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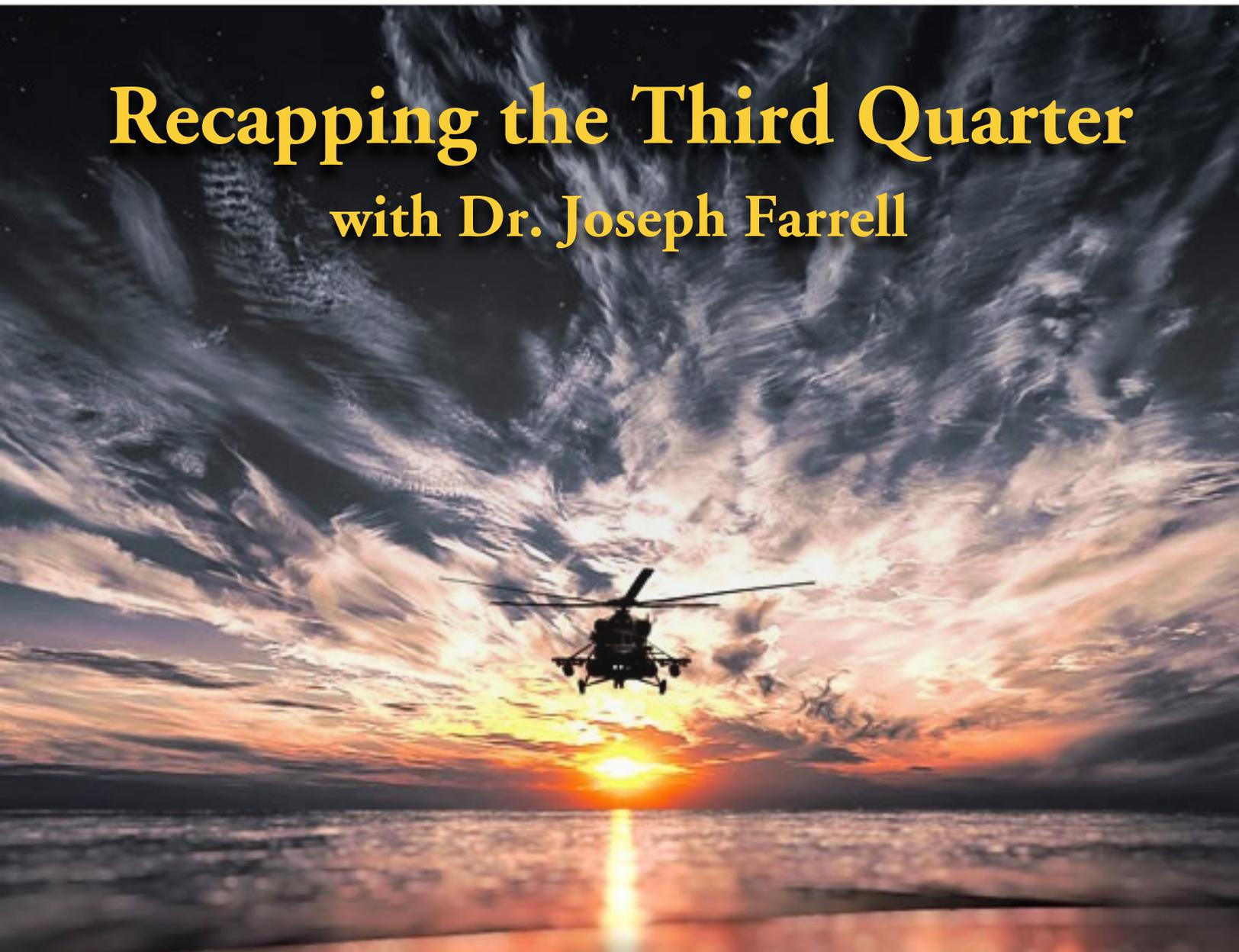
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# The Solari Report

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OCTOBER 29, 2015

**Recapping the Third Quarter**  
with Dr. Joseph Farrell





# Recapping the Third Quarter

October 29, 2015

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**C. AUSTIN FITTS:** Ladies and Gentlemen, it's a pleasure to welcome back Dr. Joseph Farrell who, as you know, after each Wrap-Up I invite to help me comment on the Wrap-Up and the stories of each quarter. I find his insight on the bigger picture of what's going on always to add enormous amounts to the Wrap-Up process.

So I couldn't be more thrilled. I'm coming from Amsterdam, and Joseph is somewhere in the heartlands of America – a man of mystery.

**JOSEPH FARRELL:** This is our first international broadcast.

**C. AUSTIN FITTS:** You know we're always on the planet. People ask, "Where are you?" and I say, "I'm still on Earth." I'm still on Earth.

So, Joseph, I just have to start because this was such an amazing quarter. I look back over the last three months and I think, "How could so much have happened in only three months?" I just have to ask you, in such an intense period – both 2015 and just the third quarter – what was on your mind? What really struck you? What were the things that reached the top of your list in the third quarter of 2015?

**JOSEPH FARRELL:** There were three things, and I know I just said one of them to you before we started recording. One of them is Trump's swing at Common Core, which I think is going to be a political hot button in the election. The other two things were, of course, the Russian intervention in Syria and its very, very quick neutralization of the terrorist cells and so on there in conjunction with the Syrian army. Then playing into that, the third thing that I've been kind-of tracking for a few months and just started blogging about on my website is the changes that seem to be apparent in Saudi Arabia.



In fact, I've even got a blog that I want to do after the conference coming up about someone else who's also noticed this and is even blogging about the possibility that there's been some sort of coup in Saudi Arabia to reorient that country more toward Russia and break it out from underneath Washington's thumb. If that's true, we've seen certain signals already. We've had the Saudi Foreign Minister or the Saudi Defense Minister going to Moscow. There have been some exchanges between Mr. Putin and Saudi leadership recently in the last quarter, and what we're watching is the unraveling – not only as you put it in the Quarterly Wrap-Up – of the Bretton Woods system, but we're also witnessing the unraveling of the geopolitical context for the whole system.

**C. AUSTIN FITTS:** Right.

**JOSEPH FARRELL:** So these three things, I think, if they continue – and certainly Russia doesn't look like it has any intention of backing out of the Middle East any time soon, and Saudi Arabia doesn't look like it's going to be as subservient as it has been, or at least not as much in the Western orbit as it has been previously.

**C. AUSTIN FITTS:** I'd like to go through each one of these more carefully because I think these are all very important issues, and you know me. I'm burning up about Common Core, so I have to start there.

**JOSEPH FARRELL:** Oh, me too.

**C. AUSTIN FITTS:** I was astonished. As I was leaving Memphis to come to Europe, I found myself in a local conversation with a group of women I didn't know – young women. I never bring up political conversations unless someone else does because you never know what people find energizing to talk about. The school year was just starting. I tell you, Joseph, they are furious about Common Core and were in a state of complete revolution. To say that they were angry, it was unbelievable. I've never seen anything like it.

Of course, at the same time, you had Trump out saying, "This kind of thing should be locally controlled."



**JOSEPH FARRELL:** Yes.

**C. AUSTIN FITTS:** The numbers I've seen is the thing that has most hurt Jeb Bush in the polls is Common Core. He's just taking it in the chin over Common Core. I thought, "America is getting smart. This is a good sign."

**"The numbers I've seen is the thing that has most hurt Jeb Bush in the polls is Common Core."**

**JOSEPH FARRELL:** It is a very good sign, and whether one supports Trump or not, kudos to him for bringing up the whole issue. For me, Common Core is a paradigm of what is wrong and has been wrong with American education for the past 100 to 120 years, and that is a certain progressive element gained control of the processes of American education during this time period. It was really from the time period of more or less the Wilson administration on up to the Post-World War II period with people like James Bryant Conant at Harvard University, the President of Harvard, the people like Henry Chauncey who founded the Educational Testing Service, and this was the whole move to create in American education, first of all, the requirement for teacher certification.

Let's zero in on three of my pet peeves with American education. The three things are: teacher certification, standardized testing, and the decay of scholarly standards in referencing. Let's look at each of the three of them because Common Core really knits the three together in an even tighter way than they have been in the past.

Teacher certification, as far as I'm concerned, is how they've gained control over education. To gain teacher certification anymore, you spend a great deal of time in so-called 'education classes', basically wasting time as far as I'm concerned, learning a bunch of claptrap – methodology, educational psychology, and all of this nonsense – and you spend very little time learning the discipline that you're supposed to teach.

I saw this very clearly, Catherine, back when I was a professor. I was a professor for OU and Langston University in Oklahoma, and I taught courses from European History, Diplomatic History of the United



States, things like Classical Philosophy, Medieval Philosophy, and invariably, Catherine, the dumbest students that I had in my classroom were education majors.

I would often engage those students to find out what it was that they wanted to teach. “I want to teach English,” and, “I want to teach history,” and so on and so forth. I have to tell you that my impression was – and it has not changed; in fact, it has only grown with my contact with other teachers in education and so on – basically the bottom line is that most people agree that when you get right down to it, it’s all the time they spent in education classes compared to the amount of time they spent learning the disciplines that they’re going to teach.

**C. AUSTIN FITTS:** Right. They never learned to master anything. That’s the bottom line.

**JOSEPH FARRELL:** Precisely. They no longer achieve a competency in the disciplines they’re supposed to teach. This is the first thing that I think has to go. To me, it’s an absurdity. It’s literally so bad, Catherine, that I have a PhD from the oldest university in the English speaking world, and to get that PhD I had to display competence not only in my subject, but in Greek, Latin, French, German, Hebrew – a lot of languages. I had to know the basic history of philosophy and the history of science and cannon law and so on. So, in other words, to me it’s absurd that with that kind of academic background I cannot step into a public high school classroom and teach history without certification.

**C. AUSTIN FITTS:** Right.

**JOSEPH FARRELL:** This has become the way that they have exercised control over the educational process. Essentially what certification is is it’s a license to practice. The other thing that highlights the inutility of the certification procedures is the fact that when you are a public school teacher, you then are required an x amount of hours every year in continuing education. So the school districts end up selecting certain teachers to go to these workshops and so on, and invariably these workshops are more of the same. They’re more indoctrination with the



latest educational methodology and the latest fad to come out of the teacher's colleges.

Very, very seldom do you hear teachers having their way paid to go to a seminar on English literature or go to a seminar on Oscar Wild or Victor Hugo or somebody like this. In other words, the professional development itself steers you away from knowledge of what academics is saying about their own subject matter.

The second thing that I think is wrong with Common Core – and to me it's the real issue – is everybody is focused on the Common Core standards. If you listen to the explanations of certain things in mathematics they're horrendous. For me, the big focus of Common Core isn't the standards as much as it is the assessment process. What the assessment process is in Common Core is the standardized test, which has its own philosophical problems coming out the wazoo, if I can speak bluntly. It's an individually adapted computerized standardized testing process.

In other words, students are now taking their standardized tests on computers. The computer adjusts the questions according to the student's responses. All of this is being done by an anonymous group of people who've programmed the test, who've come up with the test questions, so you're handing even more power over to the corporations that have created the standardized testing nightmare in the first place.

So, I can't begin to tell you how nonconductive to the educational process standardized tests are because in no standardized test is the student allowed sufficient opportunity to explain his or her process of reasoning. You're simply regurgitating preselected answers. Now with the adaptive assessment that Common Core puts into place, you now have a tracking mechanism – yet another level of surveillance – on an individual from the time they enter the school system until the time they leave. This assessment process is continuous and ongoing to the extent that it will be used as a social engineering tool to steer people into the selected careers that the system wants.



Let me point out that this was precisely the goal of standardized testing to begin with. When Henry Chauncey founded the Educational Testing Service in Princeton, New Jersey in 1948 or 1949, his goal precisely was what he called the Census of Abilities. In other words, this was a mechanism that he and James Bryant Conant and other people in the educational oligarchy were deliberately designing to create a meritocracy to steer people into what they thought was their most optimum career choice.

Now I submit to you, you cannot have an educational system like this work. You can clearly see it doesn't work. You cannot have an educational system like this where there is no ability for the student to explain their process of reasoning in an interaction with another human being who is competent in the subject.

So we can now add standardized testing to the teaching progressive philosophy. So the standardized test, if you look at it, has only strengthened this educational oligarchy.

I recall this very definitely when I was a professor that they're teaching constantly to a test. They're not teaching their subject; they're teaching to prepare students for these tests, and that's it.

**C. AUSTIN FITTS:** Although if they're changing the questions as the test goes on, a teacher can't even anticipate what the questions are going to be.

**JOSEPH FARRELL:** Exactly. I've had a couple of people already email me about their children in school already being subjected to these tests. There are time limits and no opportunity to explain the questions. They can't study for the test because they can't anticipate what sort of questions are going to be on it. So this is a nightmare.

**C. AUSTIN FITTS:** It's interesting. The most angry feedback I get, and I get a lot of angry feedback from parents, and the most amazing feedback I get is from children themselves.

**JOSEPH FARRELL:** Yes.



**C. AUSTIN FITTS:** I sit across from 12-year-olds who explain to me how completely absurd this is, and their unpacking of it and their explanation as to why it makes no sense is very intelligent, very coherent, and they know that this is complete ya-ya.

**JOSEPH FARRELL:** Yes, it is. It's nothing more than the latest gimmick, the latest technological obsession, to come out of a politically corrupt class. We need to put it to the politicians that if they want this system put into place, they need to take these tests themselves and see if they can do well.

**“It’s nothing more than the latest gimmick, the latest technological obsession, to come out of a politically corrupt class.”**

**C. AUSTIN FITTS:** Here's what I think they're doing. I think they're trying to standardize the process so you can reengineer the whole thing. You could basically flip the cash flows into corporations. You can reengineer the whole thing into private companies and intelligence agencies who then can exercise highly economic, very centralized control.

**JOSEPH FARRELL:** Yes, that's exactly where it's at.

**C. AUSTIN FITTS:** So this is a way of creating private monopolies for both large corporations and reengineering everything into publicly traded stocks. So Microsoft is going to make a fortune, but the intelligence agencies are going to have direct access to every child. They're going to have 24/7 databases on every kid on the planet. That's where this is going.

To me, I make it out to be much darker than you do.

**JOSEPH FARRELL:** No. I'm full square with you. I view this as a social engineering tool. I view it as another layer of the surveillance state. I view it as another layer for corporate looting of the public trough. I view it as nothing more than another mercantilist policy to favor the big corporations.

The bottom line is, Catherine, that it is already demonstrably an



educational failure. In other words, this is also a system that is going to put America and any other country having a similar type of system into the bottom tier because, rest assured, countries like Russia, China, India, and so on are not going to go in for this. We can't have airplanes falling out of the sky because our airline mechanics have gone through the Common Core system and received a license to be airline mechanics at the end of the process who don't know anything about aerodynamics, but they sure do know how to be progressive and curb their language lest they commit micro-aggressions and all the other nonsense that is infecting our universities and our public schools.

**C. AUSTIN FITTS:** Right.

**JOSEPH FARRELL:** The third thing about Common Core that to me is my pet peeve is what it's doing to scholarship itself. As you know, when you read my books, I footnote according to the very old system of referencing that evolved over time in the academic world in places like Cambridge, Oxford, and so on. They evolved over time and allowed scholars to notate exactly where in a text they were getting a certain piece of information.

So when you read my books, you'll find that when I footnote something at the bottom on the page you'll find the author's name, the title of the work, the place it was published, the year it was published, and the publisher's company name, and then the exact pages on which defined the piece of information or quotation.

Now the standard in education courses themselves, if you go to take a teacher certification course, the way they teach you supposedly to reference something is to put a parenthesis after your citation with the author's name and the year of the publication, and that's it. So you flip to the back of the book – if you're reading a book or an ebook – and you discover that the book that they're referencing is 300-400 pages long.

In other words, they're simply saying, "Go look here." I'm telling you, Catherine, what this is doing is it's creating a dumbed down scholarly world, beginning with the teachers themselves.



If you go to the education courses in this country, what they're doing is they're insisting that teachers use this method of citation. You are not allowed to use the older methods, which gives you the exact page reference on which to find the piece of information so that you can go there and look it up without spending undue time. In other words, it's creating a whole group of lazy people and lazy authors, I might add, who no longer understand the necessity.

Just imagine now, Catherine, if this method that is being pushed in the educational system and this method of referencing things spreads to law, the legal references are to court cases' exact citations, so-and-so versus so-and-so in such-and-such a year in such-and-such a court and such-and-such a circuit, and here are the pages of the decision.

Imagine this spreading to law. Imagine this spreading to medicine.

**C. AUSTIN FITTS:** So here's what it's going to do. It's going to make people dependent on searchable text, which makes them dependent on things that can be easily changed and manipulated.

**JOSEPH FARRELL:** Precisely. You've touched on precisely the point I was driving at. What they're doing is they're trying to gain control over the canonical text of the very foundations of our civilization. This is why I keep warning people not to buy Amazon Kindle. Why do you think they call it 'Kindle'? They want to burn books. They want to burn the standardized text that they cannot control.

So what they're creating is a system where the information itself will be like the old Soviet encyclopedia. When Yezhov comes a cropper of comrade Stalin, we just go and crop the picture and take comrade Yezhov right out of the picture. They don't even have to do that anymore. They can alter these things at the push of a button on the computer.

So I urge people all the time that the only canonical editions of my books are the actual physical copies of the book from the publisher. Amazon Kindle I do not regard as canonical because I don't trust them.



Barnes and Noble Nook I do not regard as canonical. If a book is worth having, it's worth having.

**C. AUSTIN FITTS:** Right.

**JOSEPH FARRELL:** We don't want to give more control to these people.

**C. AUSTIN FITTS:** Right. I couldn't agree more.

I will say this. The anger about Common Core is absolutely sufficient. To my shock and amazement the other day one of the blogposts on the *Washington Post* was basically outright criticizing and taking on Bill and Melinda Gates. I was in shock!

**JOSEPH FARRELL:** Yes.

**C. AUSTIN FITTS:** Now you know that's bad!

**JOSEPH FARRELL:** It's bad, but it's also a hopeful sign that even some people in the power structure itself realize that you cannot sustain any form of American financial or economic or military power if you cannot sustain the culture undergirding it, and you cannot sustain that if you have an educational system that thinks it's going to get away with training people completely by robotics and far away anonymous educators.

I have a book coming out next year hopefully about Common Core where me and a co-author (and you know the co-author, but we can't mention his real name publicly) go through the actual public record of standardized tests, and we point out specific examples of test questions from previous standardized tests, particularly in the realm of science, which were just plain wrong. They were not just badly written, but they were wrong.

**C. AUSTIN FITTS:** Right.

**JOSEPH FARRELL:** In other words, we're turning over our educational process to an elite that isn't even competent to make the tests. This is the



problem, and hopefully people will realize that the whole system has to be torn down. I'm proposing radical solutions here: get rid of teacher certification, require academic degrees in the subjects that they want to teach, revert to local control of education at your local school board, throw out all these committees, and get rid of the whole idea that there is a discipline called 'education'. I know that's going to upset a lot of doctors of education, but I've got one in the family and I can tell you that this guy is not only arrogant, but he's radical.

**C. AUSTIN FITTS:** I think it's time to pull your kids out of school and have a serious conversation with your neighbors about escrowing the taxes relating to funding schools.

**JOSEPH FARRELL:** Yes.

**C. AUSTIN FITTS:** If schools aren't going to serve the children who need to be educated and get a performance, then we need to think seriously about reengineering that money into capacity for ourselves again. We can't be mandated to pay for something that doesn't work. I'm with you. I think it's time to get completely radical.

So let's talk a little bit about Russia and Syria. When I get more than 30 emails a day on a topic, that's when I say, "The media is really focusing on this."

**JOSEPH FARRELL:** Oh, yes. I'm the same way.

**C. AUSTIN FITTS:** It wasn't just Russia and Syria; it was the US pulling out of the Middle East. There's no doubt that the US has significantly this year reduced their commitments, including what they could do once they made the Iran deal, which is now done.

What was interesting was I don't know if you saw the story, but our aircraft carrier sailed out just as the Russians sailed in. I have to tell you

**"I think it's time to pull your kids out of school and have a serious conversation with your neighbors about escrowing the taxes relating to funding schools."**



that it looked very coordinated behind the scenes.

**JOSEPH FARRELL:** Yes. I think there is possibly some coordination, but to me, Catherine, and you and I have talked about this in previous quarterly reports, we have discussed the idea that if there appears to be some sort of panic going on within the Western power structure, within the Western elite or the deep state or whatever you wish to call it, and we've also discussed the idea that there appears to be some sort of factional infighting going on between them.

**C. AUSTIN FITTS:** Oh, I think so.

**JOSEPH FARRELL:** I think what we've seen in the past three to six months with the Iran deal and with some of the statements that Mr. Obama has recently made, coming out and acknowledging our policy in the Middle East has been a failure, I think this is an indicator that he has been on one side of this factional fight and the National Security Structure – the Pentagon, the State Department, and so on – have been on the other.

The way that he phrased this admission suggests to me also that he's thinking in much broader terms that this Zbigniew Brzezinski approach to regime change, covert operations, George Soros Color Revolutions, and so on has been a big, huge failure, and it has been. It has garnered us nothing but an extreme amount of hatred in that region, and our own allies are looking at us cross-eyed.

We discussed the Worricker Trilogy the last time we talked and how the British are now looking at us with eyes of deep suspicion. So we're losing our allies.

Now Russia and Syria, what's interesting to me to watch here is that Mr. Putin has really played a huge chess move here in two ways. The first thing that he's done is he's questioned the whole War on Terror meme by going in and demonstrating, first of all, that the United States could have taken out these ISIS terror cells in Syria much earlier than it did. He's also been very cleverly fueling the fact that most people know in the alternative community that the United States has financially created and



supported these groups.

**C. AUSTIN FITTS:** Right.

**JOSEPH FARRELL:** In other words, he is calling out the whole War on Terror meme. The second thing he's done is he went before the United Nations and he pointed out that Russia had every right to intervene in Syria because it was a request from a sovereign nation, which is supposedly the rule of international law that we're all supposed to operate under. In other words, what he's done is he's simultaneously portrayed the United States as the quintessential rogue nation on the world stage.

**C. AUSTIN FITTS:** Right.

**JOSEPH FARRELL:** And he's done this quite successfully. Whether you love him or hate him, the fact of the matter is he's done this quite successfully.

The third thing that he did, which is the real stunner, and I'm watching this story unfold, Catherine. It's another reason behind the scenes, but I think there is not only coordination, but I think there is a certain amount of US military comeuppance here. Russia launched those cruise missiles from the Caspian Sea on war ships in the Caspian Sea all the way to Syria. Now those war ships were not supposed to be able to have that capability.

So Russia sent a huge, huge message to the West, and to the United States in particular that the dream of American military domination of Central Asia is a dream because Russia has the capability, as he demonstrated, to intervene technologically with advanced weapons systems within 1,000-mile radius of the Caspian Sea anywhere in that region.

**C. AUSTIN FITTS:** Right.

**JOSEPH FARRELL:** This was a huge, huge message to the United States. The Russians weren't supposed to have that capability at all.



The second thing that he's done that has also sent clear warning – I can tell you, Catherine, the warning bells off went off in the Pentagon that they had better back down – is in the last week we have learned that Russia has created some sort of electronic communications blackout bubble over the entire country of Syria.

In other words, NATO communication systems – American-command and control inside of Syria, Turkey, and its command and control systems of its forces in Northern Syria – are working. So I'm looking at this and I'm thinking, "Oh, this is the reason that we had the USS Donald Cook incident where that Russian fighter supposedly took down the entire computer and communication systems of one of our most expensive and costly missile frigates in the Black Sea."

**C. AUSTIN FITTS:** Right.

**JOSEPH FARRELL:** I think in retrospect now what we see going on in Syria, what the Donald Cook incident was was a trial that the Russians were running to see if this system – whatever it is – is working. Now they're deploying it once they found out it did. A couple of years later now we see what they've done in Syria.

So I think behind the scenes not only is there an element of coordination, Catherine, but I think behind the scenes there is also an element of non-coordination. I think that the US military has to be the strategic retreat until they can figure out just what the heck has gone on here and why all of our billion-dollar systems are not working when Russia is able to field systems far less costly and far more effective.

It's really sent a huge signal to the fact that our Military Industrial Complex is so awash with money that the money really isn't accomplishing all that much anymore. We're spending far too much and getting far too little bang for the buck.

Russia is sending all sorts of signals. I think this plays into what may be going on now in Saudi Arabia with rumors of some sort of coup going on in that country and a massive reorientation. What Russia did is a



signal to Israel and to Saudi Arabia. Now we find all of a sudden that Saudi Arabia with all of its American defense systems is backing down from this model of open and covert confrontation with Syria and Iran and trying to make nice with Russia in a really big hurry. If I were them, I would too.

**C. AUSTIN FITTS:** Here's the thing. We just saw Saudi Arabia go out to do its first bond offering because their cash flows are plummeting. The fracking technology has really power shifted the Saudis in a very significant way. Now bringing down the oil prices is really putting them in a corner.

With the Iran deal and the US, the US still has \$45,000 troops in the Middle East. We still have a major commitment, but clearly the Iran deal and the shift of the aircraft carrier out and the other changes, we're basically pulling our horns back in and saying, "Look, we've got plenty of oil and gas domestically. We're prepared."

Every time you turn around, in a whole lot of sectors we are insourcing. We're just saying, "We're standing down." We're pulling behind the two big oceans. We don't have to be there. All of our allies, wherever they are, are scrambling.

**JOSEPH FARRELL:** I think you put your finger on something else very significant that is happening that is going to change financial markets, that is going to change the geopolitical situation, and that is we are leaving our allies kind-of high and dry. In a certain sense, they themselves have been quietly trying to push us out of the picture.

When Mr. Putin began this intervention in Syria, one of the things I was watching very carefully was how France and Germany were reacting to this. Then, of course, we had the French Foreign Minister Laurent Fabius coming right out on French radio and saying that as far as France was concerned, Mr. Putin is perfectly within his rights, and "go for it".

**"The fracking technology has really power shifted the Saudis in a very significant way. Now bringing down the oil prices is really putting them in a corner."**



I think really from a European point of view, what they're saying is, "Better you go in there and do this and get this accomplished because we are being overwhelmed with refugees, and not all of these refugees are going to be carrying a benign purpose with them."

In other words, this is being perceived – quite rightly, although they would never admit this – as national security threats in Paris and Berlin. Again, from the European point of view, this is a situation almost entirely of America's making.

**C. AUSTIN FITTS:** Right.

**JOSEPH FARRELL:** We have managed to push the two most powerful allies that we have in Europe further away from us, and I think that's only going to increase. I've been saying this for years and years. Europe really has nothing to gain now from its alliance with America – either militarily or economically. This is particularly true in the cases of the big European power, which of course is Germany.

I don't see anything else other than what you've suggested, Catherine, and I think you're right on target there. They're pulling in their horns, they're retrenching into North America, and I think this is also part [inaudible] simply can't make this pivot to the Pacific work if we're trying to use the old World War II adage.

**C. AUSTIN FITTS:** Right. It's one or the other. It's either/or. You've got to get out of the Middle East. You've got to step down from the Middle East if you're going to do the pivot to Asia. They're going to do the pivot to Asia; they're committed.

**JOSEPH FARRELL:** Right.

**C. AUSTIN FITTS:** Now there are two other things in this respect that I want to talk about. One, of course, is the stunning revelation that essentially the EU has rejected – or many countries in the EU and Europe have rejected – the GMOs.



**JOSEPH FARRELL:** Oh, yes. Absolutely. This to me is highly significant, Catherine. This is, again, for many years I've been saying that there is a GMO geopolitics going on. I think the GMO rejection in Europe is really geopolitics of a very high order in action. Here's why I think that. I think it is because Russia, again, took the lead in this whole field about three years ago. You had statements from the Russian Agricultural Minister – and I forget what his name is – and you had statements from Dmitry Medvedev and other people high in the Russian government that first of all, Russia was banning GMOs altogether. Putin came right out and said, “We don't need this. We can grow good, nutrient-rich food and keep our soils not ruined from this process of the Western model of agriculture, and feed our population quite nicely, thank you very much.”

The other thing that they did which, again, fell right off the radar screen of the Western media, particularly in this country, was that the Russians were also going to do long-range intergenerational scientific testing of GMOs and their effects on human beings and on the environment.

Now it's interesting to me that as this situation in the Middle East is playing out that you have the European countries – almost to the last member of the EU – rejecting GMOs either outright or in some form or fashion beginning in Scotland, the United Kingdom, Germany, Hungary, and France. All of these countries are rejecting GMOs, and I think the reason why is not only are they bowing to popular pressure in their own indigenous populations, but they are also trying to set the stage for a coordinated long-term alignment of European Union agricultural policy with Russia. So in other words, they're looking for trade agreements with Russia.

**C. AUSTIN FITTS:** Right.

**JOSEPH FARRELL:** So, yes, this is a huge development, and it's a huge blow – like it or not – to America.

**C. AUSTIN FITTS:** It's going to make the negotiations on the Trans-Atlantic partnership that much more interesting to see what America does.



**JOSEPH FARRELL:** Yes. I don't think that's going to go well for the United States. Again, the Monsanto model is to blame. The idea that we can give all of these big favors to our big agribusiness corporations and that they can go in and sue small farmers – ma and pa farmers – for the presence of GMO crops on their fields, which they haven't planted but which entered their fields, this has been the practice.

Again, this kind of sharp practice, the end result was predictable when it was put into play in the first Bush administration back in the late 1980's.

**C. AUSTIN FITTS:** No. It started in the Clinton administration.

**JOSEPH FARRELL:** Actually, it was Dan Quayle and George Herbert Walker Bush that started this whole thing of 'substantial equivalence' with GMO crops, but the point here is that you can't have that kind of sharp practice continue forever before people are just going to say, "Enough is enough. We want you out of here." That's basically what Europe is saying, "We want you out of here."

**C. AUSTIN FITTS:** Right, and I think that door is shut. It can't be opened.

**JOSEPH FARRELL:** I agree.

**C. AUSTIN FITTS:** Another part of this which I want to bring up because I think it's very important is one of the things that the United States did when we went into the Middle East in 2003 and 2004 is we poured money into really building out the concept of a private mercenary and a private army. Obviously we started it before, when Carter first fired everybody at the CIA. Those were the seeds that really began, but there is no doubt that our excursion into the Middle East this time poured billions and billions of dollars into that infrastructure.

We now have a very significant and independent infrastructure of essentially private mercenaries and armies which puts us really back into a Medieval Ages where force is no longer the monopoly of the nation-state.



**JOSEPH FARRELL:** Right.

**C. AUSTIN FITTS:** To me, that is the very definition of a medieval situation.

**JOSEPH FARRELL:** It's not only the definition of a medieval situation, but there is something else lurking, and I'm so glad you've brought this matter up.

It becomes conceivable – and you and I have discussed this. We discussed this last year at the Secret Space Program conference and some of the informal discussions that were taking place – and it's worth mentioning that when you get to the point, and you've pointed this out many times, Catherine, that the United States government has lost control over its own databases that these things are actually being run by corporations. Well, let's expand that.

Corporations are also building our nuclear weapons.

Does the privatization of military force mean also that we could be looking at hidden nuclear powers in the form of corporations?

**C. AUSTIN FITTS:** Yes.

**JOSEPH FARRELL:** Does it mean that we could be looking at hidden – not just nuclear powers – but corporations with the actual ability to create directed energy weapons, both defensive and offensive weapons, and put these things into space?

Therefore, is this the mechanism by which Mr. Global is doing an end run around international law and treaty?

**C. AUSTIN FITTS:** Absolutely yes.

**JOSEPH FARRELL:** I do, too. This is the Breakaway Civilization at work. We're seeing it very, very publicly. So, yes, I think this is the other thing that Mr. Putin, if you're watching his remarks carefully, is signaling, that

**“Does the privatization of military force mean also that we could be looking at hidden nuclear powers in the form of corporations?”**



Russia is not simply going to roll over and play dead and accept this development which is taking place in the West.

About two months ago, Catherine, I covered the merger of the big French armaments firm, Nestor, and the big German armaments firm, Rheinmetall, into one big, huge armaments cartel. After this merger happened, Germany at some arms fair show put on display Rheinmetall's drone dusting laser system. In other words, that was a clear message that they have this capability and they have this technology and it's in Franco-German hands. So this becomes the mechanism by which Europe is going to create its international army, but more importantly it gives you an idea that these corporations now have capabilities that – in the West at least – fall outside the purview of national sovereignties. And Mr. Putin has signaled very clearly his dislike and displeasure with this whole power structure in the West.

I kept warning people that they have to understand that Russia is the first post-postmodern state. What Mr. Putin is really saying – what he's really targeting – is the whole playbook of memes of Mr. Global, the idea that the nation-state is obsolete, obsolescent, that we have to deal with corporations now. This is what he's taking a direct shot at.

**C. AUSTIN FITTS:** Right, although as you know I believe Putin is getting more than a little bit of help from the city of London.

**JOSEPH FARRELL:** Oh, I do too.

**C. AUSTIN FITTS:** I think that's where it's coming from, the city. So part of this is the Hegelian dialectic going on.

**JOSEPH FARRELL:** Yes.

**C. AUSTIN FITTS:** But it's very interesting because I went back when I started to study the mercenary armies – in fact, it was the third quarter – and I'd never really focused on what was the Treaty of Westphalia and how it brought about this notion that a nation-state should have control of force in the application of force within its jurisdiction.



**JOSEPH FARRELL:** Right.

**C. AUSTIN FITTS:** What I realized was the United States simply brought down the Treaty of Westphalia without any conversation or discussion whatsoever, and that is an exponentially debasing development.

**JOSEPH FARRELL:** Well, let's look closer at that because I think you're absolutely right. The Treaty of Westphalia was signed in 1648. It ended the 30-year war, which was essentially a religious war. At the end of the treaty, there was a maxim that began to be applied in international law. The maxim goes like this, "Cuius regio, eius religio." The Latin means, "Whose the region, his the religion."

In other words, the treaty basically – after all that fighting – said, "If it's a protestant prince, then they have jurisdiction over their culture and it will be a protestant state. If it's a Catholic prince, it will be a Catholic state, and so on, and everybody will accept this and get along with each other."

Now this expanded into the modern era when it was applied to the world of Islam. What the United States has done to break that system is precisely, with all of the meddling in the East, with the Color Revolutions and so on, has created the refugee crisis where it's attempted to break the back of the growing European dissent to American policy. I think a lot of this has been very deliberately targeted at Europe in a certain sense.

**C. AUSTIN FITTS:** I agree.

**JOSEPH FARRELL:** Again, Mr. Putin has stepped in with that speech that he gave at the UN which was so important. I really hope people will go watch it. Some of the translation isn't the best, but basically what he has said is he's taking aim not only at the meme of Mr. Global, the nation-state is obsolete, not only is he taking aim at the corporate structures of the West and their growing power and influence, but he's also taking direct aim at the idea that one nation can overturn what was essentially an international order that worked fairly well for the last 300-400 years.



So, yes, I totally agree with you. We're in a long-term cycle as well as a short-term cycle, and the long-term cycle that we're in is the unwinding of what was established during the Reformation and the Counter-Reformation and the resulting wars of religion and the Treaty of Westphalia. Absolutely I agree with you.

**C. AUSTIN FITTS:** Right. So I want to turn to some of the issues under what I call 'Leadership, tag you're it'. One of the most positive stories I read came out in October, but the survey was done in the third quarter as part of the period. It was a survey by Chapman University about what the worst fears in America were.

It was *America's Top Fears 2015*. Do you know what the number one fear was?

**JOSEPH FARRELL:** No.

**C. AUSTIN FITTS:** Corrupt government leaders.

**JOSEPH FARRELL:** I can believe it.

**C. AUSTIN FITTS:** Whoever says the American people aren't smart? Just when you think they don't know what's going on, you realize that they do know what's going on.

The number two fear was corporate invasion of private information.

**JOSEPH FARRELL:** Yes.

**C. AUSTIN FITTS:** I think the number three was cyber hacking. I may have gotten the order of two and three reversed. I think the next one was government invasion of private data, and then it was credit card fraud, identity theft, and on and on.

They pretty much had it nailed. The only disagreement I had with any of the results was they were a lot less afraid about it. It was only 58% afraid of government corruption, and it should be 100%.



**JOSEPH FARRELL:** Oh yes. Absolutely.

**C. AUSTIN FITTS:** In fact, Jimmy Carter had an interview during the third quarter where he said, “The US is an oligarchy with unlimited political bribery.”

**JOSEPH FARRELL:** Yes, and President Carter is exactly right. He’s exactly right.

**C. AUSTIN FITTS:** Yes, absolutely. It’s funny, during the third quarter there was an effort to get me out of the country. I got a very unusual invitation to leave the country to be far away on September 26<sup>th</sup> and 28<sup>th</sup>, and I made a couple of calls. I said, “What’s this about?”

They said, “They’re trying to get you out of the country.”

I said, “Why?”

They said, “To protect you.”

So that’s when I started to really dig in and look at that UN meeting. I had to get all the way over. I was in Italy when the Pope came, and then I came to Amsterdam. I have to tell you that I was so livid by what I was watching that I was very glad to be not in the country when it happened.

I just have to tell you that the spectacle of Americans treating with respect an institution which has been proven to do what this institution has done in the last 30 years – I can’t fathom it, Joseph. I can’t fathom why people will tolerate that behavior from an institution and continue to treat it as credible, because they’ve got a new face, based on what that person says as opposed to what that person does.

**JOSEPH FARRELL:** Even there, what that person says is it’s a liberation theology. It’s kind of a soft Marxism. It’s kind of a window dressing when that institution has horrendous track records in the last 30 years –

**“I was so livid by what I was watching that I was very glad to be not in the country when it happened.”**



your reference to the child sex scandals and everything else – but being kind of in the Eastern Orthodox orbit, for many years I was formally a member of the Orthodox Church, and if I were ever to go back to any form of organized Christianity, that would be it. As far as the Orthodox Church is concerned, the papacy was excommunicated over 1,000 years ago. As far as the Orthodox Church is concerned, it is the Catholic Church, not the outfit in Rome.

The reasons for that were very fundamental. They were the fact that the papacy had on its own authority more or less unilaterally changed official church teaching regarding the doctrine of the Trinity, that the papacy was making claims for its own office that were no part of the deposit of the faith. It's interesting to note that after this happened – after this schism between the Eastern and Western churches happened, Catherine – you had the rise within precisely the Western church of all these mechanisms of thought control. You had the Roman Inquisition, the various national inquisitions, and so on and so forth.

I've got Roman Catholic relatives, and I point out to them that the Rosary – the beads that are famous for devotional practice in the Roman Catholic Church – this was kind of the invention of Dominic de Guzman, or St. Dominic as he's known in Roman Catholicism, who was the man who set up the inquisition and presided over the slaughter – and I do mean that word with the full force of meaning – of the Albigensians in the 13<sup>th</sup> century and the 14<sup>th</sup> century.

**C. AUSTIN FITTS:** Right.

**JOSEPH FARRELL:** This is an institution, like it or not, with a long and bloody history.

**C. AUSTIN FITTS:** I'm convinced if you look at the numbers on Christianity and Catholicism that the war on terrorism is basically a response to the fact that in the early 1990's Islam passed Christianity as the world's number one religion, and it was growing fast. This was a geopolitical response, not just by the G7 but by very much the Vatican and its investment networks.



How has the church always marketed itself when things get tough? They have inquisitions. So this is our first global inquisition, right?

**JOSEPH FARRELL:** This is the other thing that we have to remember about Pope Francis. Francis came out about six or eight months ago, somewhere in that time frame, with a statement that Christians had absolutely the right and duty to defend themselves against Islamic attack.

**C. AUSTIN FITTS:** Right.

**JOSEPH FARRELL:** We have to remember this. I don't disagree with him, because you find very much some of the backing that Mr. Putin has for his intervention in Syria is coming precisely from the Orthodox Church, but with Francis this is something very, very different.

The other thing that we have to remember about Islam is – and I've tried to point this out in my last book, *The Third Way* – the West itself has consistently backed the most radical and fundamentalist elements within Islam itself as tools in its own geopolitical agenda, and also as tools to ward off any attempt of that culture to reform itself from within. This, to me, is the biggest tragedy of the last 100 years because, again, this is the signal of the end of the Westphalian system. This meddling with internal affairs with Islam has prevented that whole culture from reforming its own medieval barbarisms.

This is something that we must remember. There were voices for this type of reform in Iran going back to World War I, within the entire Muslim world, within the Ottoman Empire, within the Arab Nationalists' revolt against it. There were these moderating voices.

So what did the West do? Well, in order to keep Islam backward, they backed the most radical and fundamentalist by the sharia book elements of Islam, and we're paying the price now. This is a very, very short-sighted policy.

But Francis, I'm with you, Catherine. I think that in a certain sense he is a distraction Pope. He's another John Paul II, flying around the world



and smiling and waving his hands and saying platitudes and nonsensical things about climate change and all of this stuff while the real crisis in the Vatican is the ongoing scandals of what's been happening with the clergy, what's been happening with the Vatican bank, and so on and so forth. This is a very corrupt institution, and we need to remember this.

**C. AUSTIN FITTS:** It's what I wrote on the Pope's encyclical. How come you don't shift your own money?

**JOSEPH FARRELL:** Exactly.

**C. AUSTIN FITTS:** You and your networks are in control of hundreds of billions of dollars. Put your money where your mouth is rather than telling everybody else what to do. Just shift your money.

**JOSEPH FARRELL:** Exactly. The hypocrisy of it is just blatant.

**C. AUSTIN FITTS:** Here's the thing. Any time somebody flies around in a private plane and then preaches to me about my carbon emissions, I just don't take them seriously.

**JOSEPH FARRELL:** I don't either, nor should anyone else. When it comes right down to it, what really is this saying about the state of the Catholic Church? It's no longer concerned with the celebration of sacraments. It's no longer concerned with maintaining Catholic faith and morals and so on and so forth. What it's really concerned about is public image and power.

So, again, I'm totally with you. This is my Orthodox background coming out again, but I have no love lost for the papacy. I've never had any love lost for the papacy. In the final analysis, as I've said before, it is not a Catholic institution. People need to start decoupling the word 'Catholic' from the institution of the papacy.

**C. AUSTIN FITTS:** When Pope Francis was coming to the United States I was over at the Vatican visiting the Vatican museum, and one of the things that struck me the most about the Vatican was how unhappy everybody



who lived around the Vatican was.

**JOSEPH FARRELL:** Right.

**C. AUSTIN FITTS:** I thought, “Maybe you should come minister to your neighbors.”

The next thing I want to ask you about is in the third quarter I literally lost my temper. You know how much I work to stay in the state of amusement. To me, to navigate we’ve got to maintain that higher mind, but I lost my temper. The thing I lost my temper about was fear porn.

**“To navigate we’ve got to maintain that higher mind, but I lost my temper. The thing I lost my temper about was fear porn.”**

At one point we put together a big presentation called ‘What’s Up this Fall 2015’ where we literally went and did a calendar. I said two things. I said, “A lot of things are coming to a head this fall in terms of political negotiations, and that’s going to make for a very intense time.” The other thing I said is, “We’re unbelievably overdue for a correction in the equity markets, and there’s trouble coming in the bond markets, and that’s got to get reflected, so I think there’s a very high chance of a correction.”

Sure enough, that’s exactly what happened. We had all the intense political negotiations and we had the correction.

In the meantime what I was dealing with was just an unending amount of fear porn about religious apocryphal events and global financial crashes and all sorts of ya-ya that made absolutely no sense. It was completely nuts stuff.

I have very intelligent, very capable subscribers, and that stuff was getting to them. I attribute some of that to entrainment technology. They’re just too smart, by and large. But there was so much of it that they started to think, “Maybe I should pay attention to this.”



So I did an awful lot of work. We did a Solari Report called ‘What’s Up this Fall’ and a big transcript and did something on ‘shadow work’ because the thing people needed to worry about was the shadow work, whether it’s credit card fraud, identity theft, and all these different things that are eating up their time. That’s really their big danger. It’s the price of having rotten leadership who’s trying to harvest you. That’s a real danger they’ve got to protect themselves from, but Joseph, I admit it. I lost my temper about the fear porn.

**JOSEPH FARRELL:** Well I did, too. You see it all the time, and I get inundated with it almost on a daily basis.

Quite frankly, I don’t pay that much attention to it because they have been predicting doom and gloom for so long that at some point people are going to wake up and realize that this is like the boy who cried wolf one too many times, and then the wolf finally does show up and nobody pays any attention because he’s cried too many times. This is the real danger.

**C. AUSTIN FITTS:** I don’t mind them doing it. What I mind is when I see people lose time and attention and focus to it.

**JOSEPH FARRELL:** Yes, I do too.

**C. AUSTIN FITTS:** What bothers me is the harm that it does.

**JOSEPH FARRELL:** It does a great deal of harm.

**C. AUSTIN FITTS:** Yes it does.

**JOSEPH FARRELL:** The thing is that most of it that I see is usually based in some form or fashion ultimately on a particular reading or prophecy that has created this apocalyptic mood. I go back to something I pointed out with Dr. de Hart in our little book *Yahweh the Two-Faced God*. The whole rapture culture of modern America is first of all not traditional Christian doctrine. This is what people must get into their heads. This is not traditional Christian doctrine.



Traditional Christian doctrine is that the sacrifice of Christ was once and forever, and therefore there is absolutely no possible return to any system of Old Testament sacrifice or dispensation. This is precisely what most American evangelical Christians buy into. Therefore, because they buy into it, they're constantly looking through the tea leaves and so on to see fulfillments of biblical prophecy.

What they're really doing is they're preparing the ground for the very antichrist that they claim to be against because any system that returns to that returns to an Old Testament way of thinking and it is really a denial of Christ. This is Roman Catholic teaching, this is Orthodox teaching, this is Anglican teaching, this is Presbyterian teaching, Lutheran teaching, Methodist teaching. You go back and you look at the traditional body of doctrine of Christianity and there is absolutely no hint or suggestion of what modern America – and therefore most people in the world – think is traditional Christian doctrine. It isn't.

But what this has created, I think, particularly in America is fear porn. We see it everywhere. It's created a culture of apocalyptic expectation, and people need to wake up and realize that every little twitch and wiggle in the financial system isn't the beginning of antichrist – if I can put that bluntly.

Sure, those dangers are there, but the dangers come more from the assault on the image and likeness of God in man rather than anything else. We're not supposed to surrender our individual personal sovereignty or freedom. This is part of the spirituality of any sort of mainstream religion be it Christian or otherwise.

This is what so many people are really buying into when they buy into this stuff. I don't know how else to put it. This is where I think it's coming from. This is, I think, the effect that it has had, and we need to remember that this doctrinal system – this screwed up system – has entered the very highest echelons of power in this country. You have certain senators who buy into this doctrine. You have the influence of this doctrine even as high as the national security council of people like Brett Scowcroft and so on. You saw it at work of the Reagan



administration and ever since.

So we have to understand that this is a cultural thing as well as a political phenomenon. It's a spiritual phenomenon, and people have to quit being so theologically illiterate in this country – if I can put it in those terms.

It's always astonishing to me beyond just the Christian stuff, and then you get the secularized versions of it where there are no references to Christian doctrine at all that you and I have discussed many times. "Well, there's all this money awash in the system. We're going to have hyperinflation any minute now. The dollar is going to come crashing down on such-and-such a date."

Well, no. The dollar isn't going to come crashing down on such-and-such a date. For that to happen America has to significantly lose a major portion of its military strength. It's just a matter of thinking through these things with a little common sense.

**C. AUSTIN FITTS:** You know, it's interesting. *The Economist* had a very fascinating article on the dollar, essentially announcing the beginning of the end, that the dollar couldn't be sustainable as the reserve currency on the current trajectory. It went through all that stuff, but one of the things that they made clear was that there was no replacement for the dollar and how long a process this was going to be.

**JOSEPH FARRELL:** Exactly.

**C. AUSTIN FITTS:** It was very grounded. They did an excellent job of describing where he are and the base, bull, and the currency system. It was interesting because I've had so many conversations over the last two years where people say that the dollar is going to collapse tomorrow.

**JOSEPH FARRELL:** No. It ain't going to happen.

**C. AUSTIN FITTS:** My favorite one is the Asian elders are going to show up and save us all. "Yellen's collapsing tomorrow and the Asian elders are going to show up."



This gets out of fear porn and into adult fairy tales. It's the opposite of fear porn, and the reality is when you have a country where people have a per capital income of less than \$10,000 and are struggling with serious environmental problems, why would they take all their capital and come help us?

**JOSEPH FARRELL:** Exactly, and especially why would they do so when they are trying to put into existence their own parallel versions of financial clearing, when they're trying to position their currency to be the reserve currency? They're not going to waste time helping us.

**C. AUSTIN FITTS:** Right.

**JOSEPH FARRELL:** This makes no sense.

**C. AUSTIN FITTS:** To me, one of the most important stories of the third quarter is now what you bring up, and that is we started this year with a clear recognition that the United States and China had gotten along quite well because China basically financed our government checks which paid people to go down to Walmart and buy Chinese stuff and around and around we went. That worked until 2007, and then we kept it all going with debt, and China built lots of infrastructure and lots of housing.

**“That worked until 2007, and then we kept it all going with debt, and China built lots of infrastructure and lots of housing.”**

Now we've arrived at the point where we really do have to rebalance both economies, and the reality is that if you look at China's options, America says, “We'll build a consumer and service market,” well that's all well, nice, and good, but the Chinese don't have the personal capital to run around and go spend. They've got to save for their retirement.

**JOSEPH FARRELL:** Exactly.

**C. AUSTIN FITTS:** They've got an aging population, so what does China do? They say, “You know something? We'll go finance lots of infrastructure all around Asia,” and America throws a hissy fit and says, “Oh no you won't,” because that threatens our position in the world order.



In the meantime they're saying, "But we need you to grow, and we need you to grow in a way that carries us with you." China is saying, "How? How do we do that?"

**JOSEPH FARRELL:** I think what really has to happen, Catherine, is the United States has to decouple itself very carefully and over the long-term from this reliance on China. We've talked about this before.

First of all, we need to bring actual manufacturing back to this country.

**C. AUSTIN FITTS:** And we are. We are.

**JOSEPH FARRELL:** And we are. Secondly, our infrastructure in this country is in absolute tatters. I mean, it doesn't take much travel around the country on the interstate or the highway system to realize that a lot of it is in serious, serious need of upgrades.

**C. AUSTIN FITTS:** I would say this. Our infrastructure above ground is in tatters. I'm beginning to think our infrastructure below ground is pretty sweet.

**JOSEPH FARRELL:** Oh, yes. I agree with you there. You can't have all those trillions of dollars since the end of World War II and not have some pretty interesting underground infrastructure.

But the other thing that I think we need to do – and we need to do post-haste and toot sweet, as my French grandmother used to say – is patch up our relationship with South America, and we need to do it in a big hurry. China and Russia are entering South America in a major way, and you can't blame South America because we've been the big brother with the big stick more often than not, interfering in a very bad, negative way in their internal affairs.

We need to be the China to South America and help with their infrastructure and so on and so forth. In other words, we need to rebuild the basis of power that made American power possible in the first place, and that was to have a manufacturing base in this country, and that was



to have an infrastructure that could support it.

Our railroads are dilapidated. They need to be built out and built up. There's no reason why America should not have high speed rail service like they do in Europe and Japan and places in China. There's no need for our trains to be trundling along at a breezy 30 miles an hour down the railroad tracks.

**C. AUSTIN FITTS:** Right.

**JOSEPH FARRELL:** We could be moving immense amounts of goods by rail and moving it quickly if we spend the money to do it. So we need to do all these things.

For me, I think the other thing we need to do – and we need to do in jig time – is, again, what we've been discussing with Russia and Syria and the Middle East. We've seen the Russians demonstrate now some capabilities. In fact, before we came and began our interview, Catherine, I was reading a story about a launch of a Russian satellite. They can't figure out what this thing is, and I can tell you exactly what it is.

It's a spy communications and interference satellite. The Russians have placed this satellite in orbit where it's within about five kilometers of one of our intel sats. In other words, this thing is gobbling up all our communication.

So the other thing we need to do is we need not only to build out our infrastructure on this planet, but we need to secure our space infrastructure. That means an expenditure that thus far I don't see the government willing to make, but if we're going to keep our international financial clearing going, if we're going to keep our domestic financial clearing going, we need to respond to some of these potential dangers that are coming down the pipe now from Russia and China.

I would go so far as to say that if you've been following the space angle of international geopolitics and finance, the other thing that I've noticed recently is that Europe and Russia have decided, "We're going to go to



the moon.”

In other words, this is another indicator that Europe is breaking away. If we’re going to compete, we need to beef up our space program tremendously.

**C. AUSTIN FITTS:** Right. Upgrade.

**JOSEPH FARRELL:** This is not being done.

**C. AUSTIN FITTS:** Well, this gets back to needing leadership that is very interested in the long-term strategic position and rebuilding it.

**JOSEPH FARRELL:** Exactly. And when you look at the current political candidates, you really don’t see any. There are no real leaders. I mean, we get the same tired, worn out socialism from Bernie Sanders and Donald Trump, but Donald Trump is simply tapping into the cynicism in the body politic. He’s not really offering as far as I can tell any detailed plans.

**C. AUSTIN FITTS:** I have to confess that I’ve looked at all the candidates and I said, “Okay, if you had to, is there anyone here that you could possibly vote for?”

I confess there was one. If I had to, I could vote for Kasich because he has the experience with the Federal budget and with the infrastructure of governments in Washington to run that office and also to staff a government. So he is competent to staff a government and run the government and to understand the important issues and take care of them, but he’s the only one I see in there who is.

**JOSEPH FARRELL:** What does that say about the state of American politics, really? He’s not really a major frontrunner contender. I agree with you; he probably is the one of all the people there.

**C. AUSTIN FITTS:** Because right now people are looking for entertainment. I guess that’s my other problem.



**JOSEPH FARRELL:** They're looking for the quick fix – the demagogue who comes in and waves the magic wand and fixes everything, but this isn't going to happen. People need to start taking long-term views of politics rather than every election cycle and then go home.

Yes, I totally agree with you, but my point here is that we don't really see a field of candidates for the most part who are capable of doing any of this. What we see are stars in entertainment, like you say. This is the problem.

**“What we see are stars in entertainment, like you say. This is the problem.”**

**C. AUSTIN FITTS:** My favorite comment on the election so far was from Don Cox. He said, “Look, the presidency of the United States is not an entry level position.”

**JOSEPH FARRELL:** Exactly.

**C. AUSTIN FITTS:** The major theme for the Third Quarter Wrap-Up is the Chinese stock market. One of the reasons is that I spent an enormous amount of time researching and looking at the stock market really to come down to a final answer to the question of: What should an investor do?

If China and America are going to engage in economic warfare that basically destroys stock market performance, nobody wants to invest in a battle zone. So the question is: There's no point in investing in China if China's not going to be allowed to succeed.

**JOSEPH FARRELL:** That's right.

**C. AUSTIN FITTS:** So I had a lot of research and ruminating, but I think it's at the heart of the question of the global order. The bull market in bonds is over, so now we're going to have to move to a more equity-based model. The reality is an equity-based model won't work unless we can compete and cooperate within certain parameters that allow us to perform economically instead of destroy economically.



At the heart of that is the question: Can we emerge a new set of global institutions that allow us to do that? Looking back at the third quarter, the answer is, “I don’t know.”

If you look at all the different things China can do to grow its economy and keep its growth going, most of those things are not acceptable to the United States.

**JOSEPH FARRELL:** Right. I think there are several things that we have to look at as far as the possibility of growth – real growth, not finance capital growth. I go back to something that you’ve mentioned many, many times over the past few years, and that is local equity-based economies – economies that serve the locality.

You mentioned this earlier today as a matter of fact with the idea of escrow accounts for education to keep things local and make the schools work again and pay teachers decent salaries and free them up from this onerous work. Teachers go through so much of their time having to jump through hoops set by state governments, by the Federal government, and continuing education that they have very little time anymore to teach the subjects that they’re hired to teach. They’re constantly preparing for yet another test, yet another assessment, and so on and so forth.

We have to begin the process of real growth by understanding that education is very much a part of that. We have to understand this, and we have to have teachers who are allowed to teach English and history and so on and so forth, and are allowed to teach to the subject.

In other words, I read an article recently before the interview where even our textbooks are now under fire because of their absolutely deplorable state. The level of learning and scholarship in our textbooks, particularly in the so-called ‘soft disciplines’ like history, are absolutely deplorable. There is no other word other than deplorable.

**C. AUSTIN FITTS:** Here’s the thing. You have all this centralization going on, so I think of Common Core as Bill Gates’ wet dream. If you look at all





playbook is no longer capable of addressing the issues, and power has to be decentralized. The only way I can see to do that is to do precisely what you've been suggesting, and that's local equity and local escrow accounts for education and so on and so forth. Otherwise, it's not going to get fixed. If it doesn't get fixed, I don't care what centralized policy or what mercantilist policy to favor the big corporations you put into place. Ultimately, the system will collapse and the very operations that are looting are going to be their own victims. The parasite is going to eat the host that it feeds upon.

**C. AUSTIN FITTS:** Actually I think of the corporations as a more granular phenomena, but a lot of the corporations need the average consumer to be successful.

**JOSEPH FARRELL:** Yes they do, and they're killing the engine that's driving their own profit margin.

**C. AUSTIN FITTS:** It's very interesting because I give him a lot of credit for doing this so I brought this up before. Howard Schultz, the Chairman of Starbucks, after the first Republican debates came out, made a big stink about how this country needs servant leadership. He said that this is not what we need and that we need servant leadership. That's a very courageous thing for somebody running a big public company to do. I mean, he made quite a stink but he was dead right.

If you look at his economics, he needs the country to succeed. I dare say he's doing more exceptional training of young people than most schools.

**JOSEPH FARRELL:** He's precisely right. We've mentioned this before. We do need servant leadership, but what does that mean? That means that people who are able to use even the vocabulary that shows that this is part of their philosophy.

In other words, I ask people, "When was the last time that you heard people talking about the public good?" By 'public good' I don't mean Democratic Party welfare programs – a free phone for everybody. That's not what I mean. I mean things that are good for the long term benefit



of every individual in the country, and the only way to do this is – and I’m going back to Ronald Reagan here who talked a long talk but didn’t walk the walk – to get government out of the way and let people live their lives and create their dream, and then things will work.

You can’t do it through regulation. You can’t do it through mercantilist policies like Common Core and GMO foods and so on and so forth. You just can’t do it.

**“You can’t do it through mercantilist policies like Common Core and GMO foods and so on and so forth. You just can’t do it.”**

**C. AUSTIN FITTS:** Well, Joseph, it’s been absolutely fantastic talking to you. I feel much more excited about coming back to America because I know there’s some sanity there. Deep in the heartland there’s a sane, coherent voice speaking to me.

Before we close, are there any other thoughts about the third quarter that we haven’t covered that you would like to bring up?

**JOSEPH FARRELL:** Well, I’m trying to think hard about that. The only thing that I would try to recap here is this: We are obsessed as Americans with every Federal election cycle, and we need to get away from that.

**C. AUSTIN FITTS:** It’s completely irrelevant.

**JOSEPH FARRELL:** It’s completely irrelevant. We need to start looking at our locality. We need to start looking at our families. We need to be in contact with those teachers in our local school districts who are suffering under this hideous educational system that we’ve constructed in the last 150 years. We need to support our local ‘Ma and Pa’ grocery stores and what have you, which I try to do. When I go grocery shopping, I try to do most of it at local chains or organic food stores.

I’m like everybody else. I go to Sam’s occasionally. We need to start spending our money where it’s going to do the most good for the health of the country and quit obsessing about the latest Democratic or



Republican non-debate on television.

**C. AUSTIN FITTS:** I'm always shocked every four years that anybody pays any attention because if you saw what the candidates in the last election or the last two elections said was completely irrelevant to what they did. Now that's been true my whole life, but I don't know why anybody thinks what anybody says in this process is relevant.

**JOSEPH FARRELL:** I agree.

**C. AUSTIN FITTS:** The one thing I hate to say because I've been struggling, and I've now written a seven-part series called *Promoting Women* and it's all about this idea of America being the woman-friendly nation and we're promoting women and women make great leaders and all this stuff. I've been trying to figure out what the deal is here because I'm convinced if you look at who's pushing this, it's very much coming from the billionaires.

There was a great interview with U.S. Trust the other day that I posted when I wrote *Promoting Women: Part 7*. Essentially what they said is if you look at the GNP of women, it's \$15 trillion globally which is bigger than China. So the US and women are so much bigger than China. I realized with mobile marketing – one on one marketing – the US can literally reach every woman through a mobile phone. If they can get the women, they can trump China.

**JOSEPH FARRELL:** Right.

**C. AUSTIN FITTS:** That's why it makes absolutely no difference who's in the seat, but the brands for marketing purposes is important. This tells me that it in terms of an election cycle, this is going to get far more separated from reality than it even is now.

**JOSEPH FARRELL:** Well, it is, and this makes me think of two other points. We first of all have to get away in this country from thinking in terms of the group. In other words, we need to start looking at people as individual persons. I know that sounds like a truism, but look at people



as persons and what they're capable of rather than as women or blacks or whites or Hispanics or young or old. We've got to get out of the group mentality.

**C. AUSTIN FITTS:** Right.

**JOSEPH FARRELL:** We've got to do this even to the point of watching how we speak, and getting this balkanization out of our vocabulary. It starts there. We've got to start controlling the discourse.

**C. AUSTIN FITTS:** Right.

**JOSEPH FARRELL:** The second thing I think we need to look at – to go back to Europe for a moment – is we need to start looking very carefully at countries like Italy, Spain, Portugal, and Hungary. We need to start paying attention to these countries because there are movements in those countries now that are beginning to challenge – and I think justifiably so, although some of their manifestations tend right now to be rather extreme – some of the underlying philosophical assumptions of Mr. Global in those countries.

**C. AUSTIN FITTS:** Right.

**JOSEPH FARRELL:** You can look at the Spanish Catalanian succession movement, which I really think if the Spanish people wake up and realize that what they're really talking about isn't so much corruption in Madrid, it's corruption that's coming from this globalist philosophy that has reigned in Madrid. It's the same thing in Budapest. If you go to Hungary, you get the current Hungarian President talking now about Hungarian culture, Hungarian nationhood, and things like this. We're seeing local movements challenging the whole globalist meme, which I think if we handle correctly and we tailor the debate correctly, these can be positive things rather than degenerate into the kind of right-wing neo-fascist movement that they can often degenerate into.

So these are places to watch.



**C. AUSTIN FITTS:** One of my favorite quotes of the last week is one of my great allies who said, “How do we take advantage of high-tech without it taking advantage of us?”

**JOSEPH FARRELL:** Exactly.

**C. AUSTIN FITTS:** Well, in closing I just want to point out that you and I in two weeks are going to be together outside of Austin, Texas at the Secret Space Program, which I am very excited about. Last year really was a life-changing experience.

**JOSEPH FARRELL:** It really was.

**C. AUSTIN FITTS:** It really was.

**JOSEPH FARRELL:** I’m excited about it, too, and I have to tell you why.

**C. AUSTIN FITTS:** Take a second and tell us why, and tell us what you’re going to be talking about.

**JOSEPH FARRELL:** Well, I’m excited because of the speaker list at this conference. I think it’s an even better line-up than last year, chiefly because two of my favorite scientists are going to be there speaking, Dr. John Brandenburg is going to be there. He’s a plasma physicist from Los Alamos. He’s going to be talking, I think, about his book about nuclear warfare on Mars, which is a fascinating topic.

**C. AUSTIN FITTS:** Yes it is.

**JOSEPH FARRELL:** And then Dr. Paul LaViolette will be there. He wrote a fascinating book called *Secrets of Antigravity Propulsion*. He’s been tracking these alternative propulsion technologies for many, many years. He will be speaking, and a mutual friend of ours, Walter Bosley, will be speaking. Jay Dyer is a new individual who is going to be speaking about the meme of Secret Space Programs in Hollywood movies, which I think will be very interesting.



Linda Moulton Howe, of course, has been a major mainstay in this type of research for many years with her research on mutilations, on crop circles, and things like that. So I'm really looking forward to it, not so much because I'm speaking but principally so that I can listen to everybody else speak.

I'll be talking about what I call the 'Versailles Template' that I think was part of the policy formation culture of the National Security Establishment. It's going to be kind of a dry history lesson, pulling together some threads that I've kind of thrown out there in this interview and that interview, trying to pull it all together and say, "This is why I think this is an important thing to consider."

It's going to be an interesting concept.

**"I'll be talking about what I call the 'Versailles Template' that I think was part of the policy formation culture of the National Security Establishment."**

**C. AUSTIN FITTS:** I know if everybody goes to your website or my website they can access the discount code and still sign up to come to Austin if you want, or sign up and just get the stream and come in on the internet.

It's going to be a good one. Also, we have new subscribers, Joseph. So I'm going to have to ask you to explain your website and what people can find there. Tell them a little bit about some of your most recent books if you will.

**JOSEPH FARRELL:** My subscribers' area has principally a lot of vidchats. Every two weeks I do vidchats with my members who send me questions, and then I go through and comment on the questions. They're usually quite long, about three or as many as five hours long.

We have an interesting time talking about all sorts of stuff. It's a way for people to interact with me personally and get detailed answers. I have a few webinars on the website in the members' area where I talk about different topics. I've been planning to do some more; I've just never had the time to do it.



The website is [www.GizaDeathStar.com](http://www.GizaDeathStar.com). I do have public blogs on the website that are free. They're not subscription; they're free to anybody.

The latest book I did was called *The Third Way*.

**C. AUSTIN FITTS:** And it's a doozy!

**JOSEPH FARRELL:** It's a doozy, yes. It talks about some of what we talked about earlier today with the war on terror and Islam and weaponization of Islam and all of that stuff. It's a doozy. And I have another book with a coauthor who's writing pseudonymously with me in this book coming out next year on Common Core. I'm in the process of researching another major book right now which I hope I'll have out next year some time.

**C. AUSTIN FITTS:** It was phenomenal because we just had a wonderful lunch in Amsterdam, and there were people present from the European Precious Metals community – dealers.

**JOSEPH FARRELL:** Oh my!

**C. AUSTIN FITTS:** We had people who were actually from the formerly fixed income markets but from the successful business community. We had members of the German media. We had people from the Free Energy community and sponsors of the Secret Space Program. So we had many different nationalities represented, and all of them at various times during the conversation quoted you in your books.

**JOSEPH FARRELL:** Cool!

**C. AUSTIN FITTS:** I said, "Now that is reach."

**JOSEPH FARRELL:** That made my day!

**C. AUSTIN FITTS:** It was pretty cool, and what was remarkable is whenever they did, no one said, "Who's he?"



**JOSEPH FARRELL:** Well that's good.

**C. AUSTIN FITTS:** It was, "Oh, you know Dr. Farrell?"

"Oh yeah."

"Oh, I'm impressed."

So I consider that a sign that you've reached intellectual clout-dom.

**JOSEPH FARRELL:** I look forward to seeing you again.

**C. AUSTIN FITTS:** Yes. We're going to talk in the fourth quarter. I'm just giving you a heads up. For our Annual Wrap-Up, the theme is going to be the space-based economy. So we're going to keep the space economy conversation going throughout the quarter, and I know you're going to have a lot to say on it. It will be the Annual Wrap-Up.

Joseph, thank you so much. You have a wonderful quarter, okay?

**JOSEPH FARRELL:** Yes. You, too, Catherine. We'll see you in Austin. Have a safe flight. God Bless.

**C. AUSTIN FITTS:** See you in Austin.

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