

Financial N-Option Will Settle Trump's Oil War

By [Pepe Escobar](#)

Global Research, January 07, 2020

[Asia Times](#) 6 January 2020

Region: [Middle East & North Africa, USA](#)

Theme: [Oil and Energy, US NATO War](#)

[Agenda](#)

The bombshell facts were delivered by caretaker Iraqi Prime Minister Adil Abdul-Mahdi, during an extraordinary, historic parliamentary session in Baghdad on Sunday.

Maj. Gen. Qasem Soleimani had flown into Baghdad on a normal carrier flight, carrying a diplomatic passport. He had been sent by Tehran to deliver, in person, a reply to a message from Riyadh on de-escalation across the Middle East. Those negotiations had been requested by the Trump administration.

So Baghdad was officially mediating between Tehran and Riyadh, at the behest of Trump. And Soleimani was a messenger. Adil Abdul-Mahdi was supposed to meet Soleimani at 8:30 am, Baghdad time, last Friday. But a few hours before the appointed time, Soleimani died as the object of a targeted assassination at Baghdad airport.

Let that sink in – for the annals of 21st century diplomacy. Once again: it does not matter whether the assassination order was issued by President Trump, the US Deep State or the usual suspects – or when. After all, the Pentagon had Soleimani on its sights for a long time, but always refused to go for the final hit, fearing devastating consequences.

Now, the fact is that the United States government – on foreign soil, as a guest nation – has assassinated a diplomatic envoy who was on an official mission that had been requested by the United States government itself.

Baghdad will formally denounce this behavior to the United Nations. However, it would be idle to expect UN outrage about the US killing of a diplomatic envoy. International law was dead even before 2003's Shock and Awe.

Mahdi Army is back

Under these circumstances, it's no wonder the Iraqi Parliament approved a non-binding resolution asking the Iraqi government to expel foreign troops by cancelling a request for military assistance from the US.

Translation: Yankee go home.

Predictably, Yankee will refuse the demand. Trump: "If they do ask us to leave, if we don't do it in a very friendly basis, we will charge them sanctions like they've never seen before ever. It'll make Iranian sanctions look somewhat tame."

US troops already are set to remain in Syria illegally – to "take care of the oil." Iraq, with its extraordinary energy reserves, is an even more serious case. Leaving Iraq means Trump, US

neocons and the Deep State lose control, directly and indirectly, of the oil for good. And, most of all, lose the possibility of endless interfering against the Axis of Resistance - Iran-Iraq-Syria-Hezbollah.

Apart from the Kurds - bought and paid for - Iraqis all across the political spectrum are tuned in to public opinion: this occupation is over. That includes Muqtada al-Sadr, who reactivated the Mahdi Army and wants the US embassy shut down for good.

As I saw it live at the time, the Mahdi Army was the Pentagon's nemesis, especially around 2003-04. The only reason the Mahdi Army were appeased was because Washington offered Sadr Saddam Hussein, the man who killed his father, for summary execution without trial. For all his political inconsistencies, Sadr is immensely popular in Iraq.

Soleimani pysop

Hezbollah's secretary-general Sayyed Nasrallah, in a [very detailed speech](#), goes to the jugular on the meaning of Soleimani's assassination.

Nasrallah tells how the US identified the strategic role of Soleimani in every battlefield - Gaza, Lebanon, Syria, Iraq, Yemen, Afghanistan, Iran. He tells how Israel saw Soleimani as an "existential threat" but "dared not to kill him. They could have killed him in Syria, where his movements were public."

So the decision to assassinate Soleimani in public, as Nasrallah reads it, was a psyop. And the "fair retribution" is "ending the American military presence in our region." All US military personnel will be kept on their toes, watching their backs, full time. This has nothing to do with American citizens: "I'm not talking about picking on them, and picking on them is forbidden to us."

With a single stroke, the assassination of Soleimani has managed to unite not only Iraqis but Iranians, and in fact the whole Axis of Resistance. On myriad levels, Soleimani could be described as the 21st century Persian Che Guevara: the Americans have made sure he's metastasizing into the Muslim Resistance Che.

Oil war

No tsunami of pedestrian US mainstream media PR will be able to disguise a massive strategic blunder - not to mention yet another blatantly illegal targeted assassination.

Yet this might as well have been a purposeful blunder. Killing Soleimani does prove that Trump, the Deep State and the usual suspects all agree on the essentials: there can be no entente cordiale between Saudi Arabia and Iran. Divide and rule remains the norm.

Michael Hudson [sheds light](#) on what is in effect a protracted "democratic" oil war: "The assassination was intended to escalate America's presence in Iraq to keep control of the region's oil reserves, and to back Saudi Arabia's Wahhabi troops (Isis, Al Qaeda in Iraq, Al Nusra and other divisions of what are actually America's foreign legion) to support U.S. control of Near Eastern oil as a buttress of the US dollar. That remains the key to understanding this policy, and why it is in the process of escalating, not dying down."

Neither Trump nor the Deep State could not fail to notice that Soleimani was the key

strategic asset for Iraq to eventually assert control of its oil wealth, while progressively defeating the Wahhabi/Salafist/jihadi galaxy. So he had to go.

‘Nuclear option’

For all the rumble surrounding Iraqi commitment to expel US troops and the Iranian pledge to react to the Soleimani assassination at a time of its choosing, there’s no way to make the imperial masters listen without a financial hit.

Enter the world derivatives market, which every major player knows is a financial WMD.

The derivatives are used to drain a trillion dollars a year out of the market in manipulated profits. These profits, of course, are protected under the “too big to prosecute” doctrine.

It’s all obviously parasitic and illegal. The beauty is it can be turned into a nuclear option against the imperial masters.

I’ve written extensively about it. New York connections told me the columns all landed on Trump’s desk. Obviously he does not read anything – but the message was there, and also delivered in person.

This past Friday, two American, mid-range, traditional funds bit the dust because they were leveraging in derivatives linked to oil prices.

If Tehran ever decided to shut down the Strait of Hormuz – call it the nuclear option – that would trigger a world depression as trillions of dollars of derivatives imploded.

The Bank for International Settlements (BIS) counts about \$600 billion in total derivatives. Not really. Swiss sources say there are at least 1.2 quadrillion with some placing it at 2.5 quadrillion. That would imply a derivatives market 28 times the world’s GDP.

On Hormuz, the shortage of 22% of the world oil supply simply could not be papered over. It would detonate a collapse and cause a market crash infinitely worse than 1933 Weimar Germany.

The Pentagon gamed every possible scenario of a war on Iran – and the results are grim. Sound generals – yes, there are some – know the US Navy would not be able to keep the Strait of Hormuz open: it would have to leave immediately or, as sitting ducks, face total annihilation.

So Trump threatening to destroy 52 Iranian sites – including priceless cultural heritage – is a bluff. Worse: this is the stuff of bragging by an ISIS-worthy barbarian. The Taliban destroyed the Bamiyan Buddhas. ISIS nearly destroyed Palmyra. Trump Bakr al-Mar-a-Lago wants to join in as the destroyer of Persian culture.

The original source of this article is [Asia Times](#)

Copyright © [Pepe Escobar](#), [Asia Times](#), 2020

[Comment on Global Research Articles on our Facebook page](#)

Become a Member of Global Research

Articles by: [Pepe Escobar](#)

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca