managing and juggling, I know it is the same for our subscribers and colleagues.

Robert Dupper
Robert is Solari’s videographer, graphics guru, creative inspiration, and anchor in the Netherlands.

Dr. Joseph Farrell
Joseph joins us for our quarterly News, Trends & Stories analysis. There is nothing like it.

Thomas Meyer and his clan
Thomas grasped my passion for the Story of Gideon and Chartres and has been educating and inspiring me about them ever since.

Ulrike Grassieger
Ulrike has been shifting our paradigms as she connects ancient spiritual teachings with the latest revelations in science with her workshops and the Solari Future Science Series.

Brigitte Mouchet
Brigitte inspires and educates us to maintain our strength and vitality in the Solari Wellness Series.

Jason Worth
Jason provides highly capable help on research and book reviews.

Brad Eddins
Brad, Solari’s News, Trends & Stories editor, does a yeoman’s job preparing that section of the Wrap Up.

Quarterly guest Saker
The Saker is a unique voice helping us understand the emergence of a multipolar world.

Quarterly author Rambus
Rambus provides truly the best technical analysis anywhere.

Jason Bawden-Smith
Jason continues to keep the Solari networks informed on biophysics and how to stay healthy in a wireless world.

Carolyn Betts
Carolyn’s co-authorship of “Caveat Emptor” helped provide the first straight talk U.S. Treasury investors have had in a long, long time.

Dr. Mark Skidmore
Dr. Skidmore and Carolyn Betts helped me throughout the first quarter as we continued our efforts to understand the $21 trillion missing from the U.S. government and the impact on government and military operations of the adoption of FASAB 56. The reverberations from FASAB 56’s adoption are and will continue to be significant for many years to come.

Where are the great scholars and fearless thinkers when you need them? They are right here on The Solari Report! I am so very grateful to have so many people of great integrity and talent in our network and lives.

Most of all, my thanks—and the thanks of the entire Solari team—to our subscribers. Thank you for your ideas, links, comments, and insights, and for putting the gas in our tanks. You are one of the most remarkable groups of people on the planet. To paraphrase the great comedian George Carlin, “It’s a club—and you’re in it!”

On behalf of the entire Solari team, I wish you the joys of creation and prosperity as we move through 2019—and a new chapter in our free and inspired lives.

Dr. Skidmore and Carolyn Betts helped me throughout the first quarter of 2019 as we continued our efforts to understand the $21 trillion missing from the U.S. government and the impact on government and military operations of the adoption of FASAB 56. The reverberations from FASAB 56’s adoption are and will continue to be significant for many years to come.
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WILL ESG* TURN THE RED BUTTON GREEN?

* Environmental, social and governance (ESG) refers to three factors used to measure the sustainability and ethical impact of an investment in a business or enterprise.