

Escobar: Iran RAINS Missile on Israel & Gulf, Trump's Invasion COLLAPSES

Pepe Escobar joins the show to break down Iran's shocking response to Trump, who is now seeking an off-rap through desperate escalation that could spiral into full-scale catastrophe. Iran has called Trump's bluff and we analyze what you need to know to cut through the fog of war. Follow Pepe Escobar: <https://t.me/rocknrollgeopolitics> , <https://x.com/RealPepeEscobar> <https://t.co/3QGP83JhDs>
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#Danny

Welcome, everyone. Welcome back to the show. It's your host, Danny Haiphong. As you can see, I'm joined by Pepe Escobar, geopolitical analyst and independent journalist. Pepe, good to see you, my friend. How are you?

#Pepe Escobar

Good to see you, Danny. Yeah, tell me about it. We're all completely nuts, but it's good to see you and good to talk to your audience again.

#Danny

Yes, everyone, hit the like button as you come in. We're going to get started right away. So, Pepe, you've written a number of columns just in the last few days about what's happening — the latest updates in the Iran war. Iran, once again, you know, bombed Dimona, Tel Aviv, Israel. It struck two ports in Kuwait overnight. But I wanted to ask you also about Israel — you know, the strategic moves. There are reports, even just in the last few hours, that Iran has started to push back the remaining ships there and say, "No, you can't cross right now."

Many believe it's probably because an operation is about to begin, launched by the United States as they send thousands of troops and Marines. They're likely coming in today or tomorrow, and about 10,000 are supposedly going to be deployed very soon. But according to U.S. officials talking to Donald Trump, none of the options for a ground war look very good. I know you've been covering all of this. Where do you see the war right now, as we speak here, entering this month-long period? It's been going on for nearly a month now.

#Pepe Escobar

Yeah. Well, what's happening in Hormuz today is slightly different from what was happening until yesterday. The column I published yesterday explains a great deal about how it works — which is relatively simple, but quite complex for the tanker owners, actually. There are three stages. First, they have to submit all the data to a broker connected to the IRGC. It can be a broker in Iran, anywhere across West Asia, in Asia, Islamic countries — it doesn't matter, as long as the broker is linked to the IRGC. Then the IRGC vets all the information. And, of course, if you're linked to the U. S., to Israeli interests, or to hostile nations — and there are quite a few — forget it. Your tanker won't go through. If that's not the case, no problem. But first, you have to pay the toll. And the toll is two million dollars per tanker. How do you pay the toll?

Well, they accept cash — preferably your own cash, of course. But they also accept crypto. You pay through the Tron blockchain; it clears in about three seconds, very fast. The ID check is extremely simple. You need a receipt, then you give that receipt to the broker. Once again, this goes to the IRGC, and you get the go-ahead. But when you get the go-ahead, you have to sail through a very specific maritime channel. It's about eight kilometers wide — five miles, no more than that. And this is very important, especially considering what's happening today: north of the island of Qeshm, which is a big island, and then between Qeshm and Larak, which is a very small island to the northeast of Qeshm. That's the maritime corridor. And guess what? If there's a Marine Normandy-style landing, one of the top candidates is the island of Larak.

But to get to Larak, they would have to land in Qeshm, and then from Qeshm go by sea to Larak. And that's why the rules changed from yesterday to today — apparently no ships are crossing as we speak. Until yesterday, it was fine. Ships from or going to China, India, Pakistan, Iraq, Bangladesh — they were all crossing. And some that had government-to-government talks to strike a deal, for example Sri Lanka and Thailand, they were also crossing. Today, apparently, nobody's crossing because they expect something to happen. But these new rules, this new dispensation in the Strait of Hormuz — it will continue. It's being ratified by law in the Iranian parliament. It's the new rules of the game for crossing the Strait of Hormuz.

You could call it a privatization or a nationalization of the Strait of Hormuz — yes, it applies. But most of all, they're doing what the Egyptians do in Suez. You don't cross the Suez Canal for free; you have to pay as well. So, in Hormuz, they had never forced anybody to pay in the history of the Strait of Hormuz. Now it's different. And basically, they control it. So of course they're entitled to charge a fee. People aren't complaining — on the contrary, there were people lining up to pay the fee and cross, as long as you're not one of the hostile nations. But that brings us to the situation today. It's Friday, and there's a possibility that something might happen over the weekend.

Everybody's talking about it all over the planet, in fact. So, obviously, the IRGC Navy controls not only the territorial waters where the tankers are navigating, but also the wider perimeter — which includes south of Qeshm, the rest of the Persian Gulf, to the west of the Strait of Hormuz, all the

way to the island of Kharg, in the northwest part of Hormuz. There's also the integration between the Persian Gulf, the Strait of Hormuz, and the Sea of Oman to the east, all the way to the Sistan-Baluchistan coast and the Iran-Pakistan border. The IRGC Navy controls all of that. So, obviously, they're on maximum alert because anything can happen — or might happen — this weekend. I'm sorry.

#Danny

That's all right, that's all right. Yeah, no, these are great points, Pepe. And I'm curious what you make of Iran's response to all of this, even outside the Strait of Hormuz, because according to U.S. intelligence, supposedly one third of Iran's missile system can be accounted for as destroyed — which contradicts Donald Trump's claim that everything has been destroyed. Yet every single day we see Iran hammering Tel Aviv, hammering Israel, and the Gulf states every single day.

But you have a situation where it seems like all of this is causing Donald Trump — and the United States — to escalate further, to now pursue what seems to be limited security operations that even his own people are telling him don't have very good prospects of achieving any objectives. What's your reaction to this, in terms of the state of the war? You have the Iranian military taking selfies while they launch missiles. I mean, it's... social media has definitely been lost by the United States in terms of the narrative war. How have you been seeing the overall shape of this war now, as we move into what could be, as you said, this weekend or soon, an attempted ground operation of some kind against Iran?

#Pepe Escobar

Well, the theater of the absurd around this whole thing—it's beyond any absurdist play. You know, I just got this in my inbox like five minutes ago, right before we started our conversation: Donald Trump is bored with the war in Iran, and he wants it to finish so he can move on. Can you believe this? The proverbial U.S. official talking to the American mainstream media—it's absolutely mind-boggling. It was already mind-boggling when he described this as an "excursion." And now he's bored with the excursion and wants to move on. What is this? We'd need a whole day just to start reflecting on it, to come up with even a half response—especially considering what's happened since the beginning of this week, which has been a roller coaster in itself.

You remember the first ultimatum, which was supposed to expire on Monday. And then, obviously, it didn't, because he postponed it for another five days. Everybody thinks, of course, that because the markets close on Friday, there's going to be something during the weekend. That's where we are now. But we still don't know if that's the case. And the negotiations—the negotiation story—is one of the most absurd parts of the larger theater of the absurd. We knew, via Omani diplomats, that they translated from Farsi to pidgin English, in fact, the Iranian proposals to be handed to Heckle and Jeckle. Yes, I'm calling them now Heckle and Jeckle, not Tweedledum and Tweedledee.

Witkopf and Kushner. So, all of you from my generation—you know who Heckle and Jeckle are, right? Okay. The younger ones, just search online, you'll find out who Heckle and Jeckle are. So, Heckle and Jeckle—they can't even understand pidgin English, translated by the Omani diplomats, who are very competent, by the way. They didn't understand what Iran was actually offering, which was quite generous in terms of enrichment caps and so on. That was at the beginning of it. And then, when the Iranians found out, they said, "We're not going to talk to these idiots anymore." So the narrative changed to, "Okay, the White House is going to send J.D. Vance to talk to Ghalibaf in Islamabad."

It should be today, in fact—Friday, today. Why didn't the whole thing happen? First of all, because the Iranians then sent Vance via the usual diplomats—the Omanis, but also the Pakistanis, who started to pose as mediators. There's a trio of mediators that came up these past few days: Turkey, Egypt, and Pakistan. But the Pakistanis positioned themselves as, "Okay, we are the top mediators, and if there's a meeting, it's going to be here in Islamabad." So everybody thought, "Okay, it's going to be in Pakistan." And at the same time, the Pakistanis betrayed Iran because—you know what Trump said this week—that he got a gift from Iran of eight tankers full of oil. Guess which flag they were sailing under? Pakistan.

Pakistan. So this means they never went to Pakistan—it was, in fact, a trick. And then, when they crossed the Strait of Hormuz, because the Iranians believed this was a friendly Muslim nation, the Americans went in and took the whole thing. Result: Pakistani-flagged ships are no longer transiting the Strait of Hormuz. The Iranians immediately cut them off. But the problem is, during the week, they were supposed to have, let's say, the first part of the new non-negotiation, non-plan—with the 15-point American proposal. And the Iranians, of course, were like, "We said what we wanted from the beginning."

Let's repeat, so maybe you understand it now in plain English. Everything we already know: no more U.S. bases in West Asia; payment of reparations—war damage reparations; end of sanctions; the civilian nuclear program continues; no restrictions on the missile program; no restrictions on collaboration with Hezbollah, Ansarallah, etc. So obviously, the two positions are completely incompatible, right? But then the narrative changed again during the week, because now everybody's waiting for the Normandy-style landing. And then—oh—it's going to be in Kharg, it's going to be in Sistan-Baluchistan near the port of Chabahar, it's going to be in Larak.

It's going to be on Abu Musa Island, which is Iranian but also contested by the UAE. And now, I would say the really hair-raising point in all this back and forth is that the UAE, for all practical purposes, has already announced that they're entering the war side by side with the Americans. It started with that op-ed in the *Wall Street Journal* published by the UAE ambassador to the U.S., Yousef al-Otaiba. It was an absolutely ghastly op-ed, but it was pretty obvious that this is what they want. And why is that, Danny and all of you? Follow the money. The UAE has committed \$1.4 trillion in deals with the U.S.—investments in the American economy, AI, semiconductors, you name it.

So they have to follow their money. And for that to happen, they need to get the economy of the Emirates back online. At the moment, it's a total disaster. Dubai, as we know it—the business model of Dubai—is already dead. Abu Dhabi, very, very similar. The port of Jebel Ali is paralyzed, and Jebel Ali is one of the key ports in what I'd call the mini-empire of ports of the UAE. They have port deals everywhere. Haifa—no, sorry, not Haifa. In Syria. What's the name of that port? It escapes me now. My brain's turning too much. Yes, me too, exactly. The port where the Russians are—there's a Russian naval base there as well, in Syria.

#Danny

Oh my gosh.

#Pepe Escobar

I'm sure all of you watching know where that is. I'm having a blank right now. And also in Aqaba, in Jordan—which is the only cargo port in Jordan—the Emiratis are there as well.

#Danny

I think it's Tartus.

#Pepe Escobar

Tartus. I'm sorry, everybody—yes, Tartus. So, the thing is, they need to keep their empire of ports, especially these three, because they're key for Asia-to-Europe maritime connectivity corridors. It's all about their ports and their money, and the fact that they're being sidelined, especially by the Saudis. The Saudis have other plans for cargo between Europe and Asia going through the Persian Gulf. So they're desperate. And of course, as it says in the op-ed and in what UAE officials are saying, "We need to contain the Iranian threat." It's total bullshit. It's because they're losing money and their business model is collapsing right in front of them.

So if they do that... the fascinating Iranian response is already underway, because they've published a list of five mega targets that will be hit if the UAE enters the war. So the situation is even more complicated than it was in the middle of the week. We have the Pakistani betrayal, the Pakistani positioning as mediators—which collapsed completely—and the economy of the Emirates collapsing at the same time. And now their solution is, "Okay, let's get into the war." So it just gets worse and worse. I defined it at the beginning of the week as the infernal escalation machine—and the infernal escalation machine gets worse day by day. We have no idea what can happen, or may happen, this weekend, but something will happen in the next few days that's going to be catastrophic, whatever it is.

If it's going to be a mini-Normandy landing, if it's going to be like the Secretary of Forever Wars is saying—that it's going to be a mega bombing campaign to deliver the final blow against an already defeated Iran—well, we're... So obviously, all of us can barely keep up with it, because the speed is completely out of control. The level of dementia is completely out of control. And of course, there are very few rational actors intervening. The Russians aren't saying anything; they're just watching. The Chinese are just watching. The Europeans don't exist, of course—they're already buried. So that's it. We continue to be hostages of the deranged baboon of Barbaria. What's going to come next?

#Danny

Well, what's shocking, Pepe, is that the scenarios here—not only are they being admitted as not having any really good outcomes—but the overall landscape seems to contradict the very actions being pursued. Whether it's the UAE, Saudi Arabia, all wanting to get further and deeper into the war, or Trump in the U.S. wanting to conduct some kind of ground operation, it doesn't conform with reality. Even U.S. officials, the New York Times, and others are admitting that the U.S.—its very presence in the region—has been almost entirely destroyed. That was admitted by the New York Times. Israel is saying their military is on the verge of collapse very soon if they have to continue fighting Hezbollah, which is kicking their behinds. I think something like eighty—some ridiculous number—of tanks.

#Pepe Escobar

Almost a hundred Merkavas. Almost a hundred Merkavas. In 24 to 48 days.

#Danny

Just ridiculous numbers. So they're dealing with that—carrying out operations in Shimona under Hezbollah and Iranian missile fire. The chief of staff is saying the Israeli military could collapse any minute if this war continues. The situation doesn't look good, and Trump said he's not desperate. He told the media he's not desperate—he just doesn't care. That's a shocking statement to make when the reality doesn't look good for the U.S., Israel, and the aggressors, the so-called hostile parties in the Strait of Hormuz. So why move in this direction? It seems like a collapsing situation that only gets worse from here if these moves are taken. But maybe I'm wrong. Pepe, what do you think?

#Pepe Escobar

No, no. In fact, anything he does from now on will only make the situation worse. The only thing he might actually do is declare victory tomorrow. After all, he's already bored with the war. Why not declare victory? "I destroyed everything, so that's it—I declare victory and I leave." Is that going to

change the out-of-control casino he's created in the global economy, not only in the Persian Gulf? No. Iran will keep doing what they're doing. They'll keep devastating whatever isn't already devastated in terms of U.S. interests everywhere. The bases are practically all gone.

Apparently, over 90% of everything in those bases is already destroyed. But there are other U.S. interests around the Persian Gulf, and that includes, for instance, data centers. That's where the UAE comes into the picture once again. And of course, if the UAE decides to enter the war, then Iran gets a second wind to go after the UAE and destroy their economy completely—just like they're doing now with the new missiles, which are extremely precise. And obviously, with no more Arrow 3, David's Sling, THAAD, Patriot—all that stuff—they can attack Israel at will, however they want, every day, two or three times a day, which is exactly what they're doing now.

They'll keep doing that because it's part of, let's say, their two top priorities: inflict major damage on Israel—possibly irreversibly—and destroy all U.S. military bases in West Asia so they can't be rebuilt and won't come back. Everything else is interconnected. Of all those interconnected things, the most important part is what's already in effect in the Strait of Hormuz, let's say up to today: the free passage for all those tankers that meet three conditions will be back, because now it's being formalized by the Iranian parliament. It's the new rules of the Strait of Hormuz. And of course, it's an excellent source of petro-yuan for the IRGC and for the Iranian government.

So it will come back to normal. And, of course, they know that all the other stranded tankers will pay the \$2 million, which, considering the situation, is not much. The key point—this is the game changer in geoeconomic terms and in terms of the construction of, you know, the much-debated multipolar world—is that we have an alternative payment system working around the petro-yuan, established and operating in the most important choke point on the planet. This is the big, big, big fact of this war. And obviously, Russia is looking at it. China is looking at it. I wouldn't say the BRICS, in deep coma, are looking at it, but maybe some BRICS members and partners of the BRICS are. And the whole Global South paid attention to it. So there's no turning back on this one. This is already in effect.

It's what a zillion BRICS summits couldn't achieve. It was achieved with one move by Iran. So the repercussions are going to be immense. It's the petro-yuan in effect for everybody—for the whole planet to see. The toll booth, the petro-yuan, and then you can sail, no problem. No extra problem, no problem later, whatever. So this is the most important thing. And Iran, after they established that, will defend this new modus operandi with everything they have—which, by the way, they haven't used yet, right? Very, very important. Very, very important. All those invisible underground missile cities—most of them are in the southeast of Iran and the eastern part near the Afghan border. The Americans don't even know where they are. That's why they haven't been bombed by the push-up clown Secretary of Foreign Affairs—because they don't know where they are.

#Danny

So Iran hasn't even used them yet.

#Pepe Escobar

So the way they're tweaking their decentralized mosaic strategy—there's always a little adjustment every two or three days—but incrementally the pain is getting more and more unbearable, especially for Israel. And it's no wonder that now they can't even censor or disguise what's happening inside Israel. Even with that mega-censorship, it's too obvious, too blatant. Anybody anywhere with a cell phone can film the missiles arriving practically nonstop. So that's already changed. And if the UAE makes the supreme blunder of getting into the war, what's happening to Israel now is going to happen to them—exactly the same thing. Their economy will be paralyzed. And it's not just the Dubai bling-bling money-laundering model that's kaput, which it already is; it's the whole Emirates model, everything: the AI centers, the data centers, the ports, the airports—you name it. Those gleaming airlines, which, by the way, are quite decent—that's it. Over.

#Danny

Yeah, and Iran has also warned—I saw reports, especially from Iranian media—that if the UAE or other Gulf states get involved in any kind of ground operation or attack on Iranian territory, the UAE and Bahrain could be occupied. Iranian forces are willing to do that, because, I think, Bahrain was once part of Iran not too long ago.

#Pepe Escobar

Iran? No, Bahrain was part of Iran before 1971, Danny. And very few people know that about the Emirates too. It was in 1971 that there was a split—the Emirates were part of Oman. And that's great. This is something I mentioned in my latest column. I heard it from Iraqi scholars—I was watching a debate with them. Absolutely fascinating. The Iraqi analysts and scholars are wonderful; they have a sense of history that's impeccable, very detailed. And they were saying openly, of course, what's going to happen? Kuwait is going to come back to us. After all, Kuwait was part of the province of Basra. So it's going to come back to us.

Bahrain is going to come back to Iran. The Emirates are probably going to go back to Oman. The thing is, Saudi Arabia—what are they going to do? They could even, in the long run, annex Qatar. It's not out of the question. Qatar has been very, very clever. Qatar and Oman are the only two in the GCC who actually went on record saying, "Look, we condemn everything that's happening. We want coexistence with Iran, and our territory is not being used to attack Iran." Very clever move, because they literally see which way the wind is blowing. So later on, Iran is going to treat them favorably, to say the least.

#Danny

Well, especially Qatar, because of what happened with Qatar Energy not too long ago.

#Pepe Escobar

Well, they understood it in the flesh—literally—right, Danny, what happens if you mess with, especially if you mess with, the energy infrastructure of Iran. And this is exactly what's going to happen with the UAE—much, much worse. This list that's already published, it's everywhere—the five targets—it's everything. It includes the desalination plants as well. Not only power stations, but also desalination plants. So MBS, as we all know—of course, all of you know this—MBS is a bloody gangster. You know that. Everybody knows that. In fact, he's the gangster who taught MBS to be even more of a gangster.

It's one gangster advising another gangster. MBS is apparently better at juggling the whole thing. He knows that if he antagonizes Iran directly, the consequences for the Saudi energy infrastructure—with the help of Yemen, which is right there, watching everything with their missiles, including their own hypersonic missiles—could be severe. So he has to be very, very careful, even though we all know their money is in London and New York. He can't antagonize the Americans, by definition. And, of course, MBS still believes that the IMEC is going to work, just like the Emirates. Both still believe that the IMEC is going to work.

The IMEC name is extremely misleading. It's not the India–Europe–Middle East Corridor. In fact, the most important player in this scam isn't even named—it's Israel. This is a corridor designed so Israel can be at the center of trade between Europe and Asia, in this case India, with the help of the Emirates and the Saudis. But they'll have to build a lot of infrastructure—sorry—linking Israel with the Emirates and the Saudis. None of that has been built yet. So IMEC, at the moment, is completely stalled. And that's another reason for the Emirates to enter the war side by side with the Americans. The Saudis, for the moment, are masters of hedging.

They're not saying anything explicit. We all know that before the war, MBS was telling, via his super pal on WhatsApp, Jared Kushner—MBS was telling Trump, "Go for it. Attack Iran." And now there are echoes coming from different parts of the Persian Gulf that, yes, this hasn't changed at all. But it's not explicit—that's the difference. From the UAE, now it's explicit. Everybody knows the UAE is ready to enter the war. Saudi—they're slightly more discreet, although they're already part of the war, no question about that. But if this becomes blatant from an Iranian point of view, well, if you're in Saudi Arabia, you'd better leave as soon as you can.

#Danny

Yeah, yeah. No, I mean, it's stunning too, because the Iranian military also put out word—and I think this shows where things are at—they said they have one million troops, one million forces to confront the United States. Mind you, the U.S. is talking about ten thousand at some point in the future, maybe a couple thousand paratroopers, four thousand or so Marines. They're talking really

small numbers. And we know, Pepe, that all of this has to do with the Strait of Hormuz. It's all about trying to gain leverage over Iran through energy.

So, Pepe, what does this do to the oil markets and the entire unipolar-controlled financial system? Because we already saw, like, a trillion dollars wiped away from Wall Street in a day, just because this war keeps going on—and there's Donald Trump hedging, bluffing, threatening, and claiming there's a pause to the war coming, that Iran is groveling at his feet. None of this seems to be—well, it seems that the oil markets and the general financial system controlled by the United States are really teetering on disaster. And these attempts to manipulate it are becoming less and less effective, especially given the fact that Iran is making very concrete moves on the geo, as you said, the geo-economic scale to essentially, uh, manifest— as the kids say these days—a reality that's very contradictory to what the U.S. ultimately aims for.

Because some have argued that this is really great for the U.S. empire—and in many respects, there are a lot of problems arising out of this—what do you make of Iran's posture, even just in terms of its military confidence? They're basically inviting them, saying, "Come, please come closer. We're ready." They've said, "We've been training everybody too. We're all ready. Everyone is ready. Iraq is ready. Yemen is ready. Everybody—Hezbollah, of course—everyone's ready to fight a ground war." What do you make of this posture from Iran? Because I think some would say it's propaganda, but it's hard to believe that Iran is bluffing here, given what we've seen over the last twenty-plus days.

#Pepe Escobar

There's no bluff. It's their strategy—an incremental one, following the same principles, tweaking the decentralized mosaic. But the objectives, the targets, remain the same. And these are the key targets—we have to repeat them over and over again. First, establish their deterrence, which has already been demonstrated for the whole planet to see, fighting the so-called biggest army in the history of the galaxies. Second, expel the U.S. from the Persian Gulf, little by little. The first step, or the first segment, is destroying the military base—that's practically accomplished. And third, establish their deterrence vis-à-vis Israel. This is something nobody expected could happen so fast. They did that in three weeks. Israel is in total disarray now, and the situation can only get worse day after day.

So these are the main objectives. When you look at it as a holistic, organic mechanism, it makes total sense. They're applying pressure at all the points that really matter. If the UAE wants to enter the war, that's already been gamed by Tehran—no problem. If the whole GCC wants to enter the war, they've gamed that too. If there's an attempt at a land bridge leading to a small ground invasion later, same thing—it's already gamed. I'd say it's more complicated when it comes to the toll booth in the Strait of Hormuz. Of course, they thought about that before, but nobody could have expected they'd implement it in just three or four days—up and running, and still running smoothly today. And everybody accepted it because, well, we all need to go from A to B through the Strait of Hormuz.

#Danny

That was Iran's gift to Trump, right? Donald Trump was talking about this "big gift."

#Pepe Escobar

Gift to Trump, exactly. You bet, you bet. Okay, now let's look at the other side. Let's look at the megalomaniac, narcissistic, psycho killer who's now bored with the war he started. Why did he back off at the beginning of the week? Because he was looking at the oil market, at the numbers, and he was looking at the bond market—much more important, in fact, than the oil market. Because the bond market can tell the U.S. that you can't pay for anything anymore and you're going to collapse. So before the end of the ultimatum, the 10-year yield on U.S. Treasuries was approaching 5%. In fact, it went over 5%. Then it came back—it dropped to 4.4, 4.5 after his postponement. And now it's back to 4.4, 4.5 again and going up little by little.

So if this happens next week, with the possibility of a mini land invasion, he's going to have to back off, necessarily. In fact, it's fascinating, because the bond market may, in the end, save all of us—literally—from a bigger catastrophe, not the oil market. The oil market—everybody now is starting to live with the idea that, okay, oil is going to be around 100, and there's nothing we can do about it. Between 100, 110, and all that. Okay, but if things get much worse next week, it could get to 120. And after 120, the sky's the limit. Okay, switching back to that character who has his hand on \$14 trillion—Larry Fink from BlackRock. The guy gives an interview to the BBC where he basically says there are two scenarios. One, we're going to have oil at \$40 a barrel.

Two, we're going to have oil at \$150 a barrel. He's not betting on anything—he's hedging. BlackRock doesn't bet like that; BlackRock hedges all the time. But at least he said out loud, if it's \$150 a barrel, this is a global recession. What he didn't say is that at \$120 a barrel—which we're on the brink of—it's also a global recession. And the global recession has already started. The disturbances in different latitudes, a little bit everywhere—here in Southeast Asia, in India—are already happening. In Europe, wow, when it breaks, just wait. In Europe, it's going to be within the next month or so, considering they have no gas. Now they don't have gas from Qatar, and they don't have gas from Russia. And, okay, heckle and jeckle—how can we call those two female idiots over there?

We have to figure something out. For the moment, it's the Estonian chick with an IQ comparable to a discombobulated worm, and the toxic Medusa. Okay, these two—they're too stupid to backtrack and try to find a way to get more gas from Russia. They won't do that. So Europe is going to pay the price for these two idiots. That's where we are. But Europe has already committed political suicide. The whole planet—people in the sub-Saharan desert already know that. Everybody knows it. The

cascading effects are already here; most parts of the planet are already suffering. And all of this, everything that's happening, was caused by one fateful decision: the guy who's now bored decided to launch a war because the Zionist donors and the Zionist international axis told him to.

#Danny

Yeah. Pepe, what's this?

#Pepe Escobar

Yes, I know, I know. It looks like we're talking about a Monty Python sketch, right, Danny? But this is the reality in front of all of us.

#Danny

Yeah, definitely. And I was going to ask you, Pepe, what does this say about the limits of U.S. imperial power—especially on the military front—given that the volatility of the global financial system the U.S. dominates via the dollar is already teetering on a monumental crisis, as many have noted and as you outlined there? Yeah, this seems like something where, when you put two and two together, it just doesn't really add up. You have the United States wanting, on the one hand, to follow along and work with Israel to destroy Iran, and the entire global economy saying, well, if you try to do that and you fail—or you don't do it quickly enough, and you don't have any plan in place—and you attack the energy markets, then it all goes up in smoke anyway.

So it does feel like, uh, we're in a kind of dead end, and that Iran has potentially wiped away what a lot of people thought were gains from October 7th, 2023, onward. You know, Israel and the U.S. seemed to gain a lot through the genocide, what happened in Lebanon, Syria—all of that. But it seems like Iran, in just three or four weeks, has erased any of those gains with all the destruction they've caused in the Gulf, in Israel, and the political and geopolitical implications of it.

And not to mention the Strait of Hormuz, which has created a petro-yuan disaster right in front of the empire. What do you make of this broader picture—how this changes things geopolitically, given that there are no good outcomes here? The very financial markets and the financial system the U.S. dominates are in crisis. And Iran's maneuvers, its strategy, seem to have wiped away—at least from what we're hearing, even from the New York Times—a lot of the gains the U.S. and Israel were claiming they had made up until February 28th.

#Pepe Escobar

The most extraordinary thing is that they did this by themselves, Danny—alone. A nation with 47 years of absolutely horrible, nasty sanctions. When you visit Iran, there are so many places where you see the effects of nearly five decades of sanctions right in front of you. I saw this on my latest

trip—in ports, in airports, in urban infrastructure, in old hotels, you name it, in lots of old houses that are falling apart. The sewage systems, too—it's heartbreaking. And you know that all of that is because of 47 years of sanctions. And still, they have immense human capital, some of the best universities in the world. The quality of their engineers, technicians, mathematicians, physicists—it's absolutely outstanding.

They built an enormous hidden industrial-military complex that's scaring the hell out of the superpower. They're fighting by themselves against one nuclear superpower and another very, very strong regional power. And, you know, they're playing their game and they—wow—they're inflicting serious punishment on both. All of that is immensely impressive. So it's no wonder that when you see reactions from Africa, Latin America, Southeast Asia, and Central Asia, people are absolutely amazed. Even people who don't follow politics, they—you know—they have to admit publicly their admiration for Iran. And they understand that Iran is fighting for the absolute majority of the planet.

There's no question about that. This is the larger—well, I don't want to get into the scatological aspects—but I think for most people, they're looking at the practicalities of this war. So, on a practical level and on an in-your-face level, this is something that nobody could possibly have expected to happen until three weeks ago. The planet is stunned by the resistance, by the fact that we're talking about a sovereign resistance—a sovereign nation, a regional power—harassed, attacked, bombed, you name it, but still they resist and are turning the game around against the aggression. It's absolutely extraordinary. It's going to take us a long time to process that study.

This will be for future historians, probably. But the point of inflection of the 21st century is happening now. Everybody thought it was 9/11. Obviously, it was not. 9/11 was the beginning of the end of the American century, or American hegemony. The real point of inflection is now, because we have one mid-ranking regional power turning the game around by themselves. Amazing. Okay, you can do that because you have 2,500 years of history. Don't mess with the Persians. If you do, this proves that you are beyond stupid and you didn't do your homework. And, of course, these people in Washington—they don't even know what homework is.

#Danny

J.D. Vance said that Iranians were going to strap nuclear-powered vests to their chests and die as Americans. Yes, that's part of the story.

#Pepe Escobar

What the fuck did he study at Yale?

#Danny

It's the carousel of "this is why we're at war with Iran." You know, it just constantly changes. But I think it demonstrates exactly what you said—that there's not even a desire or an attempt to understand what's going on here. And I feel like—and I'm wondering your reaction to this as we get to the last five or ten minutes here—yeah, you know, Russia and China's posture, it seems to me that in many respects their relative quiet in this war could be because they see Iran resisting. They've provided assistance where they can and where they're willing. It seems like everything is working, and they stand to gain from this because, despite all the damage—and of course it's horrible what's happening to the Iranian people—the aftermath that's already building up appears to be that these three powers not only remain, and that Iran remains, but that there'll be a major consolidation toward Russia and China, given that the U.S. alone is blowing up its reputation.

I mean, we already knew—me, you, and the people who watch the show—we knew that the U.S. has no interests other than elite interests. But now we're seeing the entire world watch as the U.S. blows up the global financial system just to pursue the aims that, you know, Zionists and oligarchs and so on want to pursue. That's a huge thing. So, your thoughts about Russia and China's posture, and how the RIC—as you've called it, the real RIC—fares from here, as this war will likely drag on for some time but will eventually end, the strikes will eventually stop, and there will be an aftermath. Yeah.

#Pepe Escobar

Well, Russia and China are elevating something to a form of art: never interrupt your enemy when he's making a serious mistake. And that explains why they're so silent. It's a form of art—beautifully done. Of course, Putin and Xi talked about it. There's no question they did, first of all because of the interlocking strategic partnerships at various levels. The RIC—the three of them—have strategic partnerships. It does not include a military pact, which is very, very important, but it does include discussions at the level of the Ministry of Defense, at the highest level. And it includes what the Russians will never, of course, allow—any leak from Moscow specifying how they're helping Iran. Not going to happen. Same thing with China.

We all know what China is supplying Iran with, but forget about any specific admission coming from Beijing—they don't need to. The results are there: the level of targeting accuracy, the 24/7 intel information, crystal-clear identification of American war plans that the Russians provided to the Iranians before—all of that. We know all that. But they're just watching. And what should they say? They know that, for instance, even if they try to make a move in the UN Security Council, nothing will happen, because the UN is already dead, as we all know. The UN is the walking dead. So Russia and China didn't even bother with that. They're looking at the practical results on the battlefield. For instance, the Iranians learned a lot of lessons that the Russians had learned themselves in Ukraine.

So this level of information was transferred from Moscow to Tehran—no question about that. And, of course, the Chinese, in terms of the reorientation from GPS to Beidou, for instance, are essential. So

they're integrated with Chinese information in real time. And, of course, there's the matter of the Russians especially—they know that, which is something even Putin said on the record: the Iranians didn't ask us for anything, which was a very clever way of saying, if they do, we'll provide it. But they didn't. In fact, what they asked for started, I would say, around 2023, 2024, 2025—these past three years—because there were always Iranian missions going to Moscow, and they were discussing things with the Ministry of Defense as well.

So obviously they had a list of things they were interested in, and the Russians said, "No problem." At the same time, we started to discover that the Shaheds used by Iran on the battlefield are in fact Geraniums with the Kometa antennas from Russia. Then everybody could see the pattern: the Shaheds were sold to the Russians, the Russians perfected them, turned them into the latest-generation Geraniums, and the Geraniums went back to Iran. And now they're on the battlefield. That kind of thing. But it takes quite a while to verify that this is actually happening. So, in fact, they don't need to do anything.

Of course, if they see that Iran has reached all the indicators we have at the moment—on the contrary, that Iran has its back against the wall—then obviously Russia and China will do something more forceful, perhaps even more visible. But that's not the case. On the contrary—on the contrary—and on a geoeconomic level, wow. For China, what's going on is beyond precious. The whole Petro-Yuan angle—wow—it's something that China could not have achieved with, I would say, 20 or 30 years of geoeconomic diplomacy. They achieved it in three weeks. And not by themselves—one of their allies handed this on a platter to China. Okay, we have the Petro-Yuan working as an alternative payment system, in reality, not just in BRICS summits. You can't beat that. You just can't beat that.

In less than a month. Comparisons, Danny Haiphong. Okay, we'd need an extra conversation about the interaction between the war in Ukraine and the war against Iran. That's an extremely complex subject. And, for instance, there are some echoes in Moscow. A lot of things that were planned to take place in Moscow over the next few weeks—and that's one of the reasons I'll probably be back there next month, along with Larry Johnson and some of our friends—aren't happening because they were cancelled. The Kremlin's attention is on the war. They're studying it by the millimetre, you see? And, of course, very, very, very interesting. There was a meeting—today is Friday, I think this meeting was yesterday or Wednesday night, if I'm not mistaken.

There was a private meeting between Putin and top businessmen, including oligarchs. After the meeting, the head of the Federation of Russian Industrialists and Entrepreneurs, Shokhin—Shokhin is a very clever guy; I met him in Moscow about three years ago—said that Putin is convinced the war will finish in a maximum of four weeks. So obviously, he has information that none of us have. And this is what he told the oligarchs and industrialists. For the next four weeks, their total attention is on what could come next. And obviously, we know there are all those oligarchic channels between the U.S. and Russia, and they are talking to each other. The oligarchs on both sides are talking, and of course, they talk about the war as well. But what is going on with the war on Iran?

How could it affect the war between NATO and Russia? That's completely different. That's a very volatile story. And I'm sure you, and many in our audience, know there's a serious discussion in Moscow after those attacks on Primorsk and Ust-Luga—basically the Russian energy and export infrastructure, oil exports in the Baltic, and so on. A lot of very well-informed and well-connected people keep coming back to the same point: it's time to cut off the head of the snake. This has gone on too long. But at the same time, we all know that's not how Putin does business. So this is going to be very complicated. I'm very curious to see how this will be discussed in Russia, assuming the war goes on for another four weeks after that.

#Danny

Yeah, well, we'll have to keep in touch with you, Pepe. We'll definitely have you back on this program as things develop on all fronts. I just want to make sure everybody knows that your X and Telegram are both linked in the video description for people to check out, as well as your published column.

#Pepe Escobar

Yeah, I post a lot of suggestions—reading suggestions, links, and so on—so it can be helpful to all of you.

#Danny

Yeah, everyone, check that out. Hit the like button as you go, because that helps keep the conversation going for new viewers who haven't seen this yet in YouTube's algorithm. Also, thanks to everyone who sent a super chat, and thanks to all the moderators, of course. I'll be back tomorrow with our mutual friend, Mohamed Marandi, around 2 p.m. Eastern time, so be ready for that—March 28th. Until next time, everyone, we're out. Take care, and thanks again, Pepe.

#Pepe Escobar

Thanks, Danny. Thanks, everybody.