

potential future attack. In the Iran dossier, Washington used reports from the International Atomic Energy Agency and figures like Grossi to find justifications for international pressure. Here, too, in the case of Venezuela, the Nobel peace laureate is meant to play the part of a charming pacifist, so that the stage is set for military intervention and regime change. The West holds a double standard when it comes to defining concepts like peace and democracy. When its interests demand it, it backs a dictator, and at other times, using the same media tools, it talks up a new face as a freedom fighter. In truth, the Nobel Peace Prize has been turned into a political instrument for legitimizing aggression and military interference. This year's award kicks off a new chapter in the soft war against independent Latin American governments. Washington pays lip service to democracy and a peaceful transfer of power, but in practice, it is bent on undermining national sovereignty and taking control of their resources. If you look closely, this year's Nobel Peace Prize is, in reality, hung around the necks of American politicians because its ultimate goal is shoring up US domination in the name of peace and freedom. America is foregoing its short-term interests to secure its long-term ones. What we are witnessing today in Venezuela is a rehash of the very policy carried out years ago in the Middle East and East Asia. In reality, behind the pacifist face of the Venezuelan Nobelist lies the true face of Trump and America's expansionist policies.

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Is US trying to revive petrodollar with Venezuela, Iran?

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Columnist

OPINION

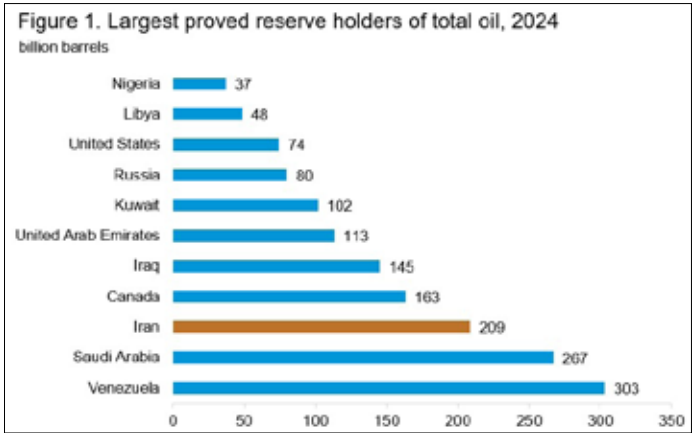
US pressure on Venezuela and Iran continues to increase. What these two countries have in common — oil, gas, and a government opposed to US imperialism — is the key to understanding why. Not because the US needs their oil for consumption, but because it needs it to sustain its financial hegemony. Trump has recently signaled that land operations against Venezuela are on the table. Of course, officially, they are to combat drug trafficking, but this excuse does not hold up. The goal is regime change. A recent article by the Financial Times is almost an admission. The piece features Corina Machado saying that thousands of people are joining her “underground movement,” and that they are in contact with the Trump administration to orchestrate Maduro's removal. She goes further to suggest — while evidence points to the contrary — that the army is not behind the president, and that is why he has called on the popular militias. The calculations about Venezuela, on both sides, are delicate. The Trump administration does not seem eager to intervene militarily in the country, but rather to put enough pressure on it to force regime change. It's difficult to predict the outcome and, as James Bosworth aptly argues, the online debate is not a reliable place to form an opinion as it's extremely polarized. What seems clear is the regime-change objective: to install a US-friendly government that gives priority access to Venezuela's vast natural resources, especially oil. Trump claimed, while campaigning, that if he had been president, US companies would already be drilling. Arguably, the US could achieve this without regime change as Maduro is allegedly more than willing to sell them oil, despite the rhetoric. But that would have meant lifting sanctions on Venezuela's government and admitting previous mistakes. However, this would have contradicted the Trump administration's refocus on its “sphere of influence” and renewed interest in making sure Latin American countries understand that the Monroe Doctrine still holds. The situation with Iran is similar. The US could achieve its objectives, to a degree, without trying to force regime change. The Iranian government has made it abundantly clear that it is willing to collaborate and negotiate. However, the standing US policy on the Middle East, dictated by Israel's interests, makes those negotiations destined to fail be-



The Venezuelan workers celebrate the arrival of the second oil tanker of an Iranian tanker flotilla carrying fuel for gasoline-starved Venezuela at a port in western Venezuela in late May 2020.
● ERNESTO VARGAS/AP

fore they even start. The Israeli lobby has been at work with the US in building up the case for a new attack on Iran. European nations have activated the snapback mechanism under the JCPOA, reimposing UN sanctions on Iran as the agreement's initial 10-year term expired. Iran had previously warned that its cooperation with the International Atomic Energy Agency would collapse if snapback occurred, signaling a breakdown in the deal's framework for monitoring nuclear activities. This means that diplomacy has stalled. Iran's Leader of Islamic Revolution declared negotiations pointless, while President

war objectives as he has already boasted. Critically, it does so without placing any economic, legal, or military strains on Israel, which would be free to focus all its attention and resources on Iran. Iran has the third-largest oil reserves and the second-largest gas reserves. If the US were to control Iran and Venezuela's oil reserves, it would control the first and third-largest oil reserves in the world, while the second and fourth — Saudi Arabia and Canada — are already under its influence. Having control and influence over the four largest oil reserves would allow the US not only to influence



Pezeshkian dismissed talks, citing the United States' unreasonable demands. Meanwhile, the US has bolstered Israel's missile defense, reportedly deploying four additional THAAD systems on top of the existing six, according to satellite images. The significant expansion of air defenses underscores the effectiveness of Iran's missile arsenal and highlights US and Israeli preparations for potential conflict. Trump's infamous peace plan for Gaza seems designed to allow Israel room to initiate a new attack. The plan rests on the complete submission of the armed group. It establishes a neoliberal international mandate over Gaza and achieves all of Netanyahu's

prices and distribution, but to dictate in which currency they are paid. And I believe that is the crucial point. Alistair Crooke points to this, saying that the US is worried about its debt and that operations in the Middle East, especially Iran, and in Latin America are largely to put vast resources under US control. I agree with the general argument but disagree on the particulars. I don't think that the US is generally worried about its debt.

Technically, the US could print enough dollars to pay it or choose not to and maintain the fiscal deficit. According to Varoufakis, this deficit, which he calls “The Global Minotaur,” is what fueled US hegemony after Nixon ended Bretton Woods. But the 2008 financial crisis and the 2014 operation in Ukraine that led to the current war with Russia, to mention two symbolic events among many, have altered the system financially and geopolitically. On the one hand, the crash destroyed confidence in the ability of American deficits to stabilize the world economy; On the other, nations have grown tired of US abuse of the system to maintain its hegemony. This means that other nations are not so willing to hold US dollars as reserve currencies or to use them for trade. When holding reserves, those reserves are generally parked in the US financial system, which strengthens the financial economy and, therefore, the government and military. And while using dollars for international trade, it also gives the US — which has a never-ending supply — the ability to outdo them. Hence, many, especially Russia and China, have called for and are establishing alternatives to the dollar-dominated system. This is what worries Trump and his administration, and he has made it explicit. If nations stop holding dollars and stop using them for trade, then US power would decrease exponentially. How does Trump think he can stop that from happening? By making other nations need dollars. And what is it that other nations can't do without at the moment and can't produce themselves? Oil. The Trump administration is conducting a double policy. On the one hand, it is devaluing the dollar so that the industry in the US can prosper. If this happens, it could create excess production and unmet consumption, which would allow them to continue

issuing dollars without the risk of excess inflation or crisis at home. Ironically, this is the same policy that Xu Gao, chief economist at Bank of China International, has argued for in a long paper titled “Where Are the Errors in Dalió's Understanding of National Debt?”. He proposes a Modern Monetary Theory approach to understand and deal with the national economy and debt. This approach works when a government can enforce the use of a currency within a state. But the US uses its currency as the backbone of its hegemony throughout the world, and for that, you need other nations to need dollars. Therefore, on the other hand, the US is trying to create demand for the dollar abroad. US assets and digital markets are, some would argue, overvalued. Tesla and AI are good examples. Digital technologies can be replicated. Russia and China have essentially developed different versions of the internet, and other countries are trying to build their own digital ecosystems. The US has long lost the industrial capability that once gave it an edge, and while it has plenty of resources, none that can't be found elsewhere. But what is it that no one can produce, grow, or copy and that everyone needs? Oil. If the US were to control or have influence over the four largest oil reserves in the world, it could enforce oil prices in dollars. That would assure a constant demand for its currency. For that, it needs Venezuela's and Iran's oil. This would directly affect China, which is the largest oil importer, affecting its flow of cheap oil, and Russia, Beijing's main seller, which, under sanctions, would continue to have to sell its oil at discounted prices. Both things would fit the US's aim to weaken Russia and contain China. This argument could also help explain other US foreign policy decisions: for example, the bailout of Javier Milei's Argentina, which has large untapped oil and gas reserves in the region of Vaca Muerta. The bailout is conditional on Milei winning the next legislative elections, which would ensure access to these resources. Now, of course, that this will work out for the US is not a given. In fact, achieving regime change in Venezuela and Iran is unlikely, and there are many other oil producers — especially Saudi Arabia — which are falling out of US influence. However, and taking into account many caveats, competing interests, and the agency of other nations, this simple logic seems to explain some of the major moves of the US's current foreign policy.

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