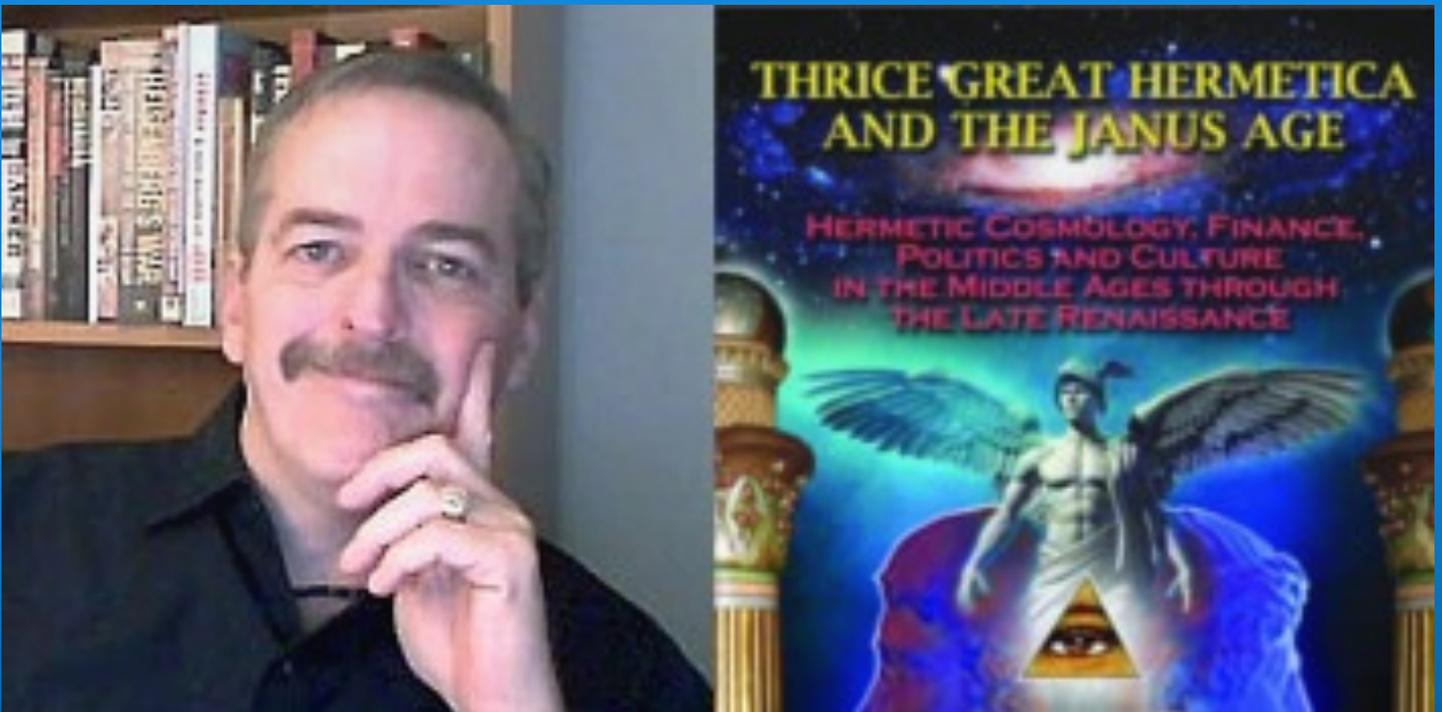




The Solari Report

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Mysteries of the Middle Ages with Dr. Joseph Farrell





Mysteries of the Middle Ages

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C. AUSTIN FITTS: Ladies and Gentlemen, it's my pleasure to welcome to The Solari Report Dr. Joseph Farrell for his quarterly interview. We're going to be talking about his new and very wonderful book *Thrice Great Hermetica and the Janus Age*.

I want to welcome him, but also, Joseph, I want to ask you about your impressions of *The Secret Space Program* conference. We were there together, and I would say it was quite an intense time.

DR. JOSEPH FARRELL: Oh, yes. It certainly was. Thank you for having me back.

My impressions overall were that I think we managed to create a critical mass to achieve some of our goal, which I think most of us had going into this conference. That was to take the steps to remake the conference culture on these sorts of topics.

I've spoken at other conferences before, and my impressions of those conferences – other than maybe one or two speakers at them – most of them were just basically storytelling sessions, mostly evangelistic revival tent meeting sort of atmosphere which we deliberately tried to avoid in this conference with getting some of the speakers lined up.

All in all, like you, I think it was a very intense time and I think we created a critical mass, addressed some issues that your end outlined the speakers' schedule in such a way that we were all playing off of each other very, very well I thought – in spite of the fact that none of us had coordinated what we were going to say with the other speakers. We all kind of arrived blind as to what everyone else was going to do.

I think the way that we put Michael Schratt and Mark McCandlish right



upfront talking about some of the technologies, raising the issue of the cost of these things, then I came after them and started talking about what I think is a huge hidden system in finance. Then your presentation on Sunday morning where you went into the two systems that were being built up on the one hand and the other one slowly torn down, moving liabilities into the old system and moving all of the assets into the new one. To me, that was one of the most profound observations that was made at the conference. I'm still mulling that one over.

C. AUSTIN FITTS: That's the heart of the slow burn, and one of my frustrations is when I try to talk to any of the financial people about what it is that has made the slow burn – or what is managed to engineer it.

They keep saying, "I won't go there." Well, if you won't look at the reality that's doing this, how are we ever going to understand what's really going on? To me, that was the power of the conference, having so many people who could put the different pieces together to help you understand how the slow burn is being engineered.

DR. JOSEPH FARRELL: Absolutely, and I think, again, your insight that if you cannot look at this and factor it into your financial calculation, then you're committing a material omission and you've only got half the picture. Therefore, your analysis is going to be tremendously skewed and faulty.

I'm with you foursquare on this. I've been hearing these financial analysts predicting collapse for the last 30 years.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: It's kind of like the rapture predictions. They give a date and they never happen. So, yeah, I think you've got to take it into consideration.

I have to be foursquare in agreement with you about something else in the conference, and I'm not going to mince words. I'm going to name



names as you did in your earlier interview with your friend. I thought that Robert Morningstar just showed a complete lack of professionalism in his presentation, and ultimately a lack of courtesy to the conference organizers and the other speakers. That was totally unneeded and it almost ruined the atmosphere that had been carefully built up that day.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: My other big problem was Steven Bassett, too. I understand he was invited as a last-minute special panel participant by the conference organizers, and I don't think they fully understood – nor did I, quite frankly – that he was going to take that panel's discussion and monopolize a great deal of the time to preach an agenda, essentially a political agenda, from the pulpit notwithstanding the rather fulsome remarks he made about me. I was not impressed. In fact, I was so mad I was about ready to get up and walk off the panel because I found that totally out of place, very unprofessional to usurp a conference like that to preach an agenda which many of us, I suspect, probably have some misgivings about to begin with.

C. AUSTIN FITTS: I'm always very concerned when people get mad and angry about something that they don't know what it is.

DR. JOSEPH FARRELL: Right.

C. AUSTIN FITTS: In other words, I can't say that something is wrong if I don't understand the fundamental facts of what it is. That is part of my frustration with all that kind of, "Let's get up and get really mad and do something about it." What is it?

DR. JOSEPH FARRELL: Precisely. I'm not that familiar with his work, but my impression was he hasn't really wrestled with the technological aspects of

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this with the fact that he's dealing with, and in Scott's group of power within the intelligence and national security community, that group has massive tentacles and connections to the international financial community. It was totally inappropriate to the conference, but I think Sunday we managed to put the conference back on track.

All in all, I think it was a very good experience.

C. AUSTIN FITTS: Right. Well, something happened to me. I left San Francisco right after the conference and went down to Los Angeles. I was there for a couple of days. I was driving over to do Coast to Coast on Monday evening. A dear friend of mine was driving me over, and suddenly driving down the highway I could see all the different worlds. I could see the overt economy world right in front of me and I could see the covert and how that all worked and the flows between them, and then I could see the Breakaway Civilization with the underground facilities and the UFOs flying overhead. I could see how the three economies and the financial systems weave in together.

It's so stupefying to see it because what's amazing to me is that you have people in different parts of the economy who don't even see the other parts when it's sitting there right in front of their face.

DR. JOSEPH FARRELL: Yes, exactly. I think that was a good thing that came out of this conference. I think that at least as far as the people I was talking to after sessions, it really made an impact on them – particularly the financial aspect. I think a lot of people went away from it with new lenses to interpret what's going on.

In that respect I think it was a huge success.

C. AUSTIN FITTS: Right. Well, you really got across in your first presentation (you're the only guy who gave two) the point about what it does to a governance system when you put the intelligence agencies in the position of being bankers with an entirely hidden system. You completely power shift the entire governance system of the planet when you do that.



DR. JOSEPH FARRELL: Yes, exactly.

C. AUSTIN FITTS: Then you give them advanced technology, and oh boy!
Here we go!

DR. JOSEPH FARRELL: Here we go. Exactly.

C. AUSTIN FITTS: Well, today I posted a review of your book in my blog because I want everybody to read it ahead of when they listen to this interview. As soon as you start to try to figure out what's really going on, you start going back in history because obviously the official story and the real story are different. In the process of trying to figure out the real story you keep going back. You say, "Maybe if I go back I can figure out where this all came from."

You start digging back and back, and what you discover is what they taught you in university is not really what happened.

DR. JOSEPH FARRELL: To say the least!

C. AUSTIN FITTS: The mysteries compound and it's complicated. As you said, when you try to drill down and figure out the Middle Ages it can get very complicated or very boring.

DR. JOSEPH FARRELL: Right.

C. AUSTIN FITTS: There's almost a Middle Ages version of the 'begats' in the bible. You know, "So-and-so begat so-and-so..." It's funny because I just tried to read parts of it and gave up two-thirds of the way because I couldn't take the floral language.

Anyway, it's not easy to unpack these things. Whenever I find a scholar who's willing to dive in and try it, I'm deeply appreciative because I know it's quite an intellectual feat. But what you do is you really take us back. Let's start with the Fourth Crusade. Or, let's start with why you decided to write this book, and then let's dive back in with the Fourth Crusade and move into the targeting of the Cathars and the Templars



and why it's so important to what's going on today?

DR. JOSEPH FARRELL: Well, the reason I wrote the book – and you've already hinted at it – is I used to teach Medieval History in college back when I was teaching. If you study the Middle Ages in college or at a graduate level, what you're given is a list of data. The academic approach basically is designed, at least in my experience, to grind down the habit of inquiry of connecting dots and then being willing to speculate on what the implications of the connected dots mean.

In other words, what they do is they basically ground down any attempt to look at certain events as being orchestrated, coordinated, and ground down any attempt to figure out the relevance of events as coordinated events. God help you if you look for hidden hands or hidden stories because, of course, this borders on the academic taboo which is conspiracy theory.

But I think if you look at the Middle Ages, you're full of conspiracies – and big ones – that span not only decades but, in some cases, centuries.

That's why I wrote the book. It's the book I wanted to write back when I was a college professor. To their credit, many of my students at that time were asking these sorts of questions. I couldn't really go into these sorts of problems in class.

Let's take the Fourth Crusade as one example. The story that you learn, and I basically outline the story in *Financial Vipers of Venice*, the story that you learn is that the Fourth Crusade was called by Innocent III, Lotario dei Conti, and the response of Europe was to raise a crusading army. These crusaders then appointed a committee of knights to go to Venice and negotiate with the Doge – at the time it was Enrico Dandolo, the celebrated blind Doge of Venice – to provide the ships, the transport, and the supplies for this crusade to go to Palestine and crack some Muslim heads together.

The story is that Dandolo very cleverly diverted the Crusade, first to sack Zara, which is on the coast of Dalmatia and restore it to Venetian



jurisdiction. Then Dondolo successfully and very cleverly orchestrated the Crusade to go to Constantinople where eventually the Venetian army sacked it, installed a Latin Emperor and a Venetian governor, and that's the story.

The problem with the story is if you start digging, you're going to see that you're dealing with kind of a Medieval warren report because first of all you have to look at the knights that go to Venice. Knights are already a clue that you're dealing with something very big because a knight at that time represents the military technology and a vast expenditure. If you look at the size of the crusading army that the knights are negotiating with Venice to be transported, the army is enormous for the period. It's some 4,000 knights, approximately 20,000 foot soldiers, plus the squires for the knights. You're dealing with a large field army that's going to require a very large fleet.

On top of this, Venice responds – Enrico Dondolo responds to these knights – that this is going to cost approximately 94,000 marks which is an enormous sum of money for the age.

In other words, this is your clue that you're not dealing with an ad hoc committee; you're dealing with a very large organization that can field such an army. This would have been beyond the ability of any of the nation states at the time to field. So this leaves the military orders. By the military orders I mean, of course, the Knights Hospitallers and the Knights Templars.

“This is your clue that you're not dealing with an ad hoc committee...”

It's very important for people to understand right off the bat what these are. These are international armaments conglomerates that are directly under the jurisdiction of the papacy, and hence exempt from any local secular or ecclesiastical jurisdiction. In other words, to put it in modern terms, they are granted a tax-free exemption status. They are created as international cartels that specialize and contract for military armaments of all sorts. On top of this, to make all of this work, by the nature of the case they have to be specialists in international finance.



In other words, they have to have very sophisticated accounting techniques to move funds from Western Europe to the Middle East and vice versa. All of the implications are that Venice and the Templars begin what becomes to be a traditional alliance in European geo-politics of the period. So if you're living in the 13th century and someone says to you, "Oh, the Templars are doing this," then the other thing that you're going to take as a given is that Venice is going to be involved.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: It's the same thing with Genoa and the Knights Hospitallers. If you say one, you're going to think immediately of the other. In other words, it's just like the special relationships between the United States and Great Britain today. This is how you would have been thinking back at that time period.

Now the problem, Catherine, is that there has never been...

C. AUSTIN FITTS: Can I stop you just for a second?

DR. JOSEPH FARRELL: Sure.

C. AUSTIN FITTS: There are a couple of things I want to bring out here. When you talk about a Templar, you're talking about somebody who in their own personhood is both a monk, a banker, and a warrior.

DR. JOSEPH FARRELL: Yes.

C. AUSTIN FITTS: They are all three in one.

DR. JOSEPH FARRELL: Exactly.

C. AUSTIN FITTS: And they are running an international cartel that is above the law and is free from taxes.

DR. JOSEPH FARRELL: Right.



C. AUSTIN FITTS: That's an unbelievably powerful combination. Now, when you combine them with Venice you're talking about the accounting tools, but you're also talking about having access to major fleets and insurance.

DR. JOSEPH FARRELL: Exactly.

C. AUSTIN FITTS: So the Templars and Venice combined for that period are by far and away the most powerful force on the planet at that time.

DR. JOSEPH FARRELL: They really are, and something else that people have to understand is that they, as you say, are not subject to local law. They are subject to the papacy, but this is one part of the story. The other part of the story that people have to latch onto here is, again, what you have suggested. Venice is usually publicly credited with inventing double entry accounting and so on. But given the fact that they have this alliance or association with the Templars, what this means in my opinion, and what I strongly suspect, is that the accounting methods are developed by these military crusading orders – the Hospitallers, the Templars, the Teutonic Knights, and so on. Once the Templars are disbanded the accounting methods are probably tweaked and then made public or disclosed by the Venetians.

There is another part of the story for people to understand. When King Philippe le Bel (Phillip IV of France) finally moves against the Templars directly in 1307, within three years Venice creates the Council of Ten. The Council of ten for people who do not know, it is kind of Venice's version of a star chamber, a legislative body that can basically rule by decree in the name of the Venetian Congress, which was their grand council. It did so directly under the Doge. On top of this, it was also responsible for coordinating all of Venice's far-flung intelligence activities, and it was also their counter-intelligence organization.

What I strongly suspect Venice did is, recognizing that it was going to lose its intelligence arm in the Templars should they be successfully disbanded, it created this agency as a substitute for it. In my opinion, it was probably a home for Templar Knights to seek refuge and basically



continue their operations. This is all what's going on.

Now let's get back to the Fourth Crusade. If you study academic history, there is no real solid evidence – and they will tell you that there is no evidence that the Templars are involved in the Fourth Crusade. Now this is nonsense because as I pointed out in the book, at the end of the Fourth Crusade a Venetian governor by the name of Marin Zeno is installed in the Byzantine Empire. He in turn, along with the Latin emperor, sent letters to Pope Innocent III stating that the Crusade was over, they had sacked Constantinople, they had installed a puppet Latin governor, and a Venetian governor to oversee all this. The letter is carried to Pope Innocent by a Templar.

So in other words, there were definitely Templars along with the Crusade. Now this raises the question then of why were the Templars involved. Here's where it gets speculative.

If you look at the history of the Templars, the official story of their founding, nine French knights originally went to Palestine and sought a charter from King Baudouin. The king granted them this charter for the protection of pilgrims to the Holy Land. That's the cover story because obviously nine knights is totally insufficient for the purpose of protecting anybody from anything.

What they started doing is they started excavating immediately under the temple mount and they did this for nine years. All the evidence points to the fact that they found something and that this was their real hidden purpose. In other words, their purpose initially at the very top of the organization was to uncover knowledge.

C. AUSTIN FITTS: Or technology.

DR. JOSEPH FARRELL: Or technology or both. Exactly.

If you bear this purpose in mind and look at the Fourth Crusade with those lenses, I think you could argue a case that the Fourth Crusade was planned initially by those original French knights who, in my opinion,



probably were Templars given the size of the army and the financial expenditure involved. There is no other conclusion that is reasonable.

If you look at it that way, then what the Crusade was really about was they had planned deliberately to orchestrate a diversion of the Crusade precisely to get to Constantinople and sack it and gain access to whatever information was in the imperial archives.

C. AUSTIN FITTS: The library.

DR. JOSEPH FARRELL: Precisely. It's interesting. Again, if you look at it from the long-term point of view you find all of the indicators of a hidden cartographic tradition coming after the Fourth Crusade. You've got the Piri Reis map, the Turkish admiral showing clearly the New World. This, I think, becomes the interest for our purposes.

“If you look at it from the long-term point of view you find all of the indicators of a hidden cartographic tradition coming after the Fourth Crusade.”

C. AUSTIN FITTS: And there's something else you pointed out, or I was doing some more research on the Fourth Crusade as I was reading. They suddenly called an end to the Crusade and said sail home. What you realize is: I guess they got what they were looking for.

DR. JOSEPH FARRELL: Exactly.

C. AUSTIN FITTS: Which almost feels like some of the wars we've seen in the Middle East today. They announce this ridiculous story of what they're up to, they go and do something else like sacking the libraries and the museums in Iraq, and then suddenly there's a different story. You're like, “What just happened?”

DR. JOSEPH FARRELL: Exactly. I'm so glad that you raised that because this has been one of my major points that I've been making in several books. The Baghdad museum looting is a part of this pattern.

C. AUSTIN FITTS: Right.



DR. JOSEPH FARRELL: That's why this historical perspective here is so important.

Now, for the financial aspects of this we have to look at something very, very closely. That is this hidden cartographic tradition. As I outline in the book, there is every evidence that the Templars had some sort of contact with the New World. There is a massive amount of bullion that is being moved into Europe secretly. We have to recall in this connection as well that Venice is the premier European bullion trading capital at this time.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: So in other words, what we have, Catherine, as a result of this hidden cartographic tradition is we have a hidden system of finance and it's being run by an international armaments conglomerate called the Templars, and their public bankers in all of this are the Venetians.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: As I point out in the book, there is also a great deal of evidence – very solid evidence – that Venice itself directly undertook voyages to the New World I think probably as a result of intelligence activities on the part of the Council of Ten. So what we're looking at, bottom line, is a huge international structure. It exists outside of the normal bureaucratic channels of the various countries in which it is doing business. It exists directly under the papacy. It's got a profound and deep connection to one of the major international banking and bullion centers at the period. So, we're looking at a hidden system of finance.

C. AUSTIN FITTS: Right, and it's growing progressively wealthier.

DR. JOSEPH FARRELL: Exactly. This becomes the groundwork for a big, huge political contest that emerges subsequently in Europe. This is what we're looking at – this whole idea of a breakaway group that is using crusading



activity as a disguise for other things.

C. AUSTIN FITTS: Let me summarize. So we come to the end of the Fourth Crusade and here's what I'm speculating: Here's what the Templars are guarding or owning. They've brought back, and I would suggest that from earlier times, the mind control technology from the Middle East which was part of their power and ultimately a big part of the Freemasons' power.

They come back with this mind control technology. Then we get into the question of what was the grail. We still don't know, but the question was: Was it technology they found in the excavation? In addition, they come back with knowledge, including what they dig out from the archives at Constantinople, including maps of the world.

So you're talking about intellectual capital of great, great value, and certainly mind control technology, but possibly other kinds of technology with which you could literally rule the world.

DR. JOSEPH FARRELL: This is the other thing. Let's address the mind control aspects and then move into some of the esoteric things that you've brought up.

In *Babylon's Banksters* I pointed out that many of the ancient temples were built very deliberately if you look at them with purely a radio engineer's eye. This is going to sound so off the wall and so utterly fantastic to most of your listeners, but nonetheless this is the case. These ancient temples were built as radio resonant cavities, and in some cases they were even built – it appears deliberately – as being resonant to certain brainwaves that humans have, particularly the theta brainwave. In other words, these were built as very simple radio-telegraphy transmitters and receivers, believe it or not. All it would take would be a sensitive membrane to register these things.

If you look at classical texts, part of the mystery is you will find Roman authors saying they sent to the emperor far-flung armies of their own empire and heard back a day later. Now not even with fire signals and



semaphore devices would this have been very efficient or possible. So there is some sort of technology involved.

When you look at the Templars, they begin another curious activity. To put it in modern terms, I'm going to draw an analogy. The Templars began starting up builder's guilds and they were connected with some of the great gothic cathedral building in Europe that just erupts after the first crusading activities that they were involved with. This would be rather similar to the Pentagon showing up in your hometown saying that they want to build you a big church. This is exactly what's going on. So the question becomes: Why are they doing this? When you look at some of these churches – Chartres Cathedral being a prime example – you find a very stunning omission of several basic symbols of Christian orthodoxy like the crucifixion. There are all these little indicators that there is something else afoot here.

Now let's go to the esoteric aspects of this.

C. AUSTIN FITTS: The cathedrals were the big draw to build the markets.

DR. JOSEPH FARRELL: Exactly. So you have an economic purpose, but there's an esoteric one as well. This brings up this whole question of the grail.

In the book, I point out something that most people don't get, including many academics. I've read all sorts of academic studies before doing this book, and one in particular said, "Well, there is absolutely no connection between the Templars and the Languedoc in Southern France." This is the region of Southern France right along the Pyrenees mountains that was the center of the Albigenses, the Cathars.

It just so happens that most of the Templars' holdings in Western Europe were concentrated in the Languedoc. Part of the reason is that the Templars were also heavily involved in the crusading activity in Spain to drive out the Moors. They needed supply lines and so forth.

But what this also means is that they're going to be in regular day to day operational contact with the Cathar nobility. So let's go to the



Albigensian Crusade, which along with the Holocaust is one of the most brutal, murderous, evil genocidal chapters in Western history because the papacy had determined that it was going to extricate heresy. So Pope Alexander calls for a crusade and he suddenly dies. This call is picked up, once again, by Innocent III, Lotario dei Conti.

You have to understand now the significance of what I'm going to say because the crusade is organized by the Cistercian order. It's headed by the Grand Prior of the Cistercians at the time, Arnaud de Citeaux And you have to recall that when the Templars were founded, they were in bed tight with Bernard of Clairvaux and the Cistercian order.

But during the Albigensian Crusade, the Templars along with the Hospitallers, are completely absent from the Crusade. So in other words, these two orders – particularly the Templars who were supposedly directly under papal obedience – defy the papacy. They don't participate in this Crusade which basically slaughters the Cathars.

When you study the history, there is a German fellow by the name of Otto Rahn who I talk about in the book that goes to the Languedoc in the early 1930's. He travels around asking the local French people there what their lore concerning the Crusade was. He runs into a French shepherd who tells him that what the crusading armies were really looking for was the grail which turns out to be – and I know this is going to be a whopper – the stones from Lucifer's crown which, according to the shepherds, they wanted to place on the papal tiara.

In other words, the local lore is that the Crusade was a cover to accomplish other objectives, one of which was to reacquire some lost technology of some sort. The other part of this is, if you stop and think about what's really going on here, Innocent III was extremely distressed about the fact that the Fourth Crusade had sacked Constantinople.

“The local lore is that the Crusade was a cover to accomplish other objectives, one of which was to reacquire some lost technology of some sort.”



C. AUSTIN FITTS: Which was a Christian civilization.

DR. JOSEPH FARRELL: A Christian civilization. Exactly.

C. AUSTIN FITTS: They weren't running around killing the Muslims; they were killing the Christians.

DR. JOSEPH FARRELL: They were killing Christians. Right.

So at this juncture you have to ask yourself, and this is the approach I take in the book, the dot-connecting. At this point the papacy knows that something is up and something is basically out of its control in a factual sense even though in a theoretical sense the Templars are nominally under the papacy.

If you look at what the Albigensian Crusade really is, it's a blow that is being struck against the economic center of emperor activity in Western Europe. And there's something else important here, and I hint at this in the book. I didn't come right out and spend much time with it. The Templars were also deeded on the death of King Juan II of Aragon. They were deeded his entire kingdom.

C. AUSTIN FITTS: Wow!

DR. JOSEPH FARRELL: Yes. They were attempting to set up their own state in Western Europe.

C. AUSTIN FITTS: I didn't know that. I know they had considered doing that in Cypress and I always thought it was a mistake not to create their own sovereign area, but I didn't know that about Spain.

DR. JOSEPH FARRELL: Oh, yes. This is what they were attempting to do. So the Albigensian Crusade, if you look at it, is a blow or a strike against the center of their power. In other words, what I'm saying is that you have to look at the whole span of the Albigensian Crusade up to Phillip IV suppression of the Templars as one political operational complex. What's going on here is an internal war in Western Europe between the



international order of the church versus a local, very different culture and order represented by the Cathars, and – in turn – their connection to the Templars.

The papacy is doing this as part of a grand strategy. They are taking out the economic center and thereby the political center of Templar power in Western Europe, and once this is removed then you have Phillip IV striking against the Templars some decades later in 1307.

This is a huge story. You're dealing ultimately with two different world views. You've got an international world order represented by the papacy versus a local sovereignty represented by the Cathars. This is what the Albigensian Crusade really is. It's a struggle of cosmologies, of finance, and all of that.

C. AUSTIN FITTS: Right, but there is a real difference to me in the cosmology.

DR. JOSEPH FARRELL: Oh, yes. Absolutely.

C. AUSTIN FITTS: Maybe we could touch a little bit on that. I'm not an expert at this, but I would say the Cathars were much more open to individual growth and potential.

DR. JOSEPH FARRELL: Yes, they absolutely were. From the standpoint of the church's orthodoxy at that time they were clearly in heresy as far as the church was concerned. But, what their cosmology really represents in my opinion, even though it has some dualistic and Gnostic elements, what it really represents as far as I'm concerned is a public expression of what I've been calling in my books 'the topological metaphor'. What that metaphor is is basically it is a cosmology whereby all differentiation that you observe in creation is part of a second process that creates, that allows creation.

Therefore, in Cathar thinking, there really isn't an approved special revelation or institution. Therefore their society is extremely tolerant. They were very tolerant of Roman Catholics in their midst. It was kind of the earliest manifestation of what will later become the secularized



protestant cultures that emerged after the reformation.

They were very, very tolerant. As a consequence of that, the Languedoc of Southern France of that time period was very, very prosperous relative to the other European states and countries around it. It was very prosperous.

Of course, from the point of view of the papacy this could have spread the heresy far and wide if it had been allowed to continue. I think, again, you have economic and political motivations for this Crusade, not to mention the hidden ones of trying to reacquire some sort of hidden technology of some sort.

This is the real reason for that particular grisly episode in European history.

C. AUSTIN FITTS: One of the things I've never thought about but it's interesting to think about is that the history of the development of capital and accumulation of sort-of intergenerational pools of capital. There are two types of technology that really drive that. One is, of course, armed and military, but the other is communication.

So, where I can arbitrage values – wherever I can communicate faster than you can – if I control the Western Union or I control the telephones and I can talk to people around the world and arbitrage the difference in values, I can build vast fortunes. For bullion banking you point out the Venetians trading the gold-silver ratio. So I can build vast fortunes if I can communicate just a little bit faster.

DR. JOSEPH FARRELL: Absolutely.

C. AUSTIN FITTS: I just wonder what the grail technology was.

DR. JOSEPH FARRELL: Well, this is why I began this whole series with *Babylon's Banksters*, pointing out that with some of the ancient temples – and I think also in possible reality – that you have to look at some of the gothic cathedrals precisely in this way. There are big, huge simple radio



cavity resonators that would have been possibly used for some sort of simple telegraphy from one point to the other.

After all, you're not going to be able if you're the Templars or Hospitallers to coordinate this international banking activity that they have going without some form of hidden communication system that enables it. I think you're dead on there. I think this is something that has to be looked at as a possibility. Otherwise the system just simply isn't going to work.

When we get to Philippe le Bel in France, I think it is very clear from the record – and I've tried to put as many of these records in the book as I can – that he is far from being the man who is controlling the papacy. It's the other way around. The papacy is controlling him.

Again, let me point this out. In academic studies, what they will tell you is that Philippe le Bel's motivations for trying to suppress the Templars was that he needed money and they were the goose with the golden eggs. They had refused him a loan that he had requested so he struck them. That's the academic explanation. But when you examine what actually happens when the Templars are formally suppressed, the Council of Vienne in France does not allow Phillip IV to cover anything. All that Templar loot is supposedly moved into the Knights Hospitallers. The loot just goes to another international armaments conglomerate.

“When you examine what actually happens when the Templars are formally suppressed, the Council of Vienne in France does not allow Phillip IV to cover anything.”

And may of the Templars themselves, in certain regions of Europe that don't follow his lead and try to suppress them, just disappear into other military orders like the Teutonic Knights, the Knights Hospitallers, and I strongly suspect into the Venetian Council of Ten because long after you have the suppression of the Templars you have Venice writing of member of that Council as being Knights. That's another clue that you're dealing with an organization that perhaps just went underground



after the formal suppression.

C. AUSTIN FITTS: That's a good question. Did they merge back into the metastructure the way the Nazis did, or did they somehow maintain a separate organization? It's funny because when I was reading that part in the book I got this chill down my spine. I thought the underground railroads were built after World War II with black budget money, but what if this has been going on for centuries?

DR. JOSEPH FARRELL: Again, I think that's exactly what happened, Catherine. I think there are enough indicators in the literature if you're willing to look for them.

To indicate that a bit of both occurred, some sort of organization persists after the official demise of the Templars. The reason I can say that with relative confidence is in the book I go as far as the beginning of the Early Enlightenment. When you look at certain events that just barely predate the beginning of the Thirty Years' War, one of the most significant is that the Prince of the Rhineland-Palatinate, a fellow by the name of Frederick von Wittelsbach. (There's a name for people following the bloodlines.) Frederick von Wittelsbach is married by an arranged political marriage with the daughter of King James Stuart I of England.

So Princess Elizabeth and Frederick are married. They go back from England back to the Rhineland-Palatinate and he is elected King of Bohemia by the Protestant clergy there. The Catholic Habsburgs have nothing to do with this, so they defeat Frederick's forces at the Battle of White Mountain in 1621. End of Story – that's the academic presentation.

But dig deeper and you find out that Prince Frederick von Wittelsbach is related – family ties – to the de Bouillion family in France and who are the de Bouillions. Well, Godfrey de Bouillion was one of the original nine founding knights of the Knights Templar. Furthermore, at the time of all of this going on in Bohemia in the 1620's, you also have the appearance of the Rosicrucian Manifestos.



What is the symbol of the Rosicrucians? Well, it's a red cross on a white background. And whose emblem is that?

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: So I think something of the organization did persist, and I also think that some individual Templars, depending upon their local circumstances, and up in other orders in Spain and Portugal and the Venetian Council of Ten the Teutonic Knights. So it blends into the post-suppression metastructure, that there is some sort of organization that is also continuing that is coordinating all of this.

I have to answer both 'and' rather than 'either/or'.

C. AUSTIN FITTS: Right. One of the things I've always had trouble communicating to our subscribers and people who ask is: The people responsible for managing intergenerational capital are extremely risk adverse. If you look at history, you'll understand why they are extremely risk adverse. If you look at what happened to the Cathars, if you look at what happened to the Templars, here you have groups that are very, very successful and getting more so. And what happens? It throws the balance of power awry, and suddenly you get these unbelievable attacks.

If you've ever read the story of what happened to the Cathars or the Templars you can imagine why passed down through the generations would be people who – as I was taught my whole life until I started to speak publicly – I thought conspiracy was just the way things were organized.

DR. JOSEPH FARRELL: Right.

C. AUSTIN FITTS: I just thought this was how we organized everything. I didn't know there was anything wrong with it. It's just how you got something done.

DR. JOSEPH FARRELL: Let's look at that for a moment. Let's look at the Templars once again from another point of view. They're not only an



international armaments complex that's going around that region of the world trying to pick up any sort of secret knowledge that it can, but what else is it? It is precisely an organization that by dint of existing outside of the feudal system at that time is precisely a system that can minimize risk because, after all, they're having to transfer huge amounts of money for the period from Western Europe to the Middle East and vice versa.

This is one thing. It represents the first creation of an organization that will allow you to accumulate intergenerational capital. And by the same token, their allies, Venice, had acquired very early on charters both from the Holy Roman emperors and from the Byzantine emperors that allowed them to exist in kind of an antonymous state outside of the feudal system.

C. AUSTIN FITTS: I have to stop you here because I think there are very few people who have had an education in what it meant to our lives and our lifestyle. To me, the invention of financial liquidity through time and space was like the second invention of fire.

DR. JOSEPH FARRELL: Yes, exactly.

C. AUSTIN FITTS: It was like they invented fire for the second time. If you look at this planet – whether it's the energy model – financial liquidity has made extraordinary things possible without which we couldn't. It's quite remarkable that you and I can go down, open an account at a financial institution, and be pretty confident that the money is going to be there. And if we die, our heirs are going to be able to claim it.

In other words, there is a thing going on. I've lived in worlds where it's not going on and you can't get it, and that's pretty frightening. That's a pretty Orwellian world. Financial liquidity is an extraordinary thing and I think it's not something that our normal education helps us understand the power of it and the importance of it.

DR. JOSEPH FARRELL: No, they don't. Since you're on that subject, let's put the same point a bit differently. Without the Templars you would not have had the ability to minimize risk in international finance. They're



the ones minimizing it.

The other thing that would not have been possible in Western European history is precisely the accumulation of capital. In other words, you cannot understand the emergence of what we would consider modern financial methods and techniques and institutions in the Renaissance without them. It's simply impossible.

C. AUSTIN FITTS: Here's what I didn't understand until I met you and started to read your work. To me, the power is when you combine Venice with the Templars because it was Venice that really drove the early insurance business.

DR. JOSEPH FARRELL: Right.

C. AUSTIN FITTS: So the combination of Venice with insurance, and one or both of them with accounting, with the Templars. Without enforcement there is no financial system, let alone liquidity.

“Without enforcement there is no financial system, let alone liquidity.”

DR. JOSEPH FARRELL: Right.

C. AUSTIN FITTS: By being able to shake a hand in Venice and then show up in Spain and pick up your gold, it's the combination of Venice and the Templars that make that.

DR. JOSEPH FARRELL: Absolutely. You cannot understand European politics, finance, or history without understanding this period. The other thing we need to remember is the financial elite certainly know this history. They know the techniques that were used. They have mimicked them time and time again throughout history. They've created international structures that if you look at them are very medieval if you compare them to what's going on during this time period of history.

You really need this information from the financial history point of view in order to understand what's going on today.



C. AUSTIN FITTS: It's funny. If you look at the bricks now sitting up there on development banking, this is all about channels and everybody having to put their money through the official channel.

So what we're saying is the Templars and Venice in combination had created pathways of liquidity outside the papacy and the Church that were more powerful, and the Church's power couldn't let that happen. They needed the financial channels to go through them.

DR. JOSEPH FARRELL: Exactly.

C. AUSTIN FITTS: It's the same issue we're watching now. You see the United States demanding all sorts of subjugation from the Swiss banks because they can't afford the leakage. They need everything to go through their channel. It's all about the financial channels and the war between clearance and settlement systems.

DR. JOSEPH FARRELL: Exactly. You've raised another important point that is very important for people to understand, and that's the creation of the Inquisition. Most people don't realize that the Inquisition was created as an institution during the Albigensian Cathar Crusade. When you look at the charter of the Inquisition, it had the ability to confiscate the financial and real property holdings of people that it accused.

In other words, what the Inquisition is is it is as much a counterintelligence and financial counterintelligence institution that is set up as a competitor to these international crusading orders.

C. AUSTIN FITTS: Do you know what we call it?

DR. JOSEPH FARRELL: What?

C. AUSTIN FITTS: The control and concentration of cash flow.

DR. JOSEPH FARRELL: That's it. Exactly.

C. AUSTIN FITTS: The Inquisition was about the control and concentration of



cash flow.

DR. JOSEPH FARRELL: That is exactly so. Again, it's important for people to understand that these models are there in the historical record if you're willing to take the academic lenses off and start connecting dots and thinking about the deep political and financial implications of what's going on. This is why I stress the fact in the book that when you look at the founding of the Templars and the cover story and the fact that what they're really after is hidden knowledge, when you look at the Fourth Crusade and when you look at the Albigensian Crusade and when you look at the subsequent suppression of the Templars by Phillip IV and then look at the politics of the early protestant prices just prior to the Thirty Years' War, what you're looking at is one big, huge operational complex that is really struggling to see who's going to end up on top of this political financial complex that's being built during the Middle Ages. That's what you're looking at.

C. AUSTIN FITTS: Right. There were so many times in the book when I just felt like I was reading the story of the United States' invasion of Iraq. I just went back, and there's a new documentary on Cheney that I watched recently. If you look at all of his efforts to get us into the war, you think, "Well, maybe the Germans did find a grail technology in their excavation over there."

That's the only explanation I've ever come up with that explains Cheney's behavior. And then the looting of the museum. But you get this feeling that there's a cover story and then there's a real story. We don't know what the real story is, but the cover story makes no sense.

In the meantime, these people are not crazy. Whatever Dick Cheney is, he's not the nut that everybody says he is.

DR. JOSEPH FARRELL: Oh, no.

C. AUSTIN FITTS: He had a real politic reason to do what he did, and we just don't know what it is yet.



DR. JOSEPH FARRELL: Well, let's talk about the Baghdad museum looting for a moment. I've talked about it in various books of mine, usually by way of footnote.

Again, we have to go back and look at the story. The story was that people were seen in American uniforms entering and leaving the museum and carting stuff out. Now, prior to the American and British intervention and invasion the government of Saddam Hussein had many archeological teams all over Iraq digging for him. Most of those teams were French and German. Most of those catalogues – the field catalogues of what they were actually finding, so far as I've been able to determine – were kept by the French and the Germans and not made privy to the British or Americans.

The story that the American Marine Colonel Matthew Bogdanos recovered most of the art objects is true, but what they're not telling you is that the cuneiform tablets that were also looted were, in most cases, still missing. You have to dig long and hard to even find any news about them. This is the problem.

The other part of the problem is that Der Spiegel in Germany was the first major western press that broke the story of the Baghdad museum looting. So I do think you are correct. I do think there is something going on there. I don't necessarily think we were involved with the looting; it could very easily have been German BND which had – and still does have – heavy human on the ground presence in Iraq. It might have been them pulling a classic false flag operation. I don't know. But clearly I think you're right. I think there's something else going on.

C. AUSTIN FITTS: There may have been a weapon of mass destruction, but it wasn't nuclear.

DR. JOSEPH FARRELL: Exactly.

C. AUSTIN FITTS: It could have been more powerful than nuclear.

DR. JOSEPH FARRELL: I go back to my book *The Cosmic War*. If you read



that book, I point out that the Mesopotamian texts are constantly talking about the so-called Tablets of Destinies or Me-gal-gal in Acadian. What these things are – if you read the text – is they contain “all the power of the universe.” So whatever these things are, if you’re of that kind of Templar mindset of, “We’re going to go in there with a military expedition, but what we’re really looking for are texts and technologies.”

Well, look at what’s happening in the Middle East now. You have the Iraq invasion. In Egypt you have, prior to the fall of Mubarak you had the Egyptian government all of a sudden building a wall around the Giza compound and not explaining exactly why. The public story was, “Well, we’re going to protect the compound from terrorists.”

Well, I’m sorry. A suicide bomber with a strap-on bomb isn’t going to be able to do any significant damage to those structures. I think there was something else going on and it had to do with antiquities. Sure enough, during all the upheaval in Egypt there were these stories that popped up now and then that antiquities were being looted. They even went so far as to include Dr. Zahi Hawass, the Minister of Antiquities at the time, in some of that activity.

And again with Libya. You’ve got all sorts of ancient sites in southeastern Libya that only became known during the same time period. I think, yes, there is a possibility that we’re dealing with a hidden agenda here that has to do with some of these antiquities and ancient lore.

C. AUSTIN FITTS: Scarf up the knowledge and make sure no one else can get it.

DR. JOSEPH FARRELL: Scarf up the knowledge and make sure no one else can get it because, again, Egyptian texts are full of illusions to the stuff. Ugaritic texts are, Mesopotamian texts are, and it’s the scene of all this upheaval today.

“There is a possibility that we’re dealing with a hidden agenda here that has to do with some of these antiquities and ancient lore.”



C. AUSTIN FITTS: One of the last things I wanted to bring up, because it's one thing I've always believed is very important but I've never been able to really unpack what it's all about, is the bloodlines. One of the questions I've always had is: Is the reason that the groups flowing out of this time – like my experience with the Masons – is the reason they're so obsessed with bloodlines and engage in breeding programs because of a connection or a relationship between the DNA and the use of some of the technologies?

DR. JOSEPH FARRELL: Oh boy! Ding, ding, ding! I don't know if you've read my book *The Cosmic War*.

C. AUSTIN FITTS: Of course!

DR. JOSEPH FARRELL: Okay. Well, I talk precisely about this point in that book. If you look at these so-called Tablets of Destinies, wars are being fought over their possession and wars are being fought with them.

They represent – at least in the mythological text – some sort of technology. But the curious thing is that they only seem to be activated either in close physical proximity or actual physical contact with whoever is using them. I speculate precisely on this point. Perhaps you're dealing with some sort of biometric technology that can only be used by certain people with the requisite genetic signature.

Is that a possibility? Again, I think so if you read the texts closely with that sort of viewpoint and that sort of set of lenses on.

And bloodlines – my goodness! I don't think anyone can come away from this book without the distinct impression that they keep popping up against all of the same families or family connections over and over and over and over again.

One is a coincidence, two is a synchronicity, and three is something else entirely!

C. AUSTIN FITTS: Let me tell you from personal experience that bloodlines is



of the utmost significance.

DR. JOSEPH FARRELL: Oh, yes. I agree.

C. AUSTIN FITTS: The human race doesn't just happen; it gets bred.

DR. JOSEPH FARRELL: Again, you have no argument from me that there is another factor that's been at work here for millennia. This is what I was also attempting to communicate in this book. You're dealing with agendas with plots with conspiracies – whatever you want to call it – that span centuries.

C. AUSTIN FITTS: In the moral of their human experiences, they need to go about things discreetly and quietly. It's a dangerous game.

DR. JOSEPH FARRELL: Absolutely. It's an extremely dangerous game.

C. AUSTIN FITTS: Right. Well, after the suppression of the Templars and the Cathars, we move forward. One of the things you take a portion of the book to discuss is the really literal explosion of the more enlightened cultural pattern and the Hermetica. You spend a fair amount of time on this. I love Shakespeare, so I enjoyed the discussion of Shakespeare.

DR. JOSEPH FARRELL: I do, too.

C. AUSTIN FITTS: I now look at *The Merchant of Venice* in a whole new way. It was really funny in the book where you're talking about all the world is a stage and how they organize the stage. They are literally showing you how people can invent their world. "All the world is a stage," and I wrote next to it, "Reality TV."

DR. JOSEPH FARRELL: Exactly.

C. AUSTIN FITTS: This was the first reality TV. But we have this explosion of the culture popping up everywhere in a seemingly spontaneous way. The papacy could never come down hard on it because there's no center. There's no formal organization. It's just bursting up all over the place.



As you point out, this may not just be some kind of coincidence.

DR. JOSEPH FARRELL: From my point of view, Catherine, I don't think that this is entirely coincidental. One of the reasons I spent so much time in the book with people like Shakespeare, with Frederick von Wittelsbach, with the Rosicrucians and *The Merchant of Venice* was to point out that when you look at the people involved in spreading this kind of Christianized Hermetic culture, what you're looking at are people who are deeply connected with each other. They're sharing views, they're buying each other's books, and they're promulgating these things in literature and art and music and theatre and so on.

If you look carefully at the center of this activity, guess where it is? It's Venice.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: In this respect, I point out something that I pointed out in *Financial Vipers of Venice*. You have Gasparo, Cardinal Contarini, a Venetian cardinal, who is corresponding with Martin Luther. At the same time he's chairing for the papacy – this steering committee, as it were, for the Council of Trent and the Catholic Counter-Reformation – and he's the guy who is sponsoring Ignatius Loyola, the founder of the Jesuits, to get papal approval.

In other words, he's playing both sides of the fence. If you look at other people in Venice, particularly by the name of Francesco Zorzi, this man is the internationally renowned canonist at the time.

In other words, when Henry VIII is wanting his divorce from Catherine of Aragon, the person who he's consulting with is Francesco Zorzi. If you look, however, very closely at who Zorzi is and what he's up to, he's also one of these Renaissance magicians. He's steeped in all of this Hermetic literature. He's steeped in Cabala and so on and so forth. These ideas are spreading from Zorzi to people like John Dee in Elizabethan England to Robert Flood in Jacobian England.



There's this huge Venetian connection and influence with the spread of these Hermetic ideas. So you have to look at that.

C. AUSTIN FITTS: Did Venice throw its lot in with the city at that point and then start to finance all this stuff?

DR. JOSEPH FARRELL: This is the big, huge question.

C. AUSTIN FITTS: How did the bullion trade move from Venice into Amsterdam and then the city?

DR. JOSEPH FARRELL: From Venice into Amsterdam and then into London. This is the big, huge question. Other researchers have maintained this. What they have been doing is they have been maintaining this without the footnotes. I'm trying to find the footnotes.

But, I suspect that this is the case because – and here's something I didn't put in the book. I haven't talked about it publicly yet. I'll do a little bit of it here.

What the Venetian oligarchical families also had was their family *fondi* which is the Italian name for their family fortune. If you look at what the word *fondi* means, it means 'foundation'.

In other words, I strongly suspect that what they did – and this is, in my opinion, the real beginning of the modern idea of a foundation – they moved their personal fortune into what we would call a non-profit organization. That organization, in turn, becomes the mechanism by which you continue your control of the money. You continue it outside of tax law and it becomes the organization by which you move your money from one place to another.

You do have very significant Venetian families that begin to be present on a permanent basis

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within Elizabethan England. You do have some sort of connection. I'm not certain exactly what it is between Venice and Amsterdam, but you can kind of see the influence at work just by looking at Amsterdam.

What is it? It's a city built in a swamp with canals!

C. AUSTIN FITTS: Well, Holland and Venice City were all sea-faring nations. Their success depended on their sea-faring.

DR. JOSEPH FARRELL: Right. I think it's inevitable that you have to entertain the idea that the Venetian oligarchy simply isn't going to sit and let geopolitical events and the open disclosure of a New World move events away from them. There's not a financial elite in history that I know of that sat back passively and simply allowed events to overtake them.

I think, yes, you have to entertain the possibility. But as yet, I have to be very honest and say that I have not yet found enough evidence other than conceptual links tying these three centers together. But I think the conceptual links alone – if you really stop to look at them and look at the founding of the East India companies in Holland and Britain and France and so on. When you look at these companies, what you're seeing is a Venetian model being applied on a very, very large scale. To me, that inevitably is going to evoke some Venetian hand and Genoese in all this activity.

C. AUSTIN FITTS: Without getting into it, we have to mention the history of the creation of partnerships and corporations because that's part of this. And what we're seeing globally is emergence of the corporation as the owner and asset manager – the intergenerational institution to own and manage assets instead of sovereign governments.

DR. JOSEPH FARRELL: Exactly. That's exactly what's going on.

C. AUSTIN FITTS: And I should say it's foundations and corporations, not just corporations.

DR. JOSEPH FARRELL: The other thing that people need to recall in this



regard is if you look at the period of history from 1600 or so up until about the very beginning of the 19th century, what you're really looking at is a global order that is being run by corporations behind the typical sovereign governments.

We tend to think of competition between France and England, but what you really have is competition between the companies that are chartered by the crowns of those particular countries. That's really what's going on here.

Without getting into details, I started looking at the Louisiana Purchase. I've got to tell you – you want to talk about some high geopolitics and financial shenanigans.

C. AUSTIN FITTS: Oh, I'm sure!

DR. JOSEPH FARRELL: That's just full of it. The model is there. There is certainly a Venetian influence, as I said, with the politics to the age. You cannot understand Shakespeare really if you assume that the guy from Stratford-on-Avon is the author of all of that stuff. That just doesn't fly.

Once you entertain a more aristocratic authorship for the plays, then it begins to make sense because you mentioned *The Merchant of Venice*. I'm of the Earl of Oxford hypothesis for Shakespearean authorship. It's very interesting that Edward de Vere, the 17th Earl of Oxford, spent time in Venice. He made it his headquarters. He was very well-acquainted, as most of the intellectual elite at that time were with all this Hermetic literature.

Once you look at what's going on in the play, it is very clear that this is a play that was composed by someone with a thorough, thorough knowledge of esoteric systems and particularly the Cabala. It's just stunning and remarkable. There's no getting around it.

C. AUSTIN FITTS: You know, Shakespeare's plays really were an amazing way to teach the common men how things really worked, but in a way that would attract sympathy for the leadership.



DR. JOSEPH FARRELL: Exactly. Henry VIII is one of my favorite plays. It's usually not considered one of his best in the canon, but if you look at the play it is full of court protocol that someone from Stratford-on-Avon just wouldn't have known. There's just no two ways about this.

C. AUSTIN FITTS: Is that the one with the phrase about the good heart? 'The good heart is the sun and the moon.'

DR. JOSEPH FARRELL: I think so. It's one of the Henry's.

C. AUSTIN FITTS: I'll have to go back and look.

DR. JOSEPH FARRELL: Again, you see a clear Hermetic influence in the plays with the fact that the good Catholic goes to Heaven. The good protestant goes to Heaven. There is none of this religious partisanship. This is a viewpoint coming directly out of that Hermetic view. It's a viewpoint that, in a certain sense and if you look at it carefully, can be traced all the way back to the Cathars who are tolerant of Catholics in their midst and so on.

All of this is exploding. When you factor in the fact that you have the appearance during the early 1620's – circa that period – of the Rosicrucian Manifestos, you are clearly dealing with a Europe that is being, to some extent, orchestrated by some sort of hidden hand to transform the cultural order. Protestantism and Catholicism aren't the only players. There is the hidden player of Hermeticism which I think people really have to clue into. Otherwise, they just simply are not going to understand what's going on.

C. AUSTIN FITTS: Well, the review is up on the blog. It links to your website where you can get this and the other books in the series. So *Thrice Great Hermetica and the Janus Age*, and *Babylon's Banksters*, and *Financial Vipers of Venice*.

Before we close, I want to go back to one of my great frustrations that result in my deep satisfaction when I read your books. That is, I will get on a radio show and I'll have somebody say, "Don't you think we should



shut down the Federal Reserve and issue digital currency?”

DR. JOSEPH FARRELL: No, no!

C. AUSTIN FITTS: I go crazy because financial liquidity is so powerful and so important to the general health of everybody and everything. I’m not going to open up your brain and do surgery on your brain just because, “Oh, what a great idea! Let’s open your brain up!”

No. So we’re talking about a living system that is very powerful and has been risk-managed and evolved over the centuries, but it’s all part of a governance system. In other words, the financial system is a component of a governance system and you can’t change one component unless you’re willing to look at the whole thing.

It’s like me saying I could chop off my foot and it wouldn’t have an impact on my heart. Do you know what I mean?

DR. JOSEPH FARRELL: Right.

C. AUSTIN FITTS: The governance system sits on a cosmology – on a culture.

DR. JOSEPH FARRELL: Yes.

C. AUSTIN FITTS: So I don’t want to talk about how we’re going to change the currency system. I want to know what are the cosmologies and the governance networks at play, and what needs to change there. Part of my frustration, of course, is I still don’t quite know what’s going on. I’m just trying to figure it out.

But I know that you’ve got to start with cosmology.

DR. JOSEPH FARRELL: Yes, certainly.

C. AUSTIN FITTS: So if anybody wants to talk money without talking

“The financial system is a component of a governance system and you can’t change one component unless you’re willing to look at the whole thing.”



cosmology frightens me to death.

DR. JOSEPH FARRELL: It can't be done. It cannot be done.

I'm in the same boat, Catherine. I've been trying to figure out what the competing cosmologies are, and I always come back to two basic and very different systems. One system of cosmology views creation – and this is coming directly out of Hermetic systems and ancient 'pre-Yahwist religions'. In other words, they're religions of nature and nature's god as distinct from religion's claiming some sort of special direct revelation.

In those systems, it appears to me that what the cosmology is is a cosmology of the free and endless creation of information. In other words, it's a cosmology that is not based as our Western system has been for so long on an idea of an infinite debt owed to an infinitely angry god.

C. AUSTIN FITTS: Right. Run by grumpy old men.

DR. JOSEPH FARRELL: Run by grumpy old men, yes, wearing skirts. I think that's the first cosmology. The financial systems that you see in place in those ancient societies are basically systems of money where it's very difficult to ascertain whether there is an equivalent of a central bank. The answer, again, is yes and no. Usually in those societies money or the medium of exchange is directly tied both to the crown and to the religious temple.

At a certain point in ancient history you begin the rise of the bullion banking class, and they have a very different cosmology. Their cosmology is cosmology of a closed system and ergo of scarcity of resources that are always being depleted and competition for them. Hence, what you get out of those cosmologies is what I call the facsimile of money, which is monetized debt that functions as a medium of exchange. That's the system that we have been living under for millennia.

The problem here that I think the financial elites are being confronted with today is that technologies are clearly moving to an open systems



physics and therefore are implying an open systems cosmology. Just stop and think. If cold fusion, for example, or zero point energy would ever be able to be tapped by any sort of technology – and I think they already are.

C. AUSTIN FITTS: I don't see how they run all the underground stuff without them.

DR. JOSEPH FARRELL: Exactly. I think the technology already exists in kind of a Mach One first version model. Therefore, this is going to imply a vastly different system of finance. What really is going on to a certain extent, in my opinion (and I'm borrowing your phrase here) is that I think they are at a bit of a loss as to how to 'reinvent' money because the model that they've been operating under for so long and that they're most accustomed to has to change, but they've operated under the old model and old system for so long that they don't really quite understand how to go about setting up the infrastructure institutions to manage this transition.

I think we're living in that age of cosmological change. I think you're seeing the death of a close system cosmology and a new cosmology beginning to percolate and it's going to have drastic – and I can't underline that enough – effect on the financial institutions of the future. In 100 years we're not going to recognize it.

C. AUSTIN FITTS: It's interesting. I was doing a study on the equity system because if you're going to go from a world run by sovereign governments to a world run by corporations, then you've got to go from a debt model to equity.

DR. JOSEPH FARRELL: Yes, absolutely.

C. AUSTIN FITTS: A corporation can do debt, but they can't issue debt instantly the way sovereign governments can.

DR. JOSEPH FARRELL: Right.



C. AUSTIN FITTS: And, of course, what we saw, and this was after the Bush administration when I did this, was the FCC put together a task force for emerging markets and was going around the world helping people create equity. I'll never forget being in Shanghai in 1997 when the equity markets were just getting going.

Equity markets around the world is a relatively new thing. I reading a McKenzie study that said that we've got a problem because as the emerging markets grow they put their money in banks and real estate. They don't buy equities because equities is really a Western phenomena – equity investment.

Well, we just saw this new study – and I know you picked up on it – where sovereign wealth funds and government pension funds and other government entities have now purchased \$29 trillion of the \$130 trillion of cross-border assets including huge equity. In fact equity ownership in one sense in the emerging markets is increasing, but it's driven by these governmental entities.

Now the biggest owner of equities is the Chinese sovereign wealth fund. It's quite extraordinary how they're kind-of evolving it because it appears that they are moving more towards an equity system.

DR. JOSEPH FARRELL: Well, let's look at it this way. Let's put it this way. I think that analysis is true, and what it represents for me is when you say 'equity-based system of finance' and 'equity-based system of media of exchange' what you're really talking about is an open systems cosmology. You can't have one without the other.

C. AUSTIN FITTS: Right.

DR. JOSEPH FARRELL: This, to me, is a clear signal that they do understand, that they are in an age of transition where technologies are going to be driving the financial structures and institutions that are being created.

Again, I think this is the relevance of all this story of the Middle Ages and so on and so forth because ultimately what you see in the conflict



between the Templars and the Cathars on the one hand and the papacy on the other is you have the competing technologies – an equity-based open systems cosmology on the one hand and a debt-based scarce resources type of closed-system cosmology on the other. I think that's exactly what's driving it.

C. AUSTIN FITTS: Well it's interesting because if you look at the nature of the assets that we're dealing with, you have both. I'll show you how it works. Let's say you have an oil well and I have money. I want your oil well and you want my money. I trade you, but then I kill you and take back the oil well. Now I have the money and the oil well, and I'm better off. Crime pays.

DR. JOSEPH FARRELL: Okay.

C. AUSTIN FITTS: Let's say I create a database and I sell you a database. If I kill you I'm worse off instead of if you grow your database and you and I do a joint venture. Then we can create a new thing. I'm much better off with you thriving because I can make more money from your success.

DR. JOSEPH FARRELL: Exactly.

C. AUSTIN FITTS: We have both the land and the oil and the concrete, but then we have this other thing happening. You're seeing both economics kind of battle it out in the whole process between open and close and everybody trying to figure out they're better off.

Here's what it's going to come down to. The reality is the system that can maintain financial liquidity will always be the wealthier, and you can't create and maintain financial liquidity without trust.

DR. JOSEPH FARRELL: Absolutely. Absolutely. Bingo! I can't improve on that.

C. AUSTIN FITTS: That's what the Department of Justice and the Department of Treasury are grappling with – how do they maintain their financial liquidity through force. I could never understand why so much fantastic amounts of money are spent on promoting the official story, and that's



because they're trying to maintain the trust of the liquidity and the force at the same time. Of course, it's fraying.

DR. JOSEPH FARRELL: It's counterproductive because the amounts of force that they're resorting to are indicators of the fact that they're losing trust. They're going about trying to restore that trust in all the wrong ways. This is precisely the problem.

I'm totally in agreement with you.

C. AUSTIN FITTS: Okay, well this is to be discussed later – how we create a system of trust and what is the cosmology upon which it must be based to be strong and powerful and whole through the ages.

DR. JOSEPH FARRELL: Right.

C. AUSTIN FITTS: Clearly, as I can tell from your book, this is a century-old conversation but it will continue here at The Solari Report.

DR. JOSEPH FARRELL: Excellent! I'm for that!

C. AUSTIN FITTS: Okay, well Joseph, thank you again. This is a wonderful conversation. Have a great evening.

DR. JOSEPH FARRELL: You, too, Catherine. Thank you for having me back on.

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