

NUCLEAR ILLUSION

ISRAEL & THE IRANIAN OIL BOURSE REALITY

By: Novakeo

Soon after the invasion of Iraq by the United States and Britain, the Bush administration re-converted Iraq's oil transaction currency back to the U.S. petrodollar. Iraq under Saddam Hussein in the year 2000 required that euros be used as payment for its oil sales. This conversion by Iraq was an underlying reason for the invasion by the United States; Saddam Hussein established a dangerous precedent that threatened the monopoly of the petrodollar which had the potential to destabilize the U.S. dollar.



The war in Iraq was much more than the securing of the valuable resource of oil, for the United States it was to protect and continue the dominance by the greenback as the world's Reserve Currency which is made possible because currently the U.S. dollar is the currency used by most nations for their purchase of oil. This petrodollar cycle is the economic mechanism which has allowed a highly debted nation such as the United States to keep its superpower status. If the petrodollar cycle comes to an end or is severely restricted then the U.S. dollar which is sitting on a precarious inflated bubble could collapse and send the American economy into a dangerous freefall.

Iran in 2003 began accepting euros as the exchange currency for their oil exports and in March 2006, Iran will begin their own Oil Bourse that will directly compete with New York's

Mercantile Exchange (NYMEX) and London's International Petroleum Exchange (IPE). These two American owned oil exchanges use the U.S. dollar as their monetary exchange mechanism for the purchase of oil. Iran's plan to establish an [Iranian Oil Bourse](#) utilizing the stronger euro for their oil trade represents a dangerous threat to the monetary supremacy of the U.S. dollar and to the American imperial prowess that the petrodollar sustains.

Therefore, you have a serious new dynamic in the global economic condition that is currently being dominated by the United States. A successful Iranian oil exchange would possibly bring on a radical devaluation of the U.S. fiat currency which would in-turn increase for the United States the costs of maintaining a military preponderance throughout the world. For the neoconservatives within the American establishment, a successful Iranian oil exchange would threaten the economic viability in their belligerent conquest of the Middle East.

A successful Iranian Oil Bourse would create a shift away from the U.S. petrodollar towards the [stronger petroeuro](#) in the world's oil markets. China, Russia, and the E.U. are working with the Iranians to make this a reality. If the United States tries militarily to stop the Iranian Oil Bourse and secure the continued dominance of the petrodollar, the potential for "blowback" from the Chinese is enormous. Iran is China's principle oil exporter; therefore, Iran is an important strategic partner for China. China's oil giant Sinopec Group has [signed](#) a US\$70 billion oil and natural gas agreement with Iran. China holds over 600 billion dollars in U.S. Treasury Bills along with other assets which could be dumped as part of a retaliatory process too American aggression against Iran, thus creating a dollar crisis where other countries who hold large amounts of U.S. dollars in reserve would quickly dump their dollar assets.

The State of Iraq was conveniently fabricated into a military threat by the neoconservatives within the Bush administration as part of an [aggressive ideology](#) [PDF] that focused on the use of American [military power](#) in strategic areas of the world. In the Middle East, in particular, the neocon philosophy also tightly coincided with the security interests of Israel.

The current tensions between the United States and Iran over Iran's Nuclear program has very little to do with nuclear weapons much like the illegal invasion of Iraq by the United States and Britain had very little to do with [WMD](#) or terrorism. Iran has not violated the [Nuclear Non-Proliferation Treaty](#), in fact, under the supervision of the International Atomic Energy Agency (IAEA); Iran has acted within the parameters of international law. Iran's nuclear program is legal, and is a rightful exercise of an independent sovereign nation.

The IAEA is engaged in an apparent double standard when it disingenuously voted on Saturday February 4, 2006 to refer Iran to the U.N. Security Council over dubious concerns regarding Iran's nuclear program. Under American pressure, an international crisis is nefariously being created. The IAEA have not found any evidence of an Iranian nuclear weapons program, yet Iran is being referred to the U.N. Security Council in similar fashion as Iraq was concerning their nonexistent WMD.

The consequences for this manufactured crisis with Iran is easy to predict, the result will be that nations in the future - outside of the West - that want to develop nuclear programs will do so in secret outside the rules and regulations of the Non-Proliferation Treaty like North Korea, Israel, Pakistan and India have done. Nations that develop nuclear capabilities in secret are not threatened or punished while nations like Iran that develop a nuclear program within the laws of the Non-Proliferation Treaty are subjugated to false accusations and intimidation.

Unfortunately, for Iran the political reality in the United States cannot tolerate a nuclear Iran because it potentially presents a threat to the [security interests](#) of Israel as Senator Hillary Rodham Clinton (D-N.Y.) [recently revealed](#). President Bush has also signaled that the United States would [defend Israel](#) if Iran for whatever reason attacked Israel. Even if Iran were to respond to an initial attack by Israel as part of an act of self-defense, the condition of American politics and its subservience to [Israeli interests \[PDF\]](#) would place the United States square in the middle of another unnecessary war in the Middle East which would probably prove to be detrimental to the economic well-being of the United States.

America's political establishment and its acquiescence to Israeli strategic concerns could prove to be detrimental to actual American interests. Israeli interests in American foreign policy as it pertains to the Middle East essentially control the behavior in both the Republican and Democratic parties. If the U.S. gets involved in a war with Iran, it will most likely do so under the circumstance of an Israeli attack on Iran's nuclear facilities, and to the subsequent insistence by Israeli cohorts within America that U. S. vital interests in the region coincides with Israel's security requirements.

South Asia Earthquake Relief

The upcoming
winter could
kill millions.
Don't leave
South Asia in
the cold.

PLEASE
HELP
TODAY



There is little doubt that Israel will attempt to destroy Iran's nuclear facilities. It will be similar to Israel's raid on Iraq's Osirak nuclear facility in 1981, but on a much larger scale. This massive first strike by Israel deep into Iranian territory would most likely quickly degenerate into a major conflict with the potential to drag other Muslim nations into the conflagration and into another general Middle Eastern war.

A conflict between the United States and Iran would be counter-productive to U.S. vital interests on many levels; politically, it would further isolate the United States with the rest of the world. Economically, it has the serious potential to burst the bubble that is the U.S. economy. Geo-strategically, it could bring on an unfortunate confrontation between the United States and China, and it would most likely place the United States in direct military confrontation with other nations in the Islamic world. There is no sustainable strategic benefit for the United States to get itself involved in a war with Iran.

There is currently much news in the MSM about the supposed threat that a nuclear Iran could be to all freedom-loving democracies in the world. As the War Party prepares yet again the American sheep to get ready for a confrontation with Iran, their exercise in "creative destruction" and their determination to initiate "World War IV," as of this moment seems to be a sad possibility. Foreign entanglements do indeed carry a very high price.

"Published originally at EtherZone.com : republication allowed with this notice and hyperlink intact."

[Mail this article to a friend\(s\) in two clicks!](#)

Novakeo is editor and writer for Novakeo.com. He is a freelance columnist residing in Oklahoma. He is a regular columnist for Ether Zone.

Novakeo can be reached at novakeo@lycos.com

Published in the February 6, 2006 issue of Ether Zone.
Copyright © 1997 - 2006 Ether Zone.

[We invite your comments on this article in our forum!](#)

