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Economic Warfare the Main Western Weapon*

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***Abstract**: The aim of this article is to show why, in the globalization era, economic warfare is the main weapon used by the Transnational Elite to integrate into the New World Order of neoliberal globalization any country resisting the loss of economic and national sovereignty that joining it implies. Its conclusion is that only the building of an economic and political union of sovereign nations, like the original conception of the Eurasian Union was, which would embrace the nations all over the world still fighting the NWO of neoliberal globalization, from Europe and Asia up to Latin America and the Arab world, could possibly create conditions of self-reliance and "self determination" and, at the same time, an alternative pole to the present criminal unipolar world.*

In the last few days it became clear that economic warfare is the main weapon used by the Transnational Elite, (TE — i.e. the network of the elites based mainly in the G7 countries which run the New World Order of neoliberal globalization), to subordinate Russia and integrate every other country still resisting the process, e.g. Iran and Venezuela. This includes not just the usual economic sanctions, or the blocking of new projects to facilitate distribution, like the South Stream project but, also, as the dramatic decline in the price of oil has shown in the last few months, the induced fall in its price. This was the case of the last OPEC meeting when Saudi Arabia was the main organ for the implementation of this plan.

As it is well known, Saudi Arabia is the biggest producer and exporter of oil and its actions in the last OPEC meeting were decisive in bringing about the present dramatic decline in its price. As the associate editor and chief

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economics commentator at the *Financial Times* put it, celebrating the fact that Russia, Iran and Venezuela might be particularly affected ("Two cheers for the sharp falls in oil prices" was the eloquent title of his article), it was Saudi Arabia that "triggered" this dramatic event:

> "Particularly important might be the impact on net oil-exporting countries. Among vulnerable producers are regimes that one would dearly like to see weakened, Vladimir Putin's Russia foremost among them. (…) To sustain oil prices, Opec needed to cut output by about 1mbd. But it — or, more precisely, Saudi Arabia — has refused to do so. This has triggered the recent fall in prices."[1]

However, Saudi Arabia is not just a very important player in the oil market. It is also one of the most absolutist, politically and ideologically, regimes on Earth.

Politically, the regime is controlled, as an absolute monarchy, by one family, where the king, who is also the prime minister, combines legislative, executive, and judicial functions, with royal decrees forming the basis of the country's legislation, while the numerous members of the royal family (which includes at least 7,000 princes) dominate the entire political system. This fact does not prevent of course the Transnational Elite (well known for its fight for "democracy" all over the world!) to fully support this regime and to accuse, instead, Russia for absolutism!

Ideologically, almost a quarter of its population is Salafis and most of the rest are Wahhabis, although the differences between them seem similar to the nonsensical differences between Christian theologians in the Middle Ages. The essence is that they both represent the most puritanical (i.e. conservative) approaches to Islam. As an analyst put it, "most Salafists fill the ranks of groups called 'pietist' or 'quietist', who preach obedience to any government, however corrupt or autocratic, as long as it calls itself Muslim. The aim is to avoid that worst of states: *fitna* or calling into question the unity of the community of the faithful."[2]

It is therefore hardly surprising that Saudi Arabia and its ideology was enthusiastically embraced by the West, in the pre-globalization era, as a useful tool to fight Soviet influence as well as pan-Arabic socialism, and by the Transnational Elite in the globalization era, as a useful tool to fight any nations resisting their abolition of sovereignty within the New World Order (NWO) of neoliberal globalization. This was clearly shown for instance when Saudi Arabia supported in every possible way the Salafi jihadi, who butchered the peoples of Libya and Syria and only recently stopped supporting their offspring, ISIS, when they become targeted by the Transnational Elite for attempting to follow their

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[1] Martin Wolf, "Two cheers for the sharp falls in oil prices", *The Financial Times* (2/12/2014).
[2] François Burgat, "Salafists, latest in the Islamist line", *Le Monde Diplomatique* (July 2010).

own line in building an Islamic State.[3] Unsurprisingly, the methods used by ISIS, like beheading which were repeated *ad nauseam* by the TE media in order to terrorize Western middle classes and justify its "war on terrorism", have in fact been practiced for years by its client Saudi regime, with nobody in the "civilized" West bothering much about it, as long as they were able to keep expanding their highly profitable business of arms selling to the regime. As another analyst described the Saudi regime in a highly substantiated analysis:

> "To this day, Saudi Arabia carries out barbaric executions against both criminals and political enemies, including victims accused of 'sorcery and witchcraft' in the aptly named, 'Chop-Chop Square' located in the capital of Riyadh where heads are literally chopped off by hooded swordsmen. (…) Saudi Arabia's brutally repressive internal security apparatus is a creation of US advisors and operators. Its military, both covert and conventional, is also armed through astronomically large weapons sales (including a recent sale considered the largest in US history) by its Wall Street and London allies. The atrocities committed by the despotic Saud regime are directly facilitated by US advisers, operators, and arms. Saudi Arabia also hosts the US military, a sizable force until it was spread out amongst the orbiting despotic regimes of Qatar (note: see Aljazeera), Bahrain, Oman, and the United Arab Emirates."[4]

Of course, it was not just systemic economists who celebrated the dramatic fall in the price of oil, as even the upper echelons of the transnational economic elite, like the head of the IMF, found also difficult to disguise their joy in describing the impact of this event. Thus, as Christine Lagarde explained, a 30 percept drop in oil prices translates into a 0.8 percent boost in growth for "most advanced economies," and "probably 0.6 percent for the US," and then she went on to elaborate as follows the implications for US and Russia:

> "For the United States, low energy prices could help to stimulate growth to 3.5 percent next year from the October forecast of 3.1 per cent. (…) For Russia, exports of oil and gas equate to 68 per cent of Russia's total exports, and 50 per cent of its federal revenues. Russia has already spent almost $90 billion from its currency reserves in 2014, or 4.5 per cent of its

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[3] See Takis Fotopoulos, "Real objectives of Transnational Elite in Syria", Pravda.ru (13/10/2014). <http://english.pravda.ru/world/asia/13-10-2014/128787-translational_elite_syria-0/>

[4] Tony Cartalucci, "Introducing the Gulf State Despots: 10 facts about Saudi Arabia", *Land Destroyer* (9/8/2012). <http://landdestroyer.blogspot.co.uk/2012/08/introducing-gulf-state-despots-10-facts.html>

economy to support plunging rubble that has lost more than 40 per cent from the start of the year."[5]

No wonder the TE media celebrate the projected fall in real incomes, as described by Alexei Vedev, the Russian deputy economy minister. Thus, Vedev, assuming that the sanctions will remain in place throughout 2015, something that implies that capital markets for the majority of Russian banks and companies will remain closed, predicted that the country, by the end of the year would be in recession, the first one since 2009. The size of this recession will be greater the lower the price will be next year, but even if it stays at around $80 (a rather optimistic assumption because of inflation which is already rather high as a result of the devaluation of the rouble), real incomes are expected to fall by around 3%. Also, given that capital markets are still open, capital flight from Russia will continue and capital outflows of $125bn are expected for this year, which could rise to $90bn in 2015.[6] The *Financial Times* is (as usually) more frank than Western liberal "Left" papers in expressing their deeper wishes for a "velvet revolution" in Russia as a result of the intensifying crisis and openly raises the question whether "Putin's popularity can weather a perfect economic storm and "a fall in real incomes which will hit hard working class families in regions supportive of the president."[7]

It is therefore clear that Saudi Arabia's action in precipitating the dramatic fall in the price of oil was far from accidental. Furthermore, it was hardly motivated by a Saudi attempt to keep its dominant share in the oil market, supposedly threatened by the US shale oil production. This explanation, given by the "globalist" faction within the Russian elite and the liberal "Left" in the West, was in fact an alibi used by the TE itself and the Saudis in order to disguise the real aim of this action. That is, the use of the price of oil as a highly effective weapon of economic warfare in order to force Russia and associate resisting regimes (like Iran and Venezuela) either to submit to the TE rule, or face a possibly severe economic recession (depending on how long the price of oil will be kept at very low levels) which could well lead to "velvet revolutions" in all these countries and, possibly, to regime changes. The alternative "explanation" in terms of a supposed "war" between S.A. and US not only "forgets" the client nature of the former to the latter but also the simple fact that such an action could only have a temporary effect. Clearly, at the moment the price of oil starts rising again for political or economic reasons — this has nothing to do with any

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[5] "Tumbling oil prices 'net positive' for advanced countries, risk for Russia – IMF chief", RT (2/12/2014). <http://www.rt.com/business/210623-tumbling-oil-positive-imf/>

[6] Angela Monaghan & Julia Kollewe, "Russian economy set to shrink 0.8% next year", *The Guardian* (3/12/2014).

[7] Neil Buckley, "Can Vladimir Putin's popularity weather a perfect economic storm*?", Financial Times* (3/12/2014).

"laws" or "tendencies" like the "peak oil" disaster theory and the likes[8] — shale oil production will of course resume with revenge.

In fact, the present dramatic fall in the price of oil is part of a long-term plan to force the "nationalist" part of the Russian elite to submit to the Transnational Elite's (TE) rule, despite the aspirations of the overwhelming majority of the Russian people that follows it. This was clearly shown when this majority enthusiastically welcomed the only real counter-attack so far against the continuing and intensifying attack by the TE against Russia, i.e. the re-integration of Crimea.

The long-term plan to hit Russia at the economic front is shown by the systematic TE effort to undermine the only effective export of the country since the catastrophic destruction of Russian industry, following the collapse of USSR and the growing reliance of Russia since then on imports to cover even the basic needs of its people. This was a collapse not in the sense that the Soviet regime failed to cover (at least) the basic needs of its people. In fact, the opposite could be shown even by reliable Western research at the time.[9] Yet, it still failed to cover effectively non-basic needs and, even more so, to create conditions of real workers' democracy. This, combined with an economic campaign against USSR, using (yet again!) the dramatic fall in the price of oil but also (as the fall in oil price was not enough at the time, given the self-reliance of USSR) the arms race, led initially to the taking over of power by the globalist faction within the Russian elite under Gorbachev (who effectively wanted a post-Mao Chinese kind of a hybrid capitalism cum "communism") and, eventually, to the TE- favourite, Boris Yeltsin. As Engdahl put it, "we now see as evidence that clearly indicates there was a CIA coup d'état backing Boris Yeltsin to be the man of Washington, so as to dismantle the Russian economy entirely after 1990."[10] It was in this sense that one may talk of a collapse of the USSR, given that the natural supporters of the regime, the working class, did not mobilize to stop these plans which led to the destruction not only of the socialist revolution but of the Russian economy itself.

Thus, it was not just the present TE cancellation of the Russian attempt to bypass Ukraine (which, for the time being is, to all intents and purposes, a formal protectorate of it), through the South Stream pipeline — thanks to the

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[8] Takis Fotopoulos, "Disaster theories and the crisis: the peak oil case", *The International Journal of Inclusive Democracy,* Vol. 7, No. 2/3 (Summer/Autumn 2011). <http://www.inclusivedemocracy.org/journal/vol7/vol7_no2_3_takis_disaster_theories_peak_oil_crisis.html>

[9] See for references, Takis Fotopoulos, "The Catastrophe of Marketization", *DEMOCRACY & NATURE*, Vol. 5, No. 2 (July 1999). <http://democracynature.org/vol5/fotopoulos_marketisation.htm>

[10] "US missile defence aim – possibility of first nuke strike against Russia", RT (10/11/2014). <http://www.rt.com/op-edge/203891-europe-russia-relations-cold-war/>

successful "pressure" of the EU on its informal protectorate, Bulgaria. In fact, a similar story happened a few years ago with another informal protectorate of the EU, Greece, when the Burgas-Alexandroupoli pipeline was cancelled, following heavy pressure by the TE, through its EU component. That was an oil project for transportation of Russian oil from the Bulgarian Black seaport of Burgas to the Greek Aegean port of Alexandroupoli, which was an important alternative route for Russian oil, bypassing the Turkish-Straits. Although the project was described as one of the shortest pipelines through a plain terrain and therefore one of the cheapest and cost effective,[11] and the agreement was signed in Athens in 2007 by President Putin and PM Karamanlis, the TE, having already planned (well before the Ukraine crisis!) the drastic reduction of EU's dependence on Russian oil, went as far as, effectively, replacing Karamanlis by its much more obedient organ George Papandreou — in reality, a product of the US-Zionist elites. Papandreou not only torpedoed this very fruitful for the Greek people agreement that could have reduced the absolute dependence of Greece on the TE and open the door for a possible future entry into the Eurasian Union but, also, played a leading role in bringing forward the Greek economic catastrophe. Thus, it was Papandreou himself who invited the IMF (as Dominique Strauss-Kahn, then IMF director himself revealed, to "help" Greece), even though the Greek solvency problem was not publicly known at the time and according to several experts the bailout was still avoidable, without the catastrophic "help" of the TE and its troika. Clearly Papandreou, as well as his successor Papadimos, who, was also a "man of the TE", played a very dirty role in precipitating the Greek economic catastrophe — although of course, the underlying causes were systemic and had to do with Greece's integration into the EU.[12]

The conclusion is that, although the present agreements with China and Turkey aiming to create new outlets for Russia's energy exports are useful defending acts, they cannot be taken in any way as solutions to the problem which underlies all the above symptoms: the fact that Russia, although it still possesses a much higher degree of economic and national sovereignty than China (let alone Turkey, whose army is completely dependent on its US patron!), it is still characterized by a high degree of economic dependence on the NWO. The merry liberal "Left" in the West, which, together with the globalist faction in Russia, celebrate as "victories" the deals with China and Turkey, simply cannot understand the crucial difference between an ally and a business partner.[13] As

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[11] Christos Dimas, "Burgas-*Alexandroupolis Oil Pipeline Project*", 3rd Emerging Europe Energy Summit: Bapline (8/11/2007).

[12] See Takis Fotopoulos, *Ukraine: The Attack on Russia and the Eurasian Union* (published shortly by Progressive Press).

[13] See e.g. Pepe Escobar, "Exit South Stream, enter Turk Stream", RT (3/12/2014). <http://www.rt.com/op-edge/211091-turkey-russia-east-pipeline-eu/>

Aleksey Maslov, Head of the Russian-Chinese Expert Council aptly put it, "China is not an ally"[14] and the same applies to BRICS or countries like Turkey, which has also geopolitical interests of their own in the Middle East, very different from those of Russia. So, although the globalist faction inside Russia, as well as the fellow travellers in the "Left" abroad try to confuse the issue, allies have to be clearly distinguished from business partners. The BRICS countries could perfectly be good business partners to Russia (as long of course as their economic interests coincide, or at least are parallel) but whether they would be allies to Russia in an intensifying conflict with the TE, which could well put their economic interests in jeopardy, is a completely different matter.

Therefore, only the building of an economic and political union of sovereign nations like the original conception of the Eurasian Union was, which would embrace the nations all over the world still fighting the NWO of neoliberal globalization, from Europe and Asia up to Latin America and the Arab world, could possibly create conditions of self-reliance and "self determination" and, at the same time, an alternative pole to the present criminal unipolar world. This is the only way to effectively disable the West's economic weapon, which successfully led to the collapse of USSR and threatens a similar fate today to the aspirations of the Russian people for a sovereign Russia.

[14] "It was Ukraine that attacked Russia, China believes", *Pravda.ru* (3/12/2014). <http://english.pravda.ru/world/asia/03-12-2014/129199-ukraine_russia_china-0/>