

## Qatar May Be Turning Its Back on the US Dollar — and We All Know What That Means

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Late last week, Saudi Arabia and other members of the Gulf Cooperation Council (GCC) that are involved in attempting to isolate Qatar <u>sent</u> the tiny Gulf nation a list of 13 demands. They are insisting that Qatar meet these demands within ten days or face unspecified further action.

The list of demands includes Qatar shutting down *Al-Jazeera* and its affiliate stations; shutting down other news outlets that Qatar funds, including *Middle East Eye*; curbing diplomatic ties with Iran and expelling members of Iran's Revolutionary Guard; terminating the Turkish military presence in Qatar; consenting to monthly audits for the first year following acceptance of the demands, and aligning itself entirely with the other Gulf and Arab countries militarily, politically, socially, and economically – to name but a few.

The most ludicrous of the demands is that Qatar must end its interference in sovereign countries' internal affairs. Qatar *does* interfere in a number of countries, including <u>Libya</u> and <u>Syria</u>, but as the German Foreign Minister <u>explained</u>, this list of demands directly challenges Qatar's sovereignty. Who is interfering with whose sovereignty, exactly?



Source: Al-Jazeera

Unsurprisingly, Qatar has <u>dismissed</u> the list of demands as neither reasonable nor actionable. Surely, the Saudi-led anti-Qatar alliance is aware of this. It would be tantamount to asking Great Britain to shut down the *BBC* and expel American troops – it just wouldn't happen. All of the world's <u>major newspapers are complicit</u> in running state-sanctioned propaganda, and singling *Al-Jazeera* out is hardly fair or practical.

In that context, Saudi Arabia and its friends have given Qatar a list of demands they cannot conceivably meet and imposed a ten-day deadline to concede or face unspecified further

action. Qatar was essentially doomed from the start of this rift, and it's only just beginning. As *Newsweek* lamented,

"the demands are designed to be impossible to comply with."

The UAE has <u>warned</u> that Qatar is now facing indefinite isolation and that the economic and political sanctions are likely to become permanent. Taken together with the <u>recent promotion</u> of the Saudi King's son, Mohammed bin Salman, now first in line to the throne, things are indeed heating up against Qatar. Prince Salman is <u>widely regarded</u> as one of the main proponents behind the Saudi-Qatar rift.

The ultimate agenda of the Saudi-led alliance is to deter Qatar from continuing its relationship with Iran, Saudi Arabia's regional arch rival. But even the *Guardian* notes that "cutting ties to Iran would prove incredibly difficult," as Iran and Qatar share a massive offshore natural gas field that supplies Qatar with much of its wealth. In fact, Iran immediately came to Qatar's aid and began supplying the country with food after the Saudi-led sanctions created a shortage within the country. Shaking off Iran and Turkey —the two countries that have stood by Qatar's side during this feud — is almost unthinkable. Qatar would be left without a single ally on either side of the Middle East region.

Qatar was <u>initially among a handful of countries</u>, including Turkey and Saudi Arabia, that wanted to install a natural gas pipeline through Syria and into Europe. Instead, the Syrian government <u>turned</u> to Iran and Iraq to run a pipeline eastward and cut out the formerly mentioned countries completely. This is precisely why <u>Qatar</u>, Saudi Arabia, and Turkey have been among some of the heaviest backers of the Syrian opposition fighters. This pipeline dispute pitted the Sunni Gulf States against the Shia-dominated bloc of Iran, Iraq, and Syria (Syria's president is from a minority denomination of the Shia sect of Islam). Although Iran and Qatar shared this lucrative gas field, they were directly at odds in regard to how the field should have been utilized.

Not long after Bashar al-Assad's proposed deal with Iran and Iraq was announced, foreign fighters began to flood the country. Syria was demonized at the outset, even though then-Secretary of State John Kerry <u>dined</u> with Assad two years before the conflict erupted. It should be clear that Washington's issues with Assad are not rooted in human rights concerns considering the dictator had been in power for 11 years and was <u>notorious for human rights abuses</u> in the period before the so-called revolution began.



John Kerry (who was then senator for Massachusetts) and his wife Teresa dined with the Assads in February 2009 at a restaurant in Damascus (Source: Telegraph)

Though Qatar has been heavily involved in arming the Syrian opposition and <u>calling</u> for Assad's departure (Assad being an <u>integral Iranian ally</u>), Qatar actually maintains an independent foreign policy agenda of its own. Over the past two years, Qatar has conducted over <u>\$86 billion</u> worth of transactions in Chinese Yuan and has signed <u>other agreements</u> with China that encourage further economic cooperation.

This is incredibly important because Qatar shares its major natural gas reserve with Iran, and Iran also conducts its <u>oil-related business deals</u> with China in Yuan. Shortly after the nuclear accord reached in 2015, the Islamic Republic sought to capitalize on these economic opportunities by ramping up production on their share of the Iran-Qatari gas reserve. In November 2016, <u>Iran signed a deal with France's Total</u>, a multinational integrated oil and gas company, to develop this project. Iran is expected to surpass Qatar's gas production by next year, and Qatar was left with little choice but to join the venture. It <u>lifted a self-imposed ban</u> on developing the gas field in April of this year.

If Iran and Qatar continue down this path, the U.S.' self-asserted hegemony over the world's financial markets will directly come under attack, and rising economic and military powers like Russia and China will continue to reap the benefits.

Remember that Hillary Clinton's <u>leaked emails</u> confirmed that the U.S. and France were so concerned with attacking Muammar Gaddafi in Libya not out of humanitarian concern, but rather, out of fear of his plan to unite Africa under a single gold-backed currency that would be used to buy and sell oil on the global markets.

Remember that in 2000, Saddam Hussein <u>announced</u> he would sell Iraqi oil in euros, and the *Guardian* <u>reported</u> in 2003 that Iraq had actually netted a handsome profit in doing so — at least until the U.S. invaded not long after and immediately switched the sale of oil back to U.S. dollars.

Perhaps it sounds like a conspiracy theory (even with Clinton's leaked emails as evidence), but it's important to ask why Saudi Arabia is so concerned with Qatar, if not for economic

reasons? Because of Qatar's support for terrorism? Hillary Clinton's leaked emails also <u>revealed</u> that *both Saudi Arabia and Qatar* financially sponsored ISIS – making such a rationale hypocritical beyond belief.

Pot. Kettle. Black.

The push to oust Assad in Syria has almost all but failed, and Qatar, learning from its mistakes, is not relying on Assad's departure to maintain its vast supply of wealth (though it would probably still welcome such a move). As *Counterpunch* explains:

"The failure of this insurgency, however, has spelled the death of this proposal, leaving Qatar bound to look East to Asia – already their <u>biggest customers</u> – for their LNG markets. But most of the existing Eastbound LNG pipeline infrastructure is controlled by Iran. For Qatar, then, cutting its Iran links would be cutting off its nose to spite its face. This is why the Saudis aim to demonstrate that the alternative is having their entire face cut off."

How far in Saudi Arabia's face-cutting agenda against Qatar these Gulf State adversaries will go is unclear, but Qatar has already seen some heavy-handed treatment in the early stages of this conflict. Further complicating the issue is the fact that Qatar hosts the largest U.S. military base in the region, with 11,000 troops currently stationed there.

Further, the U.S. just recently <u>implemented</u> a policy to target Iran for regime change. President Trump met with Saudi Arabia and the GCC nations earlier this year and sword-danced and sabre-rattled his way down a <u>warpath with Iran</u>. Trump's military has been <u>striking down</u> Iranian drones and Iranian-backed troops in Syria, and the White House has just launched <u>fresh accusations</u> against the Syrian government regarding an attack that hasn't even happened yet.

Clearly, Qatar cannot meet Saudi Arabia's demands, and Saudi Arabia must be completely aware of this. As we have seen in <u>Yemen</u> and Syria, Saudi Arabia almost always resorts to outright brutality in order to bully non-compliant states into submission. As we have also seen in America's treatment of Iraq and Libya, countries that depart from the U.S. dollar are not met kindly by the American military, either.

In this context, expect this rift to heat up on multiple fronts. We may very well be witnessing Qatar's denigration into a Syrian or Yemeni-style battlefield in the months to come.

Let's hope this is not the case.

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