

Neocons Are In Iraq For Oil-Currency

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familiar with geo-political strategy have tried to sound the alarm of the Neocon agenda of endless war to preserve America's security instead of sound policies that would protect our national interests.

One of the most thorough and rational of these researchers is William R. Clark, whose research and books on oil depletion, oil currency issues and U. S. geo-strategy have earned national recognition. In a January, 2003 article entitled "Revisited: The Real Reasons For The Upcoming War With Iraq," which preceded the Iraq invasion, Clark explained in great detail the economic and geopolitical circumstances that made the invasion a certainty.

Clark writes, "Although apparently suppressed in the U.S. media, one of the answers to the Iraq enigma is simple yet shocking. The upcoming war in Iraq war is mostly about how the CIA, the Federal Reserve and the administration view hydrocarbons at the geo-strategic level, and the unspoken but overarching macroeconomic threats to the U.S. dollar from the euro. The real reasons for this upcoming war is this administration's goal of preventing further OPEC momentum towards the euro as an oil transaction currency standard, and to secure control of Iraq's oil before the onset of Peak Oil (predicted to occur around 2010). However, in order to pre-empt OPEC, they need to gain geo-strategic control of Iraq along with its 2nd largest proven oil reserves."

"In the aftermath of toppling Saddam it is clear the U.S. will keep a large and permanent military force in the Persian Gulf. Indeed, there is no talk of an 'exit strategy,' as the military will be needed to protect the newly installed regime, and to send a message to other OPEC producers that they too might receive 'regime change' if they convert their oil payments to euros."

Unique Global Role Of Dollar Keeps Economy Afloat

Clark also explains how the dollar's standing as the world's oil and reserve currency helps keep the U.S. economy afloat:

"While many Americans assume the strength of the U.S. dollar merely rests on our economic output (GDP), the ruling elites understand that the dollar's strength is founded on fundamentally unique advantages relative to all other hard currencies.

"The reality is that the "safe harbor" status of the U.S. dollar since 1945 rests on it being the international reserve currency. Thus it has assumed the role of sole currency for global oil transactions (petrodollar). The U.S. prints hundreds of billions of fiat dollars, which U.S. consumers provide to other nations via the purchase of imported goods. These dollars become 'petrodollars' when they are then used by those nation states to purchase oil/energy from OPEC producers. Approximately \$600 to \$800 billion 'petrodollars' are annually invested back into the U.S. via Treasury Bills or other dollar-denominated assets such as U.S. stocks, bonds, real estate, etc. This recycling bolsters the dollar's international liquidity value."

OPEC Agreed To Price Oil In Dollars In 1974

The dollar was under great pressure in the early 1970s, because the U.S. had printed far more dollars than it held in gold. But Nixon had a cunning solution. He struck a bargain with Saudi Arabia. They would sell oil in dollars exclusively and invest their surplus oil proceeds in Treasury Bills. In return, the U.S. would shield the Saudis from military attack. Also the Saudi "investments" would be shrouded in secrecy. William Clark points out that

No Link Between Iraq and Al Qaeda Prior to the Invasion of Iraq

On October 2, 2002, a National Intelligence Estimate (NIE) was made available to Congress just one week before the vote to authorize the invasion of Iraq. The Neocons in the current administration had, in the months leading up to the vote, implied that this supposed consensus of the U. S. Intelligence Community clearly demonstrated that there were definite ties between the Saddam Hussein regime and Al Qaeda terrorists. These claims turned out to be false.

There was no consensus among the intelligence agencies that such a link existed. The CIA, the Defense Intelligence Agency, State and Energy department intelligence analysts had all discounted

such ties months before the NIE release. However, the Defense Department's Policy Counter Terrorism Evaluation Group and Office of Special Plans had offered differing assessments of actual intelligence findings, related particularly to Iraq's possession of weapons of mass destruction and concrete ties to Al Qaeda. These alternative assessments, though disputed in the Intelligence Community, were used by the Neocons to manipulate public and Congressional opinion in the run up to the war.

Paul R. Pillar, a former CIA operative who also served as National Intelligence Officer for the Near East and South Asia from 2000 to 2005 wrote in an article in *Foreign Affairs* magazine in 2006 about the conflicting assessments:

"The administration's rejection of the intelligence community's judgments became especially clear with the formation of a special Pentagon unit, the Policy Counter Terrorism Evaluation Group. The unit, which reported to Undersecretary of Defense for Policy Douglas Feith, was dedicated to finding every possible link between Saddam and Al Qaeda, and its briefings accused the Intelligence Community of faulty analysis for failing to see the supposed alliance."

Numerous investigations by the Intelligence Community and Congress have clearly shown that during the run-up to the invasion of Iraq, the Neocons in the executive branch disregarded the established Intelligence Community's expertise, politicized the intelligence gathering and analysis process, and selected unrepresentative raw intelligence to make its case to the public.

In February, 2007, the Department of Defense Office of Inspector General reported to Congress that the Office of the Undersecretary of Defense for Policy developed, produced and disseminated alternative intelligence assessments on the pre-war relationship between Iraq and Al Qaeda that were inconsistent with the consensus of the Intelligence Community. The report concluded that "the alternative intelligence analysis was not fully supported by the underlying intelligence."

The intelligence community never offered any analysis that supported the notion of an alliance between Saddam and Al Qaeda. However, the Neocon propaganda that such a link existed was one of the major reasons that the American public and Congress supported the invasion of Iraq.



another researcher, D. David Spiro has written an excellent book entitled *The Hidden Hand of American Hegemony: Petrodollar Recycling and International Markets*, wherein Nixon's ploy--henceforth known as 'petrodollar recycling'--is explained in full. Says Clark, "... global oil consumption via OPEC provides a healthy subsidy to the U.S. economy."

The U. S. economy is, in effect, addicted to the dollar's reserve currency status. The Neocons lack plans to reduce the debt, rebuild industry and legitimately revive the dollar. Their only solution is endless war.

Any Attempt By OPEC To Price Oil In Euros Will Be Met By U.S. Force

As Clark observed on 2003, "It would appear that any attempt by OPEC member

states in the Middle East or Latin America to transition to the euro as their oil transaction currency standard shall be met with either overt U.S. military actions or covert U.S. intelligence agency interventions. Under the guise of the perpetual 'war on terror' the administration is manipulating the American people about the unspoken but very real macroeconomic reasons for this upcoming war with Iraq. This war in Iraq will not be based on any threat from Saddam's old WMD program, or from terrorism. This war will be over the global currency of oil. A war intended to prevent oil from being priced in euros."

Clark also warns about the broader Neocon scheme for empire, "After toppling Saddam, this administration may decide that Iran's disloyalty to the dollar qualifies them as the next target in the 'war on terror.' Iran's interest in switching to the euro as their currency for oil exports is well documented..." Indeed Iran's central bank shifted the majority of reserve funds to euros during 2002, anticipating a switch in oil payments to euros.

Clark's pre-war conclusions have been borne out, and in the past two years the Neocon propaganda machine has begun a drumbeat for war with Iran, using the same exaggerated fear tactics as were fabricated for the Iraq invasion.
