

Washington Using Currency War to Destabilize Iran

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*The neoconservative hawks around the US President, notably new National Security head **John Bolton** and designated **Secretary of State Mike Pompeo**, are on record that Iran is in Washington's sights for regime change or at a minimum, economic sanctions and chaos. The rhetoric is not empty. The ground is being laid by US threats to not renew the Iran nuclear agreement in May, a move opposed by the other signatories and a move that would plunge Iran into a deep economic crisis at a time it can ill afford.*

In recent weeks its currency has been dropping like a stone, provoking panic buying of dollars on the black markets and aggravating a growing domestic crisis. While Trump threatens in May not to renew the Iran nuclear agreement, opening new official sanctions, evidence suggests there is a dirty game underway from the side of key Washington allies Saudi Arabia and UAE to weaken the Rial.

In December 2017 there was a wave of protests across the country focused on the weak economy and high unemployment. Then, after initially charging foreign meddling (which there was to be sure), arresting thousands, the government was forced to recognize the economic grievances were legitimate and should be addressed. They were the largest protests since the US-incited attempt at a Green Revolution in 2009. With overall inflation at 14% in 2017 despite lifting of Western sanctions, and youth unemployment at 25%, the government of moderate **Hassan Rouhani** pledged to address the [economic situation](#).

Currency war begins

Those protests gradually died down. Now what is taking place, however, is far more dangerous to the stability of Iran. It's a not-so-subtle form of financial warfare from Washington. At this stage it takes the form of currency war, inducing panic among Iranians that leads them to dump Rials in a desperate bid to get dollars as the Rial sinks to its lowest since the 1979 Khomeini Revolution.

The trigger for the latest plunge in the Rial was the announcement by US President Trump that he is "inclined" to not certify Iranian adherence to the nuclear treaty on May 12 when the next quarterly decision is due. When Trump last signed off on the nuclear treaty in January he threatened to not approve unless radical improvements were agreed with the Europeans and Iran that would include eliminating Iran's ballistic missile program and its support of Hezbollah, a significant force in the Syrian war.

The Rial began to fall against the US dollar in February. Reports at that time were that banks in the UAE, a close ally of Washington and Saudi Arabia, were deliberately delaying processing Iran oil payments despite the fact that oil production and exports have risen

significantly since partial lifting of sanctions. Iran's trade balance is positive. The country exported \$50 billion of oil and \$40 billion of non-oil exports while it imports \$50 billion worth of goods and services last year. Oil production has risen significantly to 3.8 million barrels/day from 2.6 million bpd in 2012 [at the peak of sanctions](#).

Days before the latest US-UK-France bombing of Syria over false allegations of chemical weapons, the Rial was dropping on the free exchange markets in the country. On April 11, it was worth 60,000 Rials to the dollar. Last September it was one to 36,000. Now Rouhani has acted to end a dual official and private rate, and merged the market rate with the official central bank rate, fixing it at 42,000 in a desperate move to control the free fall. The Rial fell 20% in the two weeks prior [to the exchange controls](#).

Syria Bombings

It is clear at this point that a prime goal of the entire run-up to the illegal US-UK-French bombing of Syrian targets on April 14, was to prepare a major game change in the relations between Russia, Syria and especially Iran at present. The current aim of both the neoconservatives now running Trump policy and of the Netanyahu Likud government in Israel is to force Iran out of Syria. The day after the bombing, on April 15, US Ambassador to the UN and strident neocon **Nikki Haley** told Fox news that the US will pull out of Syria when three conditions are met:

“To stop the use of chemical weapons, to totally defeat ISIS and [to monitor the Iranians](#).”

In short US troops are at this point planning a long stay in Syria.

Despite the recent bombings, now the stage is set at any moment for US-backed terror groups in Syria to detonate another false flag chemical attack to justify new far more devastating bombings of Syria along the lines of Belgrade in 1999. And what does she mean by “monitor the Iranians”?

One clear result of the new heavy economic sanctions against Rusal and other Russian companies as well as the fall of the Ruble in recent days, combined with the fraudulent British intelligence Skripal nerve gas caper, and followed by the equally fraudulent White Helmets false flag Ghouta chemical weapons allegations, was to “soften” Russian support for the Iranian military presence in Syria. In his speech to the nation announcing the air strikes on Syria April 13, Trump declared,

“I also have a message tonight for the two governments most responsible for supporting, equipping and financing the criminal Assad regime. To Iran and to Russia...”

He then focused on Russia stating,

“Russia must decide if it will continue down this dark path or if it will join with civilized nations as a force [for stability and peace](#) (sic).”

According to the energy newsletter Oilprice.com, Iran's currency situation is being

aggravated by deliberate measures from key US allies Saudi Arabia and the UAE to hinder repatriation of dollars from Iranian oil exports. Iranian central bank governor **Valiollah Seif** said,

“Enemies outside of our borders, in various different guises, are fueling this issue and are going to some effort to [make conditions tougher for the people.](#)”

Renewed US Treasury Sanctions?

The orchestration of the US-led bombing of Syria, regardless of what targets were or were not hit, now sets the propaganda stage for a dramatic escalation of new sanctions against Iran, and for a major destabilization, something not possible in 2009.

What is taking shape now from the side of Washington is preparation to unleash a new wave of economic and financial sanctions on Iran, regardless.

US **Treasury Secretary Steven Mnuchin** told the US Congress on April 12, two days before the Syria attacks, that the possibility existed of re-imposing sanctions on Iran while claiming that the US has not pulled out of the multinational Iran nuclear agreement. Mnuchin told a House hearing that

“If the president decides not to sign that (waiver), it doesn’t mean we’re necessarily pulling out of the deal. What it means is that the primary and secondary sanctions will go back in place.”

European diplomats have told Reuters off the record that even if Germany, France and UK decide to remain in the agreement, Western companies would withdraw from Iran because of the threat of US sanctions.” That would mean a devastating economic cordon sanitaire around the country.

Mnuchin added that, “very strong” sanctions on Iran were possible.

“If the president doesn’t sign the certification, the sanctions snap back into place,” Mnuchin stated, “I do think the primary and secondary sanctions would have an important impact on the Iranian economy, and that’s something he’s thinking about and balancing as he makes his decision.”

In recent years the US Treasury has become a part of the national security council, and speaks of its diabolical new “smart sanctions” like those targeting “the Putin oligarchs” and their companies.”

Mnuchin told the Congress that his Treasury Department is working on sanctions entirely independent from the nuclear deal, giving the game away that it has nothing to do with Iran’s alleged nuclear program, but rather with economically crippling or destabilizing Iran itself. If we look closely at the latest round of US Treasury sanctions on key Russian companies, it is clear that Washington feels so bold it no longer has to justify in any serious way imposing sanctions on a target country. All your crime need be today is to be accused of “continuing down this dark path...” as judged by the good Mr Trump and friends.

In 2012 the Obama Administration Treasury Department pressured the European Union

countries which then ordered Belgium-based SWIFT, the Society for Worldwide Interbank Financial Telecommunication, to cut all interbank credit lines for Iranian banks including the central bank, dealing a crippling blow to her ability to earn dollars for Iranian oil and other exports. It was unprecedented, and lasted four years until SWIFT links were reestablished following the 2016 Nuclear Agreement.

When the US Treasury speaks of imminent primary and secondary sanctions “snapping” back into place, it is clear that some in Washington plan to pressure the EU again to cut SWIFT lines again. Only this time the “justification” could be Iran’s presence in Syria, a presence, unlike that of the US or UK or France, done at the request of the lawful Syrian government.

Given the weakened state of the Iran economy, it would not require a military attack, something of great difficulty in any case, in order for Iran’s enemies—Washington, Saudi Arabia and Israel—to inflict huge damage and disruption to Iran’s economy. That in turn would be the likely setting, as was the case in Yugoslavia in 1989 with its US-induced economic crisis, for Washington to relaunch its fake democracy NGOs under National Endowment for Democracy or the Soros Foundations, to try to divide Iranians and spread chaos.

Clear at this point, with Washington and London abandoning any pretense of rules of international law to justify their acts of war, Iran is facing a potentially devastating new round of economic warfare to follow months of softening up through the de facto currency warfare. Things could get really ugly in the Middle East after May 12. That will target Iran, a key link to the Eurasian Belt Road Initiative, the new Economic Silk Road of China and the economic cooperation with Russia. If that succeeds, we can be sure that further targeting of Russia as well as of China is next in line. If those key strategic Eurasian powers fail to strengthen their mutual cooperation on economic, political and military levels, it could be like shooting fish in a barrel for Washington to knock out the rivals to its undisputed sole superpower hegemony. That would not be at all good for world peace prospects.

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Seeds of Destruction: Hidden Agenda of Genetic Manipulation

Author Name: F. William Engdahl

ISBN Number: 978-0-937147-2-2

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Pages: 341 pages with complete index

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Special Price: \$18.00

This skilfully researched book focuses on how a small socio-political American elite seeks to establish control over the very basis of human survival: the provision of our daily bread. "Control the food and you control the people."

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The author cogently reveals a diabolical world of profit-driven political intrigue, government corruption and coercion, where genetic manipulation and the patenting of life forms are used to gain worldwide control over food production. If the book often reads as a crime story, that should come as no surprise. For that is what it is.

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