

the Solari Report

BY CATHERINE AUSTIN FITTS / 2020 ANNUAL WRAP UP VOLUME 2021 / NUMBER ONE



The Going Direct Reset

The Solari Report
2020 Annual Wrap Up
The Going Direct Reset

by Catherine Austin Fitts

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Published Jan 2021, hard copy published June 2021

Solari, Inc.

P. O. Box 157

Hickory Valley, TN 38042 USA

Book design by Robert Dupper and Paul Howson

www.solari.com

ISBN: 978-1-7331701-6-1

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2020 Annual Wrap Up
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“ This is a 10,000-year-old war. ”

~Jon Rappoport

*“ In the absence of justice, what is sovereignty
but organized robbery? ”*

~Saint Augustine

*“ The age of automation is going to be
the age of 'do it yourself.' ”*

~Marshall McLuhan



I

INTRODUCTION

by Catherine Austin Fitts

“Do not judge, or you too will be judged. For in the same way you judge others, you will be judged, and with the measure you use, it will be measured to you.”

~ Matthew 7:12

The background of the page is a photograph of a stone wall and a set of wide, shallow stone steps. The wall is made of large, rectangular, light-colored stone blocks. The steps are made of similar stone blocks, arranged in a series of wide, shallow steps that recede into the distance. The lighting is warm, suggesting a sunny day, and the overall tone is earthy and textured.

WHAT you are about to read is one of the most important reports of modern financial history yet written. This report is essential to understand the world in which you and I live and what will happen next—this year and for many years to come.

On August 22, 2019, a group of central bankers from the G7 nations gathered in Jackson Hole, Wyoming and voted to approve the Going Direct Reset. We know this because Pam and Russ Martens published an article about it on June 5, 2020 at their website, Wall Street on Parade. That article—and the Martens’ extraordinary continuing coverage of the “ongoing financial coup d’état”—is why Solari chose them as the Solari Heroes of the Year for 2020.

It’s called “Going Direct.” That’s the financial bailout plan designed and authored by former central bankers now on the payroll at BlackRock, an investment manager of \$7 trillion in stock and bond funds. The plan was rolled out in August 2019 at the G7 summit of central bankers in Jackson Hole, Wyoming—months before the public was aware of any financial crisis. One month later, on September 17, 2019, the U.S. Federal Reserve would begin an emergency repo loan bailout program, making hundreds of billions of dollars a week in loans by “going direct” to the trading houses on Wall Street.

~ Pam and Russ Martens



I described these events in *The State of Our Currencies*, which The Solari Report published in 2020. After doing so, I knew we needed to drill down to understand in much greater detail what the Fed and the global central bankers were doing. For that I turned to attorney John Titus, whose coverage of Fed actions—during the 2007-2008 financial crisis and subsequent bailouts and now during the extraordinary central bank interventions of 2019 and 2020—has been exceptional. Would John research and write a report on the Going Direct Reset?

Fortunately, John said yes, and here is the result. I have read it many times and will no doubt read it many more. There is no spy or mystery novel that has ever touched this report as a page-turner. It would be unbelievable if it were not true. In John's words:

The “novel” coronavirus pandemic marks the greatest turning point in U.S. monetary history since the creation of the Federal Reserve in 1913. The Virus Pandemic and the Federal Reserve are fascinating historical figures for many reasons, starting with the deceptions their very names work on the public. “Federal” Reserve falsely implies that “the Fed” is an agency of the federal government when in fact it is a cartel of 12 private banks acting in concert from different locations to skim interest payments off the top of the U.S. money supply in perpetuity. “Coronavirus pandemic” deliberately misdiagnoses the real disease at the root of the current crisis, which is not in fact any virus (hint: it has a 99+% survival rate) but rather a radical plan for the eventual takeover of the U.S. monetary system by the privately owned Federal Reserve.

~ John Titus, The Going Direct Reset

A photograph of a wide, curved stone staircase leading up to a dark building. The steps are made of large, rectangular stone blocks and curve gently to the right. The building in the background is dark and has a modern, geometric design. The lighting is bright, casting shadows on the steps.

John joined me for a discussion of this report in January 2020. The video is posted on the commentary for the Going Direct Reset for the *2020 Annual Wrap Up* at Solari. Make sure you listen to this discussion as well as reading this report.

John's analysis gives us the specifics we need to effectively communicate that what is happening is not an economic downturn, but an economic "turndown." A handful of central bankers agreed to shut down the global economy, and they did. Governor Kristi Noem of South Dakota—a state that did not shut down its economy, its churches or its small businesses—said in a recent speech that Covid-19 did not shut down the U.S. economy, the government did. She was on the right track but did not go far enough. It was not the government—it was the central banks. The balance of power that has existed for more than a century—with the central banks running monetary policy and electorates in the Western democracies voting in legislators and executives who oversee fiscal policy—is over. The long slow erosion of electorate power that began with the financial coup and globalization in the mid-1990s has culminated in a process of consolidation.

The central bankers have taken over. They are "going direct."



What this means—and what we do about it—is a discussion that is ongoing at The Solari Report. What began with the central bankers' vote on August 22, 2019 will continue for years. Indeed, the head of the European Union just announced that we will be living with “pandemics” for at least a decade. “Pandemic” is the new euphemism for financial coup and the radical reengineering of global governance.

For the millions of wonderful scientific and medical professionals who are bravely trying to prove that governments are somehow misinformed on the science, rest assured: they are not misinformed. They are simply marketing the Going Direct Reset. And until we see that clearly, their plans will continue to succeed. We need to deal with the coup leaders and their goals rather than become embroiled in their cover stories. We need to address the lie at its source. We need to understand the purpose and direction of the vision rolling out across the globe. As author Jasun Horsley has stated:

Perhaps the hardest thing to imagine about the secret life of the cryptocracy is that it isn't a subculture at all: it's a superculture.

It's an underworld that rules over each and every one of us, and trying to see it is like trying to imagine a fifth dimension from the perspective of a fourth. Yet we also belong to this parallel world and it has always been there, acting on us in ways both invisible and oppressive—oppressive most of all because invisible. For what we fail to see continues indefinitely.

The question I keep asking myself is “Why?” Why would Jerome Powell, chairman of the Federal Reserve, and his colleagues vote to throw hundreds of millions of people out of work? One recent estimate was that 500 million people globally lost their jobs or income, which has now adjusted to approximately 250 million unemployed.

An academic study published in 1982 indicated that a 1 percent increase in the U.S. unemployment rate would be associated with “37,000 deaths [including 20,000 heart attacks], 920 suicides, 650 homicides, 4,000 state mental hospital admissions and 3,300 state prison admissions.”¹

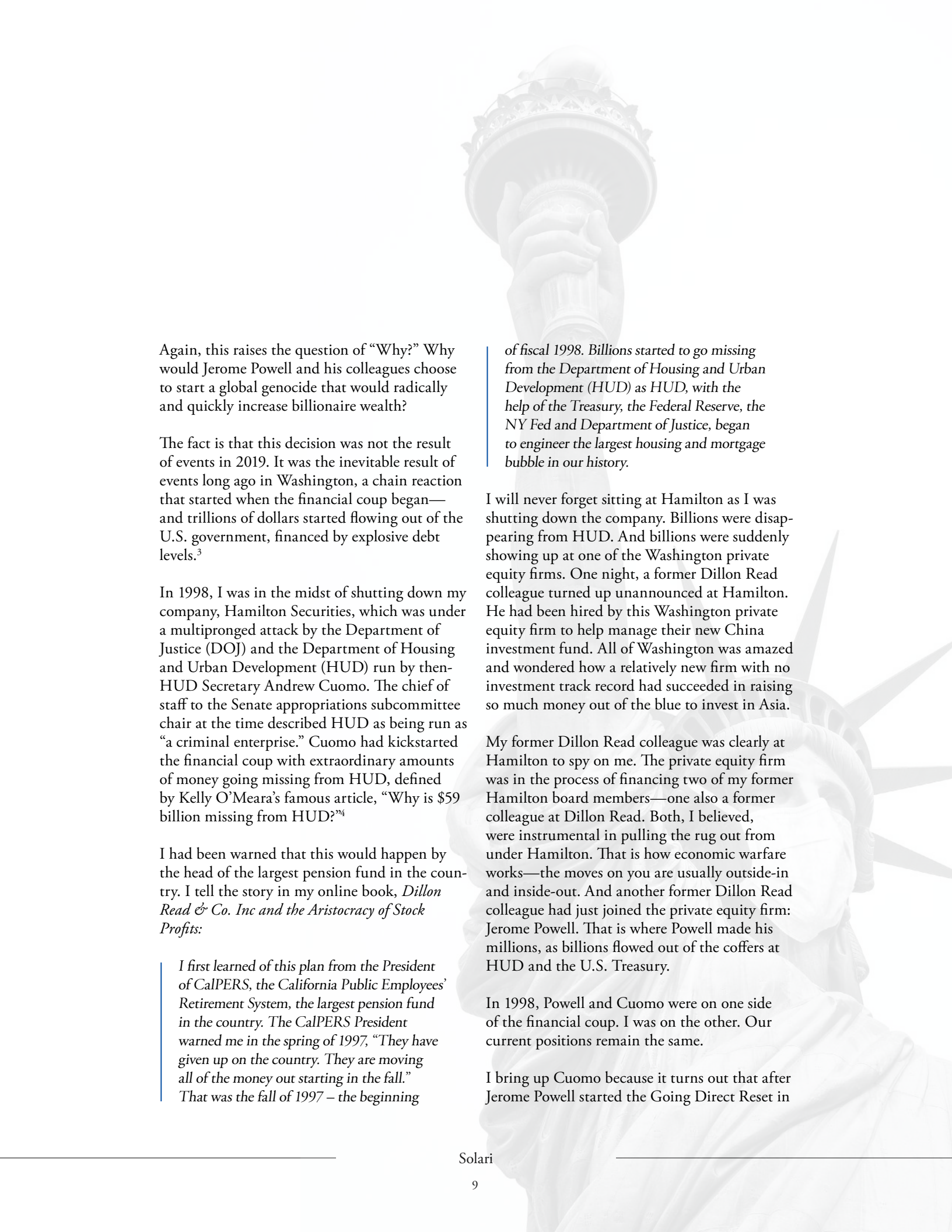




If we apply these estimates to the U.S. increase in unemployment, from a rate of 3.5% to a high of 14.8% and trending to 6.7% by the end of 2020, that would mean as many as 400,000 deaths in the U.S. alone.² Globally, the number of deaths would be in the many millions.

This is why it is essential to understand that the Going Direct vote was a declaration of war. It was the financial equivalent of dropping a series of nuclear bombs. The central bankers knew they were voting to kill millions of people.





Again, this raises the question of “Why?” Why would Jerome Powell and his colleagues choose to start a global genocide that would radically and quickly increase billionaire wealth?

The fact is that this decision was not the result of events in 2019. It was the inevitable result of events long ago in Washington, a chain reaction that started when the financial coup began—and trillions of dollars started flowing out of the U.S. government, financed by explosive debt levels.³

In 1998, I was in the midst of shutting down my company, Hamilton Securities, which was under a multipronged attack by the Department of Justice (DOJ) and the Department of Housing and Urban Development (HUD) run by then-HUD Secretary Andrew Cuomo. The chief of staff to the Senate appropriations subcommittee chair at the time described HUD as being run as “a criminal enterprise.” Cuomo had kickstarted the financial coup with extraordinary amounts of money going missing from HUD, defined by Kelly O’Meara’s famous article, “Why is \$59 billion missing from HUD?”⁴

I had been warned that this would happen by the head of the largest pension fund in the country. I tell the story in my online book, *Dillon Read & Co. Inc and the Aristocracy of Stock Profits*:

I first learned of this plan from the President of CalPERS, the California Public Employees’ Retirement System, the largest pension fund in the country. The CalPERS President warned me in the spring of 1997, “They have given up on the country. They are moving all of the money out starting in the fall.” That was the fall of 1997 – the beginning

of fiscal 1998. Billions started to go missing from the Department of Housing and Urban Development (HUD) as HUD, with the help of the Treasury, the Federal Reserve, the NY Fed and Department of Justice, began to engineer the largest housing and mortgage bubble in our history.

I will never forget sitting at Hamilton as I was shutting down the company. Billions were disappearing from HUD. And billions were suddenly showing up at one of the Washington private equity firms. One night, a former Dillon Read colleague turned up unannounced at Hamilton. He had been hired by this Washington private equity firm to help manage their new China investment fund. All of Washington was amazed and wondered how a relatively new firm with no investment track record had succeeded in raising so much money out of the blue to invest in Asia.

My former Dillon Read colleague was clearly at Hamilton to spy on me. The private equity firm was in the process of financing two of my former Hamilton board members—one also a former colleague at Dillon Read. Both, I believed, were instrumental in pulling the rug out from under Hamilton. That is how economic warfare works—the moves on you are usually outside-in and inside-out. And another former Dillon Read colleague had just joined the private equity firm: Jerome Powell. That is where Powell made his millions, as billions flowed out of the coffers at HUD and the U.S. Treasury.

In 1998, Powell and Cuomo were on one side of the financial coup. I was on the other. Our current positions remain the same.

I bring up Cuomo because it turns out that after Jerome Powell started the Going Direct Reset in

August 2019, Andrew Cuomo led the effort to engineer the deaths required to create the fear necessary to shut down Main Street, providing air cover as the Fed turbocharged its printing press. The central bankers printing money is only the first step; shutting down the economy is equally essential for the money they print to buy assets at bargain basement prices and do so without hyperinflation. Stated another way, there are two sides to the disaster capitalism equation—cheap money and real asset availability at cheap prices. Desperate people sell cheap. Main Street cannot compete for natural resources and labor if it is closed—and Amazon and Walmart can suck up their market share.

For many years, Solari Report subscribers have heard me say that the financial coup shifted the money set aside for the boomers' retirement. We had apparently "decided to fund space rather than nursing homes." When I wrote *Does Your Pension Fund Have a Deep State Drain?* in 2017,⁵ I again hammered on what this would mean for the availability of funding for retirements and health care in the coming decades. Long-time subscribers of The Solari Report have heard the warnings many times.

As I write this, there is a bipartisan chorus of calls for Andrew Cuomo to resign as Governor of New York, after one of his staff let slip the fact that Cuomo ordered the numbers fudged on New York nursing home deaths. Actually, these were not deaths—they were murders. While multiple New York hospital facilities lay empty, Cuomo had seriously ill elderly people transferred into nursing homes, where they lay ill at close proximity to the other residents. Not surprisingly, sickness spread. This was a form of biowarfare.

Now, with information about Cuomo's actions leaking out, some 10,000 to 15,000 families and multiple nursing homes likely have the basis of successful litigation against Cuomo and the State of New York. The price tag on this could be \$10-\$15 billion if it gets going. This may be why the federal government has abruptly announced an investigation. This is traditionally how you put a freeze on civil discovery and the damaging questions that could be asked and the answers that would leak out as a result.

However, a federal investigation cannot stop New York impeachment proceedings. State Republicans have announced they are moving forward with impeachment hearings. And because the Democrats clearly do not want to have a broader discussion about why they are winning elections by murdering the elderly, we are being drowned in sudden sexual harassment charges against Cuomo. The latest headlines read, "59 Dems call for Cuomo resignation."

There is that number "59" again. That is one Democratic legislator for every one billion dollars that went missing from HUD in fiscal 1999 under Cuomo's leadership. Why is this important? It is important because Cuomo's "desk killing"⁶ is not new, having begun in 1998 and 1999. The murder of the elderly in New York in 2020 was the inevitable result of the decisions made decades ago to shift the money out of the U.S. government. When you defund pension, retirement, and health care promises, the only way to balance the books is by lowering life expectancy. It's actuarial algebra.

The newspapers are also full of stories about the rise of China. Connect the dots between the money leaving HUD while money is flowing into a Washington private equity firm with a

huge China investment fund, to the Chinese announcing an economic development zone on the moon, to elderly nursing home residents dying in New York. This is like the Pillsbury Doughboy—squeeze down on one part of the money, and it pops up in the other part.

Once more, I come back to why. Why would Andrew Cuomo and Jerome Powell choose to take actions that they knew would kill so many people? These are two people I have known and worked in close proximity to personally. While I can easily see Cuomo killing 10,000 to 15,000 elderly for political gain, Powell's personality is not that of a person who lacks empathy. And yet if you look at the Going Direct Reset, the actions of Powell and his colleagues will kill millions more than Cuomo—and many more than the policeman standing trial for the death of George Floyd in Minneapolis. I assume the private equity firms and investors that finance the real estate around the Minneapolis Fed—available, after the riots, for pennies on the dollar—will no doubt profit.

Though it may feel uncomfortable to ask ourselves such questions, what would you or I have done, sitting in their shoes? What do they know that you and I don't know? What are the powers and intelligence they are subject to—including knowledge about geophysical risks—that would, in their view, justify such acts? Now imagine a story line that might cause you or I to do the same.

My original Red Button Story—in which 99 of 100 spiritually evolved individuals were unwilling to “come clean” financially—is more relevant than ever.⁷ Though I mention Cuomo and Powell, as we watch the Going Direct Reset unfold, we see millions of people implementing its various financial and economic aspects. I would say that the co-conspirators bringing in totalitarian control—while poisoning and destroying human civilization—include a large percentage of the general population. As long as many of us continue to bank with Fed member banks or, in myriad other ways, signal our own unwillingness to look in the mirror, changing the trajectory of the Reset will be difficult.

This is why I quote Matthew, “judge not, lest ye be judged.”

So, the question is not just why Cuomo and Powell are doing this. The question is, why are the rest of us helping, going along, or promoting? I don't know about you, but replacing democracy with a high-tech slave state run by the “Iron Bank” is not something to which I wish to contribute.

Nonetheless, we must face the fact that the central bankers are moving in to take over sovereign governments and Treasury functions around the world as the debt—for which we as citizens and property owners are responsible—continues to explode. The financial coup is

moving into a dangerous consolidation phase.

The Solari Report team and I will keep looking for answers. The pathway is to bring transparency, one day and one piece at a time. It is like a jigsaw puzzle. We keep putting new pieces on the board and fitting them into the bigger picture.

John Titus just put a big new piece on the table. The *2020 Annual Wrap Up: The Going Direct Reset* comes to you with my highest recommendation. This is essential intelligence for the road that lies before us.



March 10, 2021
Stavoren, The Netherlands

Catherine Solari

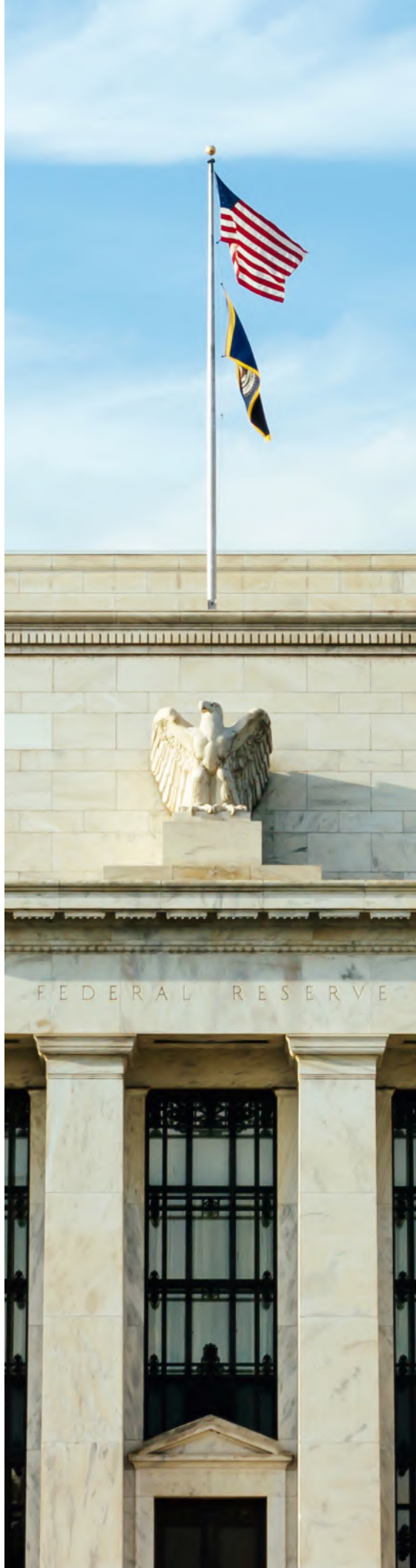
Endnotes:

1. See John Crudele, "Is unemployment really as deadly as coronavirus?" *New York Post*, April 20, 2020. <https://nypost.com/2020/04/20/explaining-the-link-between-unemployment-deaths-amid-coronavirus/>.
2. See Trading Economics, "United States unemployment rate." <https://tradingeconomics.com/united-states/unemployment-rate>.
3. See Solari's missing money coverage at <https://missingmoney.solari.com> and <https://hudmissingmoney.solari.com>.
4. See Kelly Patricia O'Meara, "Why is 59 billion missing from HUD?" https://www.dunwalke.com/resources/documents/ArticleScans/Sized/Insight-59B_Missing_2005-11-07_v5a.pdf.
5. *2017 Annual Wrap Up: Does Your Pension Fund Have a Deep State Drain?* <https://pension.solari.com>.
6. According to Wikipedia, "The term 'desk murderer' (German: *Schreibtischtäter*) is attributed to Hannah Arendt and is used to describe state-employed mass murderers" who plan and organize kills "without taking part in killings personally." https://en.wikipedia.org/wiki/Desk_murderer.
7. <https://home.solari.com/the-red-button-story/>.

THE GOING DIRECT RESET

by John Titus





I. Introduction

THE “novel” coronavirus pandemic marks the greatest turning point in U.S. monetary history since the creation of the Federal Reserve in 1913.

The Virus Pandemic and the Federal Reserve are fascinating historical figures for many reasons, starting with the deceptions their very names work on the public. “Federal” Reserve falsely implies that “the Fed” is an agency of the federal government when in fact it is a cartel of 12 private banks¹ acting in concert from different locations to skim interest payments off the top of the U.S. money supply in perpetuity. “Coronavirus pandemic” deliberately misdiagnoses the real disease at the root of the current crisis, which is not in fact any virus (hint: it has a 99+% survival rate) but rather a radical plan for the eventual takeover of the U.S. monetary system by the privately owned Federal Reserve.

The popular notion that a virus is the original force behind the current downturn doesn’t stand up to serious scrutiny. It’s easy if not trivial to look at a timeline of monetary events and see that the official monetary response to the “coronavirus pandemic” went into effect before there even was a pandemic. This means that the monetary “response” wasn’t initiated by any virus, but by something else. As it turns out, that something else was a radical monetary plan handed to the Fed for implementation six months earlier by BlackRock. Yes, that BlackRock—the one that had a central role in the Fed’s monetary “response,” which in actuality was nothing more than the execution of BlackRock’s plan.²

To put it bluntly, the actions taken by the Federal Reserve starting in March of 2020—actions that represented a massive departure from the Fed’s responses to crises before that time³—are exactly what BlackRock told the Fed

to do in Jackson Hole, Wyoming over half a year before the World Health Organization (WHO) declared a pandemic. It was in August 2019, months before the first coronavirus story broke, that BlackRock instructed the Fed to get money into public **and private** hands when “the next downturn” arrived—which as luck would have it occurred less than a month later.

In a nutshell, this was BlackRock’s “going direct” plan,⁴ and what we are going to see here is how the Fed began executing—quite successfully—that plan (which enriched billionaires) before the pandemic was declared. The WHO’s declaration of the pandemic in fact coincides to the day with the Fed’s shifting BlackRock’s plan—already up and running—from mid-gear into high-gear, as the WHO had just armed the Fed with a huge cover story, the perfect distraction. Indeed, the Fed’s execution of BlackRock’s plan had shifted from low- to mid-gear a couple of weeks earlier, when the stock market plummeted following four months of trouble in the U.S. bond market.

The virus pandemic cover story thus permitted the Fed to kick the BlackRock plan into high gear with a massive and wholly unprecedented asset purchasing spree. But for the Fed, hyper aware of publicity as it is, the pandemic cover story came with a downside, which was that it had to actually *do something* to prop up the appearance of helping the public (which was and still is suffering badly under lockdowns).

In an effort to minimize that downside, the Fed came out with a rash of emergency measures that amounted to a handful of peanuts next to the trillions it was gifting billionaires. Those emergency measures arrived very late and were infected with admitted conflicts of interest at

that. But those peanuts did buy the Fed some good press and enabled it to ride on the coattails of the Small Business Administration, which is where Main Street got real assistance—not from the Fed’s hackneyed jawboning.

To be clear, the Fed absolutely needed the 24/7 hype over the alleged pandemic as superficial justification for its massive \$3 trillion balance sheet expansion, which in turn created \$3 trillion of new money in private hands—exactly as BlackRock’s plan called for.⁵ Without the saturation air cover that the Fed had, its acts would’ve amounted to a naked money grab, which as it was even Jim “Mad Money” Cramer called one of the greatest wealth transfers in history.⁶

In actuality, as we shall see, the Fed only got around to its real plan for the public after its billionaire-enriching asset buying binge was all but over. Ultimately that plan is going to birth central bank digital currencies (CBDCs), which will give the Fed even more control over the U.S. than it has seized during the two-weeks-to-flatten-the-curve pandemic that goes on forever.

Once CBDCs go into effect, however, the Fed will soon discover that the next victim in the progressive game of centralized monetary control is none other than the Federal Reserve itself, which would be a good thing if its victimization could occur without taking the U.S. down with it. But that is another episode.





II. Analysis

SET forth below is an analysis of the tectonic monetary shift under cover of the pandemic. Ultimately, it's the story of the Fed's increasing degree of political control on behalf of an unelected financial elite.

A. August-September 2019: BlackRock's Plan for "the Next Downturn," Followed by That Next Downturn One Month Later

Every year, 120 of the top global figures in finance, about half of whom are central bankers, meet in Jackson Hole, Wyoming, to discuss current events and plans for the road ahead (see "Players List" in this *Wrap Up*).

In 2019, on August 22 to be specific, BlackRock presented at this event a radical policy "proposal" for "dealing with the next downturn" (which is the actual title of the paper BlackRock delivered there). The proposal sets forth some rather pointed advice to the Federal Reserve about how it should respond to the next crisis, namely, by "going direct." BlackRock itself recognized and called attention to the fact that its going direct plan represented a break from all prior Federal Reserve crisis responses:

An unprecedented response is needed when monetary policy is exhausted and fiscal policy alone is not enough. That response will likely involve "going direct": Going direct means the central bank finding ways to get central bank money directly in the hands of public and private sector spenders. Going direct, which can be organized in a variety of different ways, works by: 1) bypassing the interest rate channel when this traditional central bank toolkit is exhausted, and; 2) enforcing policy coordination so that the fiscal expansion

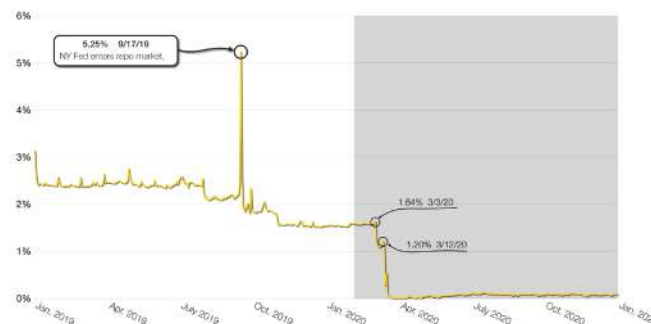
does not lead to an offsetting increase in interest rates.

An extreme form of "going direct" would be an explicit and permanent monetary financing of a fiscal expansion, or so-called helicopter money.⁷ [Emphases in original]

What made BlackRock's "going direct" plan for the Fed unprecedented was the part about getting "central bank money directly in the hands of public **and private** sector spenders" in a way that represented a "**permanent** monetary financing of a fiscal expansion." BlackRock even proposed a "permanent monetary financing of a fiscal expansion." In the wake of the 2008 financial crisis, the Fed had of course embarked on a path of "quantitative easing" (QE), but under that version of QE, central bank (public) money had gone directly into the hands of the public sector spenders, meaning that reserves created by the Federal Reserve stayed entirely within the Fed's banking circuit, i.e., among those parties who do their banking with the Fed: commercial banks, foreign central banks, and the U.S. government.

What BlackRock was now proposing at Jackson Hole in 2019 with its “going direct” formulation was to expand the 2008 version of QE to add “private sector spenders” to the list of “public” parties who received money under QE previously, and to do so on a permanent basis.

Which is exactly what happened over the course of the next year. More immediately, though, “the next downturn” contemplated by BlackRock on August 22, 2019 arrived on September 17—less than one month later. That is when the secured overnight lending rate briefly hit 10% and prompted the New York Fed to enter that market and to create new reserves to sell to borrowers eager for liquidity (see chart, “Secured Overnight Lending Rate, 2019–present”).⁸

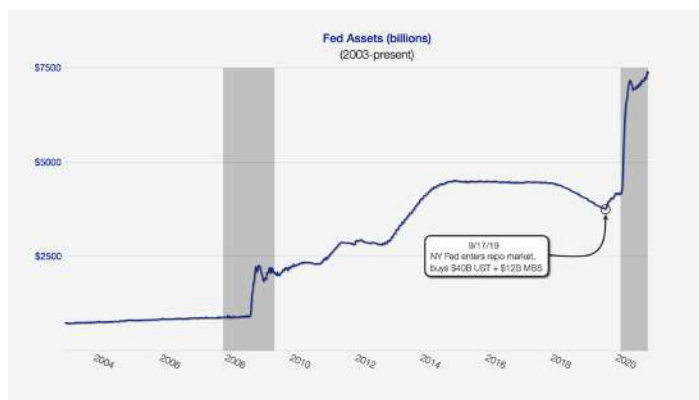


Secured Overnight Lending Rate (2019–present)

B. September 2019–March 2020: The Fed Responds to the Downturn by Starting to Implement BlackRock’s “Going Direct” Plan

The New York Fed’s intervention in the repo market on September 17 marked a turning point for the Fed’s balance sheet, which had been steady or declining since 2015. At that point, the Fed began purchasing assets and thereby increasing the size of its balance sheet, just as it had done in the wake of the 2008 global financial crisis (see chart, “Fed Assets, 2003–present”).

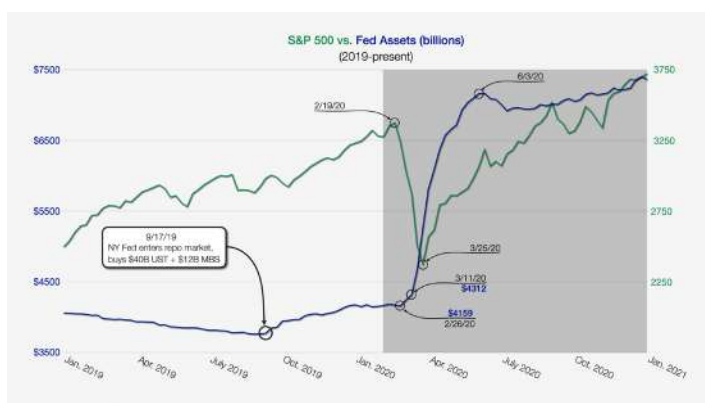
With any monetary crisis like the one in the repo market, one is well-advised to first investigate the U.S. bond market—the root of all U.S. money except for coins—for culprits. And there we find that foreigners had begun dumping U.S. Treasuries exactly when woes surfaced in the repo market, a process that continued into 2020.⁹



Fed Assets (billions) (2003–present)

The Fed filled the gap left by foreign selling (a gap made even bigger by the ever-widening U.S. deficit, which is funded by... selling even more Treasuries) by creating new reserves and

buying up U.S. government debt itself. For about five months, the Fed's asset purchases were (in retrospect) modest, meaning they were limited to around \$100 billion per month. What spurred the Fed to increase its efforts from low-to mid-gear was the stock market, which went into free fall starting on February 19, 2020 (see chart, "S&P 500 vs. Fed Assets, 2019–present").



S&P 500 vs. Fed Assets (billions) (2019–present)

Over the two-week period from February 26 to March 11, the Fed ramped up its asset purchases by over \$150 billion, but the stock market continued its free fall nevertheless.

On March 11, the WHO declared the budding coronavirus threat, small though it then was, a pandemic. When that happened, the Fed's asset purchases immediately went into high gear (see "3/11/20" annotation on chart, "S&P 500 vs. Fed Assets, 2019–present").

To a casual observer, it might appear that the massive expansion of the Fed's balance sheet began when the WHO declared the virus to be a worldwide pandemic on March 11. That is not

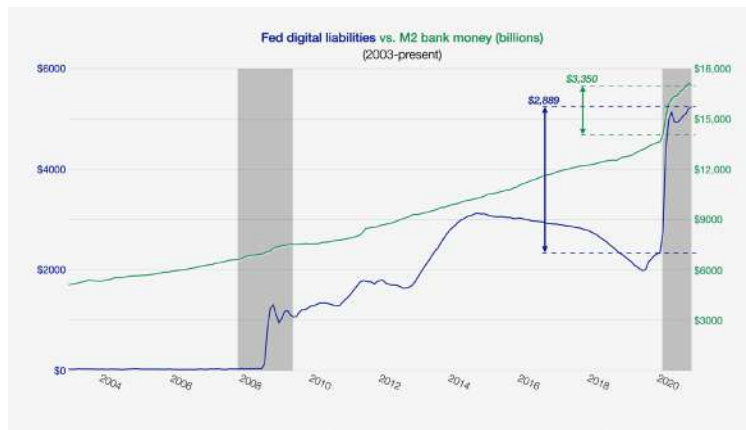
the case, however. For one thing, as we've just seen, both "the next downturn" and the Fed's expansion of its balance sheet began six months earlier, when the New York Fed intervened in the repo market.

For another, the expansion of the Fed's balance sheet in accordance with BlackRock's radical new plan to "get central bank money directly in the hands of public and private sector spenders" can be traced back to about February 1, 2020, well over a month before public officials hit the panic button over what was to become The Virus. The Virus from March 11 forward.

Normally, that is, prior to the implementation of BlackRock's "going direct" plan, when the Federal Reserve purchases assets, it buys them from commercial banks or from the U.S. government, both of which have accounts with the Fed. Whenever the Fed buys assets, regardless of whether or not under BlackRock's plan, it creates brand-new reserves to do so.

Reserves function as money for commercial banks, which have accounts at the Fed, but do not function as money for ordinary people and non-bank businesses, who do not have accounts at the Fed. For ordinary people and non-bank businesses, money isn't reserves, it's bank money. (Cash is an altogether different animal for purposes of this discussion, which pertains to digital money only.) But the Fed cannot and does not create bank money. Commercial banks create bank money.

For commercial banks, reserves are asset-money, and bank money (i.e., ordinary checking and savings accounts) is liability-money.



Fed digital liabilities vs. M2 bank money (billions)
(2003–present)

So when the Fed buys assets from a commercial bank or the U.S. government, it creates new reserves and credits in the bank’s or the government’s Fed account in the amount of those new reserves, and the seller transfers the asset to the Fed in exchange. The key takeaway here is that this simple two-party transaction structure results in an increase in reserves, *but no net increase in bank money*. The reason there is no change in bank money under the Fed’s normal asset purchase route is that there is no non-bank entity (and thus no bank money) involved in the transaction, which is simply a two-party transaction between the Fed and a Fed account holder (a commercial bank or the government), conducted entirely in reserves.

That traditional two-party asset purchase structure was abandoned by the Fed in February of 2020, however, replaced by a three-party asset purchase structure necessitated by BlackRock’s “going direct” plan of getting public money into private hands. From then on (throughout the recession period indicated by the Fed with a gray background on the graphs), what we have been seeing is the lockstep increase in both reserves *and* bank money (see chart, “Fed digital liabilities vs. M2 bank money, 2019–present”).

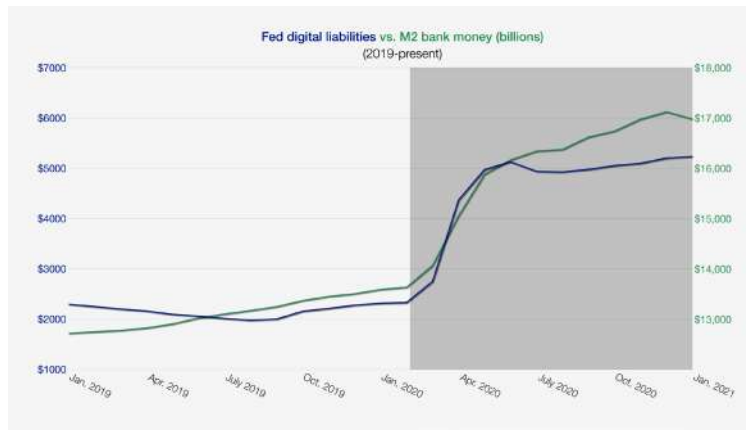
The reason for the lockstep increase in bank money reflects the presence of a third party, which doesn’t have a Fed account and uses bank money instead, in the new three-way asset purchase structure: the Federal Reserve (the

asset buyer), a non-banking financial institution like a pension (the seller), and the seller’s commercial bank (which functions as the transaction intermediary).

Here is how that works. Instead of paying, say, \$1000 of reserve money to the seller, the Fed pays the seller’s bank by crediting its Fed account with \$1000 of new reserves; and the seller’s bank, in turn, credits the seller’s account with \$1000 of brand-new bank money. Thus, on the balance sheet of the seller’s bank, that \$1000 of new bank money becomes the liability that cancels out the new \$1000 in reserves sitting in the the reserve account at the Fed of the seller’s bank.

In this way, when the Fed purchased \$3 trillion of assets in 2020, it forced the separate creation of \$3 trillion in bank money.

I explained the precise process in detail in “Quantitative Easing Is the Biggest Sham Ever,”¹⁰ which revealed that the Federal Reserve structured its 2020 large-scale asset purchases (with newly created reserves) so as to force the creation of new money in the regular economy (with new bank-money created in mirror-image form to counterbalance the new reserves). This structure is designed to drive up high-risk financial assets like stock market equities, a fact that the Bank of England stated expressly in a 2014 publication.¹¹



Fed digital liabilities vs. M2 bank money (billions)
(2019–present)

This lockstep increase in new bank money in tandem with the Fed’s creation of new reserves to buy assets represents a massive and fundamental departure from the Fed’s QE program in the wake of the 2008 crisis. Back then, the Fed increased its digital liabilities (i.e., excluding cash) from basically zero to nearly \$1.5 trillion in just a few months, and yet the supply of bank money hardly even registered a blip, as the chart on page 22 (“Fed digital liabilities vs. M2 bank money, 2003–present”) attests.

This is exactly what BlackRock had advocated in its “going direct” plan: “the central bank finding ways to get central bank money directly in the hands of public and private sector spenders.” The private sector spenders, of course, are the non-bank financial institutions that sold the Fed assets, mostly U.S. Treasuries. As explained in “Quantitative Easing Is the Biggest Sham Ever,” non-bank financial institutions like pension funds are fully motivated, in order to generate higher rates of returns to keep up with fund withdrawals, to replace lower yielding assets like U.S. Treasuries with higher-yielding assets like stock market equities.

The mechanics of the Fed’s 2020 balance sheet expansion is an important confirmation of the Federal Reserve’s dominion over commercial banks, which despite conventions (e.g., reserve creation following rather than leading bank money creation) and numbers (e.g., reserve money being but a fraction of M2, a reliable

proxy for bank money) remain the legally inferior party.

The massive balance sheet expansion that occurred during 2020 was thus unprecedented not only for its size (over \$3 trillion of new reserves) but also in its mirror image creation of new bank money (as shown in the graph above, “Fed digital liabilities vs. M2 bank money, 2019–present”). The mirror image creation of public and private money via the structure of the Fed’s asset purchases was scripted by BlackRock some four months *before* any virus story emerged from Wuhan.

In this we can observe the 24/7 Virus coverage as a collateral script—a literal sequel—that functions to rationalize the implementation of BlackRock’s original monetary script, which indeed expressly called for “the next downtown.”

Neither the Fed nor the big banks that own the Fed have been particularly subtle about sharing their insights on what the Virus might do next, as if it were a character on a TV show. The financial website *zerohedge.com* can’t seem to go an entire day without offering up Goldman Sachs or Bank of America’s latest thoughts about what the Virus has in store for the economy. The authors of these scientific tracts and prognostications don’t have any qualifications in epidemiology or infectious diseases because that’s not what the Virus is about, and scientific credentials are unnecessary.

What it's about is the Fed setting public policy. This is why President Neel Kashkari of the privately owned Minneapolis Federal Reserve Bank spoke before an audience of five million people on *Face the Nation* in April 2020: to warn them to expect 18 months of lockdowns because “the path of the virus” included “various phases of rolling flare-ups.” (See “Presenting The Federal Reserve Script for Totalitarianism.”¹²)



C. Significance of the Fed's 2020 Balance Sheet Expansion

The Fed's encroachment during 2020 into the currency-issuing role traditionally held by commercial banks in the U.S. has been both massive and unprecedented. This development has not garnered any news coverage because quantitative easing—despite its major splash onto the financial scene 12 years ago—is still not well understood. In this regard, while the Fed's \$3 trillion balance sheet expansion is widely known, the fact that this expansion in turn forced the additional creation of \$3 trillion by commercial banks is not known at all. Stated differently, while it's widely known that the Fed created \$2.9 trillion in new reserves (which cannot be used by non-banks in the regular economy) out of thin air in 2020, sending its overall balance sheet north of \$7 trillion, few people understand that this action forced commercial banks to create \$3.3 trillion of brand-new bank money (which certainly can be used by non-banks in the regular economy).

See graph, “Fed digital liabilities vs. M2 bank money (billions), 2003–present,” on page 22.

This reflects a breathtaking exercise of monetary power by the Federal Reserve when one considers that the Fed's actions during 2020 accounted for some 86% (\$2.889T of \$3.350T, see graph annotations) of new bank money. Commercial banks, which are the exclusive issuers of bank money, accounted for only 14% of its new issuance last year.

Why does any of this matter? It matters because it marks the Fed's major move in its eventual takeover of money-creating functionality from commercial banks, which when it comes to central bank digital currencies will be 100%. And this, in turn, represents the first step in the global centralization of monetary control in the hands of some unelected global entity without the first scintilla of any transparency or accountability.

Created	Running	Facility	CARES Funding	ESF/SPV?	Manager	Custodian	Treasury spent	Fed Used	Fed Bal.Sheet
March 17	April 14	CPFF	None	No	PIMCO	State Street Bank			\$8.6B
	March 20	PDCF	None	No	NY Fed	Bank of NY Mellon			\$0.5B
March 18	March 23	MMMLF	None	No	Boston Fed	borrower designates			\$3.6B
March 23	June 29	PMCCF	\$50 billion	Yes	BlackRock	State Street Bank	\$46.5B	\$32.2B	\$46.5B
	May 12	SMCCF	\$25 billion	Yes	BlackRock	State Street Bank			
	June 17	TALF	\$10 billion	Yes	PIMCO	Bank of NY Mellon	\$12.7B	\$9.1B	\$12.7B
April 9	April 16	PPPLF	None	No	Sm.Bus.Admin.	participating banks			\$50.9B
	June 15	MSLP	\$75 billion	Yes	Boston Fed	State Street Bank	\$54.1B	\$37.7B	\$54.1B
	May 26	MLF	\$35 billion	Yes	Mellon	Bank of NY Mellon	\$21.3B	\$15.0B	\$21.3B

Summary of Federal Reserve Emergency Lending Programs as of December 30, 2020

D. The Fed's Execution of BlackRock's "Going Direct" Plan Enriched Billionaires While Main Street Struggled

The Fed's execution of BlackRock's plan inured to the enormous benefit of financial asset holders, whose low-yield U.S. Treasuries (or sketchy mortgage-backed securities) they were able to fob off onto the Fed's balance sheet in exchange for cash (via a commercial bank intermediary that "converted" reserves into bank money). Those financial asset holders were then able to turn around and plow their cash into high-yield assets like the stock market. Indeed that's a central purpose of QE, as demonstrated in "Quantitative Easing Is the Biggest Sham Ever."

The Fed's implementation of BlackRock's plan to "go direct"—directly from the new reserves created by the Fed into new bank money created by commercial banks in the accounts of financial asset holders for them to invest—was a success from very early on in the pandemic, at least when contrasted with the relief afforded to Main Street: "Between March 18 and April 10, as the U.S. [un]employment rate approached 15 percent, the combined wealth of America's billionaires increased by \$282 billion — nearly a 10 percent increase."¹³

And the April 10 figure of \$282 billion, recall, is the wealth increase *over the course of less than a single month, and just for billionaires at that*.¹⁴ As we've just seen, that wealth increase was enabled by the Fed's execution of BlackRock's "going

direct" plan, which makes it an interesting basis for comparison against the Fed's supposed efforts to help Main Street.

The key date here is April 10, 2020. By that time, the Fed had created six lending programs for Main Street on two different dates, March 23, 2020 and April 9, 2020.¹⁵ At first blush, then, it might appear that the Fed, while "unavoidably" helping billionaires, had lent at least some money to Main Street via these six programs. But alas, this is not the case, because none of the Fed's Main Street programs was even up and running by April 10.

In fact, the first operational Main Street program was the Paycheck Protection Program Liquidity Facility (PPPLF), which wasn't operational until April 16. The next Main Street Fed lending program to become operational was the Secondary Market Corporate Credit Facility (SMCCF), which wasn't up and running until May 12, 2020, as the above table of programs illustrates; green highlighting indicates those programs that required a special purpose vehicle (SPV) in the form of the Exchange Stabilization Fund (ESF).

	A	B	C	D	E	F	G	H
1	Reserve Bank credit, related items, and reserve balances of depository institutions at Federal Reserve Banks (millions of dollars)							
2						Feb. 5, 2020	Apr. 8, 2020	Growth
3	Reserve Bank credit					4,128,065	6,044,516	1,916,451
4	Securities held outright ¹					3,817,516	5,096,434	
5	U.S. Treasury securities					2,427,880	3,634,386	1,206,506
6	Bills ²					247,536	326,044	
7	Notes and bonds, nominal ²					2,025,475	3,064,860	
8	Notes and bonds, inflation-indexed ²					129,451	210,625	
9	Inflation compensation ³					25,418	32,857	
10	Federal agency debt securities ²					2,347	2,347	
11	Mortgage-backed securities ⁴					1,387,289	1,459,701	72,412
12	Unamortized premiums on securities held outright ⁵					123,542	243,113	
13	Unamortized discounts on securities held outright ⁵					-13,333	-7,381	
14	Repurchase agreements ⁶					170,250	192,751	
15	Foreign official						1	
16	Others						192,750	
17	Loans					1	129,637	129,636
18	Primary credit					0	43,449	
19	Secondary credit					0	0	
20	Seasonal credit					1	0	
21	Primary Dealer Credit Facility					0	33,018	
22	Money Market Mutual Fund Liquidity Facility					0	53,171	
23	Paycheck Protection Program Liquidity Facility						0	0
24	Other credit extensions						0	
25	Net portfolio holdings of Commercial Paper Funding Facility II LLC ⁷						0	
26	Net portfolio holdings of Corporate Credit Facilities LLC ⁷						0	0
27	Net portfolio holdings of MS Facilities LLC (Main Street Lending Program) ⁷						0	0
28	Net portfolio holdings of Municipal Liquidity Facility LLC ⁷						0	0
29	Net portfolio holdings of TALF II LLC ⁷						0	0
30	Float					-104	-305	
31	Central bank liquidity swaps ⁸					48	358,077	
32	Other Federal Reserve assets ⁹					30,145	32,189	
33	Foreign currency denominated assets ¹⁰					20,453	20,373	
34	Gold stock					11,041	11,041	
35	Special drawing rights certificate account					5,200	5,200	
36	Treasury currency outstanding ¹¹					50,176	50,233	
37								
38	Total factors supplying reserve funds					4,214,936	6,131,363	

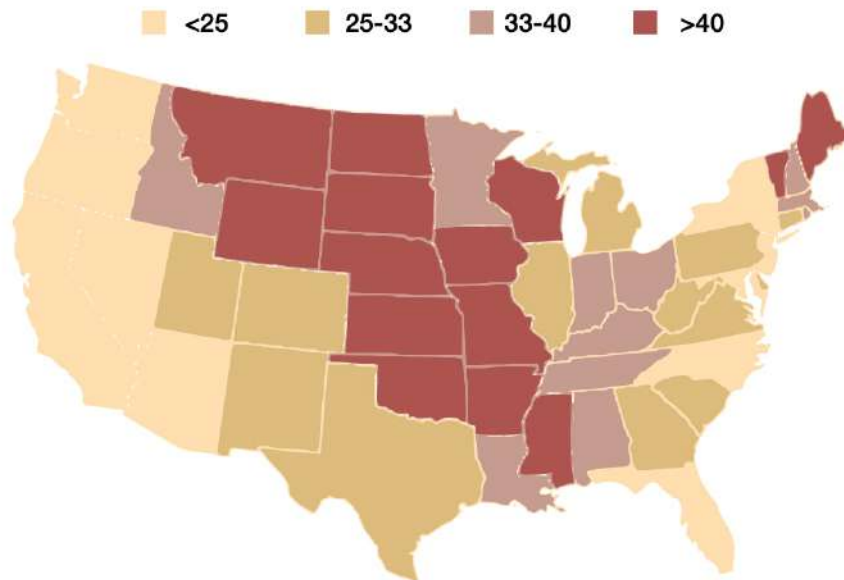
Reserve Bank credit, related items, and reserve balances of depository institutions at Federal Reserve Banks (millions of dollars)

By April 10, 2020, then, the Federal Reserve had bestowed exactly zero money on Main Street despite a host of programs supposedly set up to do exactly that. By that very same date, by contrast, the Fed had purchased more than \$1.2 trillion of U.S. Treasuries in accordance with BlackRock's plan and had extended more than \$130 billion to Wall Street programs, as the comparison (top of page) of the Fed's balance sheet on February 5 and April 12, 2020 reveals.

As always, the Fed's only real interest in Main Street consisted of PR efforts, which during the pandemic wildly exaggerated the reality of the Fed's efforts on Main Street's behalf. And thus it was one day before April 10: Despite having failed to lend the first actual penny to anyone under the Fed's so-called Main Street programs, the Fed in its April 9 press release crowed about a massive (and imaginary) \$2.3 trillion funding

of its Main Street programs to "assist households and employers of all sizes and bolster the ability of state and local governments to deliver critical services during the coronavirus pandemic."¹⁶

On the ground, of course, Main Street had been shut down for nearly a month, putatively in response to the novel coronavirus. Thus, the media's 24/7 Virus Virus Virus production not only deflected attention away from the real source of Main Street's pain, which was unemployment brought on by lockdowns; it also provided cover for the Fed's radical and massive balance sheet expansion that was turning billionaire financial asset holders into trillionaires. That was in fact BlackRock's plan all along, and it worked.



Date	No. of Loans	Amt. of Loans	Avg. Loan
by April 16, 2020	1,661,000	\$342.3 billion	\$206,080
by May 6, 2020	2,441,369	\$183.5 billion	\$75,163

Small Business Administration PPP Lending:
Percentage of Small Businesses Receiving Loans

E. Real Help for Ordinary Americans Didn't Come from the Federal Reserve

While the Fed was busy ginning up wildly misleading press releases utterly belied by painful reality, real help for ordinary Americans came from elsewhere. What actually buffered Main Street from the full brunt of the lockdowns wasn't the Fed's self-aggrandizing and empty press releases; it was actual money in the form of loans (possibly forgivable) from the Small Business Administration's (SBA's) Paycheck Protection Program (PPP).

The Federal Reserve's lending facility bearing the same name is just another cynical attempt by the Fed to seek favorable publicity where precious little is due, as the following comparison of the two PPP programs shows.

As we've just seen, by April 10, 2020, the Fed's PPP facility wasn't even operational yet. That didn't occur until April 16. By that date, the SBA had already extended \$342 billion in relief to Americans by providing 1.7 million loans to small- and medium-sized businesses at an average amount of \$206,000 per loan.

Despite the fact that the Fed had lent out no money by April 16, its report to Congress that very day was eager not only to latch onto the SBA's coattails, but to make it appear that

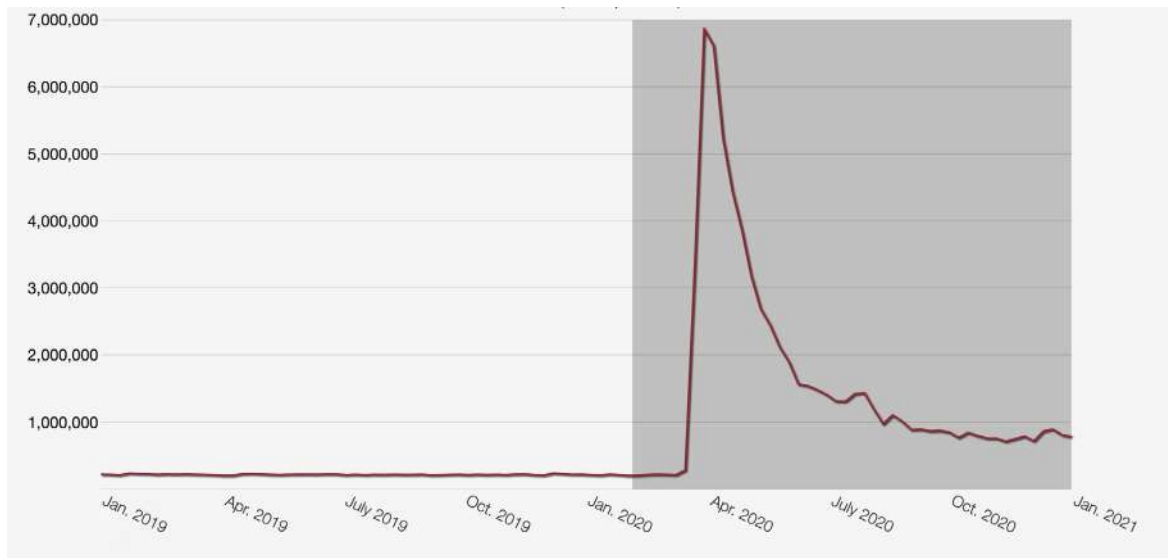
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Press Release

April 09, 2020

Federal Reserve takes additional actions to provide up to \$2.3 trillion in loans to support the economy



Initial Claims, Weekly Unemployment Insurance
(2019–present)

the Fed’s PPP lending facility was enabling loans under the SBA’s PPP facility—a clear impossibility in view of the timing. Here is what the Federal Reserve told Congress on April 16, 2020:

The PPPLF offers a source of liquidity to the financial institution lenders who lend to small businesses through the Small Business Administration’s (SBA) Paycheck Protection Program (PPP).¹⁷

financial-asset-pumping purchases). By May 6, 2020, when the SBA had lent out some \$525 billion to businesses, the Fed’s PPPLF stood at just \$29 billion, a 20-to-1 ratio.

These dates are centered on the brunt of the crisis, too, as the chart of Initial Unemployment Insurance Claims makes clear (top of page).

Nowhere in the Federal Reserve’s report to Congress does it describe the Fed’s PPPLF as supplemental to or parallel with the SBA’s program by the same name. Nor does the Fed even acknowledge the massive \$340 billion effort by the SBA—an effort that occurred with no help from the Fed at all. Instead, the Fed casts its PPP program as if it’s an inherent part of the SBA, a plain impossibility.

Even when the Fed did get its PPPLF up and running, its lending activities were dwarfed by those of the SBA’s PPP program (which in turn were dwarfed, sadly, by the Fed’s

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	June 15	MSLP	\$75 billion	Yes	Boston Fed	State Street Bank	\$54.1B	\$37.7B	\$54.1B
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Summary of Federal Reserve Emergency Lending Programs as of December 30, 2020

F. So, What Were the Fed's Emergency Lending Programs Really All About?

The media's coverage of pandemic programs and responses by both the Federal Reserve and the U.S. government was thoroughly incompetent, vastly overemphasizing the Fed's Main Street and other emergency lending programs while giving short shrift to (1) the Fed's \$3 trillion reserves creation efforts (\$6 trillion if you count bank money, for reasons explained above) and (2) the SBA's Herculean accomplishment of marshaling 5.2 million loans at an average value of \$100,000 per loan for a total of \$525 million in relief.¹⁸

Nevertheless, it is precisely because the Fed's emergency lending programs drew so much digital ink that we provide a short compendium for easy reference. A good starting point for this exercise is the emergency lending summary from page 25 (reproduced top of page).

1. Overview of How the Fed's Emergency Lending Programs Worked

As discussed above, the Fed's "Main Street" programs are those created (left column) on March 23 and April 9, 2020. At the end of 2020, these programs accounted for \$185.5 billion on the Fed's balance sheet (rightmost column)—on the asset side of the balance sheet since the loans were all collateralized. Note that the Custodian is always a commercial bank (even when designated by the borrower). The

reason for this is that the Fed can only create new reserves, whereas the ultimate program borrowers are non-bank businesses that transact their business in bank money and don't have an account at the Fed. Thus, the Federal Reserve needs an intermediary commercial bank to "convert" reserves from the Fed into bank money that's lent out to program recipients.

In reality, that "conversion" process is really just the commercial bank booking new reserves (of which it is custodian) as an asset and creating new bank money for lending and booking that as a liability, thereby balancing its ledger. In any case, the Fed cannot create bank money and needs a commercial bank to perform that function for it.¹⁹

Another column worth noting is "ESF/SPV?" All but one of the Main Street lending facilities are ticked "Yes." ESF is short for "Exchange Stabilization Fund." When Congress passed the CARES Act on March 27, it allocated \$500 billion to the ESF, of which \$454 billion was to be used for the Fed's emergency lending programs above.

The media frequently cited the Fed's intention to leverage the ESF's "investment" with the Fed at a 10-to-1 ratio, which just happens to match the reserve ratio before it was scotched. This fueled the popular notion that the Fed

needed money from the Treasury in order to lend through these programs, which is utterly false. The Federal Reserve is a bank of issue; it creates all reserves out of thin air, just as commercial banks create bank money out of thin air. (See “Mommy, Where Does Money Come From?”)²⁰ The Fed didn’t need a penny from the Treasury or anyone else, contrary to the myth promoted by the media.

The more likely explanation for the presence of the ESF relates to its historical role in skirting or altogether evading the law, largely enabled by its location within the privately owned New York Federal Reserve. In the mid-1990s, for instance, Congress refused to pass legislation bailing out the Mexican peso, so the Clinton Administration simply set up a \$20 billion lending package and ran it from the ESF in 1995. Another instance: When money market mutual funds experienced heavy redemptions in September 2008, the Treasury unilaterally guaranteed money market mutual funds with \$50 billion from the ESF. This sufficed to end redemptions despite the fact that money market mutual funds held about \$3.5 trillion in assets then, whereas the ESF held just \$50 billion, which should have rendered (but evidently did not) the ESF’s guarantee a laughingstock.

The presence of the ESF in the Fed’s emergency lending facilities is also very likely a move by the Fed to block any efforts at transparency. As Rob Kirby, who’s studied the ESF for many years, puts it: “It was operated above all laws and was subject to no laws. So this was an entity that was created with the almighty hammer, bigger money than any entity had ever had at its disposal prior, and it had free hand to do whatever it wanted.”²¹

In any case, the Federal Reserve implemented a host of liquidity facilities—most but not all operated by the Federal Reserve Bank of New York—on the heels of the pandemic and associated lockdowns. As it had done during the 2008 financial crisis, the Fed established several facilities under section 13(3) of the Federal Reserve Act, which empowers the Fed (with the approval of the U.S. Treasury) to establish, in “unusual and exigent circumstances,” broad-based lending programs.

And just as it did during the 2008 financial crisis, the Fed did not hesitate to take actions that went beyond the bright-line legal boundaries set by section 13(3), for example by *purchasing* assets (instead of borrowing them). This is the true reason the Fed resorts to special purpose vehicles (SPVs), a kind of legal cutout or strawman that (in the Fed’s mind) steps into the Fed’s shoes to do things that are legally off-limits to the Federal Reserve itself.

For example, to get around the legal prohibition against the Fed purchasing assets, which limits the Fed to making loans, the Fed during the 2008 crisis set up numerous SPVs. The Fed then lent money to these SPVs, which turned around and purchased the assets, which were used as collateral by the SPVs against their so-called loans.

After the financial crisis, Congress modified the law (via Dodd-Frank) to further limit the range of activities available to the Fed under section 13(3). Throughout the crisis, for example, the Fed repeatedly assisted particular institutions in blatant displays of favoritism. Dodd-Frank prohibited that practice by the Fed, prohibiting it (supposedly) from *targeting specific entities*.

Under this reform, the Fed is only allowed to undertake broad-based loans.

During the pandemic, however, the Fed dealt with any and all limitations on its legal authority under section 13(3) the same way it did during the 2008 crisis, namely, by setting up SPVs to undertake acts forbidden to the Federal Reserve itself. The Fed then inserted the ESF for good measure, like wearing suspenders with a belt.

Detailed information from reports on each program—including, where applicable, transaction-level details logged in spreadsheets—can be found on the Federal Reserve’s website:

<https://www.federalreserve.gov/reports-to-congress-covid-19.htm>.

2. Thumbnail Summaries of the Fed’s Emergency Lending Programs

By way of that general background, provided here is a short summary of the Fed’s specific emergency lending facilities during the pandemic. Figures provided are as of year-end 2020.

a. Commercial Paper Funding Facility (CPFF)

According to the New York Fed, the commercial paper market experienced serious problems during the week of March 20, 2020. Of particular concern was the alleged inability of certain firms to issue paper for any term longer than one week. The Fed accordingly set up the CPFF in order to ease payments of auto loans, inventories, and payrolls.

The Fed’s credibility with CPFF is not good. This is the program’s second iteration, the first being in the wake of the global financial crisis of

2008. The Fed refused to provide any information relating to which institutions received funding under the CPFF. In 2010, however, a partial audit by the Government Accountability Office (GAO) forced the disclosure of recipients. The results were not flattering for the Fed. Contrary to the story it had provided to Congress relative to the Troubled Asset Relief Program (TARP)—namely, that Wall Street needed to be bailed out in order to bail out Main Street via the commercial paper market—it turned out that of \$800 billion provided to institutions under the CPFF, not even \$1 went to any Main Street businesses. See the BestEvidence video “Ben Bernanke’s Sovereign Deception” (timestamp 8:05) for the list of CPFF recipients, including UBS (Switzerland), Dexia (Belgium), Barclays (UK), and others.²²

Thumbnail Summary of CPFF

- Authorized up to: No CARES limit
- Current amount: \$9 billion
- Treasury equity: \$0
- SPV? No
- Transaction detail? No

b. Municipal Liquidity Facility (MLF)

Created pursuant to the CARES Act and under section 13(3) of the Federal Reserve Act, the Fed’s MLF facility is intended to help states, counties (with a population of over 500,000), and cities (250,000+) deal with cash flow pressures. Under this program, the Fed lends to the SPV, which in turn purchases (via Bank of New York Mellon, which books the SPV’s reserves as an asset and creates a matching deposit account liability in the name of the municipality) notes from municipalities.

Thumbnail Summary of MLF

- Authorized up to: \$500 billion
- Current amount: \$21.3 billion disbursed by Treasury
- Treasury equity: \$35 billion authorized
- Treas. eq. used: \$15.0 billion used by Fed
- Outstanding 12/30: \$6.4 billion
- SPV? Yes
- Transaction detail? Yes

c. Primary Dealer Credit Facility (PDCF)

Created under section 13(3) of the Federal Reserve Act, the PDCF is, like CPFF, a retread from the 2008 financial crisis. The chief difference is that the current PDCF provides for dealer loans of up to 90 days, whereas the first version of PDCF provided only for overnight loans.

Thumbnail Summary of PDCF

- Authorized up to: No CARES limit
- Current amount: \$485 million
- Treasury equity: \$0
- SPV? No
- Transaction detail? No

d. Corporate Credit Facility (PMCCF and SMCCF)

Created pursuant to the CARES Act and under section 13(3) of the Federal Reserve Act, both the Primary Market Corporate Credit Facility (PMCCF) and Secondary Market Corporate Credit Facility (SMCCF) are intended to provide access to credit so that large companies (PMCCF) and smaller companies (SMCCF) can maintain business operations and capacity. Under the PMCCF, the Fed lends to the SPV,

which in turn purchases (via State Street Bank, which books the SPV's reserves from the Fed as an asset and creates a matching deposit account liability in the name of the company) bonds directly from eligible companies. Under the SMCCF, the Fed makes three classes of bond purchases from the secondary market: individual corporate bonds, exchange traded funds (ETFs), and broad market index bonds.

Thumbnail Summary of PMCCF and SMCCF

- Authorized up to: \$750 billion
- Current amount: \$46.5 billion disbursed by Treasury
- Treasury equity: \$75 billion authorized
- Treas. eq. used: \$32.2 billion used by Fed
- Outstanding 12/30: \$14.1 billion (of \$75 billion)
- SPV? Yes
- Transaction detail? Yes (SMCCF) No (PMCCF)

This pair of facilities, but especially the SMCCF, warrants further study in view of what's known about BlackRock's role as program manager. In short, BlackRock was using its position of legal authority to buy ETFs owned by BlackRock itself. This presented BlackRock with the opportunity to self-deal, which it exercised liberally: "Between May 14 and May 20, about \$1.58 billion in ETFs were bought through the Secondary Market Corporate Credit Facility (SMCCF), of which \$746 million or about 47% came from BlackRock ETFs."²³

e. Term Asset-Backed Securities Loan Facility (TALF)

Created pursuant to the CARES Act and under section 13(3) of the Federal Reserve Act, TALF enables the issuance of asset-backed securities backed by student loans, auto loans, credit card loans, loans guaranteed by the Small Business Administration (SBA), leveraged loans, commercial mortgages, and certain other assets. While this program sounds like it might be directed toward ordinary businesses, TALF funding is available only to “maintain an account relationship with a TALF Agent.” The list of TALF Agents is 15 securities firms, most of which are the New York Fed’s primary dealers. For an egregious abuse of this program, see the August 31, 2020 timeline entry.

Thumbnail Summary of TALF

- Authorized up to: \$100 billion
- Current amount: \$12.7 billion disbursed by Treasury
- Treasury equity: \$10 billion authorized
- Treas. eq. used: \$9.1 billion used by Fed
- Outstanding 12/30: \$4.1 billion (of \$10 billion)
- SPV? Yes
- Transaction detail? Yes

f. Paycheck Protection Program (PPP)

Created pursuant to the CARES Act and under section 13(3) of the Federal Reserve Act, the PPP is the most interesting in the seeming bifurcation of support provided by the Federal Reserve on the one hand and the U.S. government on the other hand. Under the PPP, the Fed claims to be “supplying liquidity to participating financial institutions through term financing

backed by PPP loans to small businesses.”

According to an April 16, 2020 report on the program by the Fed to Congress, the Fed set up a lending facility (the PPPLF), which “offers a source of liquidity to the financial institution lenders who lend to small businesses through the Small Business Administration’s (SBA) Paycheck Protection Program (PPP).”

While the Fed’s balance sheet (as of December 30, 2020) contains a PPP entry in the amount of \$54 billion, the Small Business Administration website indicates that participation in the program has exceeded \$500 billion, and that participation in the program is extremely widespread, as indicated by the color-coded participation levels in the map shown on page 27.

Thumbnail Summary of PPP

- Authorized up to: \$349 billion, increased to \$659 billion on April 27
- Current amount: \$54 billion
- Treasury equity: None
- SPV? No
- Transaction detail? Yes

g. Main Street Lending Program (MSLP)

Created pursuant to the CARES Act and under section 13(3) of the Federal Reserve Act, the Main Street Lending Program (terminated on January 8, 2021) was intended to support lending for small- and mid-sized businesses that were in sound financial condition before the pandemic. (The program’s term sheet, however, indicates that businesses with up to 10,000 employees or \$2.5 billion in annual revenue were eligible for loans ranging from \$1 million to \$25 million.) Under this program, the Boston

Fed established the Main Street SPV, which interfaced with some 640 eligible lenders in all 12 Fed districts to provide loans to businesses. Based on transaction-level detail provided by the Boston Fed, the earliest participation in the Main Street Lending Program appears to be July 1, 2020, when Cherry Tree Dental LLC of Madison, Wisconsin got a \$12.3 million five-year loan from Starion Bank of Bismarck, ND.

Thumbnail Summary of MSLP

- Authorized up to: \$600 billion
- Current amount: \$54.1 billion disbursed by Treasury
- Treasury equity: \$75 billion authorized
- Treas. eq. used: \$37.7 billion used by Fed
- Outstanding 12/30: \$16.4 billion
- SPV? Yes
- Transaction detail? Yes

h. Money Market Mutual Fund Liquidity Facility (MMLF)

Created under section 13(3) of the Federal Reserve Act, the MMLF is nominally intended by the Fed to “broaden its program of support for the flow of credit to households and businesses.” The actual meaning of the phrase “broadening support for credit flow” is reflected in the program’s eligible participants, which are limited to banks, bank holding companies, and U.S. branches and agencies of foreign banks. Under the MMLF, the Boston Fed “will make loans available to eligible financial institutions secured by high-quality assets purchased by the financial institution from money market mutual funds.” According to the Fed, the purpose of these loans is to “assist money market funds in meeting demands for redemptions by households and other investors, enhancing overall

market functioning and credit provision to the broader economy.”

Thumbnail Summary of MMLF

- Authorized up to: No limit
- Current amount: \$4 billion
- Treasury equity: \$10 billion
- SPV? Yes
- Transaction detail? No

3. Who Was Really Served by the Fed’s Emergency Lending Programs?

BlackRock was selected as the manager of both the Primary and Secondary Corporate Credit Facilities. Other financial institutions such as Pimco were tapped to manage other emergency lending programs as well. All of these firms are private and are motivated first and foremost to seek profits on behalf of their shareholders—not to protect the interests of the U.S. despite the U.S. Treasury’s investment of over \$100 billion in programs run by these firms.

The issue of whose interests exactly these private firms were serving was raised by Congress and put to Fed Chairman Jerome Powell and U.S. Treasury Secretary Steven Mnuchin in a Senate Report dated May 18, 2020:

*The Fed has hired the firm BlackRock to serve as an investment manager for this facility. How is the Fed ensuring BlackRock is acting in the best interest of the Fed and the public?*²⁴

In response to the Senate’s question about making sure BlackRock was acting “in the best interest of the Fed and the public,” Mnuchin

and Powell candidly confirmed that BlackRock was not acting to protect the public at all, but instead acted for the sole benefit of the New York Fed—a private bank:

The Federal Reserve Bank of New York (“FRBNY”) is the sole managing member of the CCF. Pursuant to the [investment management agreement], BlackRock acts as a fiduciary to the CCF in performing investment management services.²⁵

In this example, we can see how private interests have seized control of governmental powers—including that of money creation—to benefit themselves without any meaningful limitations at all. In short, it is these private interests that are using sovereign powers belonging to we-the-people to literally pick winners and losers. This is the logical extension of BlackRock’s going direct plan and indeed was codified by BlackRock in a later policy plan that it released in June, as discussed in the next section.

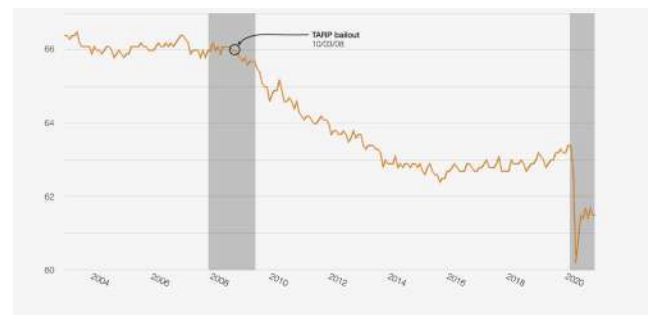
G. The Historical Significance of the Fed’s Actions in “Going Direct”

In 2008, the U.S. had a stark decision to make about which of two economies, and which of two diametrically opposed sets of principles, would govern the country going forward. The conflict over principles came to a boil over the TARP bailout.

At that point, the U.S. had to choose between the rule of law and the real economy, on the one hand, and the rule of man (cronyism) and the financial economy based on asset valuations, on the other hand.

As everyone knows by now, the U.S. chose cronyism over the rule of law and chose financialization (bubble blowing) over real goods and services. The real economy never recovered and never will recover from that decision, as the following graph of the labor force participation rate makes clear.

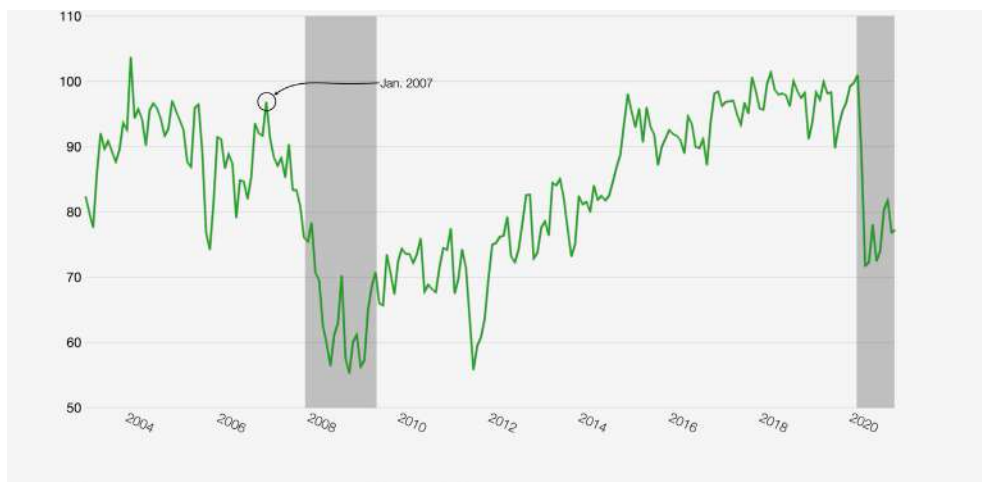
Allowing financially powerful people to bail themselves out with no strings attached—no boardrooms vacated, no large insolvent banks nationalized or even broken up later,



Labor Force Participation Rate (%)
(2003–present)

etc.—sealed the fate of the U.S. From that day forward, the inmates ran the asylum.

What had landed the country (and the world) in trouble was fraud in the financial space—in particular, fraudulent mortgage-backed securities, fraudulent asset valuations, fraudulent ratings, etc.—which had set the dominoes tumbling. To bail out every bad actor was to roll out the red carpet for the worst of extremely wealthy criminals and to hand them the keys to the kingdom.



University of Michigan Consumer Sentiment
(2003–present)

Which they promptly used to take over. Within five years, it was a matter of record that crimes on Wall Street *weren't even being investigated*, much less prosecuted. (See BestEvidence video, “The Veneer of Justice in a Kingdom of Crime.”²⁶)

The openly acknowledged power of criminal immunity enjoyed by banks is tantamount to national suicide, as it cedes to those banks an ultimate legal power—immunity²⁷—which cannot as a matter of law exist in a constitutional republic if in fact the law is supreme. And yet immunity does exist, and does so in the bright light of day. What doesn't exist, therefore, is a constitutional republic observing the rule of law. Those things are all gone, as are real markets. As but one consequence, we don't have downturns now. As Catherine puts it, we now have turn-downs instead, as vividly illustrated in the graph, “University of Michigan Consumer Sentiment, 2003-present.”

In the old days (before laws passed by legislatures were replaced by corporate decrees), consumer sentiment was a leading indicator of the real economy. Now that the economy has

been taken over by criminals and financialized, consumer sentiment isn't leading but led—by the cabal that is picking winners and losers in broad daylight.

What's left is a mafiacracy run by banks and associated financial institutions, which are hoovering up assets and control with wild abandon. Right now they are using U.S. Treasuries, which are backed not by gold or commercial paper but by something even better from the banks' point of view: the full faith and credit of the United States, which is the only thing backing U.S. bonds. Why settle for gold as collateral, after all, when you can have at your disposal the full dominion of a sovereign over its people, including the right to tax and imprison as well as seize property?

What has transpired over the last dozen years is nothing short of the reversal of the American Revolution, when a criminal king—the rule of man—was “thrown off” (as the Declaration of Independence had it) and replaced with the rule of law,²⁸ which found expression a few years later in a constitution.

Don't think for a minute that this historical pivot is lost on the current powers that be. BlackRock's follow-up to its "going direct" plan is indeed entitled, "Policy Revolution." Published in June 2020, and featuring the same four BlackRock authors as the "going direct" plan, "Policy Revolution" provides express "guidance" that freely discusses extending the going direct plans to include "unprecedented" control over monetary and fiscal policy, including the use of government power to impose austerity conditions, and it does so in language that would make a garden-variety dictator blush:

There are three main aspects to this revolution. First, the new set of policies are explicitly attempting to "go direct" – bypassing financial sector transmission and

*instead finding more direct pipes to deliver liquidity to households and businesses. Second, there is an explicit blurring of fiscal and monetary policies. Third, **government support for companies comes with stringent conditions, opening the door to unprecedented government intervention in the functioning of financial markets and in corporate governance** [emphasis added].²⁹*

The never-ending pandemic (including sequels and spinoffs that one should expect of any respectable TV production) provides the perfect vehicle to carry out BlackRock's reverse revolution. The only real question will be how that is achieved.

H. The Road Ahead: Central Bank Digital Currencies

Based on the quote above, the austerity measures contemplated by BlackRock's "policy revolution" are by the terms of that document attached to "government support." That support, in turn, comes from "more direct pipes to deliver liquidity to households and businesses." This is the ultimate outcome of BlackRock's "going direct" plan: controlling both the population and the economy through money pipes with valves that open and close in accordance with whatever "stringent conditions" the money supplier chooses to impose.

But how would such a nightmarish monetary control system even be possible? The answer is central bank digital currencies (CBDCs), as the International Monetary Fund's (IMF's) "Cross-Border Payments—A Vision for the Future"³⁰ online symposium in October 2020 made clear. There, four panelists, including Agustín Carstens (General Manager of the Bank for International Settlements) and Jerome Powell (Chairman of the Federal Reserve), discussed the framework for CBDCs. Importantly, both men emphasized that CBDCs were a "national decision" and represented the third type of liability

on a central bank's balance sheet (the first two types of liabilities being cash and reserves).

The significance of CBDCs being a "national decision" is that money creation is a sovereign power. In the U.S., legal authority for the exercise of that power is found in Article 1, section 8, clause 5:

Congress shall have Power... To coin Money, regulate the Value thereof, and of foreign Coin, and fix the Standard of Weights and Measures

Thus it appears that the central bankers understand that congressional approval will be needed for the Federal Reserve to issue CBDCs to people and businesses, because CBDCs are, legally speaking, equivalent to cash: like cash, CBDCs would be a liability on the Fed's balance sheet. The corresponding asset would in all likelihood be a U.S. bond—debt—and therein lies the hook for central bank control over CBDCs—control that central banks lack over physical (i.e., non-electronic) cash.

A person who is trying to use a CBDC to buy goods and services is free to do so only if he's spending that money on things that are deemed acceptable by the private central bankers in charge that day.

Carstens shared his views on CBDCs by comparing them with cash:

*There is a huge difference [between cash and CBDC] there. For example, in cash, we don't know who's using a \$100 bill today, we don't know who's using a 1000-peso bill today. A key difference with the CBDC is that **central banks will have absolute control on the rules and regulations** that will determine the use that this expression of central bank liability [i.e., money], and also we will have the technology to enforce that.*

Carstens later provides a very telling clue as to what “rules and regulations” he means—and to be sure, they are not rules and regulations like those passed through any constitutional process but rather the sort of “rules” that come out of corporate boardrooms in closed-door sessions:

*The degree of control [with CBDCs] will be far bigger. This I think is good news. It really provides the ground to think, how can we use CBDC to really obtain these higher objectives of facilitating payments internationally; how are we going to make them to reduce costs; **to enhance inclusion**; how are we going to make this run smoothly?*

Under Carstens' plan, a person who is trying to use a CBDC to buy goods and services is free to do so only if he's spending that money on things that are deemed acceptable by the private central bankers in charge that day.

That's a breathtaking thought, contrary to any number of our fundamental notions about money, and yet there it is sitting on the table, placed there out in the open by the head of the BIS himself in October 2020.

Now, to be sure, Jerome Powell, the Chairman of the Federal Reserve, did in his very reserved way express the importance of law and the need to proceed with caution in moving to CBDCs. At the same time, however, everything about Powell's presentation—including the proceed-with-caution note he sounded—indicates that the move to CBDCs is very much a “GO” insofar as the U.S. Federal Reserve is concerned. The only real question is what the Fed's move to a CBDC will look like.

BlackRock's “policy revolution” provides a very disturbing clue: “stringent conditions” that “open the door to unprecedented government intervention in the functioning of financial markets and in corporate governance.”

In the CBDC space, then, the Fed will of course be a monopolist—at least for the time being. What the Fed is proposing (together with other central banks) is to issue CBDCs directly to people, who unlike now will have accounts at the Fed. As mentioned, CBDCs would thus represent the third type of liability on the Fed's balance sheet; the other two being (physical) cash and (digital) reserves. The asset matching those liabilities will be one or more U.S. bonds.

Nowhere in this formulation does one see commercial banks, which have indeed been cut out altogether—at least insofar as money creation is concerned. All of the CBDC money would be created by the Fed. Commercial banks would thus function as financial intermediaries,

When that happens, it will formalize the end of the U.S. dollar as the world reserve currency as well as the end of U.S. sovereignty

connecting suppliers of pre-existing money with borrowers in, for example, payment transactions (albeit in CBDC, which will be created and issued exclusively by the Federal Reserve).

Commercial banks, in other words, would be ceding their money-creating powers to the Federal Reserve in a system of CBDCs. Instead of individuals getting loans from commercial banks in return for new bank deposits, which is the money-creation system in place right now, it would be the nation of CBDC users getting one big meta-loan (or several) from the Fed, which would disburse that single loan asset into millions of corresponding liabilities in the form of CBDCs, and disburse it in accordance with “stringent conditions” and “higher objectives.”

Why does the takeover of money-creating power from commercial banks matter? Because the dynamic set forth in the CBDC creation scenario—in which the Fed takes over the power of money creation from those banks—can be just as easily replicated on the next rung up the CBDC ladder: the BIS will eventually issue its own reserve currency, at which time it can do what the Fed is proposing to do now itself, and use its reserve currency leverage to take money-creating power away from the Fed (and by extension the U.S. dollar) in the same way that the Fed is proposing to use CBDCs to take over U.S. broad money supply creation from commercial banks. The latter process has already begun, as the Fed’s asset purchases throughout 2020 demonstrate.

In broad strokes, the ultimate move to abandon the U.S. dollar was telegraphed by Mark Carney, Governor of the Bank of England, in 2019: “The world’s reliance on the U.S. dollar won’t hold and needs to be replaced by a new international

monetary and financial system based on many more global currencies.”³¹

When that happens, it will formalize the end of the U.S. dollar as the world reserve currency as well as the end of U.S. sovereignty. In large part, the *de facto* giveaway of U.S. sovereignty occurred in 1913, when commercial banks and the newly created Federal Reserve formally took over the money-creating power found in Article 1 of the U.S. Constitution with the passage of the Federal Reserve Act. The issuance by the BIS (or equivalent) of a worldwide digital currency will mark the *de jure* end of U.S. sovereignty, at which point the U.S. will cede her sovereignty and revert as a matter of law to her status as a colony, subject to the whims of unaccountable figures abroad.

That story is still writing itself as we speak.

What I saw there was the exact blueprint for what the Fed had done during the pandemic, only that blueprint was dated months before the pandemic arrived.

III. FINAL THOUGHTS

COMING into this project, I'd already made one lengthy video and was close to finishing another³² that set forth the novelty of what the Fed was doing during the pandemic, that is, using its power of reserves creation to force the mirror image creation of new bank money by commercial banks. But I hadn't yet sat down and carefully read BlackRock's "going direct" plan from August 2019. I'd seen the cover, and that sufficed to make me stay away. It looked too much like an assembly line emission from the policy committee at some global law firm, constructed of English words, sentences, and paragraphs but entirely indecipherable.

But Catherine encouraged me to read it, and when I did my jaw fell open: what I saw there was the exact blueprint for what the Fed had done during the pandemic, only that blueprint was dated months before the pandemic arrived.

That was my "holy shit" moment on this project, that flashpoint where the muse snaps her fingers and the 1000 tiles that you've been staring at for weeks jump into a brilliant mosaic that you will then devote the rest of the project to writing about. For me, every project has one of those, but until it comes you just sit there and scratch your nose and wait.

When it happens, everything suddenly makes a lot of sense. For example, you can trace the Fed's implementation of the going direct plan (i.e., buying assets with reserves in such a way that it forces the creation of an equal amount of bank money in the real economy) back to about

February 2, 2020. And when did Bill Dudley come on Bloomberg TV to explain that reserves don't "leak out" so as to enable the purchase of stocks (which is what the Fed started doing on February 2)? That would have been January 29, 2020.

If I've learned anything in the seven years I've been making videos about the mafiocracy, it's that everything is scripted. Yeah, they're gonna make mistakes in execution, and that's where you'll get your valuable admissions, but what they do is very much part of a plan. Timelines are a big help in seeing what's up; so are graphs.

The pandemic is no different than any other major event in our mafiocracy. I hope its function as a monetary event is clear by now, as well as the ultimate goal of total control through a digital monetary system, which is coming.

We'll have to figure out how to counter that plan another day. In the meantime, allow me to share an insight by Oliver Wendell Holmes, Jr., the famous American jurist of the early 20th century:

Even a dog knows the difference between being tripped over and being kicked.

We're now being kicked literally to death. At this point, I would be extremely careful of anyone who persists in denying that what's going on is intentional.



Related Reading:

BlackRock Investment Institute. “2020 Midyear Outlook: The Future is Running at Us.” September, 2020. [https://site.assetmark.com/~media/assetmark/files/coronavirus/markets/blackrock_2020midyearoutlook.pdf](https://site.assetmark.com/~/media/assetmark/files/coronavirus/markets/blackrock_2020midyearoutlook.pdf).

Bartsch, Elga, Jean Boivin, Stanley Fischer, and Philipp Hildebrand. “Dealing with the next downturn: From unconventional monetary policy to unprecedented policy coordination.” SUEF Policy Note, Issue No. 105, October 2019. https://www.suerf.org/docx/f_77ae1a5da3b68dc65a9d1648242a29a7_8209_suerf.pdf.

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Hildebrand, Philipp. “Davos brief” [PDF]. BlackRock Investment Institute, January 2021. <https://www.blackrock.com/corporate/literature/whitepaper/bii-davos-brief-2021.pdf>.

Endnotes:

1 See "The Federal Reserve - Kicking People When They're Down" (BestEvidence, April 10, 2020) for proof that all 12 banks are private. <https://www.youtube.com/watch?v=LPRMdCSFI8E>.

2 See generally: Martens, Pam, and Russ Martens. "BlackRock authored the bailout plan before there was a crisis - now it's been hired by three central banks to implement the plan." Wall Street on Parade, June 5, 2020. <https://wallstreetonparade.com/2020/06/blackrock-authored-the-bailout-plan-before-there-was-a-crisis-now-its-been-hired-by-three-central-banks-to-implement-the-plan/>.

3 To help readers understand what makes BlackRock's plan so novel, we've included in this *Wrap Up* a "Companion Primer on Our Debt-Based Monetary System."

4 The "going direct" plan is a policy paper and can be found at <https://www.blackrock.com/corporate/literature/whitepaper/bii-macro-perspectives-august-2019.pdf>. The BlackRock authors are Stanley Fischer (former Vice Chairman of the Federal Reserve), Philipp Hildebrand (former head of the Swiss National Bank [SNB]), Elga Bartsch (current member of the European Central Bank Shadow Council), and Jean Boivin (former Deputy Governor of the Bank of Canada). The latter three authors are all high-ranking members of the BlackRock Investment Institute, which according to BlackRock's author biographies "leverages BlackRock's expertise and produces proprietary research to provide insights on the global economy, markets, geopolitics and long-term asset allocation — all to help clients and portfolio managers navigate financial markets." BlackRock followed up its "going direct" plan with a second paper entitled, "Policy revolution"; see section G (citing <https://www.blackrock.com/corporate/literature/whitepaper/bii-macro-perspectives-june-2020.pdf>).

5 This parallel creation of new bank money along with new reserve money had not occurred under the 2008 QE program, as "The Fed's Silent Takeover of the U.S." (BestEvidence, August 12, 2020) makes very clear. https://www.youtube.com/watch?v=U_A4wUXIVAM.

6 "I think we're looking at a V-shaped recovery in the stock market, and that has almost nothing to do with a V-shaped recovery in the economy." The two very different fates for different segments of the economy under the pandemic and attendant lockdowns, Cramer says, have amounted to "one of the greatest wealth transfers in history." See Clifford, Tyler. "Jim Cramer: The pandemic led to 'one of the greatest wealth transfers in history.'" CNBC, June 4, 2020. <https://www.cnbc.com/2020/06/04/cramer-the-pandemic-led-to-a-great-wealth-transfer.html>.

7 Bartsch, Elga, Jean Boivin, Stanley Fischer, and Philipp Hildebrand. "Dealing with the next downturn: From unconventional monetary policy to unprecedented policy coordination." BlackRock Investment Institute, August 2019, p. 2. <https://www.blackrock.com/corporate/literature/whitepaper/bii-macro-perspectives-august-2019.pdf>.

8 The peak lending rate shown in the chart is "only" 5.25% because the numbers in the chart are averages. The actual (instantaneous) peak was 10%. See Cox, Jeff. "The Fed is sharply increasing the amount of help it is providing to the financial system." CNBC, October 23, 2019. <https://www.cnbc.com/2019/10/23/fed-repo-overnight-operations-level-to-increase-to-120-billion.html>.

9 Ahmed, Saqib Iqbal. "UPDATE 1-Foreigners sold U.S. Treasuries for 4th straight month in November -data." Reuters, January 16, 2020. <https://www.reuters.com/article/usa-treasury-securities/update-1-foreigners-sold-u-s-treasuries-for-4th-straight-month-in-november-data-idUSL1N29L1V1>.

10 Titus, John. "Quantitative Easing Is the Biggest Sham Ever." BestEvidence, December 17, 2020. <https://www.youtube.com/watch?v=rDtVABEzcy4>.

11 McLeay, Michael, Amar Radia, and Ryland Thomas. *Money creation in the modern economy*. Bank of England, Quarterly Bulletin 2014 Q1. <https://www.bankofengland.co.uk/quarterly-bulletin/2014/q1/money-creation-in-the-modern-economy>.

12 Titus, John. "Presenting The Federal Reserve Script for Totalitarianism." BestEvidence, April 20, 2020. https://www.youtube.com/watch?v=Mk49Qf7oh_4.

13 Collins, Chuck, Omar Ocampo, and Sophia Paslaski. *Billionaire Bonanza 2020: Wealth Windfalls, Tumbling Taxes, and Pandemic Profiteers*. Institute for Policy Studies, April 23, 2020. <https://inequality.org/great-divide/billionaire-bonanza-2020/>.

14 Of course, billionaire wealth grew even more as the Fed continued buying assets. "The wealth of 643 of US' richest billionaires rose from \$2.95 trillion to \$3.8 trillion between March 18 and September 15, a report by the Institute for Policy Studies and Americans for Tax Fairness said." See Sardana, Saloni. "US billionaires' wealth grew by \$845 billion during the first six months of the pandemic." Business Insider, September 17, 2020. <https://markets.businessinsider.com/news/stocks/us-billionaires-wealth-net-worth-pandemic-covid-billion-2020-9-1029599756>.

15 The Fed had created three other programs before March 23, but all three of these were on their face intended to benefit large financial institutions.

16 Board of Governors of the Federal Reserve System. "Federal Reserve takes additional actions to provide up to \$2.3 trillion in loans to support the economy." Press release, April 9, 2020. <https://www.federalreserve.gov/newsevents/pressreleases/monetary20200409a.htm>.

17 "Report to Congress Pursuant to Section 13(3) of the Federal Reserve Act: Paycheck Protection Program Lending Facility." <https://www.federalreserve.gov/publications/files/paycheck-protection-program-lending-facility-4-16-20.pdf>.

18 "PPP data: Data and reports related to the Paycheck Protection Program." U.S. Small Business Administration. <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program/ppp-data>.

19 When, for instance, the New York Fed creates \$1000 of reserves for non-bank program recipient X (PRX), the Fed credits \$1000 (via the program facility) to the reserve account of Commercial Bank Y (CBY), which books that as a new \$1000 asset. CBY then creates a matching \$1000 account entry in PRX's account, which is booked as a new liability.

20 Titus, John. "Mommy, Where Does Money Come From?" BestEvidence, April 16, 2019. https://www.youtube.com/watch?v=S_dBKAWHHQI.

21 "The Exchange Stabilization Fund with Rob Kirby." The Solari Report, March 9, 2017. https://home.solari.com/wp-content/uploads/2017/03/sr20170309_Kirby.pdf.

22 Titus, John. "Ben Bernanke's Sovereign Deception." BestEvidence, March 14, 2015. <https://www.youtube.com/watch?v=RmPUKy-3OfY>.

23 Brown, Ellen. "Meet BlackRock, the new great vampire squid." CounterPunch, June 24, 2020. <https://www.counterpunch.org/2020/06/24/meet-blackrock-the-new-great-vampire-squid/>.

24 *Questions About the CARES Act's \$500 Billion Emergency Economic Stabilization Funds: The First Report of the Congressional Oversight Commission*. May 18, 2020. https://coc.senate.gov/sites/default/files/2020-08/20200518_Congressional_Oversight_Committee_1st_Report.pdf.

25 *The Second Report of the Congressional Oversight Commission*. June 18, 2020. https://coc.senate.gov/sites/default/files/2020-08/20200618_Congressional_Oversight_Commission_2nd_Report.pdf.

26 Titus, John. "The Veneer of Justice in a Kingdom of Crime." BestEvidence, March 18, 2016. <https://youtu.be/eHgbRYgpGGs?t=966>.

27 See *Blackstone's Commentaries on the Laws of England*, which brilliantly encapsulates the ultimate power of a sovereign as follows: "The king can do no wrong." That's the United States in a nutshell, where the banks can do no wrong.

28 For a thoroughly outstanding explanation of the rule of law, see "Glenn Greenwald at Yale Law School — 'With Liberty and Justice for Some,'" March 11, 2013: https://www.youtube.com/watch?v=MRiQ0SGJ_98.

29 BlackRock Investment Institute. "Policy revolution." June 2020. <https://www.blackrock.com/corporate/literature/whitepaper/bii-macro-perspectives-june-2020.pdf>.

30 International Monetary Fund. "Cross-Border Payments—A Vision for the Future." Panel with Kristalina Georgieva, Ahmed Abdulkarim Alkholifey, Agustín Carstens, Jerome Powell, and Nor Shamsiah Yunus, October 19, 2020. <https://meetings.imf.org/en/2020/Annual/Schedule/2020/10/19/imf-cross-border-payments-a-vision-for-the-future>.

31 Reuters Staff. "World needs to end risky reliance on U.S. dollar: BoE's Carney." Reuters, August 23, 2019. <https://www.reuters.com/article/us-usa-fed-jacksonhole-carney/world-needs-to-end-risky-reliance-on-u-s-dollar-boes-carney-idUSKCN1VD28C>.

32 Titus, John. "The Fed's Silent Takeover of the U.S." (BestEvidence, August 12, 2020) and "Quantitative Easing Is the Biggest Sham Ever" (BestEvidence, December 17, 2020).





Players List – Who's Who in the Going Direct Reset

*[Note: Figures are for 2020 unless otherwise noted.
MM: Million; B: Billion; T: Trillion.]*



I. Money Creators

Commercial Banks – bank money (private:
~\$3.5T issued, +26.2%)

- Bank of America
- Citigroup
- JPMorgan Chase
- Wells Fargo

U.S. Treasury – coins (public: ~\$160MM
withdrawn, -9.6%)

- Domestic finance (run accounts and money)
- Exchange Stabilization Fund (ESF)
- Internal Revenue Service (IRS)
- Office of the Comptroller of the Currency (OCC)
- U.S. Mint and Bureau of Engraving & Printing

Federal Reserve Banks – reserves and cash
(private: ~\$2.8T issued, +78.0%)

- Federal Reserve Bank of New York
- Federal Reserve Bank of San Francisco
- Federal Reserve Bank of Richmond
- Etc.

Global Central Banks

- U.S. Federal Reserve (0.1% interest paid on reserves) – \$7.4T total balance sheet
- European Central Bank (-0.5%) – \$8.4T

- Bank of Japan (-0.1%) – \$6.7T
- People's Bank of China (3.5%) – \$5.7T
- Bank of England (0.1%) – \$1.2T
- Swiss National Bank* (-0.75%) – \$1.1T
- Hong Kong Monetary Authority* (0.5%) – \$550B
- Monetary Authority of Singapore* (1.67%) – \$346B

* These central banks have BIS Innovation Hubs

II. Money Keepers

Asset Management Firms (assets under management)

- BlackRock (\$7.3T)
- Vanguard (\$6.1T)
- UBS (\$3.5T)
- Fidelity (\$3.3T)
- State Street (\$3.0T)
- Allianz (\$2.4T) (parent company of PIMCO)
- T. Rowe Price (\$1.1T)

Commercial Banks (customer deposits)

- JPMorgan Chase (\$2.9T)
- Bank of America (\$2.2T)
- Wells Fargo (\$1.8T)
- Citigroup (\$1.7T)

Wealth Management Firms (assets under management)

- J.P. Morgan (\$2.9T)
- Bank of America (\$1.35T)
- Morgan Stanley (\$715B)
- Wells Fargo (\$600B)

Pension Funds

- Japan Government Pension Fund (\$1.6T)
- Norway Government Pension Fund (\$1.1T)
- South Korea National Pension Service (\$637B)
- U.S. Federal Retirement Thrift (\$601B)
- Netherlands ABP (\$523B)
- CalPERS (\$384B)

Sovereign Wealth Funds

- China Investment Corporation (\$1.05T)
- Abu Dhabi Investment Authority (\$580B)
- Hong Kong Monetary Authority Investment Portfolio (\$576B)
- Kuwait Investment Authority (\$534B)
- GIC Private Limited (\$453B)

Insurance Companies

- Berkshire Hathaway (\$308B market capitalization)
- China Life Insurance (\$80B)
- Allianz (\$76.8B)
- American International Group (AIG) (\$72.3B)
- Ping An of China (\$65.6B)
- Met Life (\$59.4B)
- AXA (\$57.8B)

Brain Trust Endowments

- Bill & Melinda Gates Foundation (\$46.8B)
- Harvard (\$40.9 billion)
- Yale (\$30.3B)
- Stanford (\$27.7B)
- Princeton (\$25.6B)
- Massachusetts Institute of Technology (MIT) (\$17.4B)
- University of Pennsylvania (\$14.6B)
- Texas A&M (\$12.6B)
- Ford Foundation (\$12.4B)
- MacArthur Foundation (\$7B)



III. Money Movers and Traders

Investment Banks

(revenue from investment banking)

- JPMorgan Chase (\$36.4B)
- Barclays (\$13.3B)
- Bank of America (\$8.2B)
- Goldman Sachs (\$7.9B)
- Morgan Stanley (\$6.1B)

Fund/Investment Management/Private Equity

(assets under management)

- Blackstone (\$584B)
- Apollo Global Management (\$312B)
- The Carlyle Group (\$230B)
- KKR (\$222B)
- Bridgewater Associates (\$138B)
- TPG (\$85B)

IV. Money Auditors

Private Accounting Firms

- Deloitte (\$47.6B annual revenue)
- PwC (\$43.0B)
- Ernst & Young (EY) (\$37.2B)
- KPMG (\$29.2B)

V. International Policy Setters

Governmental Matters

- Group of 7 (G7)
- Group of 30 (G30)
- United Nations

Monetary Matters

- Bank for International Settlements (BIS)
- International Monetary Fund (IMF)
- World Bank
- Financial Stability Board

Political and Economic Matters

- Bilderberg Group
- Trilateral Commission
- Council on Foreign Relations (CFR)
- World Economic Forum (WEF)
- World Health Organization (WHO)
- Organisation for Economic Co-operation and Development (OECD)

Bank of NY Mellon – Bank of NY Mellon has functioned as a custodian of three separate Fed pandemic response programs to oversee fund disbursement. This largely reprises the bank’s role as custodian of \$700 billion of TARP funds (\$3 billion of which went to the bank itself).

Bank for International Settlements (BIS) – The BIS was created at the Hague Conference in 1930 to establish an international clearing system for gold, which was the reserve “currency” used by many nations. It is located in Basel, Switzerland and has a headquarters agreement with the country, giving the BIS complete legal autonomy—meaning that it is not subject to legal prosecution, property confiscation, taxation, etc. The BIS was founded by six central banks and a group of three private U.S. banks—JP Morgan, First National Bank of New York, and First National Bank of Chicago.

The BIS was not organized as superior to any central bank, nor did it have the legal authority to issue money, credit, or currency. Rather, its remit was to facilitate German war reparations and settle international monetary transactions, though it later took on a supervisory role. In the latter capacity, the BIS has issued three rounds of capital adequacy standards.

BlackRock – BlackRock is an asset management firm and is widely regarded as the biggest financial institution in the world. BlackRock has played a massive role in the response of the U.S. government and the Federal Reserve to the pandemic, managing several different Fed programs. The firm actually played a very similar role in the bailouts of the 2008 financial crisis: It was BlackRock that spearheaded the Bear Stearns and AIG bailouts, and also advised the New York Fed on the \$1.3 trillion

of mortgage-backed securities it purchased from Fannie Mae and Freddie Mac. What enabled BlackRock to take on these massive tasks was its Aladdin computer system linking 5000 computers to track huge portfolios of banks and insurance companies.

BlackRock is also the world’s largest issuer of exchange traded funds (ETFs), setting up a clear conflict of interest when the Fed hired BlackRock to manage its Secondary Market Credit Facility, which gave the firm the ability to select its own ETFs for purchase by the Fed. BlackRock’s agreement with the Fed, however, expressly allowed for such conflicts.

Warren Buffett – Buffett and his company Berkshire Hathaway is the O.G.¹ Vampire Squid (in fact Buffett bailed out Goldman Sachs in 2008 to the tune of \$5 billion, an investment that eventually earned him \$3 billion on top of his initial investment), whose tentacles are almost inevitable adornments in major banking and insurance company proxy statements. Buffett is thoroughly familiar with white collar criminal law, having been the subject of countless charges and investigations ranging from antitrust violations and insider trading to insurance scams. All of this gets ignored when it comes to the media, which uniformly promote the image of Buffett as simply an avuncular, banjo-playing investor in blue-chip companies that make products or render services that he enjoys.

Mark Carney – Carney is the former Governor of the Bank of England (2013-2020), former Governor of the Bank of Canada (2008-2013), former Chair of the Financial Stability Board (FSB) from 2011-2018, and a former executive director and managing director at Goldman



Sachs where he worked for 13 years. After his tenure at the Bank of England ended, Carney launched the Taskforce on Scaling Voluntary Carbon Markets as just one of his many recent efforts in the area of climate action. He was active in the World Economic Forum's Green Horizon Summit: The Pivotal Role of Finance, and in that regard published *Building a Private Financing System for Net Zero* [carbon emissions], under which "all governments, cities, financial institutions, and private businesses must establish their transition plans for net zero emissions by 2050 and start with concrete policies now."²

Carney's involvement behind the scenes in orchestrating the exoneration of HSBC for admitted money-laundering crimes from atop the FSB is explored at length in BestEvidence's "All the Plenary's Men" (from 21:20–25:20), where Carney's skill at evading a very skilled examiner in the UK Parliament is on full display.³

Ray Dalio – Dalio founded Bridgewater Associates (see Money Movers and Traders) and is regarded as a billionaire philanthropist. His role as a plainspoken voice on market issues was on display in a July 2020 interview after central bank balance sheets throughout the west had nearly doubled:

Today, the economy and the market are driven by the central banks and the coordination with the central government. What I mean by that is purchases right now of financial assets by the Federal Reserve or the purchases by the Federal Reserve of government securities are the drivers of that market... Now the whole economy is systemically important. If they didn't go out and make lending to companies, we would

lose large parts of our economy. So we're in a situation now where they [central banks] are the market makers.⁴

Both "The Fed's Silent Takeover of the U.S." and "Quantitative Easing Is the Biggest Sham Ever" forensically illustrate how the Fed has made enormous moves into U.S. markets as Dalio is explaining here.⁵

William Dudley – Dudley was President of the New York Federal Reserve from 2009-18 and worked at Goldman Sachs for 21 years, including as chief U.S. economist. He frequently appears in the media to discuss issues and forecast changes in the Fed's monetary policy.

European Central Bank (ECB) – The ECB has been the central bank for Europe since 1999, but excludes the UK (where the central bank is the Bank of England). The ECB sets monetary policy for the European Union and issues euros, which is the regional currency that replaced the currencies of the ECB's 19 respective countries—currencies like the Deutsche Mark, the lira, and the franc. The President of the ECB is Christine Lagarde.

Exchange Stabilization Fund (ESF) – Though nominally a part of the U.S. Treasury, the ESF is a "fund" located within the New York Federal Reserve Bank in Manhattan. The ESF was created on January 1, 1934 by the aptonymic Gold Reserve Act. The ESF was seeded with \$2 billion in 1934 after the U.S. (1) outlawed the private ownership of gold, (2) confiscated gold from private U.S. citizens after demanding that they surrender it, and (3) revalued gold from \$20.67 per ounce to \$35 per ounce. Created with the stated purpose of protecting the U.S.

dollar abroad and stabilizing currency markets, the ESF includes special drawing rights from the IMF. In September 2008, the ESF pledged \$50 billion of support for money market mutual funds, which were experiencing heavy redemptions (~\$165 billion over a 3-week period), which ceased more or less instantaneously with the appearance of the ESF and its pledge. A 1977 Government Accounting Office report on the ESF candidly states:

GAO presently has no authority to audit the operations of the Exchange Stabilization Fund except for its administrative expenses. Current legislative constraints impair access to information needed to review international trade and monetary matters.⁶

The ESF operates, in other words, in nearly complete secrecy and is widely regarded as an official slush fund. See, for example, Andrew Elrod and Mark Engler, “Meet the Bailout’s New Slush Fund,” *Boston Review*, March 31, 2020.⁷

Financial Stability Board – The FSB is the too-big-to-fail (TBTF) policy arm within the Bank for International Settlements. The FSB originated the formal list of TBTF institutions in 2011 with its list of SIFIs—systemically important financial institutions. Membership in the FSB is determined according to positions held within governments around the world. For example, the FSB traditionally had three members from the U.S.—the Treasury Secretary, the Fed Chairman, and the head of the SEC—though today the U.S. delegates come from lesser posts. Because the FSB is housed within the BIS, its proceedings are conducted with zero transparency despite the presence

of government officials in their official capacity. The FSB’s direct role in directing the U.S. Department of Justice not to prosecute HSBC is detailed at length in “All the Plenary’s Men.”⁸

Larry Fink – The CEO and Chairman of BlackRock and on the World Economic Forum’s Board of Trustees, Fink personally advised President Trump on how to respond to the pandemic. Fink is also active in green initiatives and climate change action groups. In December 2020, Fink chaired a virtual session hosted by the Council on Foreign Relations on how vaccinations would be rolled out in 2021, and also described how the public and private sectors would need to coordinate their ongoing response to Covid in a way that reorganizes the economy, including using climate-friendly econometric measures. Fink has shared his view of democracy candidly, telling Bloomberg viewers: “Markets don’t like uncertainty. Markets like actually totalitarian governments where you have an understanding of what’s out there, and obviously we’re—the whole dimension is changing now with the democratization of countries, and democracies are very messy as we know in the United States—you have opinions changing back and forth.”⁹

Stanley Fischer – Fischer was the Governor of the Bank of Israel from 2005-13 and Vice Chairman of the Federal Reserve from 2014-17. He is also the former First Deputy Managing Director of the IMF (1994-2001) and the Chief Economist of the World Bank (1988-90). Fischer speaks in public regularly to discuss or preview Federal Reserve initiatives and in this capacity was early to forecast the Fed’s target of 2% inflation in a speech at Jackson Hole, Wyoming.



Gary Gensler – Gensler is President Biden’s pick to head the Securities and Exchange Commission. Previously he was the Chair of the Commodity Futures Trading Commission (where he regulated the derivatives market) from 2009-14 and worked at Goldman Sachs and in the U.S. Treasury before that. He currently is professor at MIT’s Sloan School of Management. Gensler gained a reputation as a tough regulator while assisting the DOJ’s investigation (and eventual prosecution) of bankers for rigging Libor, though only two criminal convictions were obtained in the U.S. (via guilty pleas)—four years after Gensler left the CFTC. During the Clinton Administration, Gensler worked to ban derivatives regulation, in line with Alan Greenspan’s talking point that private contracts between private parties are not properly the subject of regulation. Following the 2008 crisis (caused in large part by fraud in the unregulated derivatives market), Gensler was able to rehabilitate himself in the media by pushing for some measure of transparency in that market via OTC derivatives trading that he is credited with pushing.

Gensler is also involved with the Boston Fed’s collaborative effort with MIT to develop a central bank digital currency, but is skeptical of many crypto currencies: “More than \$10 billion has been raised via ICOs, a blockchain-based fund-raising method. But a significant fraction of these are fraudulent, and many were launched in a way that is not compliant with US securities laws established in the 1930s,” said Gensler in 2018.¹⁰

Kristalina Georgieva – Georgieva is from Bulgaria and is the Managing Director of the International Monetary Fund. After getting a PhD in Economics from the Karl Marx Institute

of Higher Economics (thesis: “Environmental Protection Policy and Economic Growth in the USA”), she worked most of her career at the World Bank before moving to the IMF in 2019 to take over Christine Lagarde’s position. Georgieva also co-chairs the World Economic Forum’s High-Level Group on Humanitarian Investing. In October 2020, she hosted the IMF’s “Cross-Border Payments—A Vision for the Future” about the global move to central bank digital currencies.¹¹

Jeremy Grantham – Grantham is co-founder and chief investment strategist of GMO (\$118 billion in assets), but is better known for his legendary contrarian views during major bubbles over the last three decades. He successfully called three different market bubbles: Japan’s asset-price bubble in 1989, the dot-com bubble in 2000, and the housing crisis in 2008. With this track record, Grantham raised eyebrows in June of 2020 when he opined that the stock market is in the fourth major bubble of his career.

Philipp Hildebrand – Hildebrand is Vice Chairman of BlackRock Group and was also a Director of the Bank for International Settlements, the Swiss Governor of the International Monetary Fund, Vice Chairman of the Financial Stability Board within the BIS, and President of the Swiss National Bank (SNB). Hildebrand resigned as head of the SNB after it was discovered that his wife made a \$64,000 profit on a currency transaction—a windfall produced by the SNB’s decision to intervene in the currency markets two days after the transaction.

Hildebrand is the author of a June 2020 BlackRock publication entitled, “Policy



revolution,” which fleshes out the company’s “going direct” initiative presented to the Federal Reserve the previous year. “Policy revolution” provides express guidance that is directly relevant to the pandemic response seen throughout western governments:

There are three main aspects to this revolution. First, the new set of policies are explicitly attempting to “go direct” – bypassing financial sector transmission and instead finding more direct pipes to deliver liquidity to households and businesses. Second, there is an explicit blurring of fiscal and monetary policies. Third, government support for companies comes with stringent conditions, opening the door to unprecedented government intervention in the functioning of financial markets and in corporate governance.¹²

In this light, “going direct” can be seen as the direct use of government as an instrumentality of wealthy private parties like BlackRock to control populations by using private banks like the New York Federal Reserve within the Federal Reserve system.

International Monetary Fund (IMF) –

Nominally a special arm of the United Nations (UN), the IMF was created at Bretton Woods, New Hampshire in 1944. The IMF lacks the power to create money or international reserves. Instead, each member country (there were 29 members in 1946 and 190 today) deposited a quota of gold, dollars, and other national currencies, which comprise IMF reserves.

Neel Kashkari – Kashkari is the current President of the Minneapolis Federal Reserve

Bank and is an unofficial spokesman of the Fed who appears regularly on national Sunday Morning Talk Shows to discuss Federal Reserve programs in response to the pandemic, as well as to preview the Fed’s direction. Kashkari achieved fame in 2008 during the TARP bailout as Hank Paulson’s assistant who arrived at the \$700 billion figure for that particular bailout (by multiplying U.S. GDP then, \$14 trillion, by 5%). In April 2020, Kashari warned viewers to be prepared for “various phases of rolling flare-ups” over the next 18 months. See “Presenting the Federal Reserve Script for Totalitarianism.”¹³

Christine Lagarde (ECB) – Lagarde is a convicted criminal who has been President of the European Central Bank since November 2019. Before that, she was the Managing Director of the International Monetary Fund, from 2011-19. Trained as a lawyer, Lagarde also chaired Baker & McKenzie, a huge global law firm headquartered in Chicago. Like her counterpart in the U.S., Jerome Powell, Lagarde has presided over multi-trillion dollar asset purchase programs that flow from the central bank through the largest financial institutions. In 2016, a French court convicted Lagarde of criminal negligence for a 400MM-euro payout while Lagarde was France’s finance minister to a man who claimed to have been defrauded by Adidas.¹⁴

Steve Mnuchin – Mnuchin worked at Goldman Sachs for 17 years, was CEO of George Soros-backed SFM Capital Management for two years, and was Donald Trump’s Treasury Secretary. Mnuchin set off a small furor by penning a letter to Fed Chairman Jerome Powell demanding the return of monies the U.S. Treasury provided to the Fed for five emergency loan programs created in response to the pandemic.

New York Federal Reserve – The New York Fed is by far the most important of the 12 regional Federal Reserve banks. As the only permanent member of the Federal Open Market Committee (FOMC), the New York Fed carries out FOMC policy directives and conducts open market operations, that is, buying and selling U.S. government securities in accordance with FOMC policy directives. It is the only regional branch with its own trading floor and has 1500 Bloomberg terminals to carry out trades. The New York Fed also houses the Exchange Stabilization Fund. The New York Federal Reserve district includes Puerto Rico and the Virgin Islands as well as part of Connecticut and New Jersey. Most of the Fed's pandemic response programs have been run by the New York Fed.

PIMCO – PIMCO is a global investment management firm focusing on bonds and other active fixed income management vehicles. PIMCO was selected by the New York Fed to manage both the Commercial Paper Funding Facility and Term Asset-Backed Securities Loan Facility, repeating two of the same roles it played in the wake of the 2008 financial crisis.

Jerome Powell – Powell is the first lawyer to chair the Federal Reserve since the Carter Administration, when the Fed was briefly chaired by G. William Miller. Powell's legal career was brief but included a stint at Davis Polk & Wardwell, one of America's preeminent white shoe law firms. Powell then worked at elite investment bank Dillon Read from 1984-90 and again from 1995-97. He was also a partner at The Carlyle Group (see Money Movers & Traders) from 1997-2005. He also worked in various government capacities before becoming Fed Chairman. According to Powell's 2019

financial disclosure, he held as much as \$11.6 million of his personal wealth with BlackRock.

Carmen and Vincent Reinhart – Carmen Reinhart is Chief Economist of the World Bank and also holds a chair of international finance at the Harvard Kennedy School. She was also Chief Economist and Vice President at the investment bank Bear Stearns in the 1980s. Vincent Reinhart is the Chief Economist at BNY Asset Management.

The Reinharts frequently write about policy seemingly at the same time that the policies they write about are being rolled out and implemented by governments. In October 2020, they wrote a paper for *Foreign Affairs* entitled, "The Pandemic Depression," warning that the global economy would never be the same and that the pandemic "poses a once-in-a-generation threat to the world's population." The Reinharts' prescription for the pandemic? "Follow Larry Summers' advice: targeted, temporary and timely fiscal stimulus."¹⁵

Kenneth Rogoff – Rogoff is Thomas D. Cabot Professor at Harvard University. From 2001-2003, Rogoff served as Chief Economist at the International Monetary Fund. Rogoff is a major fan of central banks and an enemy of cash. A reliable advocate of central monetary control by private parties, Rogoff is also a senior fellow at the Council on Foreign Relations and has a column devoted to global economic issues that is syndicated in 50 countries. Rogoff is a frequent co-author of Carmen Reinhart.

State Street Bank – State Street Bank (of Boston) has functioned as a custodian of two different Fed pandemic response programs to

oversee fund disbursement. It received \$2 billion in TARP bailout funds in 2008.

Small Business Administration – The Small Business Administration ran the retail end of the broadest and most successful pandemic relief program, the Paycheck Protection Program (PPP). In total, the SBA approved some 5.2 million loans totaling \$525 billion (average loan size: \$100,729) from nearly 5500 lenders.¹⁶

Swiss National Bank (SNB) – The SNB is the central bank of Switzerland. Between 2011 and 2015, Switzerland pegged its currency (the Swiss franc) to the euro at a 1.2-to-1 ratio. When Switzerland scrapped the peg, essentially scrapping the euro, the Swiss franc rose 20% immediately.

John Williams – Williams has been the President and CEO of the New York Federal Reserve Bank since 2018 and was the President of the Federal Reserve Bank of San Francisco from 2011-2018. Williams has worked at the Fed ever since earning his PhD in economics in 1994.

Janet Yellen – Yellen is President Biden's pick to replace Steve Mnuchin as Treasury Secretary. She is also the former Chair of the Federal Reserve, from 2014-2018. Over the last two years, Yellen has reeled in \$7 million from speaking engagements before large financial institutions.¹⁷

Yellen has opined that the recent economic crisis got kicked off “in March, when uncertainty about the pandemic led hedge funds and others to scramble to raise cash by selling longer-term securities. The upsurge in the supply of longer-term securities, including Treasuries, was more than dealers and other market-makers could handle.”¹⁸

Jeff Zucker – Zucker is President of CNN. His entry in “The Bloomberg 50” states: “The roughly 50 town halls CNN has hosted for Democratic presidential candidates have played a major role in shaping the primary.” That is one of the most massive pieces of misdirection ever written, ignoring Zucker's instrumental role behind the rise of Donald Trump to the U.S. presidency. While still at NBC, Zucker gave Trump his own show with “The Apprentice,” a vehicle that made Donald Trump not just a household name but a fixture for an entire decade. Then Zucker moved to CNN. There, he was behind CNN's push to cover Donald Trump 24/7 during the 2016 primaries. CNN's excuse for non-stop coverage—that it drove up ratings—made no sense since CNN did not advertise during its marathon Trump-bashing festivals, which—though negative publicity—was still publicity; it was massive publicity, and it was rendered without charge.

Endnotes:

1 O.G.: Original gangster.

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UNTIL DEBT TEAR US APART

Primer on Our Debt-Based Monetary System

IN order to fully understand how the Federal Reserve implemented BlackRock's "going direct" plan and how central bank digital currencies (CBDCs) pose a threat to national sovereignty, one needs a basic understanding of a few monetary ideas that are not widely known despite (or perhaps because of) their importance. To that end, we are providing this short primer on the U.S. debt-based monetary system.

As an initial matter, it's helpful to know that there are four different types of money still issued in the United States:



Coins are physical money created and issued by the U.S. Treasury and sold at face value to the Federal Reserve, which books coins as an asset on its balance sheet. Unlike the other three forms of money, coins are issued without any corresponding debt attached to them. Coins are legal tender, meaning that they can be used to pay “all debts, public charges, taxes, and dues.” 31 U.S.C. § 5103.

Cash (Federal Reserve notes) is physical money issued by the Federal Reserve (though created by the Treasury’s Bureau of Engraving and Printing at the Fed’s instruction) and sold by the Fed at face value to commercial banks, which pay for cash using their reserve accounts at the Fed, which get debited in the amount of cash obtained. Cash is one of two liabilities on the Federal Reserve’s balance sheet, and an obligation of the U.S. government. Cash is legal tender, meaning that it can be used to pay “all debts, public charges, taxes, and dues.” 31 U.S.C. § 5103.

Reserves are electronic money created and issued by the Federal Reserve in exchange for U.S. government bonds and bills (i.e., IOUs from the U.S. government). Reserves are the second liability on the Federal Reserve’s balance sheet, but reserves are assets to commercial banks and other entities that bank with the Fed, including the U.S. government and foreign central banks. *Reserves (i.e., Fed liabilities or IOUs) are money only for these entities, and exist only as the result of government debt.* The amount of reserves in the system is controlled by the Federal Reserve, which increases reserves by buying government bonds (or agency mortgage-backed securities) and decreases reserves by selling government bonds (or agency

mortgage-backed securities). Reserves are not legal tender.

Bank money is electronic money created and issued by commercial banks in exchange for debt, public or private, taken on by borrowers from the bank, whose electronic accounts at the bank are credited in the amount of their new loan. Bank money is a liability to commercial banks but is an asset to non-bank entities who bank at commercial banks, including people, non-financial businesses, non-bank financial businesses, and governments—*bank money (i.e., a commercial bank liability or IOU) is money for these entities.* The amount of bank money in the system is controlled by commercial banks, which increase bank money by buying debt (crediting bank accounts in exchange for loan paper) and decrease bank money by not issuing new debt as old debt gets paid off. Bank money is not legal tender.

By way of that background on types of money, three basic concepts are helpful if not critical to understanding both BlackRock’s “going direct” formulation implemented by the Federal Reserve in 2020 and how CBDCs are likely to evolve in a way that will jeopardize U.S. sovereignty.

1. Money creation is a sovereign power (regardless of whether or not the sovereign’s legal authorities understand that fact).
2. Debt-based money gives the money issuers control of the money supply (and thus the economy).
3. In the United States, there are two distinct tiers of debt-based money issuance—commercial banks and the Federal Reserve.

1. Money Creation and Control Is a Sovereign Power

The critical nature of monetary creation and control to the sovereignty of national governments was well understood at one time, even if it is not well understood now.

- *The inability of the Colonists to get power to issue their own money permanently out of the hands of George III was the prime reason for the revolutionary war.* — Ben Franklin
- *The Government should create, issue, and circulate all the currency and credits needed to satisfy the spending power of the Government and the buying power of consumers. By the adoption of these principles, the taxpayers will be saved immense sums of interest. Money will cease to be master and become servant of humanity.* — Abraham Lincoln
- *Until the control of the issue of currency and credit is restored to government and recognized as its most conspicuous and sacred responsibility, all talk of the sovereignty of Parliament and of democracy is idle and futile.* — William Lyon Mackenzie King, Canadian Prime Minister, 1935

The fact that money creation is inextricably bound up with national sovereignty is reflected in the U.S. Constitution, which provides that “the Congress shall have Power... To coin Money, regulate the value thereof, and of foreign Coin, and fix the Standard of Weights and Measures.” (U.S. Const., Art. 1, §8, cl. 5).

Coins are actually the only form of money issued in literal accordance with the Constitution, that is, by a governmental entity

representing (at least on paper) the constitutional sovereign of the United States, which of course is “we the people.” All other forms of money—cash, reserves, and bank money—are issued by private banks.

Moreover, these three forms of money cannot exist without the parallel creation of debt. All of this money, in other words, must be borrowed into existence. But for the existence of coins, which are issued by the sovereign government, the U.S. monetary system would be completely contrary to the Constitution, which vests “we the people”—not a small group of bankers—with the power of money creation. Even more fundamentally, the U.S. monetary system flouts the rule of law in that rather than providing for equality under the law, the U.S. legal system instead installs and secures two legal classes of people: creditors (the tiny few) who create money out of thin air and lend it out at interest, and borrowers (the vast majority), who depend on creditors for their money and must pay them for the privilege of using it despite the fact that those creditors create the money out of thin air.

2. In the U.S., the Money Supply Is Controlled by Private Banks

As noted, cash, bank money, and reserves are all issued by private banks.

Cash is a physical form of money issued by each of the 12 private regional Federal Reserve banks¹ and is labeled as such (i.e., as “Federal Reserve Notes”). As noted, the Fed issues cash when a commercial bank pays for it with reserves in its reserve account at the Fed. Thus, the amount of cash in the system is determined by private banks.

Reserves are an electronic form of money created and issued by the Federal Reserve in exchange for debt securities like U.S. Treasuries. Reserves are a liability on the Federal Reserve's balance sheet, with the corresponding asset typically being a government bond. Legally, reserves are IOUs from the Federal Reserve to any entity having an account at the Fed, into which reserves can be deposited. Ordinary people and businesses—even non-bank financial businesses—do not have accounts at the Federal Reserve. Reserves are thus not money for ordinary people and businesses, nor are they money for the Fed itself. Reserves serve as money only to account holders at the Federal Reserve, mainly commercial banks. As such, reserves are assets on the balance sheets of commercial banks and (as noted) liabilities to the Federal Reserve.

Bank money is an electronic form of money created and issued by commercial banks. Bank money is a liability on the balance sheets of commercial banks. Legally, bank money is an IOU from a commercial bank to its customers (i.e., to people and businesses that have an account with the commercial bank). Bank money is thus not money to the Federal Reserve (which doesn't maintain accounts at commercial banks), nor money for the commercial banks themselves. Bank money serves as money only to account holders (who treat bank money as an asset), but functions (as noted) as a liability to commercial banks.

The upshot here is that with the exception of coins, all money in the U.S. is created only with the issuance of debt, and the money supply in the U.S. is controlled completely by banks. That stems from the fact that IOUs and thus money are destroyed when loans are paid off. Consequently, bankers can shrink the

money supply simply by not making new loans as outstanding loans get paid off—a process that can be accelerated by calling outstanding loans ahead of schedule. It is this feature of our monetary system that gives bankers near-total control in the U.S. Robert Hemphill, former Credit Manager of the Federal Reserve Bank of Atlanta, wrote in 1935 in a foreword to Irving Fisher's book, *100% Money*:

*This is a staggering thought. We are completely dependent on the Commercial Banks. Someone has to borrow every dollar we have in circulation, cash or credit. If the Banks create ample synthetic money, we are prosperous; if not, we starve. We are, absolutely, without a permanent money system.*²

For proof that commercial banks create money out of thin air whenever they make loans, see “Mommy, Where Does Money Come From?”³

3. In the U.S., There Are Two Separate Tiers of Electronic Money

As discussed above, electronic money in the U.S. comes in two different forms that are in a very real way opposite forms, too—bank money (issued by commercial banks) and reserves (issued by the Federal Reserve).

From the point of view of a commercial bank, bank money is a liability (legally a promise from the bank to pay a depositor), while reserve money is an asset (an IOU from the Fed to account holders like commercial banks).

Not surprisingly, the confusion generated by the fact that a dollar can take on opposite “polarities,” depending on whether it was issued by a commercial bank or the Fed, is essentially endless. Thus it is we often hear people speaking of banks as motivated to “steal deposits,” when the reality is that banks have just the opposite incentive—to reduce deposits—since money in deposit accounts is a bank liability. Likewise, people speak of banks lending out reserves even though doing so is impossible.

For a demonstration of why reserves are necessary in our two-tiered monetary system at all, see “Wherefore Art Thou Reserves?” starting at the 20:00 mark.⁴ For an in-depth discussion of the split-circuit monetary system, see chapter 4 of *Sovereign Money* (2017), by Joseph Huber.⁵

The takeaway here is that whenever the discussion involves the Federal Reserve, which can only issue reserves (to account holders at the Federal Reserve) and cannot issue bank money, one must remain cognizant of the fact that in the “real world,” reserves appear as assets on commercial bank balance sheets as a counterbalance to our money, which from the point of view of the banks is a liability.

This leads to the second key insight here. Commercial banks can be used to “convert” reserves into bank money for a non-bank seller of an asset by way of a three-way transaction: (1) Fed buys asset from non-bank seller by depositing reserves into the commercial bank of said seller; (2) commercial bank of seller books reserves as asset and creates equal amount of bank money, depositing it into seller’s account; and (3) seller *tenders* asset to Fed and gets paid via new deposit money on account with commercial bank. This is precisely how the Federal Reserve expanded its balance sheet (reserve money) by \$3 trillion in 2020 at the same time that it caused the expansion of the bank money supply by \$3 trillion.

The relationship among the Federal Reserve, commercial banks, and commercial bank

customers (people and non-bank businesses) is depicted in the following frame taken from “Quantitative Easing Is the Biggest Sham Ever.”⁶

Starting from the right, Nullity Group’s \$1400 balance sheet includes a \$300 asset in the form of a bank account (illustrated by three red marbles) at Jolly Jester Bank. This illustrates the fact that our money in bank accounts, while an asset to us, is actually a liability to the bank.

The same asset-liability relationship obtains the next tier up: Jolly Jester’s \$400 reserve account, while an asset to Jolly Jester Bank, is a \$400 liability to the Federal Reserve, indicated by white marbles.

The differently colored marbles indicate different “polarities” that money takes on in a debt-based monetary system. Each \$100 of bank money is represented by a red marble, indicating that it is a liability to commercial banks—a \$100 IOU from a commercial bank to its customer. A white marble represents \$100 as well, only in this case it is a liability of the Federal Reserve—a \$100 IOU from the Fed to its commercial bank customer.

This structure is directly relevant to how the Federal Reserve expanded its balance sheet during the pandemic: by purchasing assets from non-banks, the Federal Reserve with each (say) \$1 billion purchase using reserves (the only money that the Fed can issue) forced commercial banks to create \$1 billion in bank money. The parallel creation of bank money is necessary both to compensate the non-bank asset seller and to balance the books of the commercial bank that was credited with \$1 billion in new reserve money (an asset) and thus needed a countervailing \$1 billion liability.

That structure should also be kept in mind with CBDCs.

Under the current system, reserves (white marbles) are needed for commercial banks to settle transactions between commercial banks



(conducted with red marbles). If Customer 2 from Bank B pays Customer 1 from Bank A with \$100 electronically, Bank B ends up deleting a \$100 liability from its balance sheet (when Customer reduces his account by making the payment), and Bank A ends up taking on the \$100 liability (by crediting Customer A's account). For this transaction to go through—for settlement to take place, so Bank A isn't left in the lurch and Bank B doesn't get a \$100 windfall—Bank B must transfer a \$100 asset to Bank A to counterbalance the \$100 liability being shifted from B to A. Bank B does this by transferring \$100 in reserves to Bank A.

With CBDCs, however, commercial banks are eliminated. The diagram above must be modified by removing the center column. In all discussions of CBDCs by central banks, the liabilities of the Fed will include accounts for each user of the Fed's CBDC, with the corresponding asset on the Fed's balance sheet being a U.S. government bond.

Under this system, CBDCs would represent liabilities of each central bank, assuming the role of red marbles. It is thus foreseeable that payments would be made between residents from two different central bank jurisdictions, but wouldn't net out to zero, as is the case now with customers from different commercial banks. Thus, to settle net imbalances from different central bank jurisdictions, it is likewise foreseeable that a new global reserve currency

would be needed—just as central bank reserves are needed now to settle net imbalances between commercial banks.

In that event, the new global reserve currency would occupy a superior legal footing to the CBDCs that require settling. In such a system, the U.S. dollar would be on equal footing with other central bank currencies, and its position as world reserve currency supplanted by perhaps a basket of currencies or special drawing rights (SDRs) or the like from, say, the Bank for International Settlements (BIS).

But that is a story for another day.

Endnotes:

1 For proof in the form of admissions from the New York Fed that all 12 regional Federal Reserve banks are private rather than governmental institutions, see "The Federal Reserve — Kicking People When They're Down," BestEvidence, April 10, 2020. <https://www.youtube.com/watch?v=LPRMDCSF18E>.

2 "Foreword by a Banker" by Robert Hemphill (former Credit Manager, Federal Reserve Bank of Atlanta). In: Fisher, Irving. *100% Money*. New York: Adelphi Company; 1935. Available at https://cdn.mises.org/100%20Percent%20Money_Fisher.pdf.

3 Titus, John. "Mommy, Where Does Money Come From?" BestEvidence, April 16, 2019. https://www.youtube.com/watch?v=S_dBKAWHHQI.

4 Titus, John. "Wherefore Art Thou Reserves?" (starting at the 20:00 mark). BestEvidence, November 25, 2020. <https://www.youtube.com/watch?v=1owSYjIT9og>.

5 See chapter 4 of: Huber, Joseph. *Sovereign Money: Beyond Reserve Banking*. Springer International Publishing; 2017.

6 Titus, John. "Quantitative Easing Is the Biggest Sham Ever." BestEvidence, December 17, 2020. <https://www.youtube.com/watch?v=rDtVABEzcy4>.

Timeline of Key Economic Events of The Going Direct Reset

August 22, 2019 – At the annual Jackson Hole, Wyoming meeting of central bankers, Philipp Hildebrand of BlackRock presents a proposal by himself and three other BlackRock executives (including Stanley Fischer). The proposal is for “going direct” and is entitled, “Dealing with the next downturn: From unconventional monetary policy to unprecedented policy coordination” proposing “unprecedented coordination through a monetary-financed fiscal facility.” The paper advocates “going direct” when the next economic downturn takes place. **What does “going direct” mean?**

Going direct means the central bank finding ways to get central bank money directly in the hands of public and private sector spenders. Going direct, which can be organized in a variety of different ways, works by: 1) bypassing the interest rate channel when this traditional central bank toolkit is exhausted, and; 2) enforcing policy coordination so that the fiscal expansion does not lead to an offsetting increase in interest rates.

An extreme form of “going direct” would be an explicit and permanent monetary financing of a fiscal expansion, or so-called helicopter money.¹

As it turned out, the key part of the first sentence in the quote above—“finding ways to get central bank money directly in the hands of public and private sector spenders”—was exactly what the Federal Reserve did during the pandemic that broke out just four months after BlackRock’s paper, which turned out to be the

script. When the Fed vastly expanded its balance sheet during 2020, it broke with prior balance sheet expansion patterns precisely by doing so in a “way to get central bank money directly in the hands of public and private sector spenders,” as recommended in BlackRock’s “going direct” formulation.

This break from prior Federal Reserve policy is set forth in detail in two BestEvidence videos. The first is “The Fed’s Silent Takeover of the U.S.,”² which shows that the distinguishing feature of QE in 2020 that was not at work in the previous (post-2008 crisis) QE was the expansion of the money supply in the regular economy, that is, new bank money (not new reserves, which are trapped in the reserve money circuit of the Fed and its account holders) directly into the hands of “private sector spenders.” The second video is “Quantitative Easing Is the Biggest Sham Ever,”³ which revealed *how* the Federal Reserve was structuring its 2020 large-scale asset purchases with reserves so as to force the mirror-image creation of bank money in the regular economy, a structure that was designed to drive up high-risk financial assets like stock market equities. (See “Summary of BestEvidence Videos.”)

Perhaps just as remarkable as the fact that the Fed followed BlackRock’s script is the fact that the Fed tapped BlackRock itself to manage three separate programs created once the pandemic hit: the Primary Market Corporate Credit Facility, the Secondary Market Corporate Credit Facility, and purchases of Agency Commercial Mortgage-Backed Securities.

For a lengthier treatment of BlackRock’s epoch-defining proposal, see Ellen Brown,



“Meet BlackRock, the New Great Vampire Squid.”⁴ For another view, see Pam and Russ Martens, “BlackRock Authored the Bailout Plan Before There Was a Crisis—Now It’s Been Hired by Three Central Banks to Implement the Plan.”⁵

September 17, 2019 – New York Fed enters the repo market and purchases \$40.8 billion of Treasuries and \$11.7 billion of mortgage-backed securities. Over the next four months, it adds a total of \$400 billion to the repo market. The Fed never provides any compelling reason for its first sudden massive intervention since the 2008 crisis, citing instead eminently foreseeable events such as seasonal tax payments coming due. Interestingly, the 3.5-to-1 ratio of Treasury purchases to Mortgage-Backed Securities (MBS) purchases on day one of the New York Fed’s re-entry into the repo market turns out to very nearly anticipate the balance sheet expansion pattern during the pandemic, when the ratio for 2020 is 3.3-to-1 (\$2.215 trillion UST vs. \$0.668 trillion MBS).

October 18, 2019 – Johns Hopkins teams up with the World Economic Forum and the Bill & Melinda Gates Foundation to conduct a simulation, “Event 201 Pandemic Exercise,” in which high-ranking participants simulate their responses to a worldwide coronavirus pandemic.⁶

January 16, 2020 – Foreigners sell U.S. Treasuries for fourth consecutive month.⁷

January 27, 2020 – U.S. companies begin restricting travel to China in view of the coronavirus.⁸

January 27, 2020 – BlackRock CEO Larry Fink and Bank of England Governor Mark Carney warn at a World Economic Forum (WEF) meeting at Davos that climate change is an investment risk. The WEF meeting also likens Quantitative Easing to steroids: “good in short dosages, but does long-term damage through weakening the skeletal system.”⁹

January 29, 2020 – FOMC Minutes:

“Information received since the Federal Open Market Committee met in December indicates that the labor market remains strong and that economic activity has been rising at a moderate rate. Job gains have been solid, on average, in recent months, and the unemployment rate has remained low.”¹⁰

January 29, 2020 – Former New York Fed Chief Bill Dudley comes on Bloomberg TV to explain that the stock market’s uninterrupted rise for the last three months can in no way be attributed to the Fed’s addition of \$400 billion in liquidity to the repo market. The stock market, he contends, is doing well because the economy is strong. The stock market plunges less than a month later.

February 1, 2020 – Two hundred CEOs resigned in January 2020...¹¹

February 1, 2020 – ...a trend of resignations that continues through February.¹²

February 5, 2020 – Macy’s announces plans to shutter 125 (of 525) department stores over the next three years.¹³

February 5, 2020 – Insider stocks sales-to-buys ratio of 5-to-1 hits a 3-year high.¹⁴

February 7, 2020 – BBC publishes story, “Coronavirus: Your travel rights explained,” that discusses risks to travel insurance without ever mentioning legal rights.¹⁵

February 7, 2020 – *Forbes* warns that coronavirus will dampen U.S. economic growth.¹⁶

February 11, 2020 – Goldman Sachs issues buy-these-stocks list, says coronavirus impact will be limited.¹⁷ (See chart, “S&P500 vs. Fed Assets,” for stock market performance from Jan. 2019 – Jan. 2021.)

February 12, 2020 – FOMC: Fed semiannual report states that renewed repo operations in

Fall 2019 “have been successful in providing an ample supply of reserves to the banking system and effective control of the federal funds rate.”¹⁸

February 14, 2020 – CDC Director warns coronavirus will become widespread in U.S. and last beyond 2020.¹⁹

February 16, 2020 – *Forbes* publishes article from Harvard contributor who says, in response to concerns over coronavirus, “there is also news of a potential revolution underway in the field of vaccine development, one that is giving us a peek at the unique potential of modern biotechnology.”²⁰

February 18, 2020 – HSBC says it will cut 35,000 employees (out of 235,000) and reshuffle \$100 billion of assets in a major reorganization.²¹

February 19, 2020 – S&P500 hits all-time high before undergoing a major decline. (See chart, “S&P500 vs. Fed Assets,” for stock market performance from Jan. 2019–Jan. 2021.)

February 20, 2020 – Morgan Stanley announces deal to buy E*Trade (5 million customers) for \$13 billion to compete with Schwab and Fidelity.²²

February 24, 2020 – Gold hits seven-year high.²³

February 25, 2020 – San Francisco declares state of emergency over coronavirus.²⁴

February 26, 2020 – Before Congress: “The Association of American Physicians and Surgeons (AAPS) strongly opposes federal interference in medical decisions, including mandated vaccines.”²⁵

February 28, 2020 – FOMC: “The fundamentals of the U.S. economy remain strong. However, the coronavirus poses evolving risks to economic activity. The Federal Reserve is closely monitoring developments and their implications for the economic outlook. We will use

our tools and act as appropriate to support the economy.”²⁶

February 28, 2020 – Stocks suffer biggest weekly loss since 2008, but S&P500 decline is halted temporarily—before resuming on March 4.²⁷ (See chart, “S&P500 vs. Fed Assets,” for stock market performance from Jan. 2019 – Jan. 2021.)

March 1, 2020 – Trial balloon: Bank Policy Institute advises Fed to cut reserve requirement from 10% to zero.²⁸ (See March 15, 2020 entry.)

March 3, 2020 – FOMC: “The fundamentals of the U.S. economy remain strong. However, the coronavirus poses evolving risks to economic activity. In light of these risks and in support of achieving its maximum employment and price stability goals, the Federal Open Market Committee decided today to lower the target range for the federal funds rate by 1/2 percentage point, to 1 to 1-1/4 percent.”²⁹

March 4, 2020 – Bank of England claims “that cash can carry bacteria or viruses and urges people to wash their hands regularly” as WHO warns that “contaminated cash may spread coronavirus.”³⁰

March 9, 2020 – 9:36 a.m. EDT: Declines in S&P500 trigger a Level-1 market-wide circuit breaker.

March 9, 2020 – New York Fed increases purchase offers in overnight repo market from \$100 billion to \$150 billion.³¹

March 11, 2020 – World Health Organization declares coronavirus outbreak “a pandemic.”

March 11, 2020 – The *Wall Street Journal* declares an end to the 11-year bull market.³²

March 11, 2020 – The global market for U.S. bonds seizes up, as foreign concerns are dumping rather than buying Treasuries.³³ See also Reuters: “On a transaction basis, foreigners

sold \$299.346 billion in Treasuries in March, a record high, compared with foreign buying of \$4.885 billion in February.”³⁴

March 12, 2020 – Professional baseball and professional hockey suspend all play;³⁵ Broadway follows suit.³⁶

March 12, 2020 – The strategy of shifting blame for deteriorating economic conditions on Main Street from the actual culprit (arbitrary and draconian lockdowns) to the pretextual culprit begins: New York Fed announces massive (>\$1 trillion) purchases of Treasuries “to address highly unusual disruptions in Treasury financing markets associated with the coronavirus outbreak.”³⁷

March 15, 2020 – FOMC: The strategy of shifting blame for deteriorating economic conditions on Main Street from the actual culprit (arbitrary and draconian lockdowns) to the pretextual culprit continues: “The coronavirus outbreak has harmed communities and disrupted economic activity in many countries, including the United States. Global financial conditions have also been significantly affected... To support the smooth functioning of markets for Treasury securities and agency mortgage-backed securities that are central to the flow of credit to households and businesses, over coming months the Committee will increase its holdings of Treasury securities by at least \$500 billion and its holdings of agency mortgage-backed securities by at least \$200 billion.”³⁸

March 15, 2020 – Fed Board of Governors: “The Bank of Canada, the Bank of England, the Bank of Japan, the European Central Bank, the Federal Reserve, and the Swiss National Bank are today announcing a coordinated action to enhance the provision of liquidity via the standing U.S. dollar liquidity swap line arrangements.”³⁹

March 16, 2020 – The Federal Reserve announces that “the Board has reduced reserve

requirement ratios to zero percent effective on March 26.”

March 16, 2020 – The Dow drops 3000 points in a day.⁴⁰

March 16, 2020 – President Trump issues 15-day stay-at-home guidelines.⁴¹

March 17, 2020 – Trial balloon: Bank of America says the Fed may target commercial paper.⁴² (See March 22, 2020 entry.)

March 19, 2020 – Governor Newsom of California issues “Stay Home Except for Needs” executive order, the first state governor to issue such a pandemic order.

March 19, 2020 – The New York Federal Reserve Bank opens swap lines supporting up to either \$30 billion or \$60 billion with the central banks of Australia (60), Brazil (60), Denmark (30), Korea (60), Mexico (60), Norway (30), New Zealand (30), Singapore (60), and Sweden (60).

March 19, 2020 – Fed balance sheet: \$4.72 trillion.

March 19, 2020 – The largest pension in the U.S., CalPERS, has lost \$67 billion (16.7%) since January.⁴³ See “Quantitative Easing Is the Biggest Sham Ever” for an explanation of how the Fed’s QE operations supply pensions with money to dump low-risk assets and replace them with high-risk assets.⁴⁴

March 22, 2020 – S&P500 decline bottoms out at 2237.

March 22 through April 9, 2020 – The New York Federal Reserve Bank announces a series of lending programs putatively in response to the pandemic: Commercial Paper Funding Facility, Municipal Liquidity Facility, Primary Dealer Credit Facility, Primary Market Corporate Credit Facility (PMCCF), Secondary Market Corporate Credit Facility (SMCCF),

Term Asset-Backed Securities Loan Facility (TALF), Agency Commercial Mortgage-Backed Securities purchases, and Temporary Foreign and International Monetary Authorities (FIMA) Repo Facility.

March 23, 2020 – FOMC: “In addition, the Committee directs the Desk to conduct overnight reverse repurchase operations (and reverse repurchase operations with maturities of more than one day when necessary to accommodate weekend, holiday, or similar trading conventions) at an offering rate of 0.00 percent, in amounts limited only by the value of Treasury securities held outright in the System Open Market Account that are available for such operations and by a per-counterparty limit of \$30 billion per day.”⁴⁵

March 23, 2020 – Fed abandons previous limits on Treasury and mortgage-backed securities purchases: “The Federal Open Market Committee (FOMC) will purchase Treasury securities and agency mortgage-backed securities in the amounts needed to support smooth market functioning and effective transmission of monetary policy to broader financial conditions and the economy. The FOMC had previously announced it would purchase at least \$500 billion of Treasury securities and at least \$200 billion of mortgage-backed securities.”⁴⁶

March 24, 2020 – St. Louis Federal Reserve publishes note predicting 32% unemployment.⁴⁷

March 25, 2020 – The New York Federal Reserve inks a deal with BlackRock naming the latter Manager of the commercial agency mortgage-backed security purchasing initiative undertaken in response to an FOMC directive.

March 26, 2020 – Fed balance sheet rises to \$5.30 trillion (1-wk gain: \$580 billion); S&P500 regains 400+ points to close at 2630.

March 26, 2020 – Federal Reserve “has reduced reserve requirement ratios to zero percent effective on March 26.”

March 26, 2020 – Record-smashing number of unemployment insurance claims filed. (See chart, “Initial Claims, Weekly Unemployment Insurance.”)

March 27, 2020 – Congress passes Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The CARES Act includes a provision that “not more than” \$454 billion “shall be available to make loans and loan guarantees to, and other investments in, programs or facilities established by the Board of Governors of the Federal Reserve System for the purpose of providing liquidity to the financial system that supports lending to eligible businesses, States, or municipalities.” No authorities ever explain why the U.S. Treasury needs to or should provide *any* funds to the Federal Reserve, which can create and has a history of creating trillions of dollars, whether or not in response to a crisis.

March 29, 2020 – President Trump extends stay-at-home guidelines until April 30, 2020.⁴⁸

April 6, 2020 – Record level of 6.6 million Americans have filed claims for unemployment insurance.⁴⁹

April 6, 2020 – Federal Reserve announces three new lending facilities to implement CARES Act:

- Paycheck Protection Program Liquidity Facility (PPPLF) – will purchase Payment Protection Program (PPP) loans from lenders, freeing those banks to continue lending under the PPP, and most crucially, removing these non-performing loans from the balance sheets of private industry.
- Main Street Business Lending Program – will purchase \$600 billion of debt from companies employing up to 10,000 workers or with revenues of less than \$2.5 billion, with any required payments on these loans deferred a year.
- Municipal Liquidity Facility – will purchase \$500 billion of debt from states and cities with populations over 1 million.

April 9, 2020 – “The Federal Reserve on Thursday took additional actions to provide up to \$2.3 trillion in loans to support the economy”⁵⁰ (PPP, Main Street Lending, PMCCF, SMCCF, TALF, Municipal Liquidity Facility). (See entry for March 22 through April 9, 2020.)

April 9, 2020 – WHO now says cash does not carry coronavirus; claims it was misrepresented previously.⁵¹

April 10, 2020 – “Between March 18 and April 10, as the U.S. employment rate approached 15 percent, the combined wealth of America’s billionaires increased by \$282 billion—nearly a 10 percent increase.”⁵² (See chart, “S&P500 vs. Fed Assets,” for stock market performance from Jan. 2019–Jan. 2021.)

April 12, 2020 – Minneapolis Fed President Neel Kashkari appears on Face the Nation and warns that the health of the economy hinges on “the course of the virus,” and says the country should be focused on an 18-month timeline.⁵³

April 20, 2020 – Disney reveals it will stop paying 100,000 employees (half its workforce) to save \$500MM per month.⁵⁴

April 24, 2020 – Fed discloses that it has provided \$85 billion in funding via three of its programs: \$51 billion in outstanding loans under the Money Market Mutual Fund Facility (MMLF), \$34.5 billion under the Primary Dealer Credit Facility (PDCF), and \$249 million under the Commercial Paper Funding Facility (CPFF).

April 27, 2020 – Tyson Foods announces closures of food processing plants and says “the food supply chain is breaking.”⁵⁵

April 29, 2020 – FOMC: “Financial conditions had shown notable improvement over recent weeks. Equity price indexes were up substantially from the lows of late March, safe-haven demands for the dollar had receded, and

measures of realized and implied volatility across markets had diminished.”⁵⁶

When the Fed concluded that “financial conditions had shown notable improvement” on April 29—citing first and foremost “equity price indexes [being] up substantially”—it had added \$1500 billion of U.S. Treasuries and \$233 billion of mortgage-backed securities to its balance sheet. At the same time, the sum total of Main Street additions to its balance sheet came from Paycheck Protection Loans, which then stood at \$19 billion. For an explanation of how every dollar that the Fed creates to buy Treasuries and mortgage-backed securities is designed for non-bank financial companies to dump those lower-yielding assets (by selling them to the Fed) and to replace them with higher-yielding assets (like equities, specifically cited by the Fed here), see “Quantitative Easing Is the Biggest Sham Ever.”⁵⁷

April 29, 2020 – Real GDP falls 4.8% in first quarter of 2020 on expectations of a 3.5% decline.⁵⁸

May 8, 2020 – The Bureau of Labor Statistics reports that total nonfarm payroll employment fell by 20.5 million in April and the un-employment rate rose to 14.7%. This is the largest one-month decline in employment and the highest unemployment rate in the history of these series (seasonally adjusted data are available back to 1948).⁵⁹

May 14, 2020 – A comparison of Federal Reserve Board surveys conducted in October 2019 and April 2020 shows a precipitous drop in the percentage of people reporting to be “living comfortably,” from 36% to 29%.⁶⁰

May 15, 2020 – Commerce Department releases the advance monthly retail and food services sales report showing a decline of 16.4% from the previous month and a decline of 21.6% from April 2019.⁶¹

May 18, 2020 – Congressional report on CARES (1st): “to date, the Treasury has only disbursed \$37.5 billion of CARES Act funds, which were invested in the Fed’s Secondary Market Corporate Credit Facility (SMCCF) on May 11.” The SMCCF allows for the purchase of corporate ETFs and is run by BlackRock, which sells corporate ETFs in the ordinary course of its business.

The report propounds a series of questions to the Treasury and the Fed about the implementation of pandemic relief legislation (e.g., CARES), including a question about BlackRock: “The Fed has hired the firm BlackRock to serve as an investment manager for this facility. How is the Fed ensuring BlackRock is acting in the best interest of the Fed and the public?”⁶²

May 19, 2020 – American billionaires got \$434 billion richer between March 18 and May 19.⁶³

May 19, 2020 – Fed Chairman Jerome Powell testifies before the U.S. Senate: “more than 20 million people have lost their jobs, reversing nearly 10 years of job gains.”⁶⁴

May 20, 2020 – Manufacturing output drops 13.7% in March, its biggest decline in over 100 years.⁶⁵

May 26, 2020 – Psychiatrists wrote 86% more psychotropic prescriptions during March and April than during January and February as hidden lockdown costs increased.⁶⁶

May 28, 2020 – CDC reports 100,000 coronavirus deaths.

May 29, 2020 – Federal Reserve reports annual aggregate liabilities of financial sector at \$21.2 trillion (an increase of 2.7% over the previous year). The Dodd-Frank Act requires reporting of this figure in order to prevent “a financial company from combining with another company if the resulting company’s liabilities would exceed 10 percent of the aggregate consolidated liabilities of all financial companies.”⁶⁷

June, 2020 – BlackRock publishes Philipp Hildebrand’s “Policy revolution,” which fleshes out its “going direct” initiative presented to the Federal Reserve the previous year. “Policy revolution” provides express guidance that is directly relevant to the pandemic response seen throughout western governments:

*There are three main aspects to this revolution. First, the new set of policies are explicitly attempting to “go direct” — bypassing financial sector transmission and instead finding more direct pipes to deliver liquidity to households and businesses. Second, there is an explicit blurring of fiscal and monetary policies. Third, government support for companies comes with stringent conditions, opening the door to unprecedented government intervention in the functioning of financial markets and in corporate governance.*⁶⁸

June 4, 2020 – Federal Reserve announces its May 2015 termination of an enforcement action against State Street Bank for violations of anti-money laundering laws and the Bank Secrecy Act.⁶⁹

June 4, 2020 – Former Goldman Sachs trader Jim Cramer of CNBC states: “I think we’re looking at a V-shaped recovery in the stock market, and that has almost nothing to do with a V-shaped recovery in the economy.” The two very different fates for different segments of the economy under the pandemic and attendant lockdowns, he says, have amounted to “one of the greatest wealth transfers in history.”⁷⁰

June 5, 2020 – The Bureau of Labor Statistics reports that total nonfarm payroll employment rose 2.5 million in May and the unemployment rate declined to 13.3%. The expectations were for a loss of over 8 million jobs and an increase of the unemployment rate to 19.7%.⁷¹

June 8, 2020 – Federal Reserve expands Main Street Lending Program to include more small- and medium-sized businesses.⁷²

June 8, 2020 – Steven Mnuchin and Jerome Powell provide responses of U.S. Treasury and Federal Reserve to congressional questions propounded in the first congressional oversight report (see May 18, 2020 entry). In response to Congress's question about making sure BlackRock is acting "in the best interest of the Fed and the public," Mnuchin and Powell confirm that BlackRock is acting solely in the interests of the New York Fed—a private bank: "The Federal Reserve Bank of New York ('FRBNY') is the sole managing member of the CCF. Pursuant to the [investment management agreement], BlackRock acts as a fiduciary to the CCF in performing investment management services."⁷³

June 10, 2020 – Federal Reserve releases economic projections for end of 2020, including expectations of a GDP decline of between 4% and 10%.⁷⁴

June 15, 2020 – The U.S. Small Business Administration reopens the Economic Injury Disaster Loan (EIDL) and EIDL Advance program. SBA's EIDL program offers long-term, low-interest assistance for a small business or non-profit. EIDL Advance will provide up to \$10,000 (\$1,000 per employee) of emergency economic relief to businesses experiencing difficulties, and these emergency grants do not have to be repaid.⁷⁵

June 16, 2020 – Bank profits plummet by 70% in first quarter, according to FDIC.⁷⁶

June 17, 2020 – Fed's balance sheet shrinks for first time since onset of pandemic buying spree.⁷⁷

June 18, 2020 – Citigroup has received \$3 billion of PPP loans.⁷⁸

June 18, 2020 – Congressional report: "In the eleven-plus weeks since the CARES Act became

law, the Treasury and the Federal Reserve have announced how they plan to use \$195 billion of the \$454 billion specifically allocated... To date, the majority of those lending facilities are not operational, and the facilities have made a total of \$6.7 billion in purchases." Of the \$6.7 billion, \$5.5 billion (see p. 5)⁷⁹ came from the Fed's purchases of corporate bond ETFs under the Secondary Market Corporate Credit Facility run by BlackRock. The other \$1.2 billion came under the Municipal Liquidity Facility from "a single purchase of \$1.2 billion in notes from the State of Illinois" (see p. 6).⁷⁹

The report continues: "In some areas of the economy, such as the ability of larger companies to issue debt to continue operations, the agencies' actions have had a clear and powerful impact. But there is less evidence that the actions of the Treasury and the Federal Reserve have been as beneficial for small and mid-sized businesses and state and local governments."⁷⁹

June 22, 2020 – Former New York Fed President Bill Dudley says \$10 trillion balance sheet is coming and it's okay.⁸⁰

June 30, 2020 – With the Fed's balance sheet having increased since March by over \$2.2 trillion due to purchases of Treasuries and mortgage-backed securities, and less than \$150 billion due to section 13(3) emergency lending programs for Main Street, Fed Chairman Jerome Powell testifies before House: "The tools that the Federal Reserve is using under its 13(3) authority are for times of emergency, such as the ones we have been living through. When economic and financial conditions improve, we will put these tools back in the toolbox." In other words, the Fed's purchases of Treasuries and mortgage-backed securities are permanent, as Dudley forecasted on June 22.⁸¹

July 4, 2020 – President Trump signs extension of the Paycheck Protection Program.

July 6, 2020 – The Main Street Lending Program becomes fully operational.⁸²

July 7, 2020 – Billionaires, millionaires, country clubs reported to have received countless PPP loans.⁸³

July 20, 2020 – Congressional report on CARES (3rd): “As of July 15, 2020, these facilities have made a total of \$13.6 billion in purchases and loans, up from a total of \$6.7 billion in purchases as of our last report on June 18, 2020.”⁸⁴

July 30, 2020 – Real gross domestic product (GDP) decreased at an annual rate of 32.9% in the second quarter of 2020, according to the “advance” estimate released by the Bureau of Economic Analysis (BEA).⁸⁵

August 13, 2020 – Boston Federal Reserve announces multiyear collaboration with MIT to develop central bank digital currency.⁸⁶

August 13, 2020 – Lael Brainard, a Governor on the Federal Reserve Board since 2014, gives a speech about central bank digital currencies (CBDCs) in which she reveals that the Fed is considering the vast expansion of legal tender to include more than just Federal Reserve Notes:

*It is important to understand how the existing provisions of the Federal Reserve Act with regard to currency issuance apply to a CBDC and **whether a CBDC would have legal tender status**, depending on the design. The Federal Reserve has not made a decision whether to undertake such a significant policy process, as we are taking the time and effort to understand the significant implications of digital currencies and CBDCs around the globe.*⁸⁷

August 27, 2020 – Fed Chairman Jerome Powell’s Jackson Hole speech announces new Fed policy of average inflation targeting, that is, allowing inflation over 2% “for short periods of time.”⁸⁸

August 31, 2020 – Of \$2.64 billion lent to date under the emergency Term Asset-Backed Liquidity Facility (TALF), \$1.22 billion (46% of total) has gone to ALTA, a company with four employees.⁸⁹

September 1, 2020 – Treasury Secretary Mnuchin testifies before the House about the economic crisis. Rep. Jordan (R-OH) and Mnuchin agree that the PPP has been effective in getting people back to work.⁹⁰

September 10, 2020 – Citigroup VP Jay Gelinis is ousted as man behind QAnon website qmap.pub.⁹¹

September 14, 2020 – Mnuchin says don’t worry about deficits or Fed’s balance sheet.⁹²

September 15, 2020 – Ray Dalio of Bridgewater warns that excessive debt generated by pandemic response programs threatens U.S. dollar as world reserve currency. Bridgewater’s assets under management (AUM) has declined from \$160 billion to \$148 billion year-to-date.⁹³

September 17, 2020 – Bank of England signals that reduction of benchmark lending rate from 0.1% to negative territory is possible.⁹⁴

September 29, 2020 – New York Fed President John Williams says three years will be needed for the U.S. to recover from the current recession.⁹⁵

September 29, 2020 – “JPMorgan admitted wrongdoing and agreed to pay more than \$920 million to resolve U.S. authorities’ claims of market manipulation in the bank’s trading of metals futures and Treasury securities over an eight-year period, the largest sanction ever tied to the illegal practice known as spoofing.”⁹⁶

October 19, 2020 – IMF hosts online symposium, “Cross-Border Payments—A Vision for the Future,” a panel of four monetary authorities including Agustín Carstens, General Manager of the Bank for International Settlements (BIS)

and Federal Reserve Chairman Jerome Powell. The discussion turns on central bank digital currencies (CBDCs), which are the third type of liability on central banks' balance sheet (the first two being cash and reserves). The BIS comes out strongly in favor of CBDCs because (among other reasons cited by Carstens) "the central bank will have absolute control on the rules and regulations that will determine the use of [CBDCs], and we will have the technology to enforce that."⁹⁷

November 9, 2020 – The World Economic Forum hosts the three-day Green Horizon Summit, which unabashedly promotes the neoliberal takeover of public resources by private actors under a flimsy green cover: "It's time to reset the relationship between finance and the real economy. It's time for public and private finance to get behind the transition to a sustainable and resilient future for all. The green transition is both an urgent existential imperative, as well as a significant commercial opportunity."⁹⁸

November 16, 2020 – Pentagon fails third audit and thereby "remains the only government agency that has yet to pass an audit."⁹⁹

After the Pentagon's first audit failure in 2017, Professor Mark Skidmore of Michigan State examined some of the audit records and discovered \$21 trillion of "undocumented adjustments." The Pentagon's three-peat of audit failures is especially remarkable in view of the Pentagon's ability to maintain two sets of books per FASAB-56.

November 17, 2020 – IRS unveils plans to increase audits of small businesses by 50% in 2021.¹⁰⁰

November 19, 2020 – Treasury Secretary Mnuchin declines to extend several Fed emergency lending programs. "About \$25 billion of existing equity from the Treasury will be left at the Fed from the CARES Act funds. In addition, the Treasury has about \$50 billion in the

Exchange Stabilization Fund. Using 10-to-1 leverage—which is what it used for the emergency programs—the Fed will have about \$750 billion of lending authority to backstop markets in the event of a disruption."¹⁰¹

November 19, 2020 – United Nations publishes a video proposing a digital I.D. as a "business solution for digital identity management across the UN family."¹⁰²

December 3, 2020 – President-elect Joe Biden announces that his National Economic Council will be led by Brian Deese of BlackRock.¹⁰³

December 3, 2020 – BIS and Swiss National Bank (SNB) announce successful CBDC experiment on wholesale level.¹⁰⁴

December 3, 2020 – S&P Dow Jones announces it will launch a customizable cryptocurrency indexing service in partnership with crypto data provider Lukka in 2021.¹⁰⁵

December 21, 2020 – With unemployment benefits set to expire for 12 million Americans, Congress passes a \$900 billion rescue package that includes provisions "to accelerate vaccine distribution." The bill extends benefits for 11 weeks [to March 13, 2021] despite bipartisan agreement on a 16-week extension.¹⁰⁶

December 31, 2020 – Farmers finish banner year thanks to government checks. "Thanks to the government paying nearly 40% of their income, U.S. farmers are expected to end 2020 with higher profit than 2019 and the best net income in seven years, the Department of Agriculture said. Excluding USDA loans and insurance indemnity payments made by the Federal Crop Insurance Corporation, farmers are expected to receive \$46.5 billion from the government, the largest direct-to-farm payment ever. That includes \$32.4 billion in assistance through coronavirus pandemic relief food assistance and Paycheck Protection Program payments to farmers."¹⁰⁷

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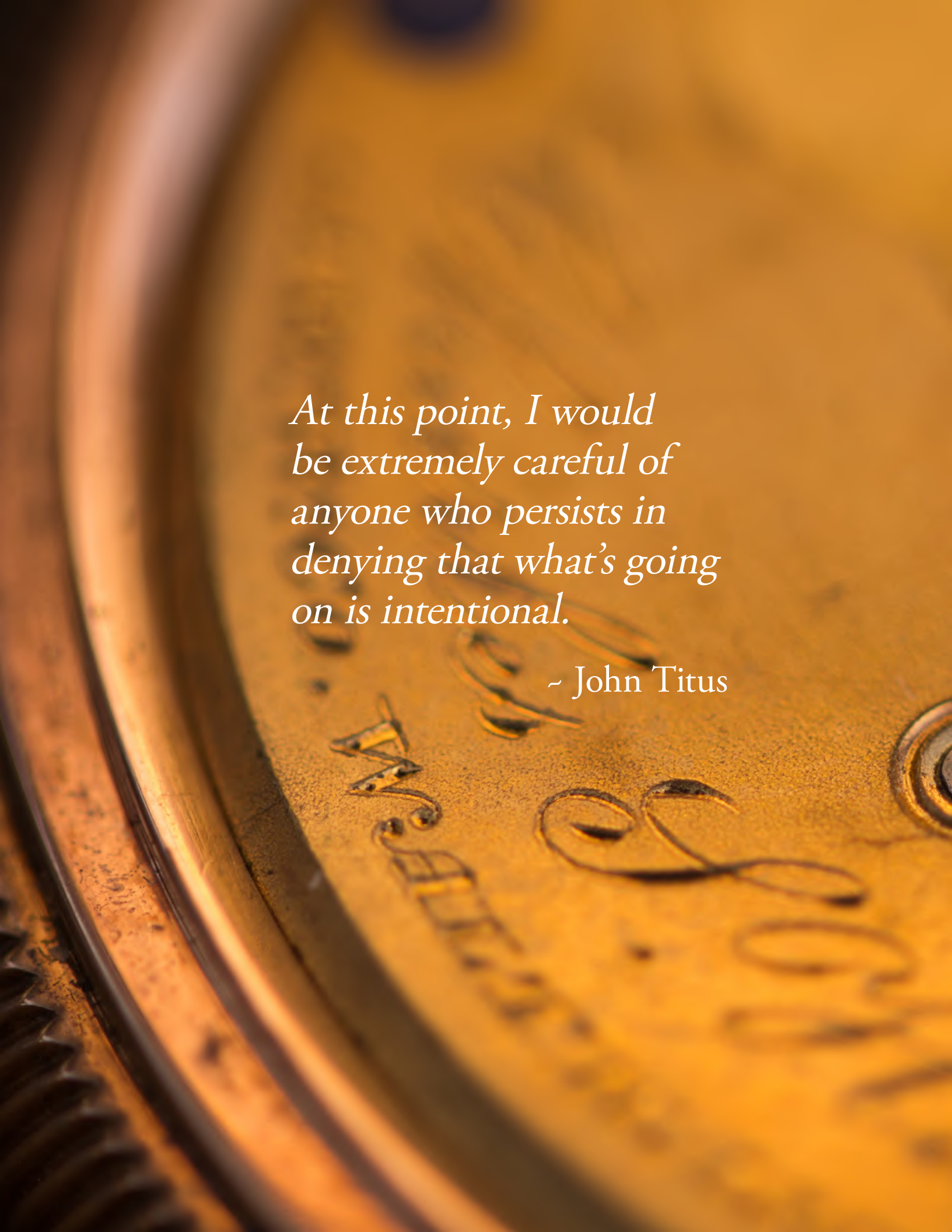
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A close-up, macro photograph of a brass watch movement. The image shows intricate gears, a winding crown, and engraved text on the brass plates. The lighting is warm, highlighting the metallic texture and the precision of the mechanical components.

*At this point, I would
be extremely careful of
anyone who persists in
denying that what's going
on is intentional.*

~ John Titus

Stimulus Chronology

2019 Since the Federal Reserve went operational in 1914, the U.S. dollar has lost 97% of its purchasing power. Since 1910, the U.S. national debt has grown from \$2.6 billion to \$22 trillion with unfunded liabilities for Social Security and health care benefits estimated at \$240 trillion.

2019-01 Germany, France, and the UK introduce INSTEX (Instrument in Support of Trade Exchanges). The intent of the special-purpose vehicle is to facilitate transactions between Iran and Europe that bypass the U.S. dollar and SWIFT so as to protect EU banks against legal exposure for breaking sanctions against Iran. Five additional countries (Belgium, Denmark, Finland, the Netherlands, and Sweden) announce on November 29, 2019, that they will join the INSTEX mechanism.

2019-03 Italy endorses China's Belt and Road Initiative and signs related commercial deals. Italy also borrows money (in yuans) in China's \$12 trillion bond market.

2019-05-02 Wall Street on Parade publishes "Sullivan & Cromwell's Rodge Cohen: The Untold Story of the Fed's \$29 Trillion Bailout" about the 2008 bailout.

2019-05-05 The annual Bilderberg Meeting is held in Switzerland. Their number-one topic is "a stable world order."

2019-05-24 SpaceX launches its first 60 operational Starlink satellites.

2019-06 Russian economist and Putin adviser Sergey Glazyev states, "The U.S. is the most powerful economy in the world. If we want to avoid dollar hegemony, the first thing we need to do is to avoid using dollars, because the foundation of the U.S. economy is based on the dollar reserves owned by other countries and this has given it the ability and confidence to press other countries to play by its rules. U.S. influence would eventually be weakened if we do so."

2019-06-06 Xi Jinping and Putin reach currency agreement. The draft decree states, "Settlements and payments for goods, service and direct investments between economic entities of the Russian Federation and the People's Republic of China are made in accordance with the international practice and the legislation of the sides' states with the use of foreign currency, the Russian currency (rubles) and the Chinese currency (yuan)."

2019-06-28 World Bank press release: "World Bank Launches First-Ever Pandemic Bonds to Support \$500 Million Pandemic Emergency Financing Facility."

2019-07 JPMorgan strategist Craig Cohen writes in note to investors, "We believe the dollar could lose its status as the world's dominant currency (which could see it depreciate over the medium term) due to structural reasons as well as cyclical impediments."

2019-07 Elon Musk gives presentation about Neuralink brain-machine interfaces, a technology that he views as allowing a "merging with AI." Musk states that he expects to have Neuralink in a human patient by the end of 2020. Harvard professor Charles Lieber, an expert in nanotechnology and "ultraflexible mesh electronics," is one of the top scientists in dialogue with Musk and Neuralink.

2019-07-20 The G7 finance ministers agree to a Crypto Action Plan.

2019-07-28 Bohemian Grove meets.

2019-08 President Erdogan says that Turkey's trade with China, Russia, and Ukraine will use national currencies. This statement follows similar agreements reached in 2018 with Iran and Russia to trade in national currencies. In 2018, Erdogan also calls on Turks to convert their dollars and euros into Turkish lira.

2019-08-22 G7 central bankers meet in Jackson Hole, Wyoming to review "Going Direct" plan by former central bankers of Switzerland, Canada, the U.S., and Israel now working at BlackRock, an investment manager of \$7 trillion in stock and bond funds soon retained by the Fed to manage some of its "Going Direct" portfolios. Mark Carney of the Bank of England gives an interview stating that the dollar reserve currency system cannot remain as is.

2019-09 French President Macron gives speech to French ambassadors after the French host G7 meeting. Macron declares the failure of the unipolar model due to American failures and mistakes over several administrations and proposes a radical rethinking of strategy going forward to adapt to the emerging multipolar world and the rise of China.

2019-09-17 U.S. Federal Reserve begins a repo loan bailout program making hundreds of billions of dollars a week in loans by "going direct" to the trading houses on Wall Street.

2019-09-19 U.S. Navy confirms that three F-18 gun camera videos first released by The *New York Times* and a UFO research organization show "unidentified aerial phenomena" or UAPs—a more formal term for UFOs. The implication is that the U.S. military does not control U.S. air space.

2019-09-19 The ID2020 Alliance—led by Microsoft, Accenture, IDEO, GAVI, and the Rockefeller Foundation and incorporated into the UN Sustainable Development Goals—hosts its annual summit in New York City. Among other goals, ID2020 aims to offer "a persistent digital identity from birth" using "cutting-edge infant biometric technologies" and microchip implants.

2019-10-07 The BIS publishes the G7 Working Group on Stablecoins report, "Investigating the impact of global stablecoins."

2019-10-18 The Bill & Melinda Gates Foundation, Johns Hopkins Center for Health Security, and World Economic Forum hold Event 201, a "pandemic tabletop exercise" simulating the outbreak of a novel coronavirus that becomes a pandemic.

2019-10-25 Pentagon awards \$10 billion JEDI cloud computing contract to Microsoft.

2019-11 *Vaxxed II: The People's Truth* (a sequel to the 2016 documentary *Vaxxed*) is released, providing overwhelming documentation that vaccines are neither safe nor effective—and are directly connected to an epidemic of autism and chronic disease slowly destroying the American people and their family wealth.

2019-11-13 Following the 11th BRICS summit in Brazil on November 13-14, President Putin says, “The dollar enjoyed great trust around the world but for some reason it is being used as a political weapon, imposing restrictions. Many countries are now turning away from the dollar as a reserve currency. The U.S. dollar will collapse soon.” Around the same time, reports emerge from Wuhan that there is a lockdown for a coronavirus.

2019-11-13 Denmark-based tech company BiChip cancels launch of microchip implant readable from a distance and connected to the Internet in the face of protests by Christian activists. BiChip has contracts to produce the microchip implants for the Danish government and U.S. Navy. A 2018 update to the implants allows wearers to store Ripple cryptocurrencies using Ripple’s payment system.

2019-11-14 Amazon, which manages the CIA and intelligence clouds, notifies U.S. Court of Federal Claims of its intent to protest award of JEDI contract to Microsoft.

2019-12-2,3 Video footage from the Global Vaccine Safety Summit—organized by the World Health Organization and held at the WHO’s headquarters in Geneva, Switzerland—captures reports of growing global resistance to vaccinations based on the absence of any scientific studies showing that individual or collective vaccinations and vaccination schedules are safe and effective. It appears that the global vaccine push is about to stall for lack of scientific support.

2019-12-12 Basel Committee invites comments on the design of a prudential treatment for crypto-assets by March 13, 2020.

2019-12-15 Verizon 5G rollout in several U.S. cities, including Los Angeles, goes into effect. The 5G rollout has begun and accelerates to support the “Going Direct” global reset, marked by competition between the U.S. and China over who controls the telecommunications hardware and AI access to data.

2019-12-18 MIT researchers publish study—funded by the Gates Foundation and directly requested by Bill Gates—that establishes a proof of concept for intradermal on-person vaccination record keeping.” The study uses dissolvable microneedles to codeliver vaccines and “near-infrared quantum dots” into the skin that encode information about vaccination status readable by modified smartphones. The senior author says the invisible “tattoos” could create “new possibilities for data storage bio-sensing and vaccine applications.”

2019-12-20 U.S. creates the United States Space Force to be the space operations service branch of the United States Armed Forces.

2019-12-31 China’s WHO office is informed of “unknown pneumonia” cases in Wuhan.

2020-01-02 A rising number of CEO resignations permits corporate leaders to sell their stocks at or near the market high. Reports of selling by members of Congress who receive early briefings on Covid-19 circulate. Jeff Bezos of Amazon is reported to sell \$4 billion of Amazon stock.

2020-01-09 WHO announces “coronavirus-related” pneumonia in China.

2020-01-13 Dutch economists publish article titled “What to expect from G10 central banks in 2020.”

2020-01-19 Dr. Mark Skidmore publishes “FASAB Statement 56: Understanding New Government Financial Accounting Loopholes.”

2020-01-24 The World Economic Forum meets in Davos and launches its Global Reset website to market the Going Direct plan to young people and non-financial sectors.

2020-01-28 U.S. attorney for Massachusetts indicts Harvard chemistry professor Charles Lieber for allegedly lying about foreign financial conflicts of interest with Chinese universities. Lieber’s research spans the areas of nano-materials, nano-bioelectronics, and brain science. The brain science program focuses on “a conceptually novel approach for integrating electronics within the brain and other areas of the nervous system, which involves the development of neural network-like mesh electronics and a noninvasive delivery method into targeted distinct brain regions via syringe-injection.” The brain science work also seeks to “enhance human performance via brain-machine interface.”

2020-01-29 The Federal Reserve announces it will hold its benchmark rate steady.

2020-01-31 United Kingdom withdraws from the European Union (thus protecting its global offshore haven system from EU regulators and disclosure requirements).

2020-01-31 WHO declares a global health emergency. The UK reports its first coronavirus case. The U.S. restricts entry of passengers from China.

2020-02 The U.S. Navy awards a \$7 billion cloud contract to Leidos. Lockheed Martin spun out its government IT division to Leidos after the 2015 fiscal year in which the Army reported \$6.5 trillion in undocumentable adjustments. Leidos has large contracts in Antarctica.

2020-02-02 Global air travel is restricted. There are 20,000 confirmed coronavirus cases in 24 countries and over 300 deaths, mostly in China.

2020-02-07 The CIA begins multibillion-dollar procurement process to update its cloud technology as part of the Commercial Cloud Enterprise (C2E) process.

2020-02-16 U.S. Treasury International seals data: Foreigners sold U.S. Treasuries for 4th straight month in November.

2020-02-19 European Central Bank announces 750B coronavirus stimulus. ECB President Christine Lagarde says, “Extraordinary times require extraordinary action.”

2020-02-25 The CDC says Covid-19 is heading toward pandemic status. Italy, Iran, and Brazil report major outbreaks.

2020-02-28 McClellan Financial Publications says the Fed is “pulling back from repos at the wrong time.”

2020-03-01 U.S. banks propose cutting bank reserve requirements from 10% to 0%.

2020-03-03 U.S. Treasury Secretary Mnuchin says he is ready to work with Congress on an emergency funding package.

2020-03-03 Yield on benchmark 10-Year Treasury Drops below 0.5% for first time ever.

2020-03-03 The FCC authorizes SpaceX to begin rolling out up to one million ground antennas to connect Starlink satellites to end users.

2020-03-04 Congress reaches \$8.3 billion deal to “combat coronavirus.”

2020-03-06 EU pledges 25 billion euros to weather coronavirus impact.

2020-03-06 SpaceX expresses intent to compete for \$16 billion in government subsidies for satellite Internet in rural areas.

2020-03-09 “No, cash does NOT carry coronavirus,” says WHO.

2020-03-09 “Fed turns to crisis-era playbook to combat market disruptions,” offering \$150B in overnight repo lending.

2020-03-09 Arthur Firstenberg republishes *The Invisible Rainbow: A History of Electricity and Life* (originally published in 2017), documenting the significant increases in disease and death resulting from the progressive adoption of electricity and increases in EMF radiation. The book raises profound questions regarding the potential impact of 5G technology on the human race.

2020-03-10 Democrats urge Trump to declare national emergency for coronavirus, a move that would release \$40 billion in funds Senate Democrats plan to urge President Donald Trump to declare a national emergency in response to the coronavirus outbreak, which has sickened more than 1,000 in the US.

2020-03-10 "Germany mulls bank capital relief to counter coronavirus hit," reports Bloomberg.

2020-03-10 Italy suspends mortgage payments amid coronavirus outbreak, after the country expands its quarantine to include the entire nation of 60 million people.

2020-03-10 Fed jumps back into the repo market; Treasury shoveling out \$8 billion.

2020-03-11 House passes war powers resolution (227-186) limiting President's ability to strike Iran. Resolution directs President Trump to end the use of military force against Iran unless authorized by Congress but doesn't prevent U.S. from defending itself against imminent attack.

2020-03-11 Bloomberg: "Treasury liquidity drying up puts \$50 trillion in question."

2020-03-11 Trump administration delays April 15 tax deadline for most individuals.

2020-03-11 U.K. government and central bank announce joint economic stimulus to cushion against coronavirus, including \$387 billion in new loans to companies.

2020-03-11 Oil prices crash more than 20%, dramatically cutting revenues to Russia, Brazil, and other countries in the "de-dollarization" group. Major meltdown in the \$20 trillion U.S. Treasury market begins.

2020-03-11 The WHO declares Covid-19 a pandemic. This means that the waiver of liability under the U.S. PREP Act of 2005 applies.

2020-03-12 The Australian government describes its economic response to the coronavirus: "The Government is acting decisively in the national interest to support households and businesses and address the significant economic consequences of the Coronavirus."

2020-03-12 New York Fed: "Statement regarding Treasury reserve management purchases and repurchase operations."

2020-03-12 Bloomberg: "T-bills are scarce and the shortage is about to get even worse."

2020-03-12 Pentagon seeks court permission to "reconsider certain aspects" of the decision to award the JEDI cloud computing contract to Microsoft.

2020-03-13 "Germany lines up \$600 billion virus aid as EU backs stimulus": Germany pledges to spend whatever necessary to protect its economy.

2020-03-13 The U.S. issues a travel ban on passengers from 26 European countries, excluding the UK and Ireland. Four days later, the European Union restricts travelers from outside the EU.

2020-03-14 Bloomberg: "Fed may target commercial paper purchases, BofA says."

2020-03-15 Federal Reserve announces it will slash interest rates to zero as part of a wide-ranging emergency intervention that also includes buying at least \$700B in government and mortgage-related bonds.

2020-03-15 Federal Reserve cuts reserve requirement for U.S. banks to 0%.

2020-03-16 Bank of Japan expands monetary stimulus at a hastily called one-day policy meeting, saying it will double stock purchases and help companies get loans. Unimpressed investors drive stocks down 2.5%.

2020-03-16 Fed says it will offer additional \$500B in overnight repo funding markets, a day after a dramatic move in interest rates, increasing the amount of liquidity it's offering in short-term lending to the financial industry.

2020-03-17 Trump administration seeks to send checks to Americans as part of \$1T stimulus package.

2020-03-17 Fed launches Primary Dealer Credit Facility; will accept stocks as collateral. Gives large financial institutions access to short-term loans.

2020-03-18 ECB launches \$818.7B bond-buying program to combat economic slowdown.

2020-03-18 "Warp Speed" stimulus passes Senate, includes industry bail-outs.

2020-03-18 Andrew McCarthy writes, "The need to gear up Washington's response to the coronavirus pandemic is obviously, and appropriately, squeezing out the time available to deal with other issues. So it is with FISA (the Foreign Intelligence Surveillance Act), ...with...three PATRIOT Act provisions...roving wiretaps, lone-wolf surveillance, and business records production."

2020-03-18 The eight-member countries of the Shanghai Cooperation Organization, including China, Russia, and India, reach decision to conduct bilateral trade and investment and issue bonds in local and national currencies instead of U.S. dollars.

2020-03-18 Senate passes pandemic-related paid-leave bill, turns to administration's stimulus plan.

2020-03-18 SpaceX launches 60 more Starlink satellites, bringing its total to over 350 since the company began sending up batches of 60 in 2019. The FCC has approved close to 12,000 SpaceX satellites, and SpaceX has filed applications for another 30,000.

2020-03-18 Bill Gates holds an "Ask Me Anything" Q&A on Reddit, one week after stepping down from the boards of Microsoft and Berkshire Hathaway. Gates calls for a national coronavirus tracking system, including "digital certificates" that show who has (and has not) been vaccinated.

2020-03-18 Denmark passes emergency law allowing forced coronavirus vaccination. Copenhagen University law professor Jens Elo Rytter describes the law as "certainly the most extreme since the Second World War. Legislation coincides with Denmark central bank receiving a swap line from the Federal Reserve."

2020-03-19 Bank of England cuts benchmark interest rate to record low, restarts purchases (\$232 billion) of U.K. government bonds.

2020-03-19 Federal Reserve announces establishment of temporary U.S. dollar liquidity arrangements (swap lines) with other central banks, including those of Australia, Brazil, Denmark, Korea, Mexico, Norway, New Zealand, Singapore, and Sweden.

2020-03-19 Federal Reserve to backstop money-market mutual funds; also pledges to purchase \$700B in Treasury securities and mortgage bonds.

2020-03-19 House Democrats indicate support for broader Phase 3 stimulus.

2020-03-19 Italian Prime Minister Giuseppe Conte says EU must use the “full firepower” of the 500-billion-euro (\$534.1B) coronavirus rescue fund.

2020-03-19 Reserve Bank of Australia announces purchases of government securities via multi-price auctions (size and composition of purchases to be determined subject to “market conditions”).

2020-03-19 Statement by Philip Lowe, Governor of Reserve Bank of Australia: “The coronavirus is first and foremost a public health issue, but it is also having a very major impact on the economy and the financial system.”

2020-03-19 Reserve Bank of Australia establishes term funding facility to support lending to Australian businesses, offering three-year funding to authorized deposit-taking institutions (ADIs).

2020-03-19 California becomes first U.S. state to issue a stay-at-home order. China reports zero local infections.

2020-03-20 “The Tell: Fed could buy \$4.5 trillion of debt if it starts snapping up corporate bonds, says Bank of America.” Investors call for the Fed to aim its sights on the \$9T-plus U.S. corporate bond market.

2020-03-20 Reserve Bank of Australia and U.S. Federal Reserve announce temporary reciprocal currency arrangement (swap line) for the provision of U.S. dollar liquidity.

2020-03-20 Federal Reserve expands asset purchases to include short-term municipal bonds.

2020-03-21 Coronavirus rescue bill (between \$1.3T and \$1.4T) moves toward final Senate vote. Boeing requests \$60B.

2020-03-21 Ellen Brown, writing about the failure of the monetary system: “Socialism at its finest after Fed’s bazooka fails.”

2020-03-23 Australia: “Supporting the flow of credit under the Coronavirus Small and Medium Enterprises (SME) Guarantee Scheme, the Government will provide a guarantee of 50 percent to SME lenders to support new short-term unsecured loans to SMEs.”

2020-03-23 Australian government announces stage 2 of its economic plan to cushion the economic impact of the coronavirus.

2020-03-23 Coronavirus stimulus bill in Congress creates U.S. digital dollar.

2020-03-23 Common Dreams: “‘This Is a trap’: Progressives sound alarm as GOP attempts sneak attack on Social Security in coronavirus stimulus plan.”

2020-03-23 The UK goes on lockdown.

2020-03-24 Australia: Federal government coronavirus economic stimulus, stage 1: \$17.6 billion stimulus package announced.

2020-03-25 GOP senators warn they will oppose “CCP virus bill” unless massive error is fixed.

2020-03-25 Negative rates come to the U.S.: 1-month and 3-month Treasury bill yields now below zero (Covid-19 strikes again).

2020-03-25 U.S. Senate’s final stimulus bill “Why it won’t be enough.” Fed has allocated “no less than \$6.2 Trillion” to bail out banks and investors.

2020-03-26 The U.S. Senate passes the CARES Act.

2020-03-27 A visualization of the CARES Act: \$2.3 Trillion stimulus broken down.

2020-03-27 ZeroHedge: “Bizarre rise In Libor prompts questions about one or more banks in trouble.”

2020-03-27 Bonanza for large real estate investors: subsidies tucked into stimulus package.

2020-03-27 Dow rallies 6.4% after stimulus vote; markets react to QE III.

2020-03-27 Environmental Protection Agency (EPA) suspends enforcement of environmental laws amid coronavirus.

2020-03-27 Breakdown of \$12 Trillion in global stimulus plans.

2020-03-27 Reserve Bank of India’s Monetary Policy Committee meets and announces series of measures to counter economic slowdown. The repo and reverse repo rates have been cut by 74 and 90 basis points, respectively.

2020-03-27 Mnuchin announces U.S. will acquire share of airlines in exchange for grants.

2020-03-30 Treasury to sell over a quarter trillion bills in 48 hours.

2020-03-30 “Coincidental” death of German financier: Thomas Schafer, finance minister for the German state of Hesse, is presumed dead from suicide-by-train-collision.

2020-04 Operation Warp Speed announced as a U.S. public-private effort to accelerate the funding and launch of Covid-19 injections under U.S. military leadership and operations.

2020-04-01 Congressman Thomas Massie, denounced as “most hated man in Washington,” stands alone against bailout; describing coronavirus stimulus bill as the largest wealth transfer in human history, says it would “make Roman emperors blush.” \$6T divided by U.S. population means each family will pay \$60K; \$1200 given back to taxpayers is cheese in the trap.

2020-04-01 Australia: “Supporting Individuals and Households.” Assistance includes income support payments, payments to support households, and temporary early release of superannuation.

2020-04-01 Australian economic response to coronavirus.

2020-04-01 Australia: Coronavirus Support for Businesses: Assistance includes cash flow support and temporary measures to provide relief for financially distressed businesses.

2020-04-01 Australia: Supporting the Flow of Credit: “Timely access to credit is vital for businesses to manage the impacts of the Coronavirus.”

2020-04-02 Reuters: “G7 to make no direct calls for fiscal, monetary support in coronavirus statement.” G7 “stop short of directly calling for new government spending or coordinated central bank interest rate cuts.”

2020-04-03 Australia COVID-19 economic stimulus response: “Here is what the individual Australian states and territory governments are doing to help the economy and its people stay afloat through this unprecedented time.”

2020-04-04 Catherine Austin Fitts: “We are dealing with a spiritual war.” Why the sudden record gun buying in America? Fitts says. “They understand that the rule of law is steadily being diminished.”

2020-04-04 “Communities in the U.S. cannot afford to wait for the next coronavirus stimulus,” Speaker Nancy Pelosi says in letter to House lawmakers, proposes bringing it to the floor later in the month.

2020-04-05 Fed official says central bankers are “aligned” in coronavirus response.

2020-04-05 Goldman Sachs warns of “significant” adverse impact on stocks as 2020 buybacks are cut in half. Goldman’s clients ask: will the buybacks that helped push the market to all-time highs on increasingly less volume still be there in the coming months?

2020-04-05 Spanish government working to roll out universal basic income “soon,” says Economy Minister Nadia Calvino.

2020-04-05 Bloomberg: “These are the options for Europe’s giant virus rescue package.”

2020-04-06 Corbett Report interview 1533: “John Titus exposes the Fed’s coronavirus lies.”

2020-04-07 Trump removes Pentagon’s acting inspector general who was heading panel overseeing \$2T pandemic stimulus law.

2020-04-07 Bob Sullivan: “U.S. small businesses drown in red tape awaiting lifeline; in Europe, many already have Covid cash”: “As U.S. small businesses crumble, their employees overload unemployment websites, and the software used to hand out loans crashes...”

2020-04-09 Wall Street Journal: “Fed expands corporate-debt backstops, unveils new programs to aid states, cities and small businesses.” Programs expand Fed’s operations to reach small and midsize businesses and U.S. cities and states.

2020-04-09 European Council: “Report on the comprehensive economic policy response to the COVID-19 pandemic: Coordinated actions taken so far at the level of the Member States, the EU and the euro area.”

2020-04-10 New law helps delay mortgage payments and prevent foreclosure.

2020-04-10 Visual Capitalist: “The Fed’s balance sheet: The other exponential curve.”

2020-04-12 Jon Rappoport: “My conversation with State Senator and doctor who exposes Medicare payouts for COVID-19 patients.” Specific decisions about money mentioned here “affect life and death outcomes for patients.”

2020-04-13 International Monetary Fund: “IMF Executive Board approves immediate debt relief for 25 countries.” Provides grants “to our poorest and most vulnerable members” to cover IMF debt obligations; initial phase over six months. “Will help them channel more of their scarce financial resources towards vital emergency medical and other relief efforts.”

2020-04-15 World Bank: “World Bank Group President David Malpass: Remarks to G20 Finance Ministers.” Focus on taking “fast, broad-based action, especially for the poorest countries.”

2020-04-15 Reuters: “U.S. opposition seen stalling major IMF liquidity boost.” U.S. opposition expected to prevent IMF from creating a new allocation of Special Drawing Rights.

2020-04-15 As the U.S. economy shuts down for coronavirus restrictions, the March U.S.-China trade deficit is less than half of that of the prior year.

2020-04-15 The IMF warns against “contraction of the global economy.”

2020-04-16 IMF Executive Board approves immediate debt service relief for an additional four countries expected to request such relief.

2020-04-16 Over 43,000 U.S. millionaires to get “stimulus” averaging \$1.6 million each, according to a congressional committee.

2020-04-16 Reuters: “U.S. opposes massive liquidity IMF boost,” says Treasury Secretary Mnuchin.

2020-04-16 Wall Street Journal: “Funding exhausted for \$350 billion small-business Paycheck Protection Program.” Lawmakers fall short of an agreement on next round of coronavirus emergency aid.

2020-04-17 BuzzFeed: “Companies that are absolutely not small businesses are getting millions of dollars in small business loans” (\$350 billion fund established to keep small businesses afloat runs out).

2020-04-17 Matt Taibbi: “The trickle-up bailout.” “As we head into the second month of pandemic lockdown, two parallel narratives are developing about the financial rescue.”

2020-04-18 International Business Times: “A bailout for US farmers? Federal government to give \$19 billion payments amid coronavirus, trade war fallout.” Agriculture Secretary says, “American agriculture has been hard-hit like most of America with the coronavirus...”

2020-04-18 Forbes: “Proposed: \$2000 monthly stimulus checks and canceled rent and mortgage payments for 1 year.” As a one-time cash payment, CARES Act “didn’t do enough to support taxpayers in one of our country’s greatest times of need.”

2020-04-19 Gundlach: “Fed COVID response is broken.” Gundlach blasts the Fed as a “failed” and “broken” institution, claiming the central bank is acting in contravention of its own charter.

2020-04-19 Japan boosts stimulus to record \$1.1 Trillion to expand cash payouts to citizens.

2020-04-20 ZeroHedge: “Something impossible just happened: A CLO [collateralized loan obligation] failed its AAA overcollateralization test.” In its quest to bail out “the richest Americans and the country’s financial system, the Fed unleashed an unprecedented array of actions meant to backstop capital markets, going so far as buying investment grade, high yield bonds and even AAA-rated CLO bonds.”

2020-04-21 Senate passes bill for more small-business and hospital stimulus—hundreds of billions of dollars in fresh aid.

2020-04-21 Executive director of UN World Food Programme says the world is facing multiple famines of “biblical proportions.” One million people are already on the verge of starvation; the pandemic could push an additional 130 million people to the brink of starvation.

2020-04-22 Financial Times: “ECB loosens collateral rules to accept ‘fallen angel’ bonds” (bonds that lose their investment grade credit rating).

2020-04-22 Bloomberg: “EU eyes \$2.2 trillion plan as ECB accepts some junk-rated bonds.”

2020-04-23 Wall Street Journal: “House approves \$484 billion bill to aid small businesses, hospitals.”

2020-04-24 The Congressional Budget Office revises its earlier January estimate of a \$1 trillion federal deficit in fiscal 2020 to \$3.7 trillion. A later report by Kiplinger states that U.S. state government deficits will reach \$500 billion by the end of fiscal 2021. McKinsey Global Institute predicts that

global government deficits could be a worldwide \$10 trillion deficit in 2020 and a cumulative shortfall of up to \$30 trillion by 2023.

2020-04-28 Bloomberg: “Fed’s power to buoy corporate debt market curbed by bailout law.”

2020-04-29 Wall Street Journal: “Fed’s Powell says more spending will be needed from Congress.” Fed Chairman Jerome Powell delivers “uncharacteristically blunt call” for Congress and White House to spend more money “to prevent deeper economic damage.”

2020-04-30 HuffPost: “Tribes were supposed to get \$8 billion in COVID-19 aid. They’ve gotten \$0” (CARES Act).

2020-04-30 AP: “Europe’s employment aid keeps jobs from vanishing—for now.” Reports that “Some 11.3 million workers in France are getting up to 84% of net salary. The government estimates the cost at 24 billion euros (\$26 billion) with half of all private sector employees expected to take part.”

2020-05 Moncef Slaoui is named Operation Warp Speed chief adviser. Slaoui—a vaccine researcher and, formerly, Chairman of Global Research and Development and Chairman of Global Vaccines at GlaxoSmithKline—is described by the *Financial Times* in 2012 as an expert on brain-machine interface and bioelectronics. General Gustave F. Perna (Commanding General, Army Materiel Command) is named Operation Warp Speed chief operating officer. The project has a budget of \$10 billion, with additional funds allocated through the Biomedical Advanced Research and Development Authority (BARDA) at the U.S. Department of Health and Human Services (HHS).

2020-05-03 Ellen Brown: “Crushing the states, saving the banks: The Fed’s generous new rules.” Brown writes, “Congress seems to be at war with the states. Only \$150 billion of its nearly \$3 trillion coronavirus relief package—a mere 5%—has been allocated to the 50 states.”

2020-05-04 ZeroHedge: “California first to be approved for up to \$10 billion bailout from Feds to pay unemployment benefits.” California “has stepped up to the plate with what appears to be a direct request for a bailout to fund the benefits for millions of newly-unemployed residents (and illegal immigrants).”

2020-05-05 Reuters: “German court’s ECB bond buy ruling hits euro, bonds, stocks.” Germany’s top court rules that the Bundesbank must stop buying bonds under the European Central Bank’s stimulus scheme.

2020-05-05 Bloomberg: “Defiant ECB pledges full commitment after German QE ruling.” In response to German court ruling criticizing ECB’s long-standing bond-buying program, ECB pledges to continue doing “everything necessary to revive inflation.”

2020-05-05 Bloomberg: “Fed is propping up companies it had warned banks not to touch”: “It essentially endorsed the dubious practice with a program that may serve to bail out some of America’s most leveraged companies.”

2020-05-06 During May 2020, year-over-year growth in the dollar money supply is at 29.8%, up from April’s rate of 21.3% and up from May 2019’s rate of 2.15%.

2020-05-07 Wolf Street: “US national debt spiked by \$1.5 trillion in 6 weeks, to \$25 trillion. Fed monetized 90%”: “The US gross national debt—the total of all Treasury securities outstanding—jumped by \$1.05 trillion within 4 weeks.”

2020-05-10 ZeroHedge: “Eurozone breakup risk reaches new high”: “Here is one that is way under the radar: The German Constitutional Court ruled the ECB’s QE Program Could be Illegal.”

2020-05-10 Germany’s Constitutional Court upholds several complaints against the ECB’s purchase of government bonds under a program started in 2015.

2020-05-12 CNBC: “Germany’s shock court ruling against the ECB challenges the stability of the euro zone.” The highest court in Germany says the ECB needs to explain why these government purchases are needed.

2020-05-13 ZeroHedge: “Europe in crisis: German judges strike back, say ECB Isn’t ‘master of the universe.’” Germany’s top court defends controversial decision that questioned constitutionality of ECB’s asset repurchase program.

2020-05-13 The WHO announces that the virus “may never go away.”

2020-05-14 Wall Street Journal: “House narrowly passes \$3 trillion aid package.”

2020-05-14 Giza Death Star: News and Views from the Nefarium, May 14, 2020: “What’s in the water in Karlsruhe? Because the German supreme court is on a tear through the EU.”

2020-05-16 MarketWatch: “The Fed just cut rates to 0%—here’s what that means for mortgage rates”: “Mortgage rates have dropped to 50-year lows in response to global concerns regarding the coronavirus outbreak.”

2020-05-17 ZeroHedge: “Goldman spots a huge problem for the Fed.” Jerome Powell says, “There’s a lot more we can do. We’ve done what we can as we go.”

2020-05-18 “Wall Street caught short again as ‘money printer go BRRRRRR to 11’”: “...hedge funds and various other levered investors...have continued to take down exposure, selling to retail investors all the way on the way up, assuming of course that Robin Hood is up on any given day.”

2020-05-20 Dr. Mark Skidmore provides a major update to his 2017 Missing Money Report. This update includes a review of redemptions in the U.S. Treasury market, indicating a much higher volume of redemptions than should be necessary to manage officially outstanding debt and raising questions regarding total outstanding debt.

2020-05-21 Bloomberg: “In Fink we trust: BlackRock is now ‘fourth branch of government’”: “The company’s new assignment is a much bigger version of one it took on after the 2008 financial crisis, when the Federal Reserve enlisted it to dispose of toxic mortgage securities from Bear Stearns & Co.”

2020-05-22 John Titus Best Evidence: “Is Jerome Powell the Real Keyser Soze?” This is the first of as many episodes as it takes to explain the theft mechanism in the Federal Reserve.

2020-05-27 Financial Times: “Brussels wants 750bn borrowing power to fund virus recovery.”

2020-05-29 ZeroHedge: “Fed reveals which ETFs it has bought so far.” Goldman’s April list of the ETFs it thought the Fed would purchase as part of the Secondary Market Corporate Credit Facility included the HYG and JNK ETFs that held bonds by bankruptcy Hertz.

2020-05-29 Trump announces that the U.S. will leave the WHO. He later announces a major partnership with GAVI.

2020-05-31 Protests and looting take place in 75 U.S. cities. The Fed has 37 board, bank, or branch locations in the U.S.: 33 have violent protests and looting. Following riots and arson in Minneapolis, maps of the city’s Opportunity Zones raise serious questions about the redevelopment patterns in Fed cities and plans for “smart cities.” Is the Fed financing “smart cities” through its newly authorized municipal and corporate bond buying?

2020-06-00 GAVI reports that Mastercard's "Wellness Pass" program will be adapted to the pandemic response and integrated with Trust Stamp's biometric identity platform in a test on low-income Africans to prototype vaccinations integrated with biometric identity and payment systems. (See "Africa to Become Testing Ground for 'Trust Stamp' Vaccine Record and Payment System" by Raul Diego, MintPress, July 10 2020."

2020-06-02 "Bank of America announces \$1 billion/4-year commitment to support economic opportunity initiatives...to help local communities address economic and racial inequality."

2020-06-02 Rob Kirby on Greg Hunter's USAWatchdog: "Globalism the True Enemy of Humanity & America." Kirby: "This is all going to end when the dollar is no longer accepted in trade by the rest of the world."

2020-06-04 Wall Street Journal: "European Central Bank ramps up stimulus program beyond \$1.5 trillion," vastly scaling up its bond-purchase program.

2020-06-04 CNBC's Jim Cramer: The pandemic led to "one of the greatest wealth transfers in history."

2020-06-04 Bank of England balance sheet: From South Sea bubble (!) to COVID-19.

2020-06-04 John Titus on Solari Report *Money & Markets*: The Fed has expanded its balance sheet by \$2.8 trillion, or 60%-70%, since March 11, 2020. A similar size expansion in 2008-2012 took many years. The reported increase is primarily in Treasury bonds and mortgage-backed securities, but the Fed has authorized portfolios to buy corporate bonds and municipal bonds and to finance bank small-business loans. Some portfolio operations are outsourced to BlackRock. Some are backstopped by the Exchange Stabilization Fund.

2020-06-05 Wall Street on Parade: "BlackRock authored the bailout plan before there was a crisis: Now it's been hired by three central banks to implement the plan."

2020-06-05 Bill Dudley: "Fed's coronavirus rescues invite bigger bailouts." The Federal Reserve purchased \$100s of billions of Treasuries.

2020-06-08 Bloomberg: "A crash in the dollar is coming": "The world is having serious doubts about the once widely accepted presumption of American exceptionalism."

2020-06-08 Federal Reserve Board expands its Main Street Lending Program to allow more small and medium-sized businesses to be able to receive CARES Act support.

2020-06-09 South China Morning Post: "Goal of massive Cathay bailout is to protect Hong Kong's role as global aviation hub and ensure city's economic future, finance chief says." Hong Kong officials view Cathay's possible collapse as a "fundamental threat" to the city's aviation sector.

2020-06-11 ZeroHedge: "Stupid and ridiculous": Rabobank says the Fed will cause everything to come crashing down in epic ruin": "Really? *That's* how it works, is it? At this point anyone who can't see our real economic/financial market paradigm is either foolish, ignorant, or wilfully blind."

2020-06-15 Wall Street on Parade: "The Federal Reserve has its own police and is part of a vast surveillance center – Should you worry?"

2020-06-16 Wall Street on Parade: "Dirty details emerge as to why Mnuchin is fighting Congress over releasing the names of recipients of PPP loans."

2020-06-18 Wall Street on Parade: "If the Fed is being honest that Citigroup is well capitalized, why did it need \$3 billion from the Fed's Paycheck Protection Program?"

2020-06-19 Wolf Street: "Fed ends QE, total assets drop. Liquidity injection ends – The big shift: Fed shifts to propping up consumption rather than asset prices."

2020-06-20 Catherine Austin Fitts: "We are watching the mother of all debt entrapments. What we are seeing is a reengineering of the global financial system on the just-do-it method."

2020-06-21 Ellen Brown: "Meet BlackRock, the new great vampire squid." "...Blackrock bails itself out."

2020-06-22 Wall Street on Parade: "\$340 billion of the \$454 billion that Mnuchin was to turn over to the Fed is unaccounted for."

2020-06-22 Wolf Street: "Plot thickens on end of QE & start of shedding assets – Fed leads in trimming its balance sheet; Bank of England governor publishes the reasoning for central banks to shed assets – before raising interest rates. A big shift!"

2020-06-25 "Report: The U.S. treasury sent stimulus payments to more than 1 million dead people."

2020-06-25 Wall Street on Parade: "Bloomberg drops a bombshell on the Fed's big bank stress tests set for release today": "The Dow's drop of 710 points yesterday can be ascribed to two things: the alarming news reports that COVID-19 cases are skyrocketing in the second and third most populous states in the U.S..."

2020-06-25 Financial Times: "Europe's capitals take aim at 750B [euro] recovery plan."

2020-06-26 Armstrong Economics: "ECB v Fed... The Federal Reserve does not need permission to create elastic money."

2020-06-27 ZeroHedge: "David Stockman on what could happen if the Fed loses control." Stockman: "The truth is, in an economy encumbered with nearly \$78 trillion of debt already..."

2020-06-30 The Bank for International Settlements (BIS) announces it will open Innovation Hub centers in collaboration with the Bank of Canada (Toronto), the Bank of England (London), the ECB (Frankfurt and Paris), and four Nordic central banks in Stockholm. It will also form a strategic partnership with the Federal Reserve System (New York). The BIS has previously established Innovation Hubs in Singapore, Hong Kong, and Switzerland.

2020-07-01 Bloomberg: "Billionaires' political spending grew 37-fold in 10 years": "U.S. billionaires gave 37 times as much in political contributions in the last election as they did 10 years earlier, according to a new study focusing on the richest Americans."

2020-07-07 Wall Street on Parade: "Ghislaine Maxwell, Wall Street's secrets and the U.S. Attorney's office": "Outside of the Wall Street executives that did business with child sex trafficker Jeffrey Epstein, his first lieutenant, Ghislaine Maxwell, knows more about his Wall Street secrets than any other living person."

2020-07-07 Bloomberg: "U.S. units of Chinese companies got American bailout funds." Recipients of billions of dollars of relief loans include conglomerate HNA Group Co. and affiliates of a state-owned defense giant.

2020-07-07 Bloomberg: "White House wants stimulus by August recess with \$1 trillion cap."

2020-07-08 “Extra \$600 CARES Act unemployment benefit ends July 31. Here what you should know.”

2020-07-13 Giza Death Star: “The BIS and Digital ‘Currency’”: BIS “plans to roll out digital currency, ultimately to replace cash.”

2020-07-13 Ron Paul: “Will the Federal Reserve cause the next riots?” “...a cursory look at the Fed’s operations shows that the central bank is the leading cause of economic inequality.”

2020-07-14 Wall Street on Parade: “House hearing today examines Wall Street’s brand of capitalism versus the health of the U.S. economy”: “The House Financial Services’ Subcommittee on Investor Protection, Entrepreneurship and Capital Markets will convene a hearing...that is titled: ‘Promoting Economic Recovery: Examining Capital Markets and Worker Protections in the COVID-19 Era.’”

2020-07-14 Gregory Mannarino: “SITUATION CRITICAL: The Fed. is about to sell you another MASSIVE LIE.”

2020-07-16 Carlyle Group announces it is seeking to raise \$2 billion for an Americas growth equity fund dedicated to mid-size private equity deals in North America, “according to people with knowledge of the matter” (*Bloomberg*). Chairman Powell of the Federal Reserve is considered to be worth over \$100MM made as a partner at Carlyle during the explosive investment in globalization that occurred as money began going missing from U.S. accounts.

2020-07-17 ZeroHedge: “New SEC rule means holdings of Dalio, Einhorn, Soros and more could go completely dark” (proposed new rule concerning Form 13F disclosures).

2020-07-21 Wall Street on Parade: “Dodd-Frank is 10 years old today and the Fed is back to bailing out Wall Street.”

2020-07-22 U.S. regulators (Office of the Comptroller of the Currency or OCC) grant authority to U.S. banks to hold and offer cryptocurrencies.

2020-07-23 Federal Reserve Board announces expansion of counterparties in the Term Asset-Backed Securities Loan Facility, Secondary Market Corporate Credit Facility, and Commercial Paper Funding Facility.

2020-07-29 Federal Reserve issues FOMC statement: “The coronavirus outbreak is causing tremendous human and economic hardship across the United States and around the world.” Following sharp declines, economic activity and employment have picked up somewhat in recent months but remain well below their levels at the beginning of the year. Weaker demand and significantly lower oil prices are holding down consumer price inflation.

2020-07-30 ZeroHedge: “In unprecedented move, Congress proposes taxpayer-funded bailout of \$550 billion CMBS industry.”

2020-08-01 Bloomberg: “U.S. gets a debt warning from Fitch as stimulus battle rages” (\$600/week trickle-down payments to Main St.).

2020-08-03 Wall Street on Parade: “The Fed has secreted away the transactions of three of its emergency lending programs.”

2020-08-05 Wall Street on Parade: “Wall Street banks that got the biggest Fed bailouts have been dogs to shareholders over the past 15 years.”

2020-08-11 Wall Street on Parade: “Bombshell report: Fed is aware that big banks are rigging their stress tests and letting them get away with it.”

2020-08-12 ZeroHedge: “\$15 billion in federal funding flows into just five major U.S. cities where civil unrest looms & police stand down.”

2020-08-12 John Titus Best Evidence: “The Fed’s Silent Takeover of the U.S.”

2020-08-13 ZeroHedge: “Apple launches unprecedented second bond offering to fund billions in buyback: How much will the Fed buy?”

2020-08-13 Wall Street on Parade: “Wall Street banks sell off in midst of largest Treasury auction in history.”

2020-09-10 Wall Street on Parade: “The Fed has loaned \$1.2 billion from its TALF bailout program to a tiny company with four employees.”

2020-09-24 ZeroHedge: “In unprecedented monetary overhaul, the Fed is preparing to deposit ‘digital dollars’ directly to ‘each American.’”

2020-09-30 Wall Street Journal: “Fed caps big banks’ dividends, halts share buybacks in fourth quarter.”

2020-10-01 BitCoin Investment Thesis.

2020-10-09 Wall Street Journal: “White House draws up new \$1.8 trillion virus-relief proposal.”

2020-10-12 Wall Street Journal: “Central banks haven’t made a convincing case for digital currencies.”

2020-10-13 Coindesk: “IMF, World Bank, G20 countries to create central bank digital currency rules.”

2020-10-14 Business Insider: “Fed governor says central bank will partner with MIT on possible digital currency.”

2020-10-15 Coindesk: “Fed Chairman Powell to speak about digital currencies next week at IMF.”

2020-10-16 Coindesk: “Bahamas to roll out ‘sand dollar’ digital currency next month.”

2020-10-16 Coindesk: “Digital euro within decade ‘very likely,’ says Finland’s chief central banker.”

2020-10-27 Wall Street on Parade: “Congresswoman Katie Porter says Fed is playing ‘kingmaker on Wall Street’ and ‘appears corrupt.’”

2020-11-01 Lyn Alden: “Banks, QE, and money-printing.”

2020-11-01 “Donald Trump, Joe Biden: Erase student loans!”

2020-11-06 RealClearMarkets: “In 2020, central bankers everywhere being exposed.”

2020-11-13 Wall Street on Parade: “The Fed says it’s considering a central clearing facility for the Treasury market.”

2020-11-17 Wall Street on Parade: “Congresswoman Katie Porter tells the Fed that It’s got a ‘big problem.’”

A list and description of the John Titus Best Evidence Videos is available in the online version of this *Wrap Up* at goingdirect.solari.com.

Derivatives – A Look Back on 2020

By Rob Kirby, Kirby Analytics¹

2.00%

1.80%

1.60%

1.40%

1.20%

1.00%

0.80%

0.60%

THE best info on derivatives activity is published quarterly in arrears by the Office of the Comptroller of the Currency (OCC). The most recent quarterly report was for Q3/20, published in the dying days of December 2020.² Thus, our “look back” on derivatives activity for 2020 only provides a “snapshot” of the first nine months of the year. What we now know is that aggregate notional derivatives holdings by the top 25 **U.S. Bank Holding Companies** has fluctuated from 228.2 Trillion (T) in Q4/19, to 267.6(T) in Q1/20, to 242.8(T) in Q2/20, to 239.5(T) at the end of Q3/20 (see the OCC's Table 2 in Appendix: Supplementary Graphs and Tables).²

Yield on 10 year US government bond – 2020

Mar

May

Mar

Sep

So, it would appear that was a 40 Trillion notional “bloat” in Q1/20, which has somewhat dissipated during Q2/20 and Q3/20. If anyone is wondering how much “joy” 40 Trillion worth of notional derivatives buys these days, take a peek at what happened to the yield on 10-year U.S. government bonds in Q1/2020 in the graph on this page.

Interest rates didn’t “fall”; they were **“THROWN OFF A BUILDING.”**

It should be noted that the overwhelming majority of all outstanding derivatives are interest rate products—predominantly interest rate swaps and FRAs (forward rate agreements).



A Few Words About How/Why the Derivatives Heap Got So Big

FRAs are short-dated interest rate derivatives (or bets) that generally trade against (for hedging purposes) 3-month Eurodollar futures because they settle against Libor. But if the Treasury wanted to compel an entity to “engage” in trade, they simply sell them at yields lower than T-bills, making bank counterparties willing buyers of **ANY AMOUNT** of T-bills at any rate—period (because Libor ALWAYS settles at a higher rate than risk-free T-bills). FRAs are generally effective and liquid out to 18 months’ duration.

What most laypeople do not fully understand is that interest rate swaps of duration 3-10 years have cash bond trades embedded in them, at least in the case of banks. This is because banks are spread players—managing the spread between the yield on U.S. Treasuries and their own cost of funds—and they are not allowed to take untold Trillions of naked interest rate risk. The U.S. Treasury (specifically, the Exchange Stabilization Fund or ESF) does take naked interest rate risk and serves as the backstop counterparty—receiving fixed—for the bulk of these trades. This **hugely gooses transaction demand** by making the banks (Commercial or Bank Holding Company) captive buyers of cash U.S. government bonds in virtually any amount the U.S. Treasury wishes.

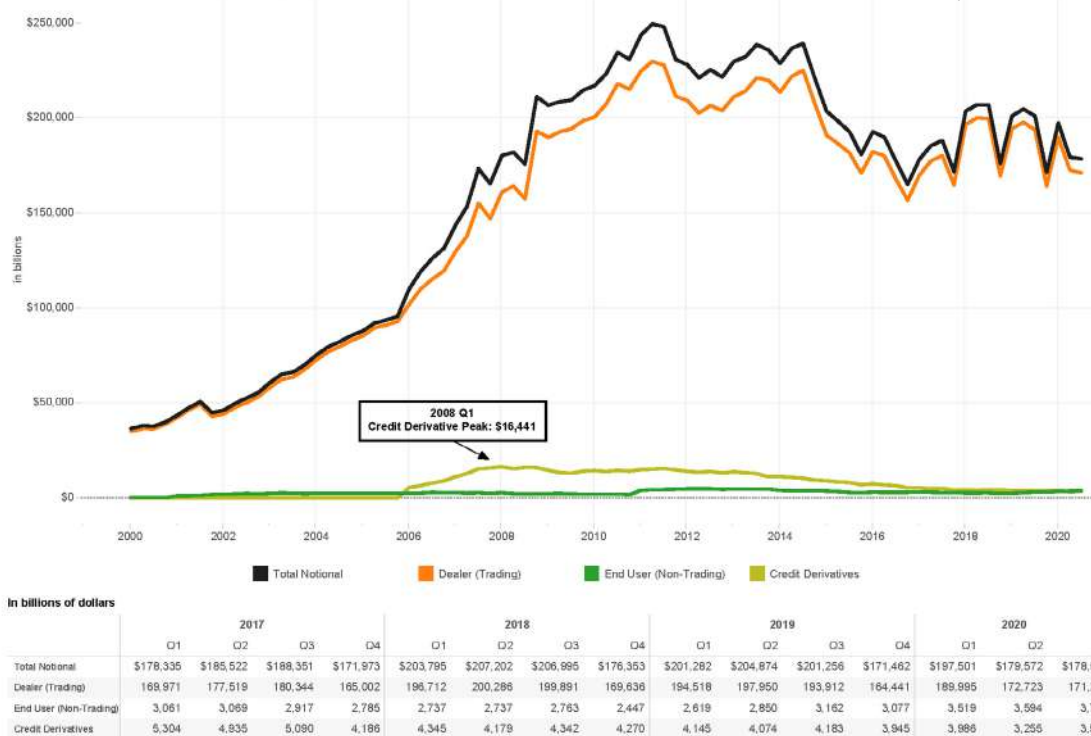
Using FRAs (short term) and interest rate swaps (3-10 years) leaves a scheme to control the entire interest rate curve with a “hole to fill or a conundrum”—right at the 2-year duration point, as in, how to compel market participants to buy large amounts of 2-year U.S. government debt. **Answer to that:** Operation Twist,³ where the Fed effectively exchanged (bought) long-term bonds for short-term bonds—dollar-for-dollar, making 2-year bonds cheap.

Nov

2021

Graph 1
Derivative Notional Amounts by Type
Insured U.S. Commercial Banks and Savings Associations

Graph 1 from Q3/2020 Quarterly Derivatives Report
<https://www.occ.gov/publications-and-resources/publications/quarterly-report-on-bank-trading-and-derivatives-activities/files/q3-2020-derivatives-quarterly.html>



Note: Numbers may not add up to total due to rounding. Total derivative notional are now reported including credit derivatives, for which regulatory reporting does not differentiate between trading and non-trading.
Source: Call reports

If anyone still doesn't "get it"—that derivatives are primarily used to CONTROL and create predetermined outcomes—please take a look at Graph 1: Derivative Notional Amounts by Type, found on page 18 of the PDF of the Q3/2020 OCC quarterly derivatives report and reproduced above.²

The green line that hugs the horizontal axis at the bottom of the graph represents "end user demand" of all aggregate derivatives. This is, in itself, a **STUNNING** admission that there "is" no observable demand in the free world. Regulators are loathe to admit that the real end user is the U.S. Treasury's ESF, and the true intent of this "orgy of interest rate derivatives" is **DE FACTO** one of the prime conduits which transmits imperialist U.S. monetary policy. Of course, no one in the mainstream financial press dares speak of activities of the ESF, because **EVERYTHING** the ESF does is, by definition, a matter of national security, and any such utterances make one as popular as Julian Assange or Edward Snowden.

The elevated/artificial transaction demand created by interest rate derivatives gives the U.S. debt complex the **ILLUSION** of being "deep and liquid," while giving monetary authorities complete and arbitrary control of the interest rate curve. This simultaneously creates the **ILLUSION** that the U.S. dollar is strong.

In case anyone does not understand the relevance of **goosing transaction demand**, I would like to offer my explanation as to what has been occurring recently in the crypto markets. In September 2020, the price of gold was 1900.00 per ounce and the price of Bitcoin was 9,000.00. Since then, the price of gold has gone nowhere, while Bitcoin traded above 33,000 earlier today. So, what can possibly explain the complete decoupling? Interestingly, precious metal, which is rare in physical form, can be sold in infinite amounts in derivatives (futures) form on exchanges like COMEX and LBMA (London Bullion Market Association), while virtual assets like Bitcoin cannot be sold more than once due to blockchain protocol. The fundamental difference here being that precious metals



futures were “designed” to suppress the prices of the underlying, while Bitcoin was “designed” to emulate honest money.

Remember, China and the U.S. are in a trade war. The U.S. has sanctioned Iran and Venezuela and effectively cut them off from transacting U.S. dollars via the SWIFT system—so, U.S. dollars are of little use to them. So, China, Iran, and Venezuela formed a “club.” China buys oil from Iran and Venezuela, and my belief is that they are now purchasing crude in cryptocurrencies from both countries. Iran and Venezuela then recycle the crypto back to China in trade for goods and services they need. This trade completely excludes the U.S. dollar (which is making multi-year lows currently) and has lit a fire under the crypto complex—and gold appears to be “dead in its tracks.” I don’t have smoking gun proof for this thesis—yet—but empirical data are highly supportive of the notion.

The numbers above are aggregates for **Bank Holding Companies** in the U.S.—which fall under the purview of the Federal Reserve—which can be found in the quarterly derivatives report (see the OCC’s Appendix: Supplementary Graphs and Tables, Table 2).²

Understand that the “Quarterly Derivatives Report” is published by the OCC. All but one chart/table in the OCC’s quarterly report (typically running close to 49 pages in length) details notional derivatives aggregates of **Commercial Banks** only.

On closer examination, you might be wondering why ample information is provided for Commercial Banks, while only one page is

published outlining the derivatives activity for Bank Holding Companies.

Here’s the difference: It’s all about who regulates. Commercial Banks are regulated by the OCC, while Bank Holding Companies in the U.S. are regulated directly by the Federal Reserve.

The material difference in quarterly derivatives reporting between Commercial Banks and Bank Holding Companies is that the Fed provides **VERY LITTLE** breakdown in the positions held by Bank Holding Companies under their purview. For instance, the OCC gives us a breakdown on Commercial Banks’ precious metals futures positions—but there is **NO MENTION** of precious metals, at all, in the limited reporting we get on Bank Holding Companies.

So, you may ask, why is this important or a “material shortcoming”?

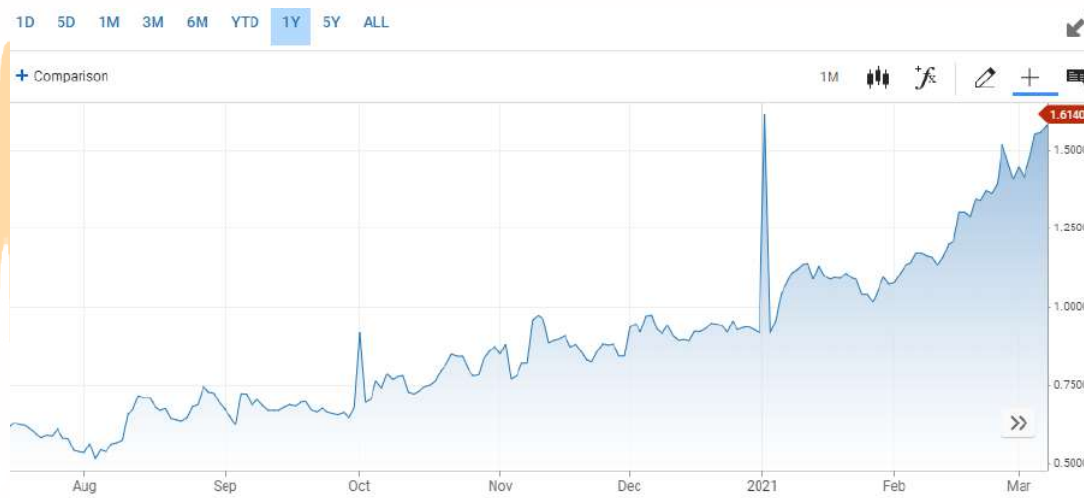
Reason: Institutions like Morgan Stanley trade almost exclusively in the name of their Bank Holding Company. If you take a peek at the total aggregate position of Bank of America (BofA), you will notice that in Q3/20, their total derivatives book size for the Commercial Bank is reported as 17.5(T), while BofA Bank Holding Co. reports a total derivatives book size of 34.4(T). The different notional amounts being reported by BofA are largely a “legacy issue” involving their absorption of Merrill Lynch as a Holding Company during the last financial crisis.

In pointing this out, I would like to share a personal anecdote: Back in early 2009, I had lunch with a very good friend who happened

to hold a very senior trading position in the Treasury at Morgan Stanley, New York. Over lunch, we talked about “markets” and the size of derivatives positions at some of the large American banks. I told him that JPMorgan and Citibank—according to OCC reports—seemed to be the big players in the precious metals markets. He responded to me, “What about us (Morgan Stanley)?” He then went on to tell me that he personally knew the gold trader at Morgan Stanley New York—very well—and that Morgan Stanley New York was in the top two or three gold trading houses in the world.

I share this personal story to draw attention to the fact that the public gets very little detailed information regarding the tens of Trillions in notional derivatives being traded by Bank Holding Companies. I consider this **INTENTIONAL MISDIRECTION** on the part of regulators, namely the Fed—is anyone really surprised?

So, the reality is this: We get very imperfect information regarding outstanding notional amounts of derivatives held by American banking institutions—and with everything we do get being reported three months in arrears, giving an accurate account of “where we are” is akin to driving a car looking out the rear window making notes on the changes in scenery.



Each quarterly derivatives report begins with a “preface” very much like the one I have cut and pasted below from the Q3/20 report:²

About This Report

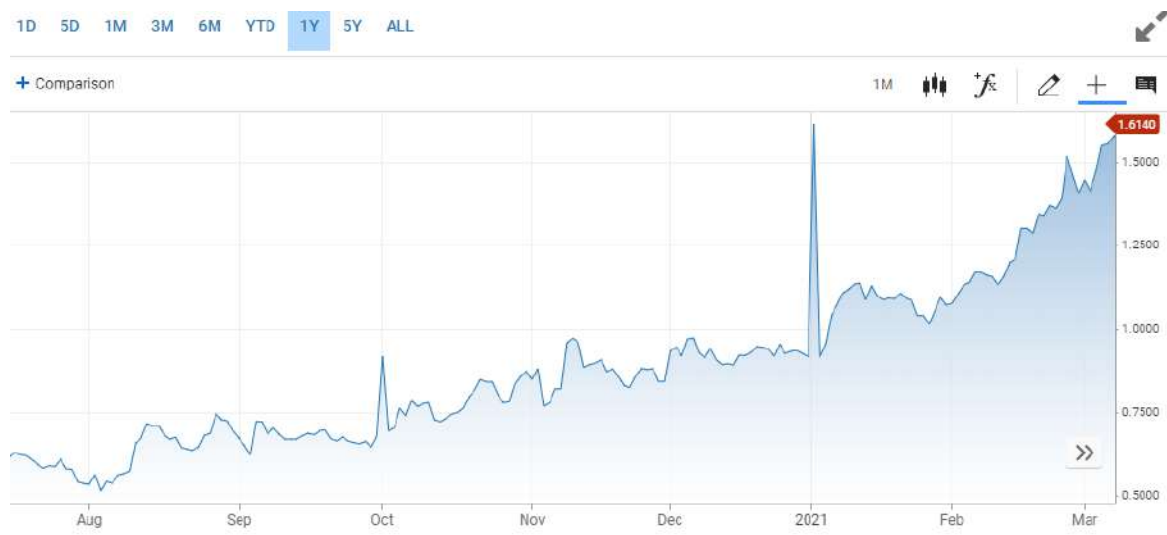
The Office of the Comptroller of the Currency’s (OCC) quarterly report on bank trading and derivatives activities is based on call report information provided by all insured U.S. commercial banks and savings associations; reports filed by U.S. financial holding companies; and other published data. A total of 1,371 insured U.S. commercial banks and savings associations reported trading and derivatives activities at the end of the third quarter of 2020. A small group of large financial institutions continues to dominate trading and derivatives activity in the U.S. commercial banking system. During the third quarter of 2020, four large commercial banks represented 87.3 percent of the total banking industry notional amounts and 77.7 percent of industry net current credit exposure (NCCE) (see tables 1 and 4 in the appendix).

The reports also include an executive summary like the following from the Q3/20 report:²

Executive Summary

- Insured U.S. commercial banks and savings associations (collectively, banks) reported trading revenue of \$9.0 billion in the third quarter of 2020, \$5.7 billion less (38.9 percent) than in the previous quarter and \$1.7 billion more (23.5 percent) than a year earlier (see table 1).
- Credit exposure from derivatives decreased in the third quarter of 2020 compared with the second quarter of 2020. NCCE decreased \$21.0 billion, or 4.1 percent, to \$490.0 billion (see table 5).
- Derivative notional amounts decreased in the third quarter of 2020 by \$992.0 billion, or 0.6 percent, to \$178.6 trillion (see table 10).
- Derivative contracts remained concentrated in interest rate products, which totaled \$129.8 trillion or 72.7 percent of total derivative notional amounts (see table 10).

Again, I want to point out that the report is (purposely?) disingenuous on its face: They tell us that four banks have/control 87.3% of the action. The reality (if you include 30+ Trillion from MS and another 17 Trillion from BofA) is that five banks control about 98% of the action. When five players control 98% of **ANYTHING**, you don’t really have a “market”—**AT ALL**. This is a **CLUB**—and we aren’t in it.



Addendum to 2020 Derivatives Wrap Up

Added March 25, 2021

It is now late March 2021 and the OCC has released its Q4/20 Quarterly Derivatives Report.

I can now report that aggregate notional amounts for U.S. Bank Holding Companies have decreased to 218 Trillion (down from 239.5 Trillion at Sept. 30/20), a drop of 21.5 Trillion (see the OCC's Table 2 in Appendix: Supplementary Graphs and Tables).⁴ I want to impress upon everyone that these aggregate amounts are overwhelmingly comprised of interest rate contracts that have cash U.S. government securities (bonds and/or T-bills) embedded in them. Ergo, a dramatic drop in aggregates represents a **REDUCTION** in transaction demand for U.S. government securities. Correspondingly, we saw the yield on the 10-year U.S. government bond “back up” to just under 1.00% in Q4/20 from just under 75 basis points at September 30/20.

The 4th quarter of 2020 was also extremely noteworthy for another reason: We witnessed

a “complete decoupling” of what I broadly refer to as “the anti dollar trades,” namely, price differentials between precious metals and cryptocurrencies. At the end of August 2020, the price of Bitcoin was roughly 9,000.00, and the price of gold was 1,900.00 per ounce. Today, Bitcoin is above 50,000.00, and gold is struggling to “gain traction” at 1,740.00. I point this out because it appears to me that decisions were made back in September/October 2020: Crypto prices were allowed to rise while precious metals prices have undergone some of the most aggressive nominal price suppression ever, despite there being record physical demand. Note that October 1 in the U.S. is the beginning of a new fiscal year for the Federal Government (when new programs and ideas are typically rolled out), and the 10-year yield clearly vectored UP at that precise point (October 1/20). Given that rates have continued to rise substantially, my expectation is that we will see a further drop in aggregate notional derivatives when Q1/21 data are made available in late June 2021.



Endnotes:

¹ www.kirbyanalytics.com.

² Office of the Comptroller of the Currency. *Quarterly Report on Bank Trading and Derivatives Activities — Third Quarter 2020*. December 16, 2020. <https://www OCC.gov/publications-and-resources/publications/quarterly-report-on-bank-trading-and-derivatives-activities/files/q3-2020-derivatives-quarterly.html>.

³ "History of Federal Open Market Committee actions. 1.1 Operation Twist (1961)." [https://en.wikipedia.org/wiki/History_of_Federal_Open_Market_Committee_actions#Operation_Twist_\(1961\)](https://en.wikipedia.org/wiki/History_of_Federal_Open_Market_Committee_actions#Operation_Twist_(1961)).

⁴ Office of the Comptroller of the Currency. *Quarterly Report on Bank Trading and Derivatives Activities — Fourth Quarter 2020*. March 2021. <https://www OCC.gov/publications-and-resources/publications/quarterly-report-on-bank-trading-and-derivatives-activities/files/q4-2020-derivatives-quarterly.html>.

ETFs by Country and Region for 2020

(amounts in U.S. Dollars unless otherwise noted)

Country Funds	Fund	2019-08-22	2020-12-31	% Change	GDP (\$B)
South Korea	iShares MSCI South Korea Capped ETF (EWY)	52.35	86.05	64.4%	1,642
Israel	ETF Managers Trust — BlueStar Israel Technology ETF (ITEQ)	42.64	68.74	61.2%	395
Denmark	iShares MSCI Denmark Capped ETF (EDEN)	61.65	97.61	58.3%	348
Taiwan	iShares MSCI Taiwan Capped ETF (EWT)	34.31	53.08	54.7%	605
China	iShares MSCI China ETF (MCHI)	56.10	80.97	44.3%	14,343
Sweden	iShares MSCI Sweden Capped ETF (EWD)	28.02	39.80	42.0%	531
Netherlands	iShares MSCI Netherlands ETF (EWN)	30.13	41.34	37.2%	909
New Zealand	iShares MSCI New Zealand Capped ETF (ENZL)	51.74	68.07	31.6%	207
India	iShares MSCI India Index ETF (INDA)	31.01	40.22	29.7%	2,875
Ireland	iShares MSCI Ireland Capped ETF (EIRL)	39.37	50.50	28.3%	389
United States	SPDR S&P 500 Trust ETF (SPY)	292.36	373.88	27.9%	21,374
Japan	iShares MSCI Japan ETF (EWJ)	53.39	67.56	26.5%	5,082
Argentina	Global X MSCI Argentina ETF (ARGT)	24.54	30.38	23.8%	450
Finland	iShares MSCI Finland Capped Investable Market Index ETF (EFNL)	35.90	44.29	23.4%	269
Germany	iShares MSCI Germany ETF (EWG)	26.02	31.77	22.1%	3,846
Switzerland	iShares MSCI Switzerland Capped ETF (EWL)	37.15	44.68	20.3%	703
Pakistan	Global X Funds — Global X MSCI Pakistan ETF (PAK)	24.52	28.85	17.7%	278
France	iShares MSCI France ETF (EWQ)	29.16	33.26	14.1%	2,716
Australia	iShares MSCI Australia ETF (EWA)	21.34	23.95	12.2%	1,393
Italy	iShares MSCI Italy Capped ETF (EWI)	26.27	29.44	12.1%	2,001
Norway	Global X MSCI Norway ETF (NORW)	11.20	12.55	12.1%	403
Portugal	Global X Funds — Global X MSCI Portugal ETF (PGAL)	9.86	11.00	11.6%	238
Turkey	iShares MSCI Turkey ETF (TUR)	23.99	26.50	10.5%	754
Canada	JPMorgan BetaBuilders Canada ETF (BBCA)	24.31	26.83	10.4%	1,736
Vietnam	VanEck Vectors Vietnam ETF (VNM)	15.91	17.49	9.9%	262

Russia	VanEck Vectors Russia ETF (RSX)	22.08	24.15	9.4%	1,700
Mexico	iShares MSCI Mexico Capped ETF (EWW)	39.33	42.99	9.3%	1,258
Qatar	iShares Trust — iShares MSCI Qatar ETF (QAT)	16.91	18.45	9.1%	183
Hong Kong	iShares MSCI Hong Kong ETF (EWH)	23.46	24.64	5.0%	366
Peru	iShares MSCI All Peru Capped ETF (EPU)	33.13	34.68	4.7%	227
Austria	iShares MSCI Austria Capped ETF (EWO)	19.15	19.83	3.6%	446
Malaysia	iShares MSCI Malaysia ETF (EWM)	27.87	28.80	3.3%	365
Spain	iShares MSCI Spain Capped ETF (EWP)	26.70	27.04	1.3%	1,394
Philippines	iShares MSCI Philippines ETF (EPHE)	33.34	32.70	-1.9%	377
Saudi Arabia	iShares Trust — iShares MSCI Saudi Arabia ETF (KSA)	31.74	31.11	-2.0%	793
United Kingdom	iShares MSCI United Kingdom ETF (EWU)	30.13	29.29	-2.8%	2,827
Indonesia	iShares MSCI Indonesia ETF (EIDO)	24.55	23.42	-4.6%	1,119
Greece	Global X MSCI Greece ETF (GREK)	27.06	25.46	-5.9%	210
South Africa	iShares MSCI South Africa ETF (EZA)	46.63	43.84	-6.0%	351
Singapore	iShares MSCI Singapore Capped ETF (EWS)	22.88	21.48	-6.1%	372
Columbia	Global X MSCI Colombia ETF (GXG)	35.04	32.39	-7.6%	324
Poland	iShares MSCI Poland Capped ETF (EPOL)	20.65	19.02	-7.9%	592
Brazil	iShares MSCI Brazil Capped ETF (EWZ)	40.91	37.07	-9.4%	1,840
Thailand	iShares MSCI Thailand Capped ETF (THD)	87.96	77.07	-12.4%	544
Chile	iShares MSCI Chile Capped ETF (ECH)	35.75	30.21	-15.5%	282

Regional Funds	Fund	2019-08-22	2020-12-31	% Change	GDP
Emerging Markets	iShares MSCI Emerging Markets ETF (EEM)	39.64	51.67	30.3%	NA
International Developed	iShares MSCI EAFE ETF	62.74	72.96	16.3%	NA
FTSE Europe	Vanguard FTSE Europe ETF (VGK)	52.18	60.24	15.4%	NA



Times of Economic Changes – Movie List

HISTORICALLY, large-scale economic changes have tended to be caused by dramatic political events—wars, revolutions, or a change of state religion. In modern times, substantial changes in a society's ownership structure may still result from political change (think of the fall of the Soviet Union) but can also be triggered by rapid technological advances (such as the change from analog to digital in financial trading).

Screen entertainment may not directly reflect all the nuances of these two forces for change, but in our selections, we have tried to provide examples of these multiple impetuses for economic change.

~ Nina Heyn

Feature Films



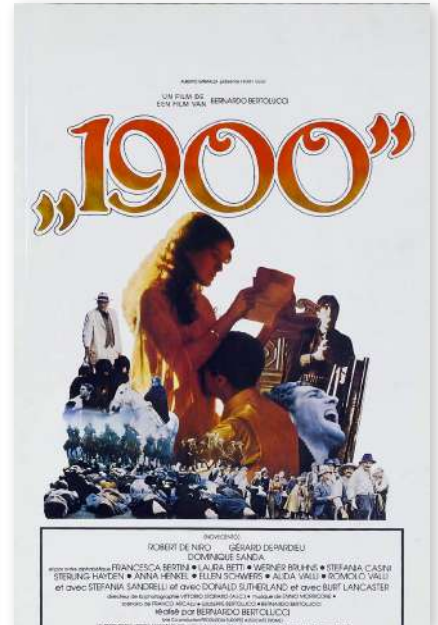
LAWRENCE OF ARABIA (1962)

Peter O'Toole stars—in this role of a lifetime—as a British military observer during WWI who is sent to monitor a conflict between the Ottoman Empire and Prince Faisal of the territories that later became Saudi Arabia. The “observer” soon becomes actively engaged in the conflict. This masterful retelling of a true story takes us to the roots of Middle Eastern geopolitics, showing how, at the turn of the last century, Turkish influence waned in the world arena while the British strengthened their alliance with Middle Eastern kingdoms due to the growing demand for oil and strategic locations.



A MAN FOR ALL SEASONS (1966)

This is a classic retelling of the events during Henry VIII's reign through the tragic story of Sir Thomas More, whose opposition to Henry VIII's divorce and establishment of a new religion cost him his life. There are two movie versions of this novel adaptation of a play—this is the earlier and more celebrated one. (See also, *The Tudors*, in TV Shows.)



1900 (1976)

This movie from Bernardo Bertolucci—the genius of European cinema—illustrates class struggles and societal transformations in Italy at the turn of the last century. Two men, one born a peasant and the other belonging to a family of landowners, undergo many life changes, eventually embracing two opposing movements: communism and fascism. Both ideologies have shaped modern world history and changed ownership patterns and the individual fates of millions of people all over the world.



THE LAST EMPEROR (1977)

Bernardo Bertolucci also directed this Oscar-winning saga about the fall of the Chinese empire, filming it in China as one of the first western projects after the Cultural Revolution. The movie chronicles the tragic fate of the last imperial ruler, who was put on the throne as a toddler, forced to abdicate at six, made a political pawn of both nationalists and foreign powers, and imprisoned after the communist revolution. Bertolucci paints a panorama of the modern history of China, a country that experienced seismic changes within just one lifetime of its tragic last emperor.



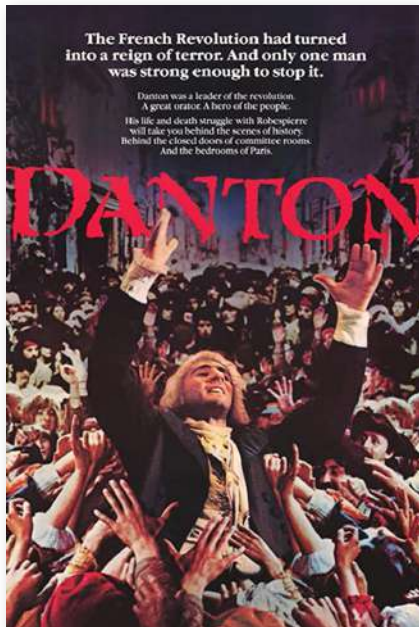
THE MAN OF MARBLE (1977)

This is the story of a Stalinist-era model worker whose fate is being investigated by a journalist in late 1970s communist Poland. Directed by the iconic Polish director Andrzej Wajda, it is one of the movies that exposed the social tensions that ultimately led to the birth of the Solidarity movement in 1980. The movie examines the falsehoods of the “worker’s paradise” created when the communist takeover in 1948 deprived Poland’s middle classes of any possibilities of private ownership.



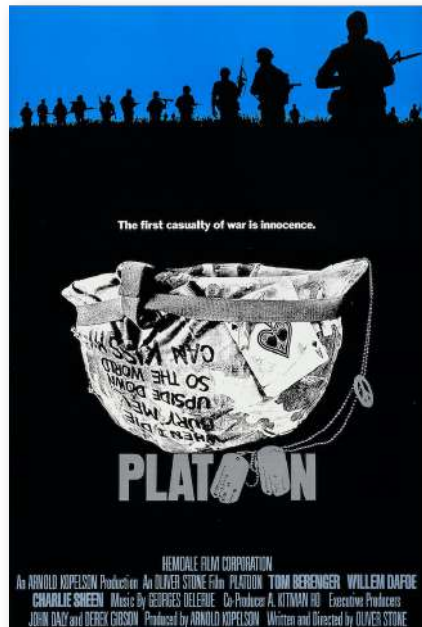
REDS (1981)

Reds is the semi-true story of a pair of American liberals who travel to Russia to witness the 1917 revolution. It may not be the most accurate account of the bloody events of the Russian Revolution, but this chapter of world history is one of the most direct examples of a rapid change in ownership that affected hundreds of millions of people.



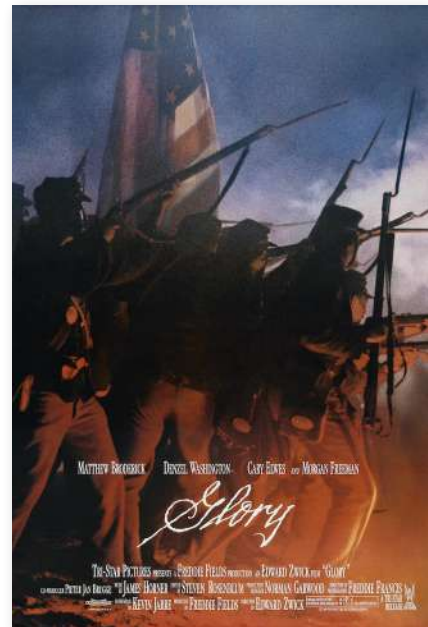
DANTON (1983)

Although the French Revolution of 1789 and the subsequent Reign of Terror were some of the most traumatic events in European history, there are surprisingly few serious films that portray that period. Polish director Andrzej Wajda made one of the good ones. The movie stars Gérard Depardieu as Georges Danton, a tragic figure during a period of political upheaval that started out as a defense of human dignity and ended up as a tsunami of murder, torture, and destruction.



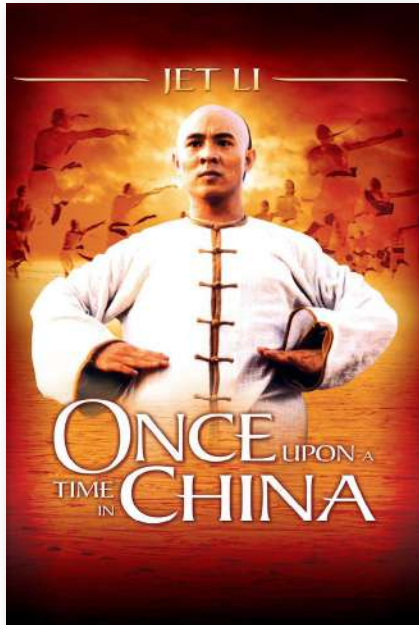
PLATOON (1986)

Although there are hundreds of movies about the Vietnam war, *Platoon* still stands out as one of the earliest and most realistic depictions of this long conflict. American military interventions in Southeast Asia have perhaps not been very successful, but U.S. economic influences have contributed to many financial changes in that region.



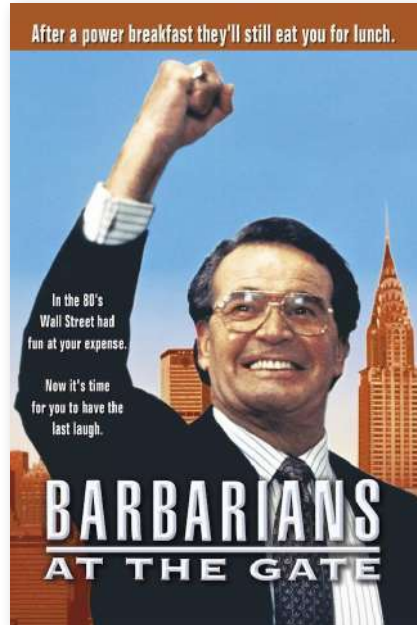
GLORY (1989)

Starring Denzel Washington and Matthew Broderick, *Glory* is a lavishly produced movie about the American Civil War and the first all-black volunteer company of the Union army. This war ushered in major societal and political changes, such as the subsequent abolition of slavery, which in turn led to some profound changes in the country's economic structure.



ONCE UPON A TIME IN CHINA (1991)

Wong Fei-Hung was a real martial arts master whose resistance against colonial forces in Canton (Guangzhou) made him a hero and the subject of almost a hundred Chinese movies. This one is a colorful Hong Kong production starring Jet Li as the legendary 19th-century Chinese fighter in a country overrun by soldiers, missionaries, and traders from America, Russia, France, and Britain. The movie and several sequels with the same characters are classics of the martial arts genre but also good portrayals of China's occupation by numerous colonial forces throughout the 19th and early 20th centuries.



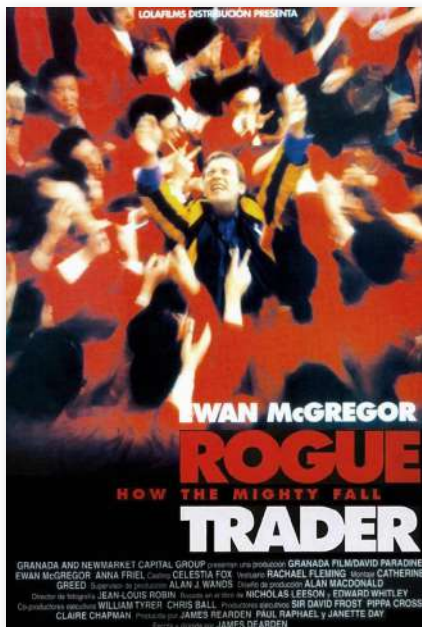
BARBARIANS AT THE GATE (TV MOVIE 1993)

This made-for-television docudrama is about a leveraged buyout. The president of a tobacco company tries to buy it out but then gets embroiled in a bidding war. It can serve as an example of ownership changes at the scale of one company. James Garner stars as F. Ross Johnson, the CEO of RJR Nabisco.



QUEEN MARGOT (1994)

Queen Margot is the tale of a royal romance in the tumultuous world of the 16th-century religious war between Catholics and Protestants in France. The conflict culminated in the Massacre of St. Bartholomew in 1572, when hundreds of Huguenots were rounded up and killed. This was one of the defining moments in the history of France and resulted in huge changes of ownership because many of the French Protestants emigrated, often to the New World territories of today's Canada.



ROGUE TRADER (1999)

Ewan McGregor stars in this true story of a Barings trader, whose freewheeling trades brought down this oldest and most venerated British bank. The story highlights the ease with which gigantic transfers of ownership can take place in the era of globalization, electronic trading, and the unchecked pursuit of greed by the corporate world.



PEARL HARBOR (2001)

The attack on Pearl Harbor depicted in this non-stop action movie launched a war between Japan and the U.S. and indirectly led to Japan's post-war transformation into an industrial power. Within a few decades of its WWII defeat, a demilitarized Japan became an economic superpower.



APOCALYPTO (2006)

Apocalypto illustrates the decline of the Mayan empire and the arrival of Spanish ships in America. The movie was a phenomenon in the history of cinema because it was filmed entirely in the Yucatec Mayan language and featured unknown actors in scenes of savage brutality. It still won several Academy Awards. From the point of view of transfer of ownership, the conquest of the Americas (depicted in the last scene of this movie) led to one of the most significant transfers of land in history.



JACK RYAN: SHADOW RECRUIT (2014)

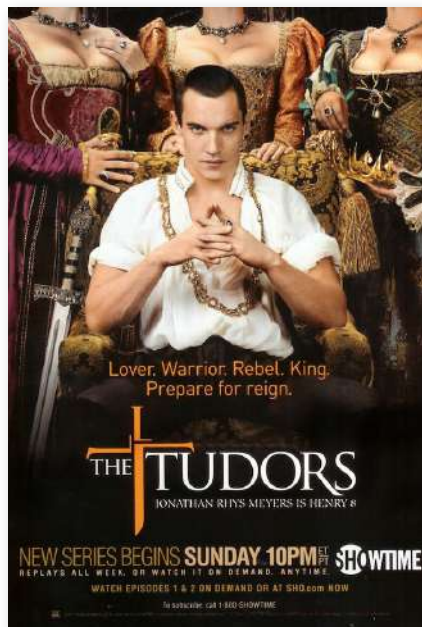
The fifth installment in the Jack Ryan franchise, this time starring Chris Pine in the title role, is notable in this movie list thanks to a plot that centers on the ways that superpower nations can use economic tools to either prop up friendly states or, conversely, destabilize them.



MR JONES (2019)

A biopic of a real journalist, *Mr. Jones* is also a movie about freedom of information long before Wikileaks was a household word. Welsh journalist Gareth Jones managed to get into Ukraine during Stalinist collectivization in 1930, and he was the first to report to the West the extent of famine and the extermination of the Ukrainian population. Unfortunately, his denouncement of Stalinism was not widely believed by Western societies and was hotly denied by the Soviet Union—dismissed as exaggeration in the same way that his earlier articles about Hitler had been. The Stalinist-period deprivations described in this movie were a direct result of the communist ideology of exclusive state-ownership.

TV Shows



THE TUDORS (2007-2010)

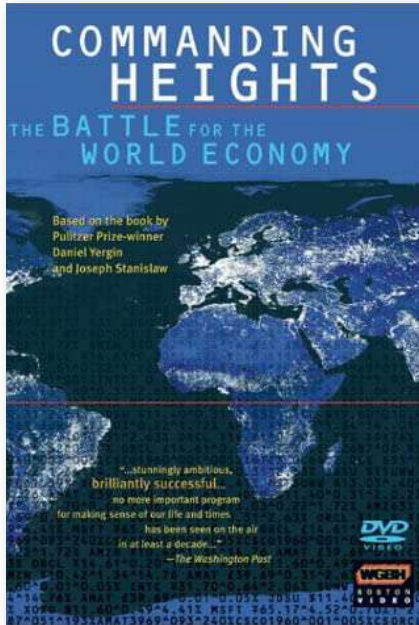
This television series chronicles Henry VIII's marital changes as well as the political and economic implications of his decisions. Assisted by the all-scheming Cardinal Woolsey, the king maneuvers through betrayals and intrigues. His divorce from Catherine of Aragon in order to marry Anne Boleyn requires a change of religion and allows him to take over a large portion of the wealth of the Catholic Church. (See also, *A Man for All Seasons*, in Feature Films.)



THE CROWN (2016-)

One of the UK's most popular television productions, this saga of the royal house of Windsor provides a window into the post-war period in British history, when the imperial power was losing—one by one—its colonies in Asia and Africa. Within one generation, the UK experienced a transfer of power and economic base from the “invincible world power” into the hands of young states in the “developing world.”

Documentaries



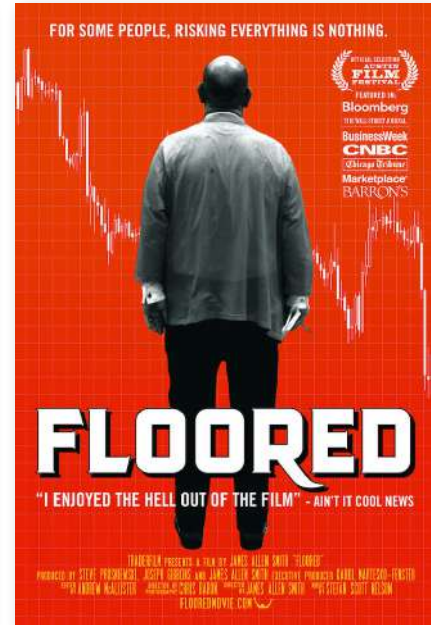
COMMANDING HEIGHTS: THE BATTLE FOR THE WORLD ECONOMY (TV SERIES 2002)

Commanding Heights is a PBS primer on the roots and development of 21st-century globalization.



ENRON: THE SMARTEST GUYS IN THE ROOM (2005)

This now-classic documentary centers on the infamous corporation that was “turning real losses into fictional gains through accounting fraud.” This financial Ponzi scheme on a corporate scale has served as a cautionary tale ever since Enron’s collapse in 2001.



FLOORED (2009)

This documentary is about Chicago’s trading pit, where fortunes are made and lost in seconds. With the advent of electronic trading, the pitbull fight environment of in-person trading has gone away, but the ups and downs of live trading have not. Some traders were left behind by the change in technology.



THE EMPEROR'S NEW CLOTHES (2015)

A British documentary directed by Michael Winterbottom, *The Emperor's New Clothes* stars Russell Brand as a narrator and *agent provocateur* unmasking the huge income inequalities in Britain after the 2008 financial crisis.

III

ARTISTS

AND THE MONEY-CHANGERS

Food for the Soul

by Nina Heyn – Your Culture Scout

IF you need to impart important messages to people who cannot read, then your choices include talking to them directly or showing them pictures—preferably images rendered in long-lasting materials such as stone, wood, or glass. This is the reason that Christian churches, especially the medieval ones, have such an abundance of scenes from the lives of Christ, his disciples, and saints. As early as the 7th century, Pope Gregory declared that church images should provide a “gospel for the unlettered.”

Toward the end of the Middle Ages, theologians began expanding beyond messages focused on Christ’s miraculous birth and martyrology to relate stories about events from his life, the aim being to provide congregations with examples of virtuous and pious conduct. One such example is the story that deals with Jesus’s outrage at the commercialization of a religious site, known as “Christ driving the money-changers from the temple.” This scene became and remained extremely popular in all the mediums and materials available to artists in different eras.

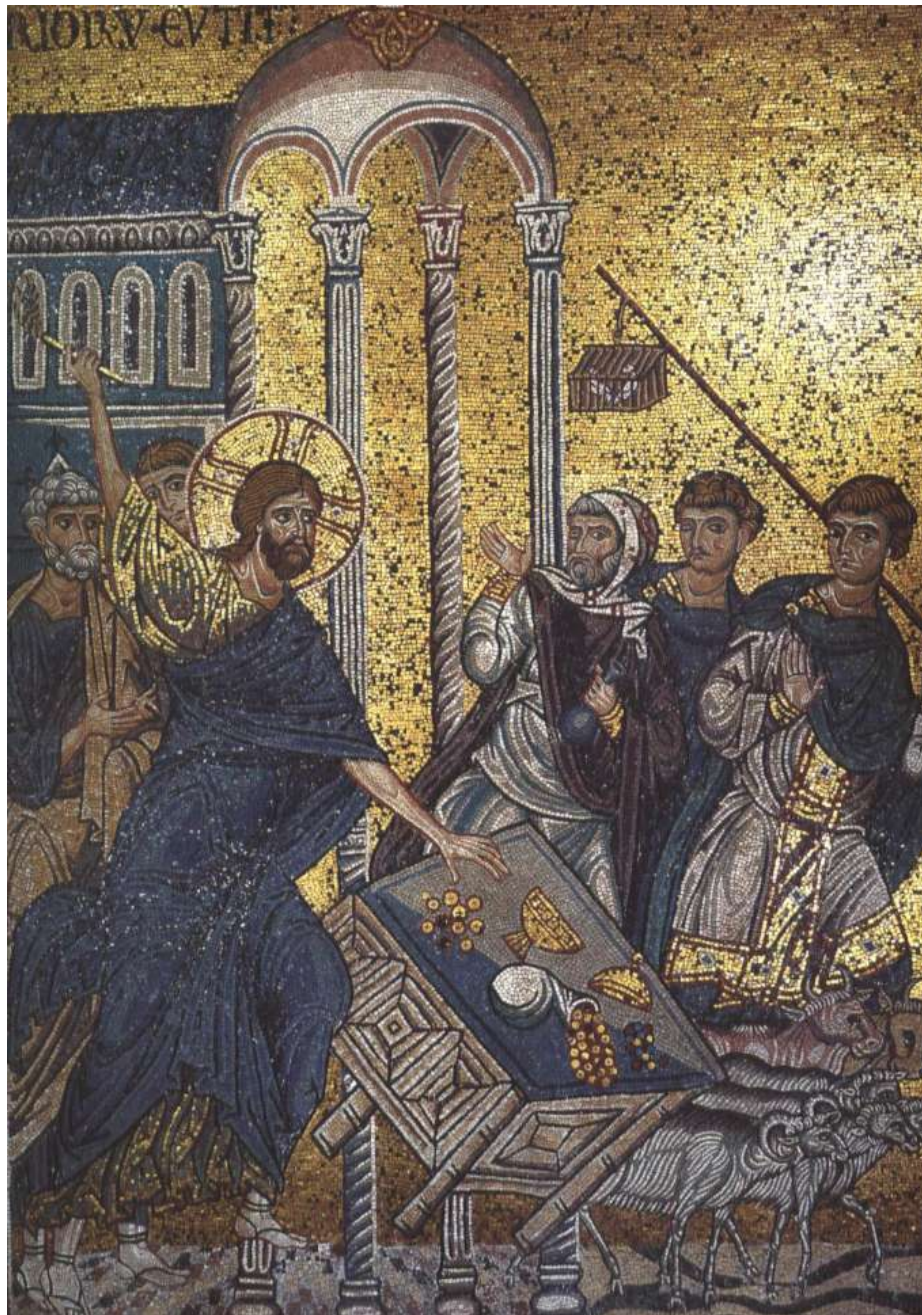


Christ Driving Moneylenders from the Temple. Church of St. Aignan (1899)
Chartres, France
Photo: Reinhardhauke Wikimedia Commons

The 12th-century glass mosaic decorations from Monreale Cathedral in Palermo contain all the classic elements of this story—a wrathful Jesus in flowing robes raising leather thongs in the air, an overturned table with falling coins, and a group of cowed merchants who are fleeing from the advancing, larger-than-life figure of Jesus. The Monreale Cathedral is unusual in that it was built within one decade (whereas some major medieval structures took decades to rise), but the decorations inside took many years to be completed. Decorated by sophisticated Byzantine and Venetian glass artists, the walls radiate a green and gold sheen from countless images that are vivid and explicit, even bearing helpful captions in Latin. This particular story comes with the inscription, “Iesus ejecit de templo oves et boves et mensas nummulariorum evertit” (“Jesus throws the sheep and cattle out of the temple and overturns the money-changers’ tables”). Although Monreale’s walls epitomize the Western art of mosaic, not long after these pictures were completed, the winds of stylistic change were destined to blow again—and both this medium of decorative art and its style soon gave way to painting.

Jesus throws the sheep and cattle out of the temple and overturns the money-changers’ tables (12th c.)

Monreale Cathedral, Palermo, Italy
Photo: Wikimedia Commons



Giotto di Bondone — *Expulsion of Merchants from the Temple* (ca 1305)

Scrovegni Chapel, Padua, Italy

Photo: Wikimedia Commons



The Scrovegni Chapel in Padua is similar to the Monreale Cathedral in that it aims to be a visual compendium of all Christian imagery. Unlike Palermo's cathedral, however, the Padua chapel was decorated by one very distinct artist who is considered a primary precursor for Renaissance art if not for the entire style of Western painting: Giotto di Bondone.

The history of art owes this chapel to a guilty conscience. A banker named Enrico delli Scrovegni had the chapel built to atone for the sins of usury committed by his father Reginaldo, whose unrepentant behavior earned him the Church's condemnation and a refusal of Christian burial. In 1303, Enrico commissioned Giotto to decorate the chapel's interior with scenes from the life of Mary and Jesus, which the artist and his assistants created in dozens of glorious frescoes.

In *Expulsion of Merchants from the Temple*, all the traditional iconography is present—down to the whip of leather cords and the cattle tumbling out of the temple—but this is no longer classic Gothic art with its flat surfaces and symbolic

poses. Instead, people are individualized in their expressions and gestures, all figures are tridimensional, and they are placed against the backdrop of realistically painted buildings. For centuries before, the most impressive religious decorations were rendered in Byzantine-style mosaics or French-style stained glass, while artists reserved paintings for the much smaller formats of miniatures or wood panels. Giotto ushered in the large-scale, naturalistic fresco, paving the way for subsequent Renaissance paintings that would feature solid, anatomically correct bodies, strong emotions, precise perspectives, and realistic elements of nature.

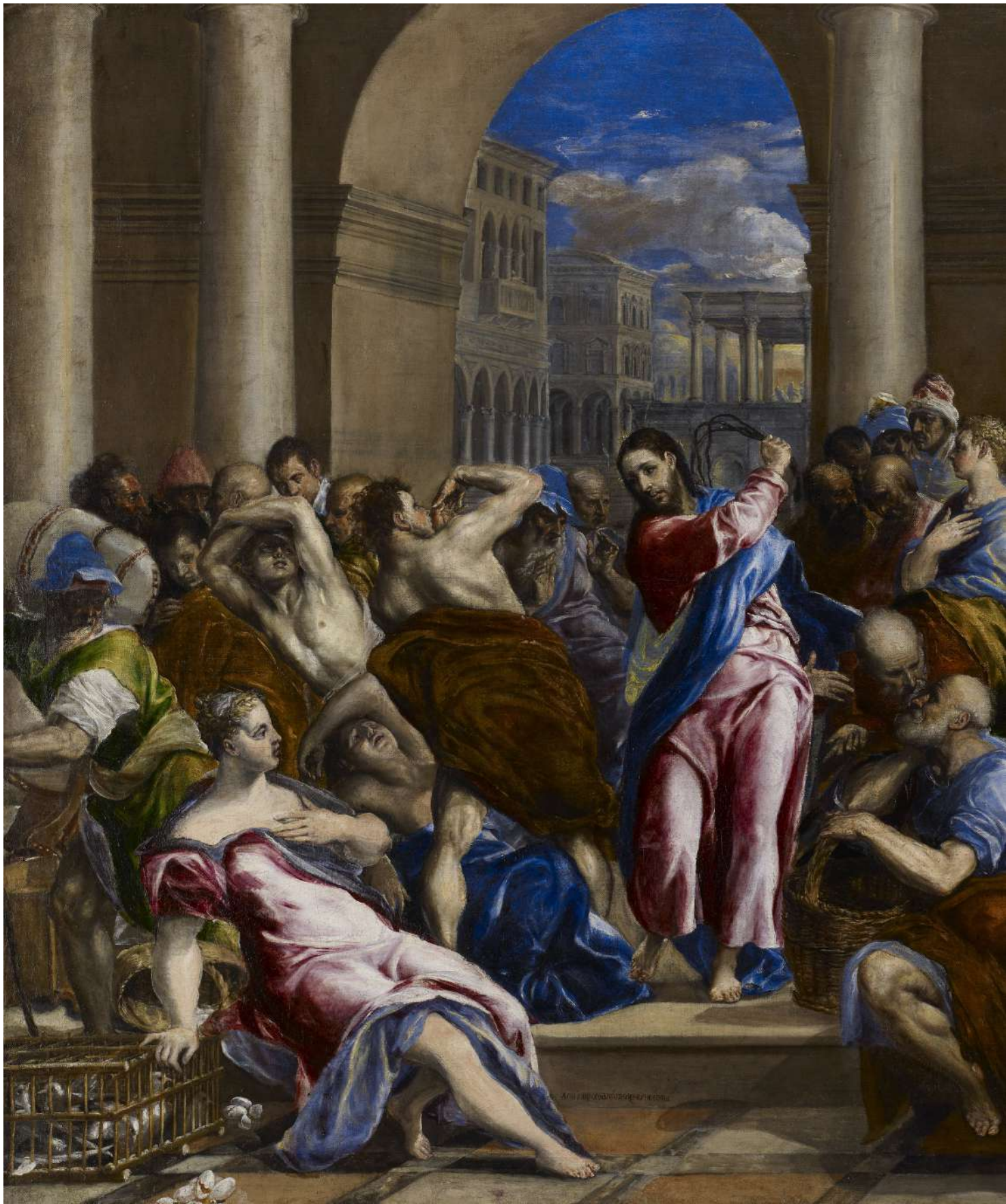


What better location for religious illustrations than the door of a building that would be visited or at least seen by passers-by all year long? The world-famous Baptistery of San Giovanni in Florence—one of the oldest structures in the city center—is such a building. It was built on the site of a Roman temple, which was initially followed by a 6th-century church and later consecrated (in the 11th century) as a new baptistery. Its characteristic green and white marble pattern was copied in countless other Renaissance buildings afterwards.

Two of the three entrance doors were created by Lorenzo Ghiberti, a Florentine artist who won a competition against Filippo Brunelleschi. The latter was so soured by his defeat that he departed for Rome to study architecture (and, as a result, Florence got its famous Dome in 1436—one of the most daring pieces of architecture in Europe). Ghiberti was barely 21 when he won the commission for the first doors. It took him over 20 years to complete the north door and then another 27 years to complete an even grander eastern entrance, so sumptuous that Michelangelo hailed the pair of doors as the

“Gates of Paradise,” which is how people have referred to them ever since.

Ghiberti created the doors that are now on the north side as a series of quattrfoil panels, one of which depicts Jesus’s wrath at the money-changers. This panel is more or less at eye level and thus easy for people to contemplate while waiting to get in—something that I experienced as a tourist some 600 years after the door was first installed. Ghiberti was quite aware that he had created not only something artistically outstanding but also a new style of perspective in reliefs. He was very proud of his achievements and wrote in his autobiography, “In this work I sought to imitate nature as closely as possible, both in proportions and in perspective as well as in the beauty and picturesqueness of the composition and the numbers of figures.”





El Greco painted five versions of the money-changers scene over the span of 40 years. His first two were painted in 1568 and 1571, when the young Cretan artist was living in Rome and hoping for papal commissions. Modesty and diplomacy were not his strong suit; he not only managed to antagonize his patrons but also derided Michelangelo, declaring that “he was a good man but he did not know how to paint” ... and then offering to repaint the Sistine Chapel. El Greco’s art criticism did not stop him from borrowing heavily from various Italian masters in the first two versions of *Christ Cleansing the Temple*. These “Roman-period” paintings are full of Renaissance-style poses, and the Temple building looks like a classic Italian palazzo interior. El Greco’s characteristic style of elongated figures had not yet developed.

Forty years later, when El Greco was living in Toledo and in full command of his unique style, the same theme got a different treatment. Gone are the Italianate interiors, while his figures are stretched in his inimitable style and twisted in a Mannerist ideal of the *figura serpentinata*. In all five versions, the artist kept a frontal position of the walking Christ—much different from the traditional side view—allowing us, the viewers, to be a “part of the action.” We are there in the Temple, watching Jesus stride through a tight group of people leaning away from the whip’s lashes or clustering to the sides, heads shaking in astonishment. It’s an emotional scene of religious fervor, very much in tune with the spirit of counter-Reformation in Spain and the artist’s own religiosity.

El Greco — *Christ Driving the Traders from the Temple* (c. 1600)
The National Gallery, London, United Kingdom
Photo: Wikimedia Commons



Rembrandt – *Christ Driving the Moneychangers from the Temple* (1626)

Pushkin State Museum, Moscow, Russia

Photo: Wikimedia Commons

In the 350 years since Rembrandt's passing, the world has become quite familiar with his self-portraits and large-scale canvases like *The Night Watch*. Rembrandt's religious art, though once popularized heavily through etchings that were printed all over Christendom, is perhaps less familiar these days, but it is through these early religious paintings that the artist developed his style and entered the busy decorative market of the Dutch Republic. When he painted *Christ Driving the Moneychangers from the Temple* in 1626, he was barely one year out of apprenticeship; this was well before he acquired important patronages and five years before he moved to the city where he achieved success: Amsterdam. In 1626, the 20-year old Rembrandt was still living in Leyden, sharing rooms with another painter and trying to make a name for himself. Historic and religious scenes were considered the most prestigious (with much less value attached to genre scenes and landscapes) and the brash young artist went for the high-prestige scenes right away.

Christ Driving the Moneychangers from the Temple is, as we would say today, a "close-up." Rembrandt is using the well-known story to concentrate on the different expressions of Christ and four clustered figures. There is righteous anger, quiet avarice, expressive pain, and wide-eyed astonishment. There are also broad gestures, varied costumes, and distinctive facial features. The colors are a bit harsh and the brushwork is not yet precise, but there is so much drama in this moment of great emotions. A few years later, the artist created a more conventional image of this story in an etching, but this early oil has all the energy of a 20-year-old's creative spirit.

Tilework designs and paintings called *azulejos* have been a decorative tradition in Portugal and Spain since the 13th century. Originally based on Arabic designs, attesting to the long Moorish presence on the Iberian peninsula, they later evolved thanks to Dutch paintings and porcelain, Italian majolica earthenware, and other tilework influences. By the 18th century, when António de Oliveira Bernardes made this *azulejo*, there was a fashion for white and blue tiles made by artists from Delft as well as local designers. De Oliveira Bernardes was such an artist, and he created tiles for *The Cleansing of the Temple* in a small church in the Portuguese city of Évora. It is one of the oldest cities in Europe, with its old town declared a UNESCO heritage site. The walls of the Church of Mercy are lined with scenes that illustrate seven spiritual works of mercy (“admonishing the sinners” being one of them)—all expressed in intricate tile paintings in bright cobalt blue.

Looking at these exquisite works of art, I’m struck by the irony of how they came to life. Although the images admonish against mixing the spiritual with the commercial, all these artworks were paid for by donors and sponsors. For example, it was Reginaldo Scrovegni’s unscrupulous amassing of wealth that ultimately enabled his son to hire Giotto for decades to create the Padua frescoes. Ultimately, even art conveying profound spiritual messages needs patrons. . . and sometimes these patrons include money-changers (or bankers, as we would say today) as well.





António de Oliveira Bernardes — *The Cleansing of the Temple*
(early 18th century)
Church of Mercy, Évora, Portugal
Photo: Wikimedia Commons



IV

NEWS TRENDS & STORIES

Every day, we post links to stories in our News Trends & Stories section. Analyzing this flow provides intelligence about the deeper news.

Trends We Track

Here are the trends we tracked for the 2020 Annual Wrap Up.

ECONOMY AND FINANCIAL MARKETS

I. The Going Direct Global Reset

- A. Central Banks Extend the Dollar System; Build the New System
 - Bank for International Settlements (BIS) & Global Innovation Hubs
 - Fed and Dollar; Partnership with BIS; Boston Fed Partnership with MIT on Central Bank Digital Currency (CBDC)
 - ECB and Euro
 - Other Central Banks and Global Institutions: G7; De-dollarization Trends; Sanctions, FACTA, and Payment Systems; IMF and World Bank, ASEAN; World Economic Forum—The Great Reset
 - Private Players: BlackRock, New York Fed Member Banks
 - Bio-Tech Crypto Engineers: IOT Final Inch
 - Role in Riots, Covert Wars, and Opportunity Zones
- B. FASAB 56 & Secret Operations and Flows
- C. Sovereign Stimulus and Tax Policy
- D. Shutdown of Independent Economy and Income
- E. Controlled Demolitions
 - Plandemic and the Medical Cartel Push the Red Button
 - Pension Funds
 - Entitlements
 - Bankruptcies
 - Piratization and Thermal & Weather Warfare
 - Disintermediation in Retail
 - Farmageddon
 - FASAB 56: Is Asset Stripping or Cut & Run Underway?
 - Phoenix Programs, Cultural Revolutions, Color Revolutions

II. The Fed Buys the U.S.

- A. Currency, Liquidity, and Trade Wars
 - De-dollarization
 - War on Cash
 - Crypto and Creepy Tech—the End of Currencies

- Precious Metals
- U.S.-China Trade War
- De-dollarization: China, Russia, and the Build-out of Global Liquidity
- Increased Sanctions, FACTA, and Alternative to SWIFT System
- The Future of the Euro
- Fed and ECB: Interest Rate and Bond Squeeze

B. The Debt Growth Model—Weaponized as Central Bank Dependency Increases

- The Going Direct Reset
- Plandemic Stimulus
- Bonds and Interest Rates
- Equity Public and Private
- Commodities
- U.S. Dollar
- U.S. Budget: Military Expense, Disaster Recovery, and Retirement
- U.S. Debt and Interest Payments Accelerating; Housing Bubble Planned
- Transition from Quantitative Easing
- Demand for Capital: Treasury Markets and Corporate Maturities
- NDI Waiver, FASAB 56, and no Mark to Market: Stock and Bond Markets Go Dark

C. Private Equity Grows

III. Extending the Dollar

- A. Reshoring to North America
- B. Robotics, Drones, Genetics, and Automation
- C. Explosion in Material Science
- D. Surveillance Capitalism
- E. Amazon, Microsoft, Israel, and the Reengineering of the U.S. Government
- F. Global Purges
- G. Opportunity Zones
- H. Will Breakthrough Energy Technologies Come Through?
- I. Investment Flows into the Space-Based Economy

IV. Real Asset Inflation and Planet Equity

- A. Centralization of Economic Ownership and Control
 - *Inflation and Deflation*
 - *Land and Real Estate Ownership*
 - *Equity Public and Private*
 - *Commodities*
 - *State and Local Finances*
 - *U.S. Bear Trap in Emerging Markets*
 - *Mortgage Fraud and “Natural Disasters”*
 - *Growth of ESG Screening*
 - *Technocracy: Allocation with AI, without Markets and a Real Pricing Mechanism*
 - *FASAB 56: The Cost of Secrecy*
 - *FASAB 56: Will Investors Play?*
- B. Financial Controls
- C. Tax Wars and Offshore Havens
- D. Impact of Environmental Risks and Debasement
- E. Student Loans and Consumer Debt
- F. Housing Markets
- G. How Will Taxpayers Handle the Transition?
 - *Return on Investment to Taxpayers Goes More Negative?*
 - *Response to Missing Money: DOD Audit, FASAB Policy, DOD Takes Budgets Secret*
 - *Piratization and Disaster Capitalism: Will the Rape of Russia Happen Here?*
 - *A Domestic Operation Gladio and Phoenix Program + AI Invasion?*
 - *Weather Warfare, Fires, and False Flags*
 - *Equity Creation: Could Breakthrough Energy Create Equity Greater than Controlled Demolitions?*
 - *Addictions to War, Secrecy, and Privilege*
 - *Global Slowdown + Peak Everything*
 - *The Rush to Control Real Estate and Real Assets*

V. The IOT Gold Rush

- A. Technocracy Rising
- B. JEDI Contract
- C. War on Cash
- D. Surveillance Capitalism

VI. Crypto and the Mark of the Beast (MOTB)

- A. Push for Slavery
- B. Integrating Nanotechnology; Transhumanism to Replace Currency and Parts of Financial System
- C. Integration of Vaccines with Finance
- D. Poster Children for MOTB: Musk and Gates

GEOPOLITICS

I. U.S.-China Trade Rebalancing

- A. Eurasia and the Silk Road: Will the Covert War Turn Overt?
- B. Hong Kong, Taiwan, and the South China Sea
- C. The War in the South China Sea
- D. Trade Agreements
- E. Critical Industries: Drugs, Food, Manufacturing
- F. Will the Internet Split?
- G. Economic and Political Sanctions
- H. Preparations for War
- I. Huawei and the 5G Competition
- J. China Currency and Debt Management
- K. Space Race
- L. Mutual G20 and BRICS Relations
- M. Australia's Leadership Role
- N. Israel's Role and Cybersecurity Industry

II. The Shift to a Multiplanetary Multipolar World

- A. Technocracy: Will Technology Continue to Centralize Control in a Multipolar World?
- B. Africa: Resource Rush
- C. The U.S. Post 2020 Election
- D. United Nations: Agenda 2030
- E. Latin America and the War to Control Venezuela and Cuba
- F. Vatican Struggles
- G. Europe: Will the EU Come Apart?
- H. Global Pushback of the Working People
- I. Anglo-American Alliance: The Brexit Transition
- J. Iran and the Push for War
- K. Israel: The Global Networks of Organized Crime
- L. Hot Spots
- M. U.S. Plays the Oil Card
- N. Global Powwows
- O. Migration and Immigration
 - *The Americas*
 - *Asia*
 - *Europe and Africa*
- P. Transnational Organized Crime
- Q. Off-Planet Investment and Trade
- R. Antarctica and Underground Investment

III. The AI and Mind Control Invasion

- A. Growth of AI: AI Superpowers Face Off
- B. Net Neutrality
- C. 5G and Surveillance
- D. Piratization of Government and Central Banks
- E. AI and the Sheriff of Nottingham
- F. U.S.: 330 Million Targeted Individuals Divided into Two Groups
- G. Free Speech and Corporate and Social Media Meltdown

IV. U.S. Elections and Sovereignty

- A. Budget, FASAB 56 Missing Money; Debt Acceleration
- B. Federal Reserve and Financial System
- C. Space Force
- D. Military Modernization/Defense
- E. Swamp Drama
- F. Justice Post-Election
- G. Trade, Tariffs, and Sanctions
- H. The Ziocon Problem
- I. The Loony Progressive Problem, Plandemic, and Modern Monetary Theory
- J. The Deep State and National Security Public-Private Control
 - *The Breakaway Civilization*
 - *The Big Investment Pools and Investors*
 - *FASAB 56: Secret Money for Secret Armies*
 - *The Cost of Monopoly*
- K. The 2020 Election and the New Administration
- L. Push for Piratization
- M. JEDI, Navy, and CIA Cloud Contracts
- N. Cabinet Appointments
- O. Social Security and Retirement
- P. Global Brand Deterioration
- Q. Push for Universal Basic Income (UBI) and Digital Wallets
- R. Disaster Capitalism
 - *Fed Bank and Branch Looting Patterns*
 - *Opportunity Zones*
 - *Weather Warfare*
 - *Aggressive Real Estate Acquisition*
- S. Municipal Budget and Staff Reengineering
- T. Municipal Bankruptcy
- U. Trump Report Card

V. NWO and Engineering Inequality

- A. Access to Resources
- B. Life Expectancy
- C. Transhumanism
- D. Shutdown of Small Enterprise & Independent Income
- E. Promotion of Slavery, Human Trafficking, and Pedophilia
- F. Efforts to Shred Constitution and Laws
- G. Targeting of Faith and the Sacred
- H. Propaganda and Mind Control

CULTURE

I. A Commitment to a Human Culture

- A. Food for the Soul
- B. A Commitment to Transparency

II. Mind Control and Sovereignty

III. Financial Debasement Creates Cultural Debasement

IV. Living Model: Morphogenic Fields, Biophysics, and Consciousness

V. Divide and Conquer & the Weaponization of People

VI. Deep Survival: Embracing Complexity and Uncertainty

VII. Education

VIII. The Great Poisoning

IX. Additional Risk Issues

- A. Transhumanism and Nanotechnology
- B. Immigration
- C. Free Speech and Due Process
- D. The Cost of Secrecy

SCIENCE, SPACE, AND TECHNOLOGY

I. AI and Quantum Computing

- A. The Cloud Rush
- B. Quantum Navigation

II. Cybersecurity

- A. Blockchain
- B. Data Laws and Regulation
- C. Cyberwarfare Infrastructure
- D. Ransomware Hacking: Who's Next?
- E. Surveillance

III. Robots and Robotics

IV. Biotech, Genetics, and Superhumans

V. Environmental Applications

VI. Advanced and Invisible Weaponry

- A. Disaster Capitalism/Shock Doctrine
- B. Autonomous Weapons

VII. CERN and Particle Accelerators

VIII. Space

- A. Space-Based Economy
- B. China, Russia, and U.S. Space Deals
- C. U.S. Space Force and Conversion of Space to War-Fighting Domain
- D. Impact of Increased U.S. Appropriations
- E. Asian Space Race
- F. UFOs and Abductions
- G. Underground Base System

IX. The Future of Energy

- A. Drop in Renewable Prices
- B. Drop in Oil Prices
- C. Fusion
- D. Hydrogen Cars: Water as Fuel
- E. Oil Card Warfare
- F. Breakthrough Energy and Space

FOOD AND HEALTH

I. Health Freedom

- A. Food and Water, Lab-Grown Food
- B. Transhumanism and the Final Inch: The Injection Fraud, Toxines, and Chipping
- C. 5G and EMF Radiation

D. Quantum Biology, Sunshine, and Oxygen

E. Nanoparticles and Smart Dust

F. The Great Poisoning and Human Experimentation

G. 1986 Vaccine Act, PREP Act, and Contact Tracing

H. Bar Associations, ALEC, and Other Groups

I. Litigation

J. Disaster Capitalism Targeting Agriculture: Plagues and Chemical, Biological, and Weather Warfare

TAKE ACTION

I. Take Action, Begin Anywhere, Coming Clean

II. Local Food Systems

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

UNANSWERED QUESTIONS

I. The Governance Mystery

A. Who Is Mr. Global?

B. Where Is the \$21 Trillion (and Financial Coup Proceeds)?

C. What Is FASAB 56 Permitting: Private Armies? Radical Reengineering of USA?

D. What Are Mr. Global's Goals? How Will Going Direct Work? How Will It End?

E. Plandemic: Covert War, the End of Currency, Cut & Run, Biowarfare, a Bad Flu, or All Combined?

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

III. Antarctica

IV. Interdimensionality and Time Travel

V. The Doubling of the Knowledge Curve

VI. Geophysical Risks

INSPIRATION

I. Take Action Crowdfund

Part I: Top Ten Stories

Part I includes our stories for our first two categories: *Economy & Financial Markets, Precious Metals, and Currencies*; and *Geopolitics*.

ECONOMY & FINANCIAL MARKETS, PRECIOUS METALS, AND CURRENCIES

Story #1: The War on God and the Divine

The war on God, churches, and the sacred was the most important deep story of 2020, even if many church leaders and church-goers did not seem to realize it. Mr. Global knows that our shared belief in divine authority and our connection with the divine is the basis of independent action, including in the economic and financial spheres. If we can be lured into hypermaterialism, we are unlikely to have the shared intelligence necessary to print and circulate our own money and equity or have independent credit creation. The injection fraud is part of the trap; a UK clinical trial participant reportedly said that she “could not feel God anymore” after receiving the shot. Ultimately, each of us needs to embrace our power—and responsibility—to own and nurture the culture, with full awareness that “culture is the integration of the divine in everyday life.”

Story #2: The Going Direct Reset: Central Bank Owners Make Their Move

The central bank owners have set into motion the wheels of their global digital control system—the Going Direct Reset—and the parties involved have started coming out into the open. We saw the Bank for International Settlements (BIS) general manager matter-of-factly describe how it will be possible to control and freeze individuals from using a digital currency; the International Monetary Fund (IMF) managing director rhapsodized about biometric digital identities; and Pope Francis and Lynn Forester de Rothschild, with a straight

face, promoted “inclusive capitalism.” To navigate the financial tsunami that is underway, it is essential that Solari subscribers connect the dots between all the different pillars involved in building the digital control system—not just the central bankers, BIS, and IMF, but also the military, pharma, tech, and telecom sectors. Even more important, stop building and financing the prison. Where you work and bank matters! It also matters who your farmer is.

Story #3: Brexit and the Future of the British Monarchy, the Commonwealth, the City of London, and the Offshore System

Few people understand that the one-square-mile City of London (the financial hub also referred to simply as “the City”), the British monarchy, and the offshore tax havens represent one of the most powerful financial systems in the world. Brexit appears intended to protect that system and renew the City’s tight control over the Commonwealth. Given that the Commonwealth nations constitute an important food juggernaut, it is rather a mystery why the governments of Australia, New Zealand, and the UK have been subjecting their populations to such nasty and draconian Covid-19 lockdowns and violence. Does it have something to do with behind-the-scenes maneuvers to transition and expand the offshore havens onto the legally untouchable suborbital platform? And how are we to interpret Pope Francis’s recent reorganization of Vatican finances? (Remember, the Vatican uses satellites, too.)

The collection of headlines for the top stories are available in the online version of this *Wrap Up* at goingdirect.solari.com

Story #4: Planet Equity: The Centralization of Everything with Government Stimulus and Real Asset Inflation

Americans are experiencing a challenging combination of inflation and deflation—falling revenues and incomes (the result of the restrictive policies imposed under cover of Covid-19) alongside real asset bubbles enabled by money the Fed is funneling into the equity markets. Think about the real assets that you need and figure out how not to get priced out by centralization. Vulture capitalism is also rising, with dirty tricks being deployed to pick up real estate and assets in local communities. Shenanigans such as smartphone-enabled homeless armies and hikes in property taxes at the same time that businesses are being restricted are promoting incoherence and likely making it easier to drive out the middle class. The Solari Report's mapping of last year's events in cities like Minneapolis and Kenosha suggest to us that the riots were part of a real estate acquisition plan. Follow the money!

Story #5: Living Intelligence Pushes Back

Using its Big-Tech-enabled one-way mirror, the global financial system is organized for harvesting and control, but it is out of alignment with life. Now, with the accelerated demolition of the independent economy, the population seems to be bifurcating into those who think they are better off joining the “Covidian cult” and those who see what is happening and prefer not to take part. The outpouring of intelligent, competent people who want to exit the cult and build a human future is unprecedented and exciting. Thousands of people shifting their attention and energy in meaningful ways will shift the state of play in ways that we—and Mr. Global—can't yet imagine. And, as the recent example of pigeons attacking 5G towers suggests, Mr. Global's disrespect of the animal and plant kingdoms may also backfire in unpredictable ways.



GEOPOLITICS

Story #6: The War on Populism and Free Speech: Heroes Rise as Inequality, Secrecy, Genocide, and Vulture Capitalism Skyrocket and the Failure of Government and Financial and Voting Systems Becomes Blatant

The U.S. government has been running its finances on a criminal basis for quite some time, and November's events made it clear that it's the same story with voting systems. Will Americans' insights about these problems extend to recognizing that they are being forced, through taxation, to pay for systems they can't use? Unfortunately, with the Democrats now in control of the House, the Senate, and the White House, we are more likely to see a gun grab than citizens insisting that their taxes go for lawful purposes. Internationally, the elections are already generating geopolitical fallout. To those outside the U.S., America looks like it is not under adult supervision. Who wants to have their national security umbrella dependent on a country that not only is not "agreement-capable" but whose leaders wear flowered face diapers and brag about their stockpile of gourmet ice cream—and may rely on FASAB-56-funded mercenaries to do their dirty work? The central bankers apparently think the solution to all these problems is to centralize the entire world into Going Direct. Have they accounted for the wild cards that could take their plan in a different direction?

Story #7: The AI Superpowers: The Rebalancing of the China Trade Turns Rocky as the Quad Emerges

For two decades, with Mr. Global's backing, the China trade financed America's false prosperity

and probably helped accelerate progress in space (China produces a lot more engineers than the U.S.). When the China trade became too unbalanced, Trump tried to rebalance it; however, the Biden administration now seems poised to make the U.S. as economically dependent on China as ever. Dr. Farrell makes the case that we may be witnessing the ground-breaking emergence of a "Quadruple Entente" between Japan, India, Russia, and Australia—countries that not only may work together to contain China's military and economic growth but are willing to do so without the "non-agreement-capable" United States.

Story #8: The Financial Coup Threatens Taxation and Pension Systems and Inspires Renewed Interest in Personal and Local Resiliency

The central bankers have been using the "magic virus" as a cover story to achieve multiple aims, while also fanning the flames of divide-and-conquer civil unrest across the U.S. Are they trying to fracture America to make it easier to back out of their legal liabilities—not only for the \$50 trillion in missing money and bailouts, but also for the Social Security and pension obligations that have been stuffed full of U.S. government paper? Unfortunately, no matter which government or corporate retirement contracts we depend on, we cannot assume that these agreements will hold. On the other hand, if everyone on the planet were to pull their money out of the big banks that routinely engage in financial fraud, we could see immediate and dramatic changes.

Story #9: Who's Doing This? Questions on Interdimensional Intelligence, Aliens, Breakaway Civilizations, Tribal Psychopathy, and Organized and Occult Crime Are Not Going Away

The extreme and inhuman behavior of the world's governments raises many questions about who is running things on Planet Earth. While the governance mix likely includes the big-name wealthy families that everyone has heard of and other more secretive groups with occult agendas and practices, computer algorithms are also clearly driving a lot of decisions—with psychopathic results. But we cannot externalize all the blame for war and organized crime and poisoning on these known (and unknown) groups; each of us also needs to “come clean.” If we shun those who harm and stop supporting the military-industrial-pharmaceutical complex, it will shrink.

Story #10: What Do Multipolar and Multiplanetary Mean to Me?

In the unipolar Pax-Americana-era world, Americans were given a simple snapshot of how the world worked and their place in it. The evolving multipolar world may make things more complex and unpredictable, but it can also provide a lot of rich intelligence through access to different networks and knowledge. Europeans—with their history, trading patterns, culture, classical music, and multilingualism—have a great head start in this regard. As for the push to become multiplanetary, let's recognize that Mr. Global's reasons for going into space—whether to establish new offshore havens or mine asteroids or build out the 5G control grid—largely represent a centralizing agenda rather than a thirst for exploration. On the other hand, Comet NEOWISE and the December 21st planetary conjunction (the “Christmas star”) reminded us that we do not have to adhere to Mr. Global's agenda. Why not move toward a multiplanetary model based on virtue, freedom, and creativity instead?



Part II: Top Ten Stories

Part II includes our stories for *Culture, Science & Technology, Space, and Food & Health*.

CULTURE

Story #11: The War on the Human Spirit (and Why in 2021 We Will Nurture Family, Friends, Fertility, Community, Celebrations, Christmas, Easter, Churches, Restaurants, Financial Independence, Tenderness, Touching, Sex, Music, Concerts, Live and In-Person Everything, Art, Smiling, Laughing, Dancing, Group Meals, Hard Copies, Hugging, Travel, Generosity, Beauty, and Joy)

We are in a war that is first and foremost spiritual. Understanding that the other side's goal and intention is to break your spirit, the way you win is to not let them succeed. Nurture your spirit and the spirit of those around you. There are hundreds of things that you can do to cultivate beauty and joy and build them into your day—things that don't cost a lot of money. Also, get creative about how to gather in the current environment that wants us isolated. Not only is enjoying one another's company essential for building our human spirit, but, as American history tells us, getting together and comparing notes is how change begins.

Story #12: Zombie Management 101: Interacting with Targets of Mind Control, Fear Porn, Hope Porn, and Cults

Pre-pandemic, many intelligent individuals could not fathom the existence of mind control and entrainment technologies nor grasp the technologies' effectiveness. The events of 2020 abruptly brought the phenomenon much closer to home. Dr. Farrell's 2018 book, *Microcosm and Medium*, is still an excellent resource, covering forms of mind control ranging from the "uglification" of the arts to hypnosis to electromagnetic manipulation (and the latter's

profitable private-sector applications). Listening to good classical music can help promote coherence and healthy structured water in our cells. Unfortunately, the behavior of members of the political class—many of whom may be victims of their own mind control or possibly chipped (see the first *Kingsman* movie)—suggests that applying the technologies on a broad scale runs the risk of blowback. 5G promises to make matters worse, particularly if hooked up with whatever is in the Covid injections.

Story #13: The Covid Cult Radically Reengineers Childhood and Education

The U.S. education system has been bad for a long time, but the changes resulting from the pandemic have greatly increased the dangers of sending children to school, whether in person or online. The only safe option is to homeschool and join forces with other like-minded parents. With 5G in the schools, contact tracing, Zoom-enabled invasions of intimate spaces, curricula that indoctrinate rather than educate (even teach children to be sex slaves), and, in the likely near future, mandatory Covid injections, school poses serious risks to mind and body. There are dark agendas at play. Let's do everything we can to protect our children and help them to have the skills and intelligence they need to thrive in a global culture.

SCIENCE & TECHNOLOGY

Story #14: GMOed and Microwaved Humans: The Global Nonconsensual Experiment with Creepy Technology and 5G—the Biotech, Tech, and Telco Industries’ War on Life

Einstein has been quoted as saying, “Technological progress is like an axe in the hands of a pathological criminal.” The pandemic certainly seems to have unleashed an out-of-control rollout of numerous creepy technologies—a planet-wide experiment on our electromagnetic and physical bodies. Is the goal to control us at the submolecular level to prevent us from resonating with life? (Note that a wonderful way to restore cellular coherence

is to experience organ music in a large church.) The patented mRNA injections are a central feature of this mass experiment and raise many disturbing questions: Will the injections produce the equivalent of GMOed human beings, and will the patent holders try to assert bodily “ownership” (perfecting the collateral necessary for a slavery system to function)? Is the abortion push designed to generate raw material for big pharma—all the while destroying the Mary impulse? The pope had no compunction about declaring Covid-19 injections reliant on cell lines from aborted fetuses “morally acceptable.”

SPACE

Story #15: NEOWISE and the Christmas Conjunction: A Shift in Human Leadership Creates New Possibilities and Futures

Mr. Global may be focused on material reasons for becoming a multiplanetary civilization, such as access to an expanded pool of resources (and not wanting to “bet the ranch” on one planet), but for ordinary citizens, space also offers a new frontier and fodder for the imagination. Some science fiction evokes multiplanetary scenarios that are bleak—because Godless—but as we watch the mass exodus of creative, thinking people who are leaving the military-industrial complex and striking out in entirely new directions, it reminds us that with a solid grounding in culture and the spirit of freedom, anything is possible.

Story #16: Space as a War-Fighting Domain: The “Winner Takes All” Dilemma in the Race for Supremacy

As space becomes a war-fighting domain, our risks on the ground rise. Because of the United States’ refusal or inability to respect legal frameworks governing space weaponry, space has literally become a “Wild Wild West.” In addition to the U.S., China, and Russia, many other players (such as India, Japan, and Europe) are also involved in the space race, and there is a very real first strike danger. Interestingly, a Swiss company was just awarded a contract to carry out space debris clean-up; I have stated for years that this represents an opportunity for 21st-century entrepreneurs to make a fortune while filling an important technical niche.



FOOD & HEALTH

Story #17: Pandemics and Bio & Chemical Warfare: The Great Poisoning, Insurance & the Injection Fraud, and the 100+ Year Cycle Continues

We have all been targets of the “Great Poisoning” and a general weakening for quite some time, whether from strange nanoparticles in food, consumer products, pharmaceuticals, and global spraying; EMF radiation; or pesticides and other poisons. The odd clustering of Covid-19 deaths in strategic cities like New York and Los Angeles raises serious questions as to whether we are now being targeted by some combination of pathogens (whether chemical, biological, and/or electromagnetic) that can be switched on and off. And as coronavirus injections roll out around the world, many credible doctors and scientists believe the most serious poisoning is still to come. Although the extensive manipulation of Covid-19 testing and death statistics makes it difficult to figure out what is going on, the mortality patterns—for the “virus” and the injections—also raise questions as to whether we are experiencing an “Insurance Industry Relief Act.” Back in the 1990s when the financial coup d’état began, I speculated that Mr. Global wanted to spend the money on space, not nursing homes. Now that trillions have been stolen—but the demand for nursing homes and end-of-life health and hospital care still exists—is death by immune-system-weakening injections one of Mr. Global’s ugly solutions? As Forrest Maready’s books and my article “The Injection Fraud—It’s Not a Vaccine” explain, this would not be the first time that vaccines have protected the insurance industry and its shareholders.

Story #18: The Freedom Tsunami: Doctors, Scientists, Sheriffs, Lawyers, and Independent Media Push Back Successfully on Covid-19

The Solari Report’s *2nd Quarter 2020 Wrap Up: The Injection Fraud* provided an inspiring look at what people of high integrity can accomplish, individually and collectively, when they are fearless. The actions and achievements of these pandemic heroes amount to a resounding rejection of Mr. Global’s “things fall apart” playbook—where “science” is invented out of thin air, facts and rules don’t matter, and no one is agreement-capable. The doctors and scientists in Solari’s pantheon of heroes take their professional responsibilities and the Hippocratic Oath seriously. Let’s take every opportunity we can to encourage and support them.

Story #19: Food Fight: Disaster Capitalism, Trade Wars, Regulatory Warfare, Synthetic Food, Restaurant Bankruptcies – Will We Allow the Global Food Supply to Be Centrally Controlled?

With Covid-19, we have seen a dramatic uptick in Mr. Global’s efforts to control the food supply by curtailing access to fresh, healthy food, including destroying independent restaurants and making it harder for meat producers to process their animals. In the UK, the government has gone door to door killing backyard chickens, and in the U.S., Bill Gates has become the largest owner of farmland. Meanwhile, the effort to replace fresh food with synthetic fake foods is growing. If you object to the idea of feeding your family synthetic food and want to have continued access to fresh food, spend

your time building and strengthening local food systems. Invest in the farmers and food systems that you will need—and in the lawyers who will defend them. If we don't, these resources will not be there.

Story #20: Geophysical Risks: What Keeps Mr. Global Up at Night?

Mr. Global may possess knowledge about geophysical risks that we don't, but it is likely that this knowledge is incomplete. In carrying out nuclear testing or creating systems

like ionospheric heaters and CERN—systems with potential resonance effects on the entire planet—did Mr. Global let the genie out of the bottle? Are these activities causing changes that Mr. Global cannot control? And do the underground bases represent a strategy to keep a core civilization going in the event of a catastrophe? Even without speculating about these risks, the books *Weatherman's Guide to the Sun* by Ben Davidson and *Babylon's Banksters* by Dr. Farrell describe a strong correlation between periods of low solar activity and downturns in the economy and stock market.

TAKE ACTION

Take Action, Begin Anywhere, Coming Clean

Coming Clean: Building a Wonderful World
Who's Your Sheriff?

Entrainment Technology, Subliminal
Programming, and Financial Manipulation

Organizing Your Financial and Legal Affairs

Assess Your Place: Rebuilding a Local Economy

Assess Your Risk: Checklist—Family Risk

Unpacking Financial & Investment Advice,
Parts I & II

...To get better with money, and I'm happy to
say it's working

Local Food Systems

Solari Food Series

Solari Food Series: Time for PRIME with
Congressman Thomas Massie

Solari Food Series: An Urban Homestead...

Building Your Local Food IQ

Food Resilience Action for Family and
Community: Gardening, Farmers and Markets,
Organizations, Storage Strategy, Storage
Methods, and Tools

Local Finance: Local Currencies, Local Venture Capital, Local Traded Equities

How to Find a Local Bank

Unpacking Your Financial Ecosystem

Going Local by Gary L. Heckman

Assess Your Place: Rebuilding a Local Economy

Community Currency with Paul Glover

Local Currencies: Links

Special Solari Report: In-State Equity
Crowdfunding Offerings as an Alternative to
Federal Jobs Act

Time-based currency and timebanking

The International Reciprocal Trade Association

Rural Studio: Your gift goes to the materials to
support students' building projects

The Freecycle Network

The International Reciprocal Trade Association

Support Great Leadership

Take Action Crowdfund Donations

UNANSWERED QUESTIONS

Question #1: How do we keep our minds free of mind control technologies? How do we help others understand that such technologies exist and are manipulating, addicting, and influencing us? What is the relationship between mind control and reducing millions of people to poverty through the pandemic? Are people who are dependent on government subsidies more susceptible to mind control? How do the QAnon op and other fear and hope porn fit in?

Question #2: How important are invisible and secret weaponry and technology to the replacement of global currency systems with crypto control systems?

Question #3: How are invisible technologies being used to engineer civil wars, turn people against each other, and engage in disaster capitalism?

Question #4: Where did Mr. Global invest the \$21 trillion, the \$24+ trillion, and where is the new 2020 central bank and fiscal stimulus going? Cui bono Covid-19? How does this relate to the financing and reinvestment of the hedge funds and private equity firms?

Question #5: What do you think the command structure for the Antifa/BLM armies and related covert operations looks like? How does it relate to reinvestment in real estate and building out of the smart grids? How does it relate to Opportunity Zones? How does it relate to narcotics trafficking gangs and networks? How does it relate to military and intelligence capacity and corporate contractors and mercenaries?

Question #6: How important is FASAB 56 to what is happening? How important is the increased secrecy of major investors? How does this relate to the recent updates on the Missing Money?

Question #7: Why is there a great poisoning underway? Why is there an ongoing global program to increase the levels of aluminum, other heavy metals, and nanoparticles or nanotechnology in humans? Is the push for

Neuralink because humans will be more intelligent accessing AI and easier to control and integrate with robots, or because the elites want and need access to uniquely human intelligence and consciousness?

Question #8: High-tech risks: Should we beware high-tech fires, the push for immortality, DNA editing, 5G+ mind control and assassinations, and the interbreeding of humans with other species? What else? What should we do to learn more about weather warfare, interdimensionality, time travel, and geophysical risks?

Question #9: Will India start a war with Pakistan? When will China invade Taiwan? Will the U.S. and China go to war, or separate the Internet and financial markets? Are China and the U.S. pitted in a win-lose position in the orbital platform and space race? What about Russia? How far might other countries' conquests go once it becomes clear the U.S. will no longer play global cop? What is the emergence of the Quad and why is the change in Japan's Prime Minister so important?

Question #10: How will the U.S. government and central bank be reengineered after FASAB 56, the 2020 ops and elections, and after the JEDI contract is in place? Is the Plunge Protection Team being reengineered or privatized? How critical are the use of major clouds for economic warfare to the takeover of business and market share by private equity firms?

Question #11: What will happen to U.S. land and real estate as a result of changes underway? What about the existing energy model? Will energy delivered by wireless technology at low cost be implemented soon?

Question #12: Who is Mr. Global, what is the governance structure on Planet Earth, and what are the risk issues that are driving Mr. Global's actions?

Question #13: Which is stranger—what is going on behind the veil of secrecy, or the overwhelming effort to pretend it is not going on

and to create an official reality diverging steadily from reality?

Question #14: Given the tsunami of occult and demonic practices and symbols, should we be concerned about the interaction between AI and interdimensional intelligence?

Question #15: Who is burning the churches of France and why? Why is there an attack on Christianity in many parts of the world? Should we be concerned that the depopulation efforts are focused on Christians? Does this explain the real targeting of U.S. African-American communities?

Question #16: Is moving education online using Covid-19 a step to privatization and a corporate takeover of education?

Question #17: What is Mr. Global going to do next with the Covid-19 pandemic? There appears to be a 100-year cycle of plagues and plague laws used to centralize capital. Is it tied to currency cycles?

Question #18: Why are the Australian and New Zealand lockdowns so brutal? What does it have to do with Pine Gap and Antarctica?

Question #19: When are robotics and automation going to go up the S curve? Will the “defund the police” movement turn out to be an install robot and drone police wave?

Question #20: Can the “Covid-19” to “Climate Change” bait and switch really work? Why has Biden appointed a climate change czar who has the carbon footprint of a Panzer division?

Question #21: What is happening to the sun? Are we entering into a period of diminished sun spot activity? What would that mean for our weather and economy? Are we at risk of a new ice age? Why is Gates talking about blotting out the sun? Is the risk of a coronal mass ejection (CME) real?

Question #22: Does Earth have a “Three-Body Problem”? Why is there a pattern of civilization destruction 10,000 years ago?

Question #23: What are the supporting facts and arguments for optimism?

Question #24: What is most on the minds of members of Giza Death Star and Solari Report subscribers? What can we do this year to help improve the learning speeds in our shared intelligence networks?

Headlines:

Re: that Antarctic quattuoropus story (2020-10-02)

Time travel without paradoxes... and really high octane... (2020-10-08)

The Department of State and the Nephilim (2020-10-13)

Trump acknowledges UFOs, threatens aliens with military action (2020-10-14)

Update: Maybe it did just go poof... Flight MH370 once... (2020-10-22)

Those strange Paracas elongated skulls once again (2020-10-27)

Satellite image of a "something"... in Antarctica (2020-11-05)

Laser guided lightning strikes (2020-11-20)

Former Israeli space security chief says aliens exist, humanity not ready (2020-12-10)

Former Overstock CEO: The Chinese are using Covid-19 to take America out (2020-12-17)

Trump Report Card



“Next time I’m in the White House there will be no more dinners, at his request, with Mark Zuckerberg and his wife. It will be all business!”

~ Donald Trump, 2021

	Catherine's Grades				Dr. Farrell's Grades			
	2017	2018	2019	2020	2017	2018	2019	2020
Accomplishments To-Date	B+	B-	B-	B	B	C+	A-	B+
Building a Team	D	F	F	F	C	D-	C-	F
Building Bottom-Up Support	D	C	C	B-	C-	C	B+	C
Building Bridges Domestically	F	D	C-	C-	D	C-	B	C
Building Bridges Internationally	C-	C	a	C-	—	C	C-	C-
Communication	C+	C-	B	B-	C+	C-	B+	C+
Effort	B	B+	A	A	—	B+	A	A
Grand Strategy for America and Our Role in the World	—	C	C+	C+	A-	C	C-	C-
Growing in the Job	B-	A-	B-	B-	B/B-	B+	B	B-
Introducing Important Change	B	B	B	B	C	B	B	C
Managing the Executive Branch Bureaucracy	C-	D	D	D	C / C-	D	C-	D
Managing the Federal Budget and Contracting Budget	F	F	F	F	F	F	G	G-
Recruiting a Team	B-	D+	D	D	C	C-	C-	D
Staying Physically/Emotionally Healthy	B-	B+	B	B	B+	B+	A-	B+
Vision	B-	C+	B-	C	B-	B-	B	C
War Games (Mapping the Swamp)	C-	B+	A	C-	B	B	B+	D

Solari Hero of the Year 2020 and Weekly Solari Heroes

Hero of the Year 2020: Russ and Pam Martens

January 9: Israel Shahak
 January 16: Judge Cecelia G. Morris
 January 23: Herman Gref
 January 30: Jon Rappoport
 February 3: Josh del Sol and the Irregulars
 February 13: Del Matthew Bigtree
 February 20: Peter Roger Breggin
 February 27: Professor Andrew Parker
 March 5: You are!
 March 12: Frank Clegg
 March 19: Mats Järström
 April 2: Boyan Slat and Ocean Cleanup
 April 6: Dr. Thomas Cowan
 April 13: Maine's Franklin County Sheriff Scott Nichols
 April 20: Beate Bahner
 May 4: South Dakota Governor Kristi Noem
 May 11: Snohomish County Sheriff Adam Fortney
 May 18: Dr. Dolores Cahill
 May 26: Sara Cunial
 June 1: Stephen Kohn
 June 8: Pete Evans
 June 15: Erin Marie Olszewski
 June 22: Peter H. Duesberg
 June 29: Thomas Massie
 July 6: JB Handley
 July 13: Sidney Powell
 July 20: Mayor Bryce Hamblin
 July 27: Aubrey Huff

August 3: Dietrich Mateschitz
 August 10: John Shear
 August 17: Bret Weinstein and Heather Heying
 August 24: Dr. Fareed, Dr. Jacobs, and Dr. Pompan, MD
 August 30: The Doctors: Dr. Simone Gold, Dr. Stella Immanuel, and Dr. Dan Erickson
 September 7: Sally Fallon Morell
 September 14: Casey Petersen, electrical engineer from Sandia Labs
 September 21: Patrick Gentempo, DC
 September 28: Attorney Tom Renz
 October 5: Jakhary Jackson
 October 12: Kristen Meghan & Tammy Clark of Stand Up Michigan
 October 19: Peter Breggin, MD
 November 2: Carlos Maria Viganò, Archbishop of Ulpiana
 November 9: Bryce Andrew Mitchell, MMA fighter from Arkansas
 November 16: Pierre Barnerias
 November 30: Dr. Roger Hodkinson, MA, MB, FRCPC, FCAP, CEO
 December 7: Professor Sucharit Bhakdi and Sheriff Bianco of Riverside County
 December 14: Ian Smith ("New Jersey gym owner defies COVID guidelines despite \$1.2m in fines")
 December 21: Oregon pediatrician Dr. Paul Thomas, MD

Solari Food for the Soul Series

Columns, Exhibitions, Women Artists, Movies & TV, Videos, and Podcasts. Feed your soul with stories about fine art and interesting movies.

Other Sources of Inspiration

Special Solari Report: Comet NEOWISE & the Spirit of Freedom with Thomas Meyer

Shine Your Light Series: Nicola Farmer, ICU Academy Founder

Turtle Forth

Are there currently millions of permaculture millionaires? (the story of Gert)

Exclusive: Welcome Home Todd Engel!

Inspiration Videos

Australia's bravest man (and he's 76 years old): Police interview

Alpine Rivers: The Cradle of Life | Free Documentary – Nature

This video will leave you speechless – One of the most eye opening motivational videos ever (2012 Bennington College commencement speech by actor Peter Dinklage)

Alan Watts – The story of the Chinese farmer

Dr. Joe Dispenza: Learn how to reprogram your mind

Why I've decided to begin creating content (Asha Logos)

Conspiracy? Our Subverted History, Part 5.1 – The Oera Linda Book (Asha Logos)

Conspiracy? Our Subverted History, Part 5.2 – The Oera Linda Book (Asha Logos)

Top News Videos

The curated collection of the *Top News Videos* for 2020 can be found at goingdirect.solari.com.

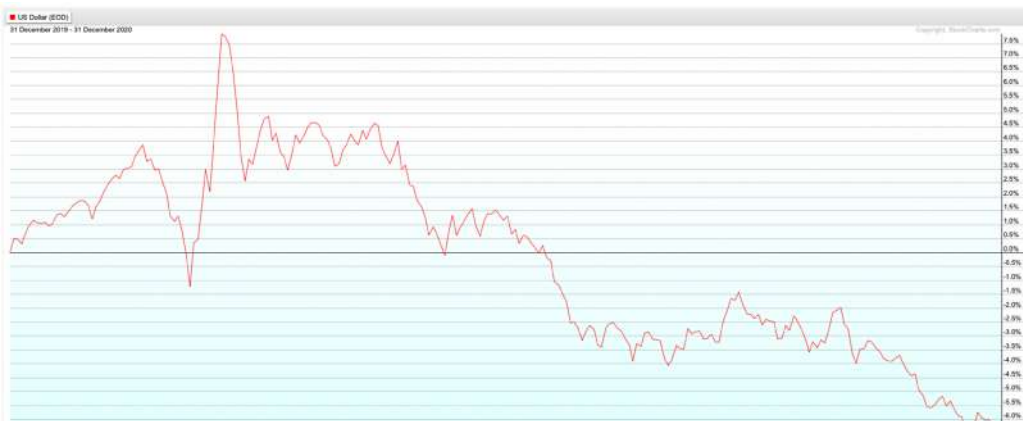
Additional video collections for this year include those by Truthstream Media.



V

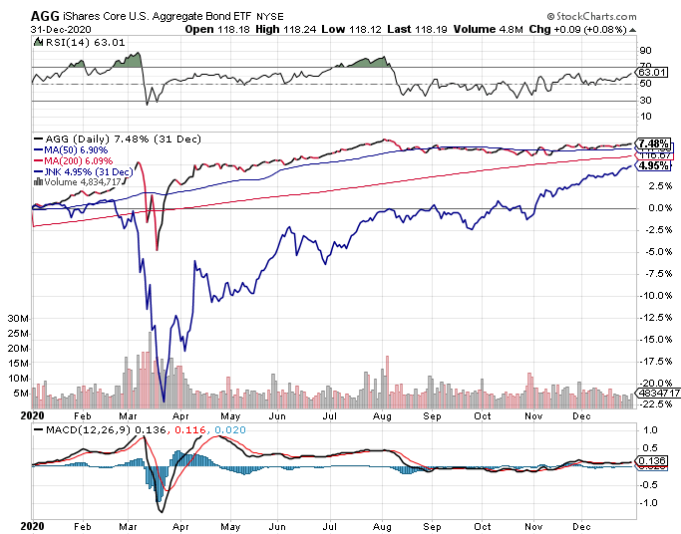
FINANCIAL MARKETS ROUND UP

Fixed Income

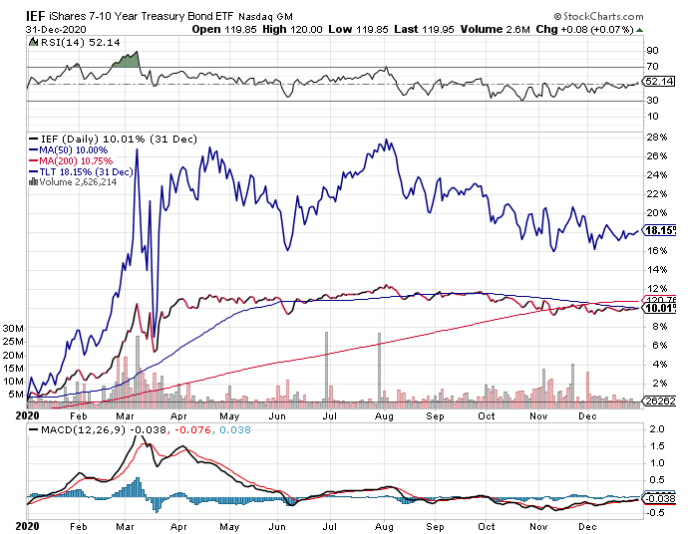


U.S. Dollar Index

Fixed Income



U.S. Bond Aggregate (AGG), High Yield Bond ETF (JNK)

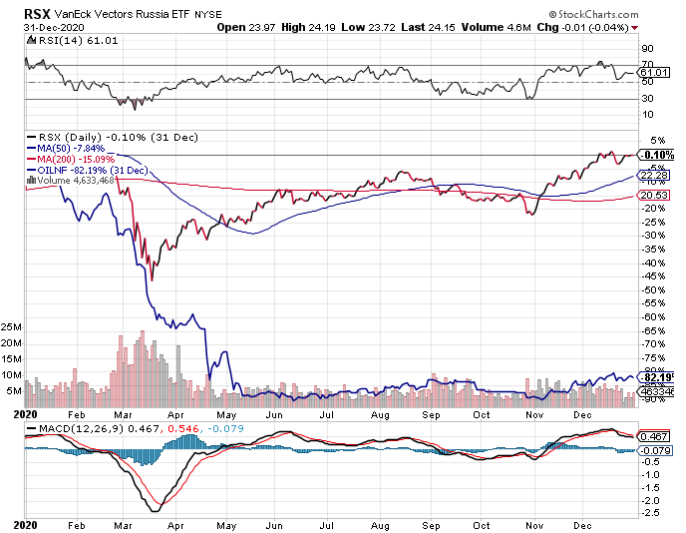


5-7yr. Treasury ETF (IEF), 20 yr. + Treasury ETF (TLT)

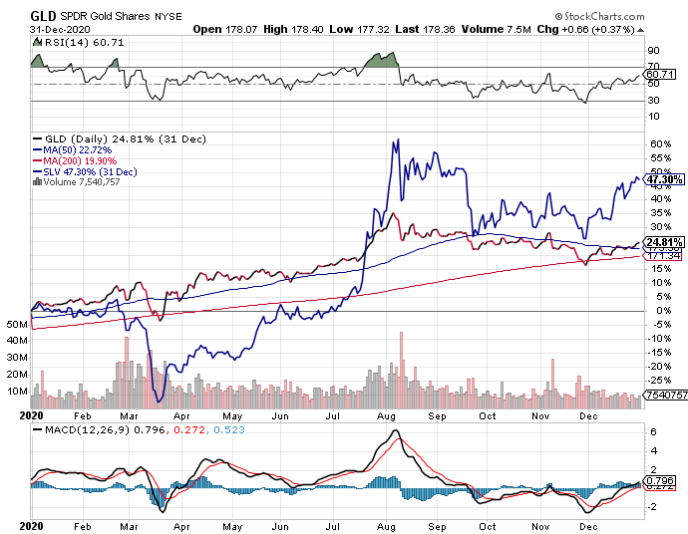
Commodities



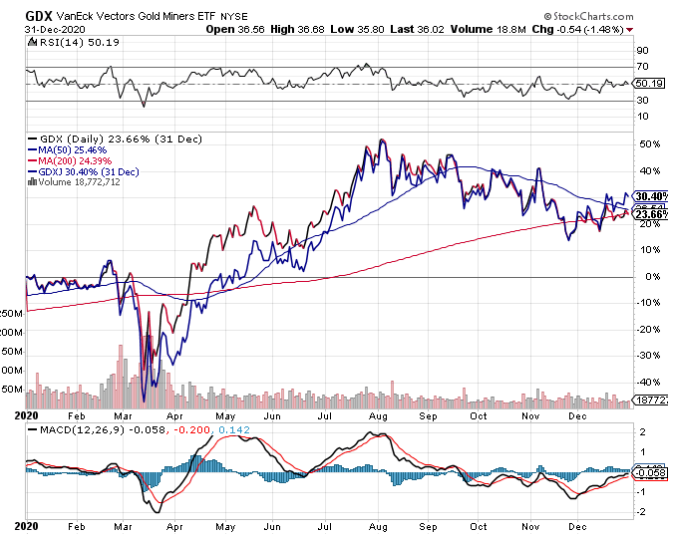
Crude Oil (OILNF)



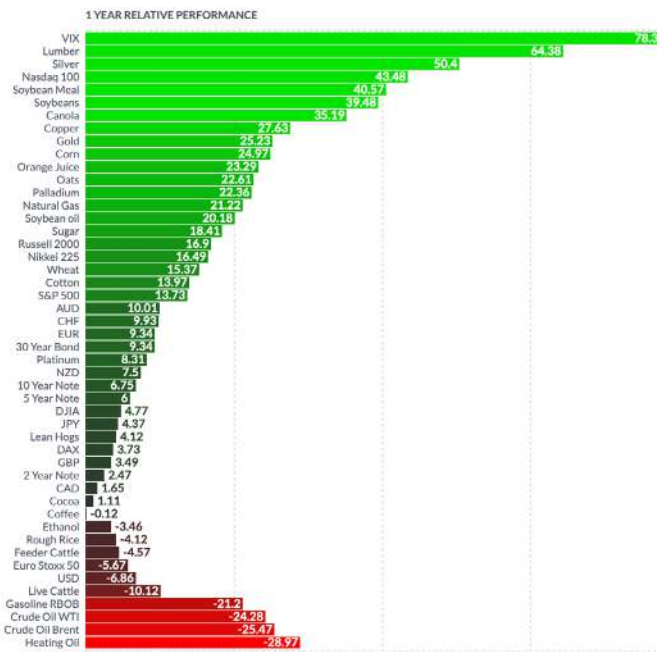
Russia (RSX), Crude Oil (OILNF)



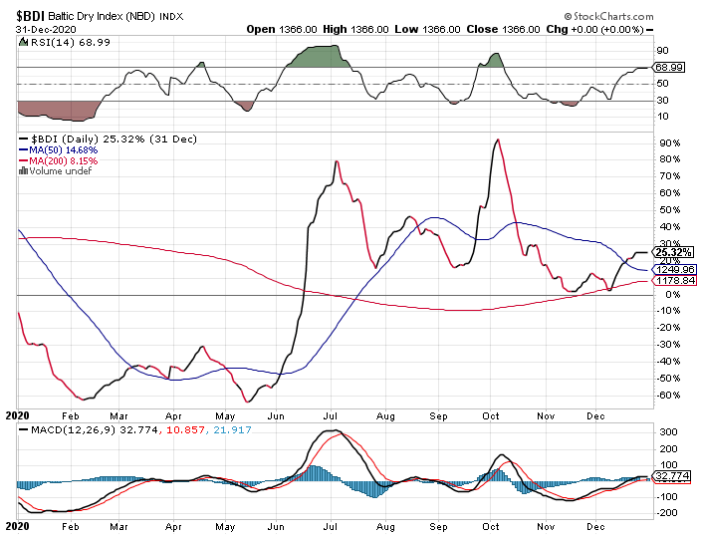
Gold (GLD), Silver (SLV)



Mining (GDX), Junior Mining (GDXJ)

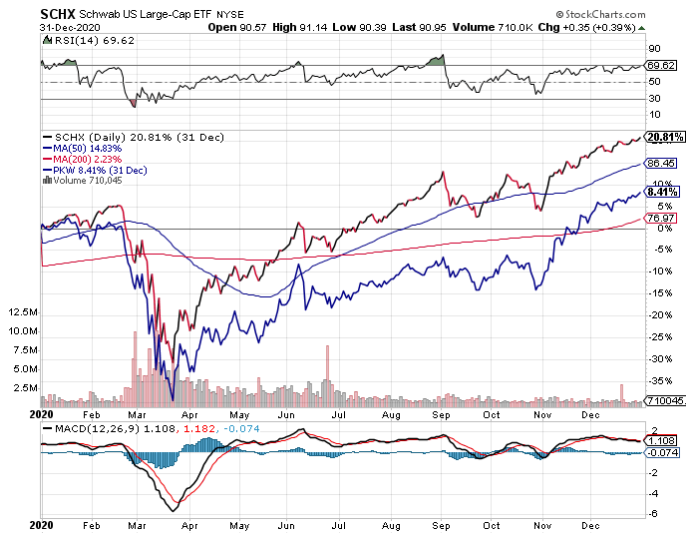


Commodities Index (CRB)

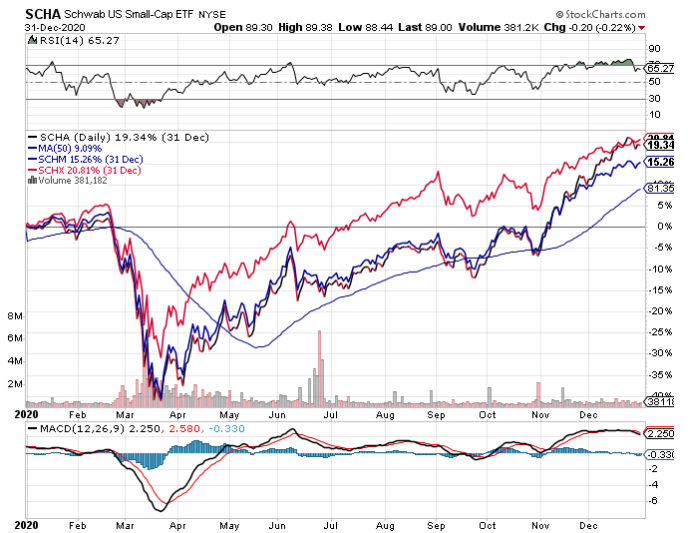


Baltic Dry Index

Equities



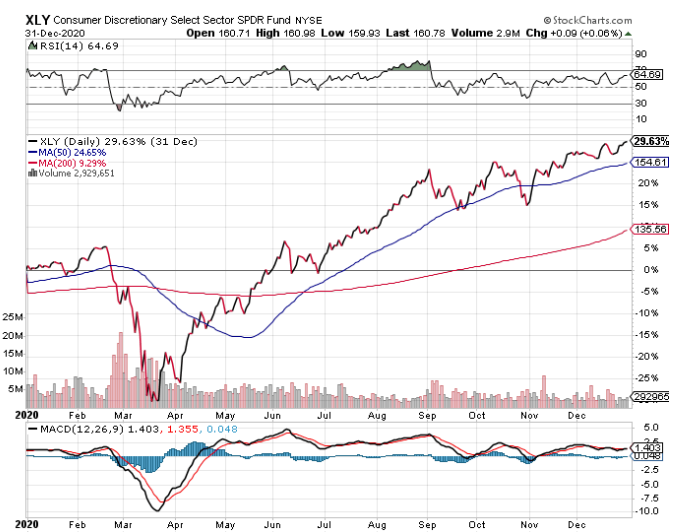
S&P Large Cap



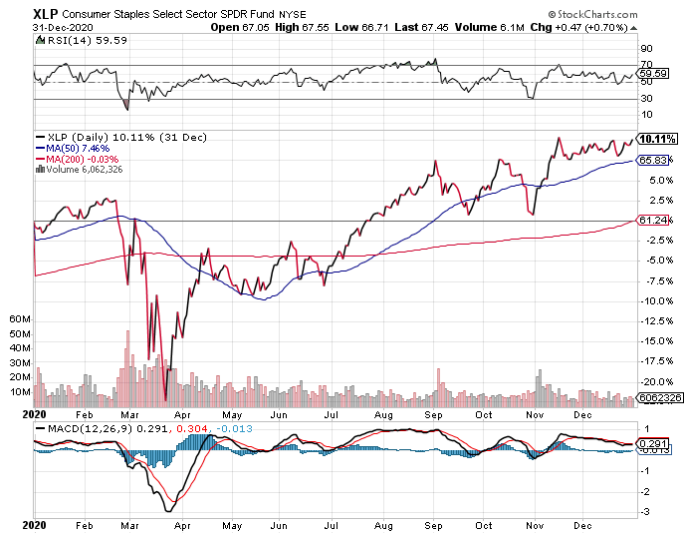
U.S. Small Caps (SCHA), U.S. Mid Caps (SCHM), U.S. Large Caps (SCHX)



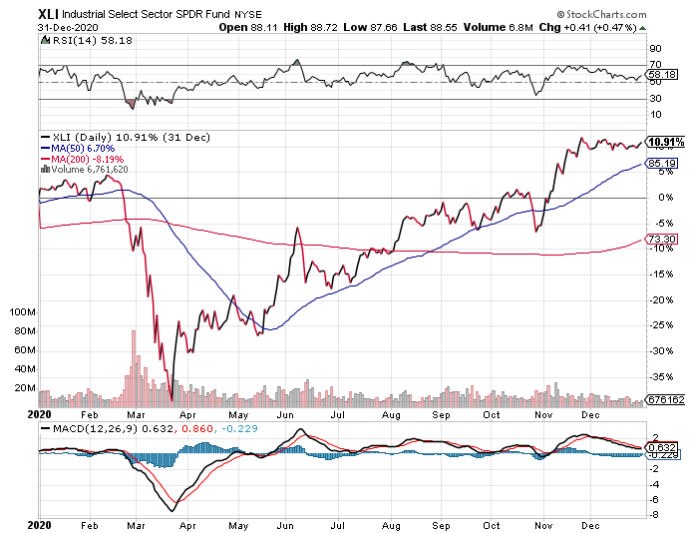
U.S. Aerospace & Defense (ITA)



Consumer Discretionary (XLY)



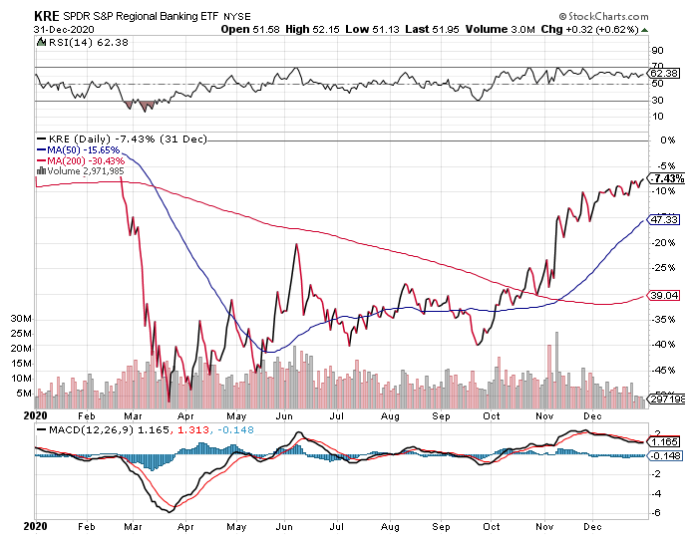
Consumer Staples (XLP)



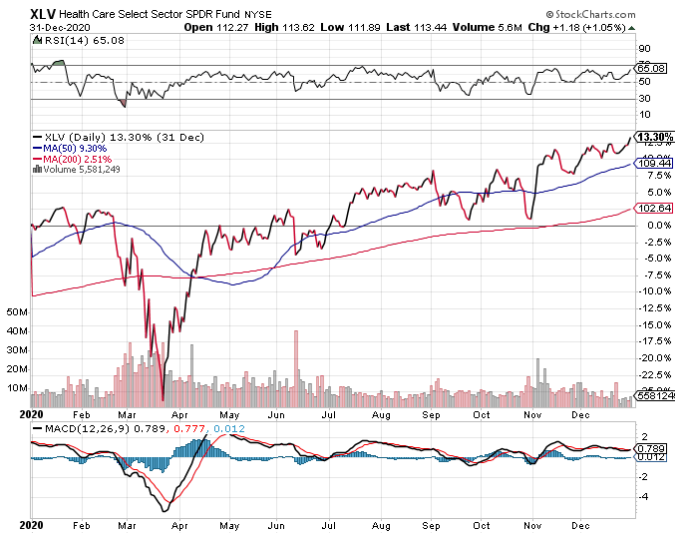
Industrial Select (XLI)



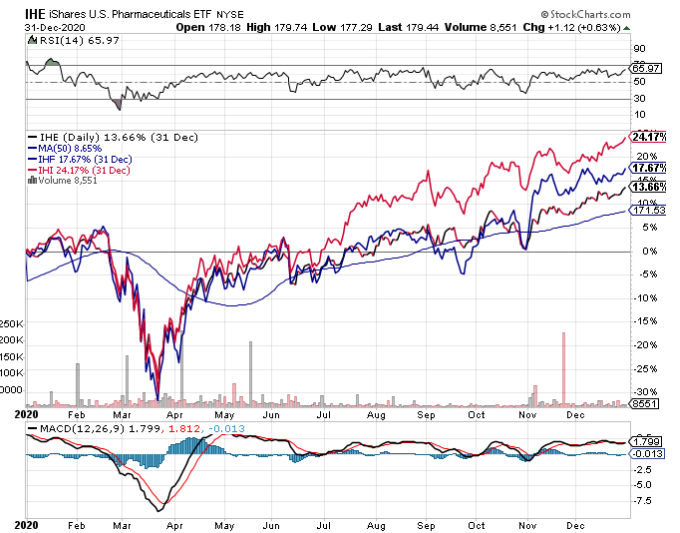
U.S. Financials ETF (IYF)



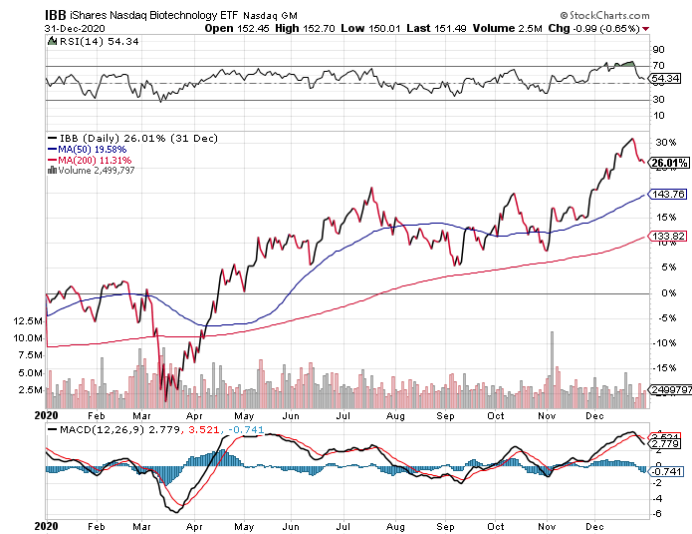
S&P Regional Banking (KRE)



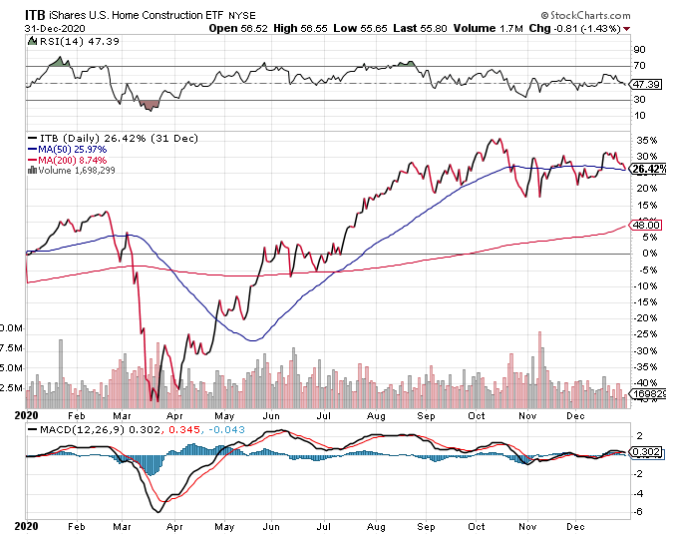
Health Care (XLV)



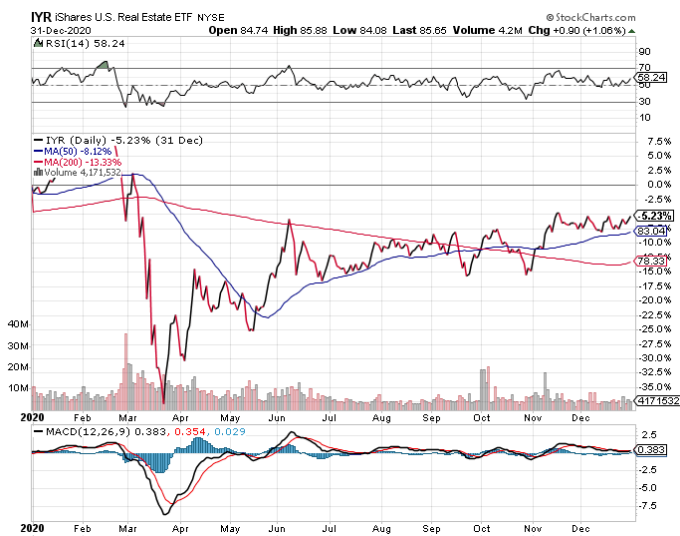
U.S. Pharmaceuticals (IHE)



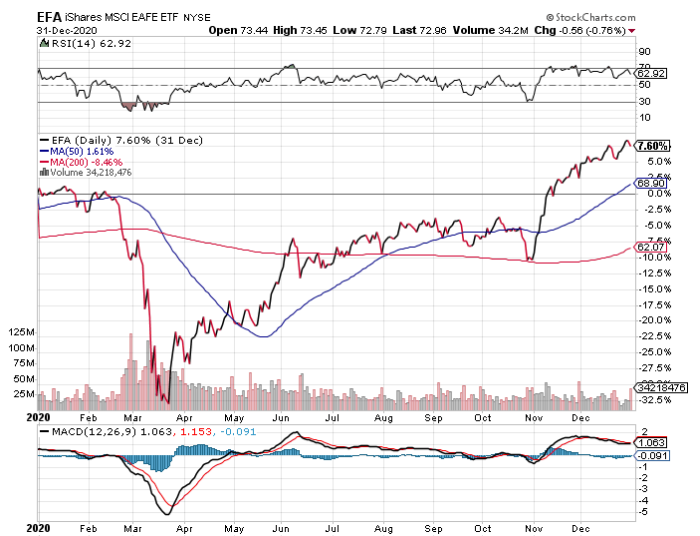
Biotech (IBB)



U.S. Home Construction (ITB)



U.S. Real Estate (IYR)



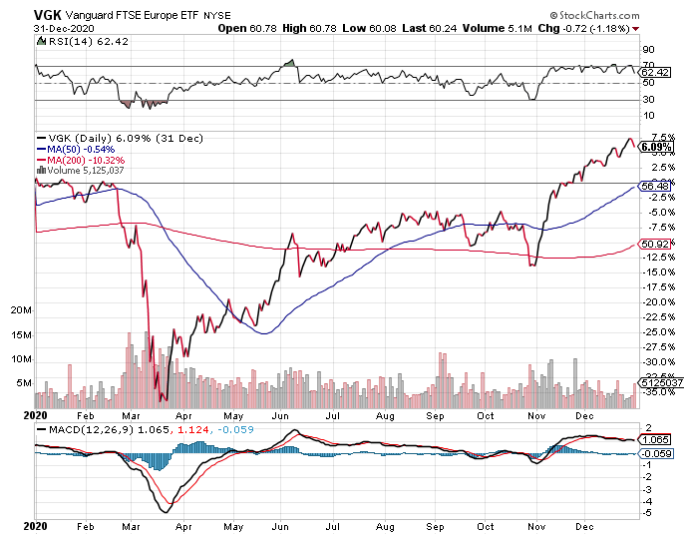
International Developed (EFA)



Europe

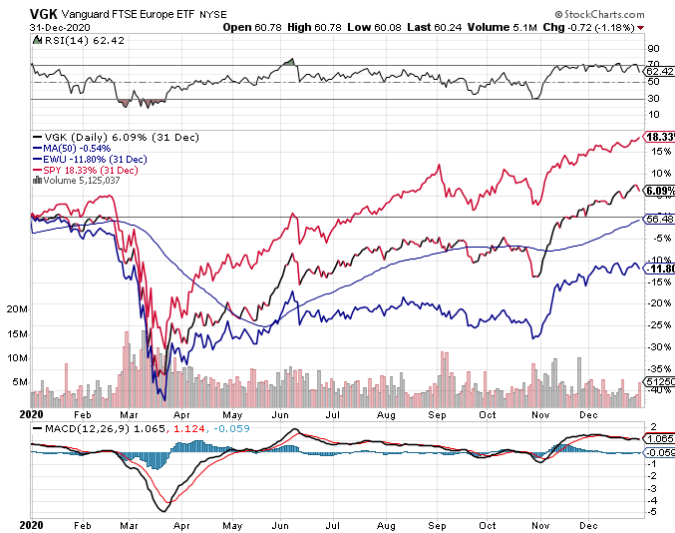


Germany (DAX)



FTSE (VGK)

“

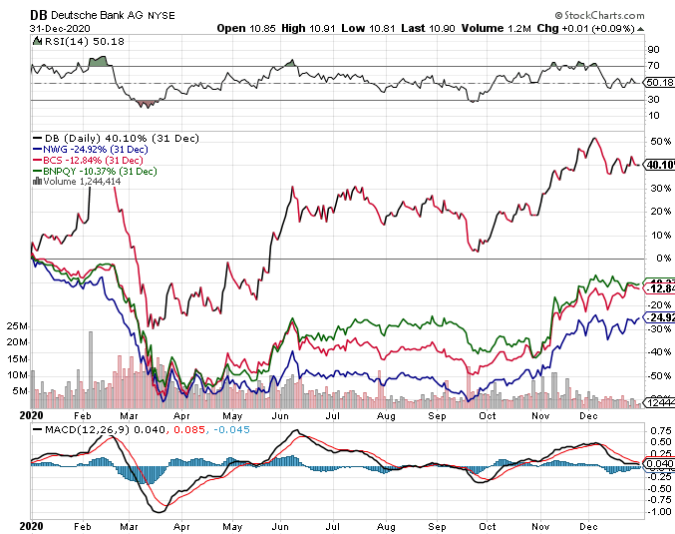


VVG (FTSE), EWU (UK), SPY (S&P)

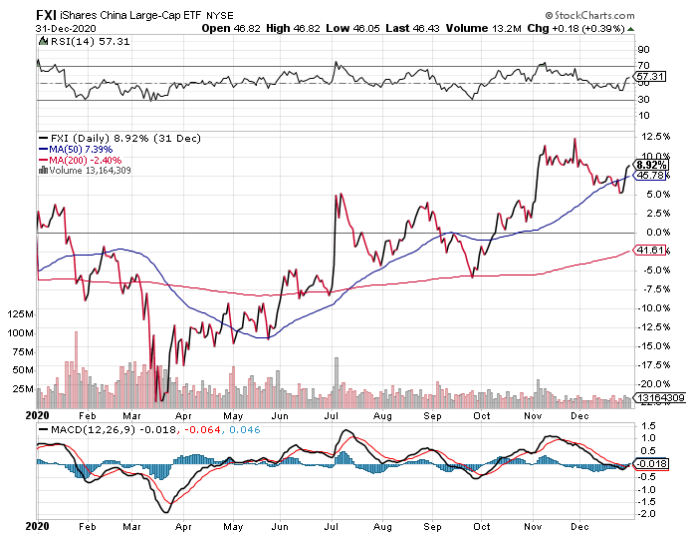


European Financials (EUFN), U.S. Financials (KBE)

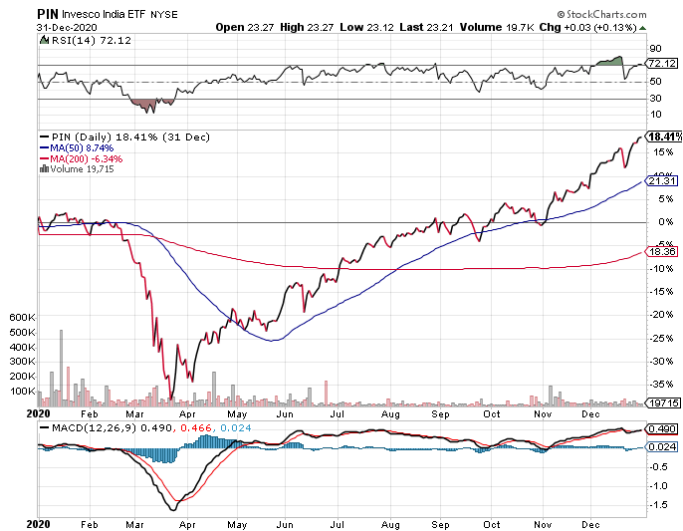
Asia



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

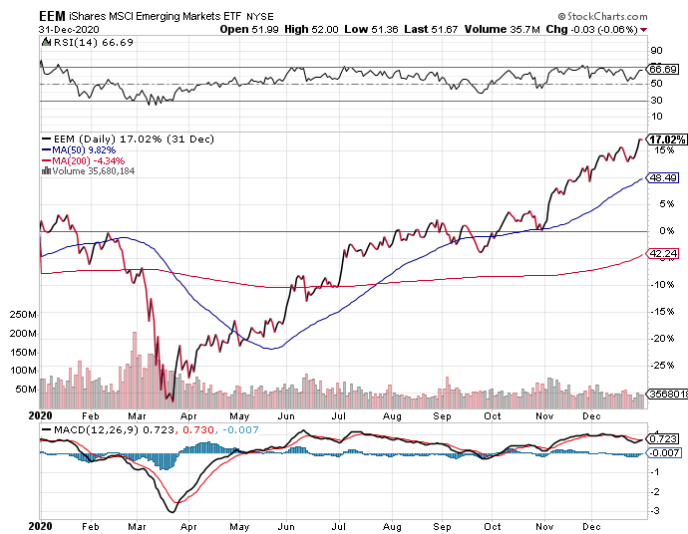


China Large Caps (FXI)



India (PIN)

Emerging Markets



Emerging Markets (EEM)



Frontier Markets (WAFMX)

A black and white photograph of the Wall Street Bull and a bear statue on a cobblestone street. The bull is in the background, facing right, and the bear is in the foreground, facing left. The street is made of cobblestones, and there are trees and buildings in the background.

“I am strong because I’ve been weak. I am fearless because I’ve been afraid.”

~ Anonymous

My “go to” website for technical analysis of precious metals, the U.S. dollar and the U.S. stock market is Rambus Chartology, where Rambus (that’s his handle – he’s the founding technical analyst) leads a discussion with extensive charts of what the markets are saying.

<https://goingdirect.solari.com/rambus-blockbuster-chartology>

And The Winners Are

Heroes



RUSS AND PAM MARTENS

Russ and Pam Martens are the founders and editors of *Wall Street On Parade*, an independent financial news site that has always operated without external financial sources of funding. This has allowed them to focus on what's really happening on Wall Street. Their goal is to inspire change by informing and educating citizens about corruption stemming from excessive coziness between Washington and Wall Street. Their tag line is "A Citizen Guide to Wall Street"—and they are indeed on our side.

In our opinion, *Wall Street on Parade* is the single best source of hard-hitting investigative journalism and

insight on the Wall Street-Washington axis. Russ's and Pam's work made an extraordinary difference to our analysis here at the Solari Report in 2020, including their coverage of the Going Direct Reset. Their deep experience, powerful intellect, and research abilities put them at the top of the financial media aristocracy. Add their courage and fearlessness to the mix, and you have real heroes.

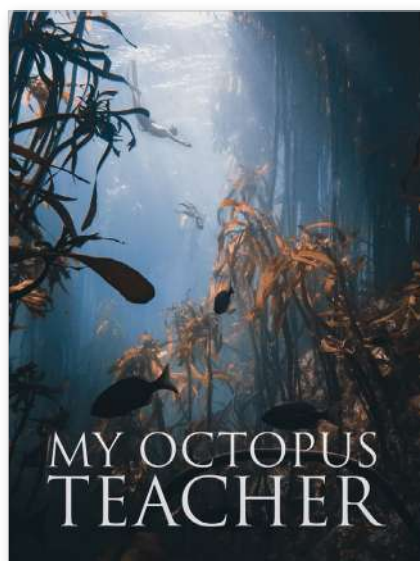
If you have not signed up for the *Wall Street on Parade* free emailed news, you can do so on their home page.

wallstreetonparade.com

And The Winners Are

A list of all the movies and documentaries discussed on the Solari Report is available at goingdirect.solari.com

Documentary



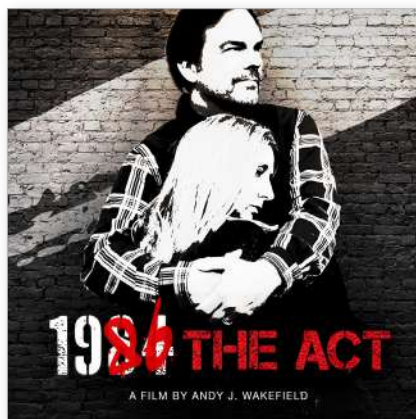
MY OCTOPUS TEACHER (2020)

A filmmaker forges an unusual friendship with an octopus living in a South African kelp forest, learning as the animal shares the mysteries of her world.

African photographer Craig Foster spent a year developing a relationship with a wild common octopus, following the octopus for most of her life. If you want to let go of the worries of this world and be inspired by the intimate connection possible with the living beings around us, this film is for you. There is so much remarkable beauty and life on Earth.

Directed by Pippa Ehrlich and James Reed.

Movie



1986: THE ACT

Man and microbe, from polio to Covid-19... *1986: The Act* is a never more relevant forensic examination of the 1986 National Childhood Vaccine Injury Act and its consequences.

What happens when an ancient wisdom—a mother's intuition—is pitted against powerful interests in a race against time?

7thchakrafilms.com

GET READY, GET READY, GET READY,

OUR scenarios for our *2020 Annual Wrap Up* are similar to those we presented in our *2019 Annual Wrap Up*. The critical choices before us remain the same. We are dividing into multiple worlds—not just those marked by separate languages and cultures, but those separated by radically different visions of what it means to be human.

Are we sovereign individuals with rights that emerge from divine authority, or are we a natural resource to be exploited for pleasure, profit, and entertainment? If Mr. Global formerly offset massive monetary inflation through global labor deflation, will the next round be continuous labor deflation through robotics and the integration of digital technology into humans—including on an involuntary basis?

As we debate our divine rights and human freedoms, we are experiencing an unprecedented effort to assert central control—often by covert and violent means—and to brainwash and mind control the general population into financing and supporting the forces acting against us. And as we finance this “invasion,” secrecy, corruption, and organized crime continue to grow. At the same time, our culture continues to be debased.

For our scenario plans for 2021, I have chosen two variables.

- The first variable is our humanity: Will we maintain a human civilization or become progressively more inhuman? Will we fall prey to propaganda, disinformation, mind control, and various forms of invisible electronic manipulation? Or can we rise above these techniques to find and maintain our higher mind?
- The second variable is the monopoly on money and credit creation: Will we allow central bankers to continue to maintain a monopoly on money creation and, by doing so, control us through financial transactions, particularly as they insist on having a mysterious operating system injected into our bodies? Will we continue to pay taxes to governments and central banks without representation? Or will we decentralize the creation of money and credit in a manner that moves us from a financial system that extracts wealth to one that has the potential to optimize wealth?



With these two variables in a matrix, we have created four scenarios for planning purposes:

Scenario #1:
The “They Live” Theater
 [Inhuman – They Print]

Scenario #2:
The Medieval Moment
 [Inhuman – We Print]

Scenario #3:
The Slow Burn Situation
 [Human – They Print]

Scenario #4:
The Civilization Cultivation
 [Human – We Print]

All four scenarios exist in our current world. The question is, which ones will we nurture, support, and finance, and which ones will we cut off, shun, and starve?

Traditionally, my scenarios have focused on the issues that will inform investment strategies for the coming year. For the last few years, however, I have believed it essential that we face up to the fundamental dependency of the G7 nations on the war and mind control machine—and the extent to which that machinery is operating outside of domestic and international law.

Do we want to make money by investing in the destruction of our own health and freedoms or in the mind control and bankruptcy of our children and grandchildren? I don’t. It was one of the rules I was taught early on Wall Street: “Never bet against yourself.”



THE “THEY LIVE” THEATER

[Inhuman – They Print]

If you have not seen the movie *They Live*, please do. The mind control machine is turned to maximum. All of Klaus Schwab’s fantasies come true. The human race is GMO-ed, de-sexed, and transgendered. Gene-edited babies grow in incubators in the living room.

Injections load operating systems into humans. With altered DNA, they can be labeled as “non-persons” under various legal systems. Telecommunications systems and robot drones and police dogs enforce complete spatial and labor control made possible by global central bank digital currencies (CBDCs) and “vaccine passports.”

No one can remember the good times. Indeed, they don’t remember much. The life expectancy of the elites reaches 145, and the profits and stocks of the pharma companies pumping out adrenochrome and transfusions of young blood continue to rise.

Think it cannot happen? Think again. Risking your life in the effort to prevent this scenario is a great investment. Death is not the worst thing that can happen. This scenario is.



THE MEDIEVAL MOMENT

[Inhuman – We Print]

In the Medieval scenario, a breakdown in civilization and law and order results in the rise of municipal and corporate organizations and networks willing to step into the breach to address money creation and local liquidity. The results, however, are spotty and the general inhumanity and deterioration in law and order is notable between the pockets of local innovation. Roaming mercenaries and covert operators are highly destructive of trade and economic productivity. You don't appreciate the Treaty of Westphalia (the principle that sovereign nation-states maintain a monopoly on force within their borders) until it gets thrown overboard. Joining a monastery or nunnery with high walls, a library, water, and a garden looks like a good idea to more and more people. Now they call them gated communities.

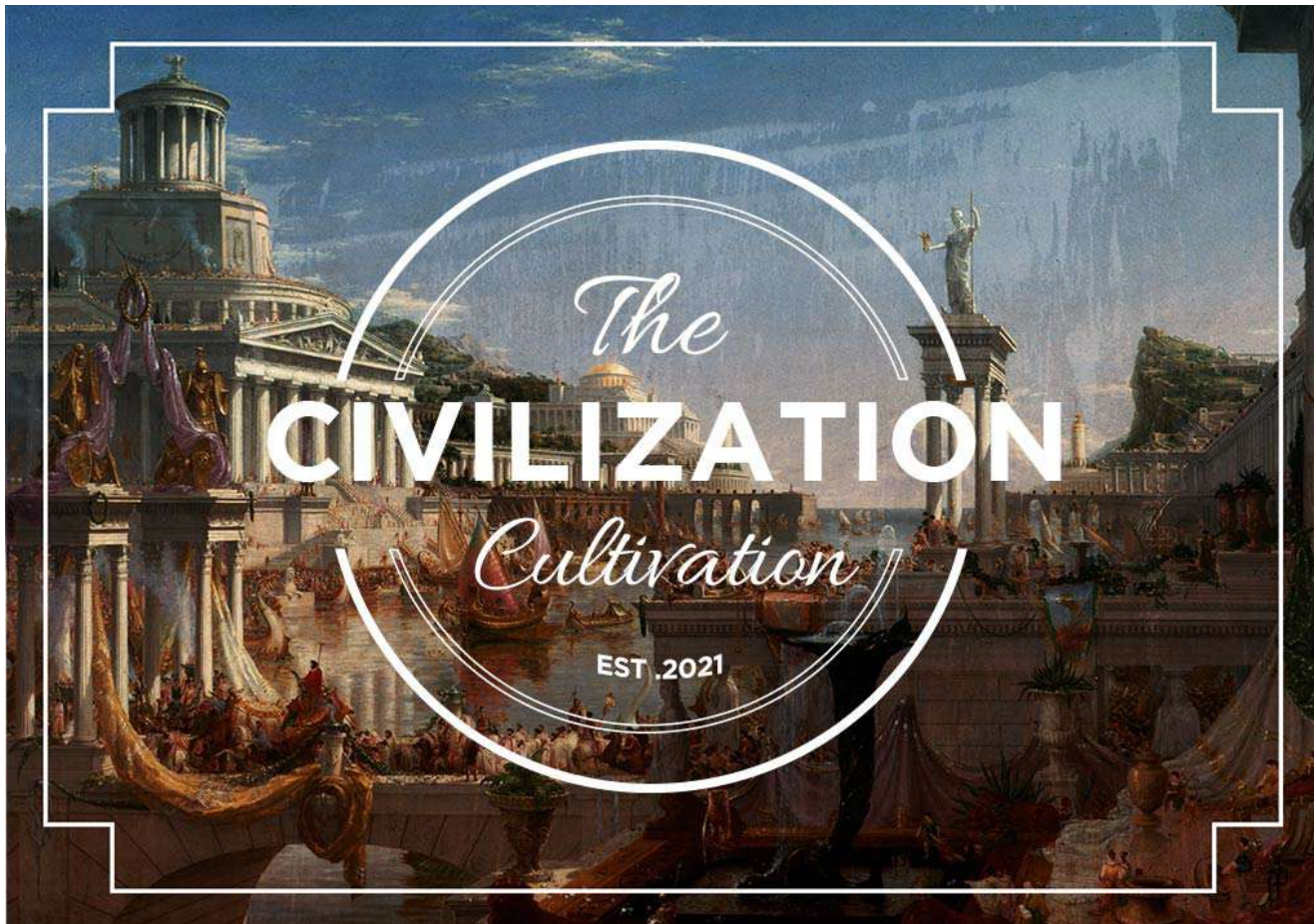


THE SLOW BURN [Human – They Print]

Many of us know what the Slow Burn scenario feels like. We have been in it for decades. The central banks continue to centralize control using fiat currency systems. Their power to keep the “slow burn” going is expanded by increasingly invasive digital surveillance and transaction systems, which steadily move global populations onto a “social credit” system that enables the financial sector to extract progressively more wealth.

Those who help innovate on behalf of central control are blessed by growth in income that allows them to earn sufficient resources to cover the steady inflation of the Slow Burn scenario—that is, for as long as they are useful. Inflation of real assets and equity markets persists as money continues to shift out of global debt markets and overleveraged governments are subject to significant reengineering.

Slow Burn inflation and a steady lowering of life expectancy in the relevant populations addresses retirement system imbalances. Meanwhile, life expectancy within elite populations rises steadily. The general population manages to maintain a commitment to human civilization—in part using spiritual and enlightened learning and values and aided by an explosive expansion of consciousness to offset the exhaustion and cruelty of the Slow Burn scenario and the high-tech mind control that reduces a portion of the population to cult-like thinking and behavior.



THE CIVILIZATION CULTIVATION

[Human – We Print]

We are willing for things to work out. Let's hold this scenario—the cultivation of civilization—in our intention and hearts.

A small portion of the population embraces the importance of decentralizing money and wealth creation. As trust in central bankers and the establishment breaks down, communities and municipalities take matters into their own hands, generating millions of systems for circulation of time, resources, and money locally and within their networks. The volumes grow as the general population becomes increasingly alienated by infighting among central bankers globally and by financial institution corruption.

The rise of China and Asia inspires a widespread perception of Western establishment failure in the G7 nations that encourages more local responsibility and action. The general population in the G7 nations increasingly recognizes the contributions of the rule of law, spiritual and human freedom, and free speech to a healthy economy. Thanks to these impulses in combination with local currencies, thousands of local areas and regions are able to prevent central control of the food system.

With successful connection between human rights and money creation, we evolve toward a more advanced civilization.



Best Books for 2021

"I find television very educating. Every time somebody turns on the set, I go into the other room and read a book." ~ Groucho Marx

These are the books that repeatedly come up as recommendations in conversations with our subscribers as they ask for good sources on important topics. Contribute your suggestions at [Subscriber Input](#).

PERSONAL FINANCE & DEVELOPMENT

Meditations by Marcus Aurelius: Catherine started reading *Meditations* inspired by several references to Secretary of Defense James Mattis traveling with it. Is this the 21st century *Catcher in the Rye*? It turns out to be a treasure trove of inspiration and sound advice.

Family Wealth: Keeping it in the Family—How Family Members and Their Advisers Preserve Human, Intellectual, and Financial Assets for Generations by James Hughes: Hughes outlines the steps to success and wealth preservation for wealthy families. His ideas can help families that want to be wealthy get there, too.

How to Avoid Financial Tangles by AIER Research Staff: This 2009 publication by the American Institute for Economic Research bills itself as a down-to-earth volume “written for those who have no special training in law and finance.” The book includes advice on owning real estate, using powers of attorney, making wills, and evaluating insurance needs. AIER continues to be a good source for books on planning.

Five Wishes: The Family Package by Aging with Dignity: *Five Wishes* is America’s most popular living will and is unique in speaking to personal, emotional, and spiritual end-of-life needs as well as medical needs. The *Family Package* includes not only copies of the *Five Wishes* document but a family conversation guide and other popular resources. This kind of planning is an invaluable tool to help people of all ages help each other navigate an increasingly complex and regulated health care system.

Deep Survival: Who Lives, Who Dies, and Why by Laurence Gonzales: Gonzales translates the lessons learned in wilderness survival to practices we can use for a successful life. Beautifully written, this book is hard to put down.

The Power of Habit: Why We Do What We Do in Life and Business by Charles Duhigg: Duhigg maps out what science tells us about how we form habits and how we can change them. You will never look at organization in quite the same way after reading it. And you will be much smarter about management and leadership, and inspired by some of the stories of leaders who got it right.

Unbeatable Mind: Forge Resiliency and Mental Toughness to Succeed at an Elite Level by Mark Divine: Divine is a retired U.S. Navy Seal who offers his philosophy and methods for developing maximum potential through integrated training. He proposes forging deep character and resiliency drawing on years of practice in martial arts, physical training, yoga, and exercising leadership in dangerous environments. If it feels as if you are living in a war, warrior training by the best can help.

Seven Habits of Highly Effective Teens by Sean Covey: This is a great introduction to basic skills that will help young people learn how to navigate life.

The Parent’s Guide to Texting, Facebook, and Social Media: Understanding the Benefits and Dangers of Parenting in a Digital World by Shawn Edgington: The digital neighborhood is a dangerous place for kids. Make sure the children you love are safe in managing their cyber lives.

Weapons of Math Destruction: How Big Data Increases Inequality and Threatens Democracy by Cathy O’Neil: Following a stint as a “quant” with a leading hedge fund, O’Neil wrote *Weapons of Math Destruction* to educate people about the negative impact that artificial intelligence is having on decision-making, the economy, and quality of life. However, as she also discusses, it’s possible to shift machine assistance in decision-making to a positive rather than a negative. Beware what AI may be doing to make your management of your credit cards, bank accounts, and other financial vendors more challenging.

INVESTMENT

Behavioral Investing: A Practitioner’s Guide to Applying Behavioral Finance by James Montier: Montier does a masterful job of documenting the intersection of psychology and investment. The result is actionable intelligence that can help you protect your investments from bias.

Value Investing: Tools and Techniques for Intelligent Investors by James Montier: Montier unpacks the cold, hard facts of investment history and what it means to investment process and strategy. This book will make you a more intelligent, disciplined investor.

THE GLOBAL ECONOMY

2nd Quarter 2019 Wrap Up: The State of Our Currencies by Catherine Austin Fitts: If you want to understand—and navigate—the radical reengineering of financial and currency systems launched in 2020 by global central bankers

(under cover of a pandemic), put *The State of Our Currencies* at the top of your reading list, and then share it with anyone who will read it.

The Edge of the World: A Cultural History of the North Sea and the Transformation of Europe by Michael Pye: This richly detailed look at the development of civilizations along the North Sea illustrates the continual see-saw between trade and war. Even more relevant to 2020 and beyond (as we watch record increases in billionaire wealth and central banker control), the next-to-last chapter shows how plagues helped fuel the centralization of labor and taxation as well as the concentration of cash flows and capital—through “insistent social controls,” “policing lives,” and “an official suspicion of the poor and the workless.”

Rethinking Money: How New Currencies Turn Scarcity into Prosperity by Bernard Lietaer and Jacqui Dunne: This book proposes removing money creation from the banking system and restoring that power to communities, in the process mobilizing local ingenuity and linking local resources and needs. The authors also examine the inadequacies of privatization, stimulus packages (2020, anyone?), and other palliative measures that uphold or worsen the status quo.

Money: Understanding and Creating Alternatives to Legal Tender by Thomas H. Greco, Jr.: A former engineer and business administration professor, Greco founded the Arizona-based Community Information Resource Center in the early 1990s. *Money*, first published in 2001 and now available as an online PDF, is both a critique of the existing model and a manual for creating community currency systems. However, Greco does not deal

with the “deep state tactics” faced by those who compete with the central bankers. For that, see Deep State Tactics 101 on The Solari Report.

AI Superpowers: China, Silicon Valley and the New World Order by Kai-Fu Lee: Comparing China and the U.S., this thoughtful book looks at the application of deep learning AI in business, enterprise, and the economy, emphasizing how quickly implementation of AI technology is moving.

Unbalanced: The Codependency of America and China by Stephen Roach: This is my top pick for understanding the U.S.-China economic relationship and the rebalancing of the global economy.

Black Money by Michael Thomas: When I called Bill Hamilton to talk to him about the relationship of PROMIS software to mortgage fraud, he told me to read *Black Money* and call him back. This is a fiction beach reading introduction to how digital systems turbocharged fraud and money laundering.

The Master Switch: The Rise and Fall of Information Empires by Tim Wu: In this well-written history of the information industry, Wu shows how, again and again, what begins as a robust, entrepreneurial process gets converted to a centralized cartel. Understanding this history can help you understand the current push toward more surveillance and centralized control of information technology.

GEOPOLITICS

The Devil’s Chessboard: Allen Dulles, the CIA, and the Rise of America’s Secret Government by David Talbot: Talbot has written the best book about the Kennedy assassination to date. He nails those responsible while weaving a fascinating story of American history. If you want to understand the U.S. “deep state,” this is not to be missed.

Mary’s Mosaic: The CIA Conspiracy to Murder John F. Kennedy, Mary Pinchot Meyer, and Their Vision for World Peace by Peter Janney: Beautifully written and thoroughly researched, *Mary’s Mosaic* is an essential read—not just to understand the Kennedy years and the Kennedy assassination but also to understand how America became a prisoner of its intelligence and black budget complex.

Technocracy Rising: The Trojan Horse of Global Transformation by Patrick Wood: Technology is being used to centralize control. Wood provides significant documentation that makes the invisible shift in power visible. Wood followed up *Technocracy Rising* with *Technocracy: The Hard Road to World Order*.

The Essential Saker I, II, & III by the Saker: The Saker’s writings are an outstanding way of understanding the transformation to a multipolar world.

The Half Has Never Been Told by Edward Baptist: You can’t understand slavery until you understand how profitable it is and the conditions that made it possible to exist and to outlaw. Let’s keep it that way.

The New Rules of War by Sean McFate: It's important to understand modern techniques and philosophies of conflict in order to track current geopolitical trends.

The Modern Mercenary: Private Armies and What They Mean for World Order by Sean McFate: The United States' sponsorship of private intelligence, security services, and armies has blossomed with extraordinary expenditures for services in the Middle East. This has created a significant private capacity to bring force to bear and to wage war.

THE COVERT SIDE

People of the Lie: The Hope for Healing Human Evil by M. Scott Peck: Peck's classic provides powerful insight on identifying, understanding, and managing people who do evil.

The Secret of Secret Societies: Liberation of the Planet in the 21st Century by Jon Rappoport: Rappoport takes you into the inner sanctum of power and how reality is created. While you are at it, get Jon's interview collection available in digital form in his *Matrix Revealed* collection at his website NoMoreFakeNews.com.

Secret, Don't Tell by Carla Emory: Mind control has been going on for centuries. Emory starts in the 1400s and brings you down through history. This is one of the best books for understanding the core technology at the heart of rigging the global financial markets and just about everything else.

Microcosm and Medium: The Cosmic Implications and Agenda of Mind Control Technologies by Dr. Joseph P. Farrell: In a departure from most books on mind control, which focus on techniques and technologies, Dr. Farrell argues that mind control of any sort has cosmological implications.

The Franklin Cover-Up: Child Abuse, Satanism, and Murder in Nebraska by John DeCamp: To understand how a "control file" system is used to govern America, it is essential to understand pedophilia. One of the best-documented cases is the Franklin scandal. Several people gave their lives so that this story could be told. Unfortunately, the slave trade continues in America on a covert basis.

Political Ponerology by Andrzej M. Lobaczewski: *Political Ponerology* is "a science on the nature of evil adjusted for political purposes." The author describes himself as a Polish psychologist who—with many other colleagues—found meaning living through Nazism and then Communism by studying how evil happens and triumphs in a wider political and economic system.

The Secret Team: The CIA and Its Allies in Control of the United States and the World by L. Fletcher Prouty: A look into the CIA and its historical influence in politics domestically and abroad.

The Invisible Rainbow by Arthur Firstenberg: *The Invisible Rainbow* represents the culmination of decades of Firstenberg's research and analysis regarding electricity and wireless technology and their impacts on humans and living things. For anyone interested in understanding what

is happening today and where we have gone wrong—or concerned about deterioration in our environment—it is a must-read.

CULTURE

The Presence of the Past: Morphic Resonance & the Memory of Nature by Rupert Sheldrake: British biologist Rupert Sheldrake has been challenging modern science’s fundamental assumptions for decades, reminding us that nature is not a machine and that traditional wisdom, intuitive experience, and scientific insights can be mutually enriching.

The Field: The Quest for the Secret Force of the Universe by Lynne McTaggart: McTaggart explores the work of physicists, biochemists, and other scientists searching for evidence in their respective fields that there is a force, that she calls the Field, which connects all beings and matter at a fundamental level. And our involvement with and connection to this Field can explain many things that, heretofore, have either been unexplainable or considered not possible, including things of a psychic nature.

Emily Post’s Etiquette, 19th Edition: Manners for Today by Lizzie Post and Daniel Post Senning: The deterioration of civil discourse is profound—many of us have lost our appreciation of the good things we attract when we treat other people humanely. Emily Post said that “Etiquette requires the presumption of good until the contrary is proved.” That is good advice—and there is lots more in this updated edition from the Emily Post Institute.

The War on Populism: Consent Factory Essays, Vol. II (2018-2019) by CJ Hopkins: In this collection of essays, playwright and author CJ Hopkins tracks and unpacks the incoherence and absurdities of the “shriek-o-meter”; lucky for us, he does so with a brilliance, intelligence, and wit that would impress Mark Twain himself.

SPIRITUAL HISTORY & WARFARE

The King James Bible: A complete read of the Bible, along with some of the books and knowledge edited out—including the *Book of Enoch*, the *Book of Thomas*, and various writings of the Essenes—provides a wealth of spiritual and practical insight and guidance. For most of us, easier to read and learn in a first-year Bible class!

God, History, and Dialectic: The Theological Foundations of the Two Europes and Their Cultural Consequences, Volumes I-IV by Dr. Joseph P. Farrell: This is Dr. Farrell’s opus addressing the history of Christianity and the foundation of Western culture.

The Screwtape Letters by C.S. Lewis: A classic from the master, this little collection contains the correspondence from a senior demon, Screwtape, to his nephew Wormwood, a Junior Tempter whose goal is to secure the damnation of a British man known only as “the patient.” It offers excellent ideas on how not to fall prey to divide-and-conquer tactics.

The Secret of Secret Societies: Liberation of the Planet in the 21st Century by Jon Rappoport: Rappoport takes you into the inner sanctum of power and how reality is created.

While you are at it, get Jon's interview collection available in digital form in his *Matrix Revealed* collection at his website NoMoreFakeNews.com.

Jewish History, Jewish Religion—The Weight of Three Thousand Years by Israel Shahak: The brave and brilliant Warsaw-ghetto-born Israeli professor Israel Shahak (who passed away in 2001) dared to ask whether “the secular state of Israel has been shaped by religious orthodoxies of an invidious and potentially lethal nature.” Shahak's questions about privilege, sovereignty, and maintenance of the rule of law are as timely now as they were in 1994 when the book was first published.

THE PEOPLE'S RESET

Dillon, Read & Co. Inc. & the Aristocracy of Stock Profits by Catherine Austin Fitts: If we are going to make America great again, we need to understand what has been destroying it. This is Catherine's case study of how the U.S. prison-industrial complex made Washington and Wall Street rich while bankrupting American communities and taxpayers.

SPACE

UFOs for the 21st Century Mind by Richard Dolan: Who's really in charge? Dolan is one of the best minds on the planet to help you sort out the unanswered questions of outer space and its connections with covert finance and operations.

The Alien Agendas: A Speculative Analysis of Those Visiting Earth by Richard Dolan: Whether aliens exist and live among us may not be knowable, but what is certain is that legal and

financial shenanigans around the UFO topic are leading us into tyranny. Richard Dolan's decades of careful research and analysis are valuable contributions toward a more open and honest conversation.

The Ringmakers of Saturn by Norman R. Bergrun: Dr. Bergrun reveals that NASA's Voyager I (1980) and II space probes took photographs of an estimated 7000-mile-long elliptical (cigar-shaped) craft docked in the rings of Saturn.

FOOD & HEALTH

Nourishing Traditions: The Cookbook that Challenges Politically Correct Nutrition and the Diet Dictocrats by Sally Fallon and Mary Enig: If you have not discovered Sally Fallon's cookbooks, you are in for a treat!

The Encyclopedia of Country Living: The Original Manual for Living Off the Land and Doing It Yourself by Carla Emory: Now in its 50th anniversary edition, the *Encyclopedia of Country Living* is “the definitive book of basic skills and country wisdom for living off the land, being prepared, and doing it yourself,” whether in a rural, suburban, or urban setting.

The Contagion Myth: Why Viruses (including “Coronavirus”) Are Not the Cause of Disease by Thomas S. Cowan, MD, and Sally Fallon Morell: *The Contagion Myth* integrates complex issues—germ theory, the “great poisoning,” the injection fraud, 5G, and more—into one highly readable book, beautifully written by two people who have spent a lifetime dedicated to helping and healing others.

The Moth in the Iron Lung: A Biography of Polio by Forrest Maready: People often cite the polio vaccine as the one injection that supposedly “worked.” Maready methodically shreds that myth while offering a fascinating case study of the intersecting interests—in the health care, agriculture, insurance, and financial sectors—that have so deeply complicated and compromised our scientific and medical establishments. Maready’s work is an invaluable contribution to understanding how “magic viruses” have been used historically for political and economic gain.

The Autism Vaccine: The Story of Modern Medicine’s Greatest Tragedy by Forrest Maready: Forrest Maready is a beautiful writer and an excellent storyteller. He weaves a history of vaccines in America through intimate stories of people and families touched by the tragic harm done for 100 years of injecting aluminum into children’s veins that goes to their brains.

unvaccinated: Why growing numbers of parents are choosing natural immunity for their children by Forrest Maready: In this short, easy-to-read book, Maready shows that vaccines are neither safe nor effective—and that there is no science to back up the statements that they are safe and effective. This is a book for busy parents who cannot fathom why the truth about vaccines is so completely different than the official story.

Vaccines, Autoimmunity, and the Changing Nature of Childhood Illness by Thomas Cowan, MD: This book poses a fundamental but generally overlooked question: “What are we really doing to children when we vaccinate them?” Dr. Cowan’s answer, elegantly presented,

is clear—we are causing harm and, by short-cutting the immune system, also depriving children of protection from disease later in life.

Human Heart, Cosmic Heart: A Doctor’s Quest to Understand, Treat, and Prevent Cardiovascular Disease by Thomas Cowan, MD: Globally, the leading cause of death is heart disease, but let’s call it what it really is—a broken heart. Dr. Cowan understands that to care for our heart, we must align with life and connect with who and what we love.

Cancer and the New Biology of Water: Why the War on Cancer Has Failed and What That Means for More Effective Prevention and Treatment by Thomas Cowan, MD: Dr. Cowan makes a compelling case that longstanding theories of cancer causation are incorrect, arguing that we need to focus on supporting healthy cells and the structured water in the cells. This is a book for those who are ready to take responsibility for their health.

Your Brain on Porn: Internet Pornography and the Emerging Science of Addiction by Gary Wilson: When you get online, you need to understand the powerful technology people use to make money. Online pornography is not just pornography—it is entrapment by public and private intelligence agencies used to create control files on you and the people you depend on. The facts about pornography and pornography as a political control mechanism are one of the hard truths we need to face.

The Complete Guide to Fasting: Heal Your Body Through Intermittent, Alternate-Day, and Extended Fasting by Jimmy Moore and Dr. Jason Fung: If you want to be inspired, watch Dr. Fung’s videos and read this book.

I literally could not put it down and finished it in one sitting the day it arrived. This is hard science combined with practical, well-presented advice. I was so impressed with Dr. Fung's analysis that I started fasting the next day.

China Rx: Exposing the Risks of America's Dependence on China for Medicine by Rosemary Gibson and Janardan Prasad Singh: Where do your drugs really come from? And are they safe? Why are we engaged in a global power struggle with a country that is supplying our antibiotics? Before you fill another prescription, you should read this book.

COMMUNITY

A Comprehensive Annual Financial Report for your state and local county or municipality and their latest budget, financial statement, and bond official statement. See "Comprehensive Annual Financial Report" (Wikipedia).

Follow the Money: A Citizen's Guide to Local Government by Lyndee Kemmet: This is an excellent guide that identifies steps you can take to understand local government, municipal budgets, and government resources in your community—and ways to get involved.

Strong Towns: A Bottom-Up Revolution to Rebuild American Prosperity by Chuck Marohn: Strong Towns presents a new vision of urban development in the United States. Marohn explains why cities of all sizes continue to struggle to meet their basic needs and reveals a new paradigm that can help solve this long-standing problem.

STATISTICS

The World Almanac and Book of Facts 2021: Each year I use the new *World Almanac* to review the basic statistics of life on Planet Earth. You can, too!

TAKE ACTION

The Power of Eight: Harnessing the Miraculous Energies of a Small Group to Heal Others, Your Life, and the World by Lynne McTaggart: In *The Power of Eight*, Lynne McTaggart—whose "work has had an unprecedented impact on the way everyday people think of themselves in the world" (Gregg Braden, author of *The Divine Matrix*)—reveals her remarkable findings from ten years of experimenting with small and large groups, describing how the power of group intention can heal our lives and change the world for the better.

The Evolution of Cooperation by Robert Axelrod: Evolution of cooperation is a general term for investigation into how cooperation can emerge and persist (also known as cooperation theory) as elucidated by the application of game theory. Traditional game theory did not explain some forms of cooperation well. The academic literature concerned with those forms of cooperation not easily handled in traditional game theory, with special consideration of evolutionary biology, largely took its modern form as a result of Axelrod's and Hamilton's influential 1981 paper and the book that followed.

III
ADVENTURES...
AND LESSONS
LEARNED

*“Show me a family of readers, and
I will show you the people who move
the world.”*

~ Napoleon Bonaparte

VIII. 2020 Donations

The Take Action Crowdfund was launched in May 2020 to encourage our subscribers and audience to directly support lobbying, litigation, and legislative efforts to prevent encroachment on our financial and health freedoms and to support related independent media. For those who prefer not to support these groups directly, we offered to collect contributions and allocate them to the recipients.

The following is our allocation of funds for 2020. Our understanding is that funds donated directly totaled an even greater amount. Thank you for your support of these groups. You are making a major difference.

Total number of donors: 60

Total amount of donations received: \$39,868

Total amount of donations disbursed: \$38,618

Take Action Crowdfund

- Visit Take Action Crowdfund
- Farm-to-Consumer Legal Defense Fund: \$20,020
- Children's Health Defense Europe: \$6,000
- Children's Health Defense U.S.: \$5,033
- No More Fake News: \$2,600
- Ohio Stands Up!: \$1,850
- Corbett Report: \$745
- Tprod *Hold-Up* documentary: \$500
- Autism Action Network: \$370
- The Restore Freedom Initiative: \$350
- The Truth Barrier (Celia Farber): \$250
- Zach Vorhies: \$250
- Stand Up Michigan: \$100
- Swiss Policy Research: \$100
- Thick Red Line: \$100
- Dr. Paul Thomas: \$100
- Make Americans Free Again: \$100

- Stop Big Tech Election Interference: \$50
- Maine Back to Work Fund: \$50
- News From Underground (Mark Crispin Miller): \$25
- The Shelley Luther Fund: \$25

Recurring Donations

- Truthstream Media by Aaron and Melissa Dykes
- Hermitix
- Really Graceful
- You can help: News From Underground (Mark Crispin Miller)
- Christ Our Hope Prison Bible Ministry
- General Assembly Church
- Foundation for Future Science (Passion for Making a Difference)
- Vaccine Exemptions in the United States: Alan Phillips, JD

- Charles Hugh Smith: Of Two Minds
- Institute for Responsible Technology
- Wikimedia
- Student Loan Justice
- The Urban Homestead
- Newsbud: Where media integrity matters

Donations Fourth Quarter

- Spooniversal Studios
- GoFundMe: Brandy Vaughan (Closed)
- GoFundMe: Help The Pineapple Hill Saloon
- Defending the Republic
- The Wayback Machine, Internet Archive
- The Conservative Treehouse: The Treehouse is Deplatformed...
- Backdated Ballot Whistleblower Coerced by FEDS
- The Amarillo Symphony

- Stop Big Tech Election Interference
- Support Thistle Do Farm
- America's Barber Karl Manke
- Informed Consent Action Network
- Naked Capitalism

Donations Before Fourth Quarter

- MET Orchestra Musicians Fund
- Native News Online
- Oath Keepers
- We Are Change
- International Consortium of Investigative Journalists (ICIJ)
- "Restore Todd Engel's Life!" Support Fund
- Constitutional Sheriffs & Peace Officers Association (Free Constitutional Training Seminars) – multiple donations
- Autism Action Network 2020
- GoFundMe: Peggy Reed's Cancer Battle
- Rural Studio
- Paul Craig Roberts, Institute for Political Economy (Roberts wrote: "Revolution Is Being Institutionalized in the Federal Government")
- Farmers Footprint
- GoFundMe: Help save the life of my husband, Emil Muhlhausen
- Geoff Campbell Inquest: Help the family open a new inquest into his death on 9/11
- theAnalysis.news: "Biden Blurring Almost Everything" – Thomas Ferguson
- Mercy Chefs: Thousands of hot meals to disaster victims and hurting people
- Bundy Family Legal
- Mike Nayna: Creating videos and films
- Fire Power Ministries, Dr. Stella Immanuel, 25230 Roesner Ln, Katy, TX 77494
- Free Software Foundation
- Citizens for Free Speech
- *Contraland*: A shocking documentary about child sex trafficking in America
- Clemency for Ross Ulbricht, Serving Double Life for a Website
- Vaxxter: Dr. Tenpenny's Store
- Cell Phone Task Force: International Appeal to Stop 5G on Earth and in Space, Putting the Earth inside a high-speed computer
- Timothy Gordon lost his job
- Leo Hohmann
- Project Camelot Donation Portal
- The Saker
- Shelley Luther Fund (Closed)
- Northlake Baptist Church, Gainesville, GA
- Red Acre Center advocates for good local food, farmers, and farms in Utah
- Saint Andrew Orthodox Church: Pastor Father Josiah Trenham, PhD
- OTEPIC Kenya Peace Project: Responding to crisis
- Farm-to-Consumer Legal Defense Fund
- Nova Scotia Family of 3: Emily Tuck, Aaron, and Jolene
- Farmer Relief Fund
- BLEXIT Foundation's vision is to change the narrative that surrounds America's minority communities
- *Out of Shadows* documentary
- Mt. Salem Church in Hickory Valley, TN
- Stop Attacks on Survivors of Trauma by The Satanic Temple's Grey Faction
- Ed Asner Family Center
- Southern Smoke Foundation provides funding to individuals in the food and beverage industry who are in crisis
- 5G Crisis
- Coreysdigs
- *Vaxxed II*
- Virginia Citizens Defense League
- McDowell Triplets Fundraiser: Thriving children slip into the world of chronic illness after simply getting only one shot each at their 9-month doctor's visit
- Arizona belongs to Arizonans. It's time to stop Globalization and keep it away
- *Plaasmoorde: The Killing Fields* documentary
- A Voice for Choice
- Uganda Orphanage: Support Dr. Skidmore's Mission to Uganda (Welcome Home Ministries, Africa)
- Informed Consent Action Network
- Tennessee Firearms Association
- World Historical Timelines Index
- Esoteric & Astrological Studies & Research Institute
- Mint Press donation for "How Government and Media Are Prepping America for a Failed 2020 Election"
- Robert Kennedy, Jr.'s Legal Team Sues FCC over Wireless Health Guidelines
- Fantastic Fungi
- The Intercept
- Teachers Who Pray
- Our Web of Inconvenient Truths
- Vote Yes on 1 on March 3, 2020: Reject Big Pharma
- Kiva Micro Loans

IX. Closing & Credits

by Catherine Austin Fitts

IN Greek mythology, Sisyphus was the king of Corinth punished by the gods for cheating Death by being forced to roll an immense boulder up a hill that rolled down every time it neared the top.

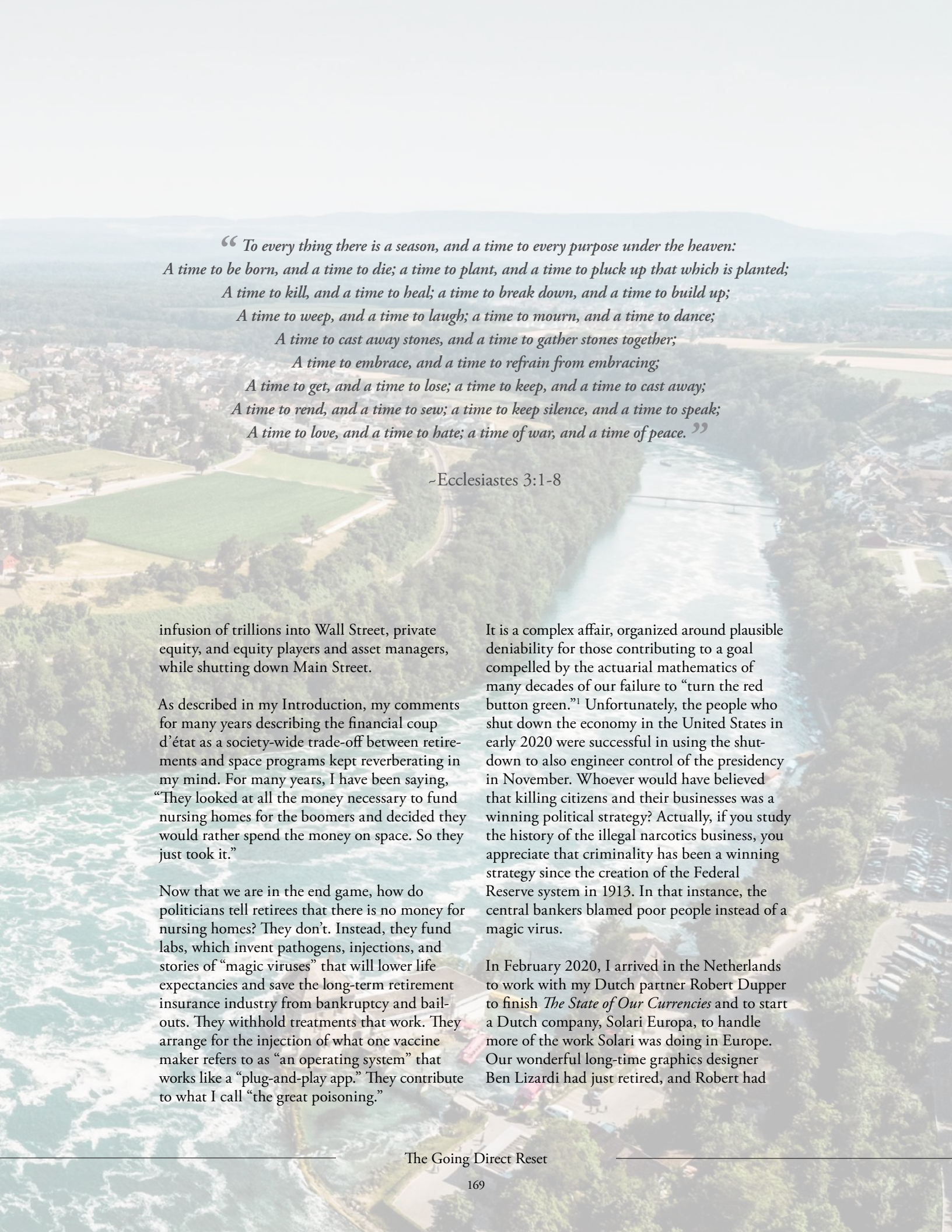
After 25 years of documenting and communicating the financial coup d'état, 2020 was the year I laid my Sisyphean burden down. I was able to do so because the takeover of sovereign governments by the central bankers and the shift to technocracy finally became fully apparent—at least for anyone not under the ever-growing spell of the “shriek-o-meter” (I have given up calling it the “corporate media” as the word “media” is no longer applicable) and massive fear-generating propaganda, entrainment, subliminal programming, and disinformation.

Stepping into the breach to help shine light on what was really happening were hundreds of highly capable and courageous people—many of them documented as Solari Pandemic Heroes in our *2nd Quarter 2020 Wrap Up: The Injection Fraud*—emerging from fields such as science, medicine, and law as well as various spiritual

traditions. Our challenge was to grapple with the tactics that would most effectively address a monetary and governance event disguised behind a health care crisis, applied together to engineer the greatest disaster capitalism roll up of financial capital and economic wealth yet.

The people who offered us the greatest assistance were many capable subscribers possessing knowledge of science, medicine, technology, and related legal and regulatory areas—as well as on-the-ground experience in their various fields—that were profoundly greater than mine. Without their continuous filtering and feedback, combined with the efforts of the Solari Pandemic Heroes, we would have been flying without wings. Words cannot express my gratitude to all of those who once again proved the point, “No one is as smart as all of us.”

The real kickoff of the Covid-19 pandemic began with the nursing home deaths in New York, which inspired the fear and terror necessary to achieve popular support for the central banks’



*“ To every thing there is a season, and a time to every purpose under the heaven:
A time to be born, and a time to die; a time to plant, and a time to pluck up that which is planted;
A time to kill, and a time to heal; a time to break down, and a time to build up;
A time to weep, and a time to laugh; a time to mourn, and a time to dance;
A time to cast away stones, and a time to gather stones together;
A time to embrace, and a time to refrain from embracing;
A time to get, and a time to lose; a time to keep, and a time to cast away;
A time to rend, and a time to sew; a time to keep silence, and a time to speak;
A time to love, and a time to hate; a time of war, and a time of peace. ”*

~Ecclesiastes 3:1-8

infusion of trillions into Wall Street, private equity, and equity players and asset managers, while shutting down Main Street.

As described in my Introduction, my comments for many years describing the financial coup d'état as a society-wide trade-off between retirements and space programs kept reverberating in my mind. For many years, I have been saying, “They looked at all the money necessary to fund nursing homes for the boomers and decided they would rather spend the money on space. So they just took it.”

Now that we are in the end game, how do politicians tell retirees that there is no money for nursing homes? They don't. Instead, they fund labs, which invent pathogens, injections, and stories of “magic viruses” that will lower life expectancies and save the long-term retirement insurance industry from bankruptcy and bail-outs. They withhold treatments that work. They arrange for the injection of what one vaccine maker refers to as “an operating system” that works like a “plug-and-play app.” They contribute to what I call “the great poisoning.”

It is a complex affair, organized around plausible deniability for those contributing to a goal compelled by the actuarial mathematics of many decades of our failure to “turn the red button green.”¹ Unfortunately, the people who shut down the economy in the United States in early 2020 were successful in using the shutdown to also engineer control of the presidency in November. Whoever would have believed that killing citizens and their businesses was a winning political strategy? Actually, if you study the history of the illegal narcotics business, you appreciate that criminality has been a winning strategy since the creation of the Federal Reserve system in 1913. In that instance, the central bankers blamed poor people instead of a magic virus.

In February 2020, I arrived in the Netherlands to work with my Dutch partner Robert Dupper to finish *The State of Our Currencies* and to start a Dutch company, Solari Europa, to handle more of the work Solari was doing in Europe. Our wonderful long-time graphics designer Ben Lizardi had just retired, and Robert had

agreed to assume responsibility for the design and publication of the Quarterly and Annual *Wrap Ups*.

The onset of official lockdowns delayed the process of completing the business filings and made travel problematic, so I decided to stay in the Netherlands until the company was up and running.

The travel and meeting restrictions in Europe meant we had to cancel our Lake Constance Hang. This was a matter of some grief, arousing concern regarding the future of the great operas and symphonies of the world. It was a shocking moment for me when I sent a donation to a special crowdfund for Metropolitan Opera musicians. Billionaires were up by trillions, the central banks were printing money hand over fist, but the finest musicians of our day were having to raise donations? Events also constrained our celebration of Beethoven's 250th anniversary.

I did get to road-trip to Lake Constance in the summer. I have driven over 500,000 miles in the continental United States since I left Washington and have been to every state. However, this was my first European road trip with me at the wheel. I drove down the Rhine from the Netherlands to Germany and Lake Constance, and then to Switzerland and back along the Rhine.

The Rhine was one of my areas of research in 2020. In the spring as the lockdowns began, I realized that the Rhine flows through many of the places where I stay in Europe, including Lake Constance and Basel (home to Thomas Meyer and his family). In the Netherlands, I stay in Friesland right on the IJsselmeer, which is an enormous closed-off inland bay. I can see the IJsselmeer from my desk window, and I walk along its shores almost every day. The waters of the Rhine in the Netherlands branch into three distributaries: the Waal, Nederrijn ("Nether Rhine"), and IJssel. The IJssel carries the Rhine water into the IJsselmeer.

While I was in Lake Constance in August, Ulrike Granögger and I visited the Rhine Falls in Schaffhausen. Famed for their beauty, these are the falls that prevent boats from traveling the Rhine from Lake Constance to Basel. It's now on my list to arrange to sail from Solari Europa's offices (on the port) to Basel with bike and boat.

Another area of recent research has been learning about the ancient cultures of the North Sea and the Rhineland and how they developed their currency and economic models. To my surprise, I discovered that plague laws have been used to centralize control from the Middle Ages forward.

"Plague justified the rules that kept a person in her place... We've seen how plague became the reason, just like terrorism today, for social regulation, for saying how children must behave, for taking a worker's right to choose what work he wanted, for deciding which of the poor are worthy of help and which are just wasters. Plague enforced frontiers that were otherwise wonderfully insecure, and made our movements and travels conditional. It helped to make the state a physical reality, and gave it ambitions."

~ Michael Pye, *The Edge of the World*

Have a plague; centralize control; shift the reserve currency. It's beginning to look like a historical pattern to me. This is a great research topic for an enterprising student to dive into—the historical relationships between plagues, political control, and dominant currencies.

Spending time in Basel and at Lake Geneva in August was deeply rejuvenating. Thomas Meyer and I went into the mountains to see Comet Neowise. There was something about Neowise that seemed to shift the pendulum in support of freedom, inspiring me to ask Nina Heyn to include a piece on comets in the *3rd Quarter 2020 Wrap Up: Visions of Freedom*. Don't miss the *Wrap Up*—it is absolutely beautiful.



Although Solari Europa was up and running by the end of October, travel restrictions remained a serious concern. So, I stayed put in the Netherlands, making one trip to Switzerland to record interviews with Thomas Meyer and celebrate my Birthday and Christmas with Thomas and his family in Basel and the Jungfrau in the Swiss Alps. While in Basel, I also had the opportunity to participate in a planning session of the World Freedom Alliance—a wonderful group of people from across Europe. As one participant famously remarked, “Friends are turning up everywhere!”

In December, my interview for James Patrick’s documentary film *Planet Lockdown* was released. James had been introduced to me by Mary Holland of Children’s Health Defense. He was traveling in Europe and the United States, doing interviews for the documentary, with an expected release in the 2nd Quarter of 2021. James agreed to come to Stavoren for filming in November. As we sat at Robert’s dining room table, I laid out my understanding of the pandemic as a change of governance and a monetary event—part of the consolidation of the financial coup d’état and the evolution of the dollar reserve currency to a much more centralized control system. Among other things, I said, the “Going Direct Reset” means the central bankers want to use central bank digital currencies to go directly to each person, one at a time. Under such a system, central banks would have the power to turn an individual’s money on and off. But that means installing the “smart grid” globally—from satellites to 5G to smart meters to downloading an operating system into people’s bodies. Notice that these smart grid installations have all accelerated during the pandemic.

James has been posting all of his interviews for *Planet Lockdown* as he goes—a brilliant strategy—so he posted his interview with me right before Christmas. To my amazement, YouTube did not take it down until early January, by which time it had reached 2.7 million views. (Usually, my videos are censored,

“hiccuped,” or whited out by various methods when they hit 100,000 views.) By being more widely viewed, this interview introduced us to new allies, subscribers, and audiences, for which we are deeply grateful.

Concern about the real goals of the injections caused me to write and publish both the article and *Wrap Up* in 2020 called “the Injection Fraud.” The pandemic is designed to, among other things, get you to begin to install Mr. Global’s operating system at the molecular level. It is already obvious that one “download” will not be enough. That is why we see manufacturing and distribution plans for as many injections as one per *month* in the United States.

Mr. Global is experimenting with a system that is still in its early stages and still crude. As we watch material adverse events and deaths accumulate as a result of the injections, the question is how much of this is poisoning versus experimentation. Time will tell. The scientists I listen to indicate that the majority of the adverse events and deaths will begin 6-18 months after injection. Because these injections are experimental gene therapy, I don’t believe we can know their full import until we see what happens over a period of months and years.

As the injection fraud was rolling out around the planet, the “shriek-o-meter” continued to progressively double down on fear, spins, shrieks, and disinformation. In addition, the previously more discreet war on free speech and the promotion of censorship through social media got underway with a vengeance. It is extremely difficult to get people to poison themselves and their children and build their own prison when they can gather, speak, research freely, and do so without fear and mind control.

It looks to me like we are in for a multi-year spiritual, legal, financial, and cultural food fight. As Jon Rappoport says, “This is a 10,000-year-old war.”

Words cannot express how grateful I am to be associated with my colleagues on the Solari team and in our network. I get up each day and work with and for people building free and inspired lives. I get to meet and network with thousands of people who are committed to a human future and the decentralization of money creation leading to a much healthier and wealthier civilization.

The Solari team and I have many people to thank for making the Solari Report great in 2020.

Jason Bawden

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

Vanessa Biard-Schaeffer

I met Vanessa when she offered to translate *Dillon Read & Co. Inc and the Aristocracy of Stock Profits* into French. In 2020, Vanessa launched the quarterly Solari series, *Via Europa*, covering European politics and culture and connecting trends in Europe and the United States.

Robert Dupper

Robert is Solari's videographer, graphics guru, creative inspiration, and anchor in the Netherlands and the managing partner of Solari Europa.

Brad Eddins

Brad is Solari's *News Trends & Stories* Wrap Up editor and does a yeoman's job preparing that section of the *Wrap Ups*. Brad also manages the *Take Action* section at solari.com.

Bronwen Evans

Bronwen provides us with a much-needed eye on Southeast Asia that reflects extensive experience in global journalism, business and finance, and building local ecosystems.

Dr. Joseph P. Farrell

Joseph joins us for our quarterly *News Trends & Stories* analysis. There is simply nothing else like it. It was Joseph who persuaded me to expand our coverage of culture. It has made a life-giving difference. We also gather essential insights weekly from Joseph's work at Giza Death Star.

Ulrike Granögger

Ulrike has been shifting our paradigms with the latest revelations in spiritual practice and science in her incredible workshops and the Solari *Future Science Series*.

Matt Hale

Attorney Matt Hale has been helping me with questions in *Ask Catherine* as the technocratic thicket of laws and regulations grows and provided us with a Special Solari Report update on Space Laws.

Nina Heyn

Nina continues to delight us with her *Food for the Soul* columns as she sleuths out great art, great museums, and great movies. In the 2nd Quarter, canceling her *Food for the Soul* travel arrangements was a big job, but it did not stop her from doing an amazing job and producing wonderful content for her biweekly column, her *Food for the Soul* section for each *Wrap Up*, and her podcast series.

Pete Kennedy

As the host of the Solari *Food Series*, attorney Pete Kennedy has been helping us understand and support the farmers, legislators, and litigators who are protecting our right to grow and market fresh local food.

Najat Madry

Najat's columns on New York's debates about statues, masks, and what ails us offer tremendous insights into what is happening at an intimate level in America.

Thomas Meyer and his clan

Thomas grasped my interest in Rudolf Steiner and my passion for the Story of Gideon and Chartres and has been educating and inspiring me about them ever since.

Brigitte Mouchet

Brigitte inspires and educates us to maintain our strength and vitality in the Solari *Wellness Series* and assists us with our weekly content as writer, editor, and purveyor of good taste!

Rambus

Rambus provides truly the best technical analysis anywhere for our quarterly Equity Overviews.

Jon Rappoport

Jon Rappoport's decades of research and writing on health care and the use of the medical cartel to engineer central control has made it possible for us to "jump the curve" on pandemic propaganda.

Dr. Mark Skidmore

Mark continues his efforts to research the missing money and provided several updates in 2020—it is some of the most original, fearless scholarship on the planet.

John Titus

As a long-time admirer of attorney John Titus' work and videos at his *Best Evidence* channel, I asked John to join me as a regular on *Money & Markets* to assist with central bank watching—having his insights and humor on *Money & Markets* was one of the great developments of 2020.

Jason Worth

Jason continued to provide highly capable research and excellent book reviews.

Most of all, the thanks of the entire Solari team go to our subscribers. You are one of the most remarkable networks of people on the planet today. Each day, you inspire us with the confidence that our vision for a human future is unfolding before our very eyes. You put the gas in our tank and provide the ideas, corrections, suggestions, questions, and inspiration that make the Solari Report go.

On behalf of the entire Solari team, I wish you the joys of possibility and accomplishment as we move forward, making the very most of the times. As I said in *The State of Our Currencies*, "Now is the time you and I are called to fight back."

And so we shall.



¹ See the Red Button Story: <https://home.solari.com/the-red-button-story/>.

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“My goal is to remove the barriers that prevent you from seeing the invisible war: how it affects your money, your health, and your safety. Then I can help you take action. This is why I am doing The Solari Report.”

~Catherine Austin Fitts





“Authority and power are two different things: power is the force by means of which you can oblige others to obey you. Authority is the right to direct and command, to be listened to or obeyed by others. Authority requests power. Power without authority is tyranny.”

~Jacques Maritain