

Alastair Crooke: Iran Threatens to WITHDRAW from Pact if Israel Doesn't Stop Lebanon Advance

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#Nima

Hi everybody, today is Friday, June 19, 2026, and our dear friend Alastair Crooke is here with us. Welcome back, Alastair.

#Alastair

Always a pleasure to be with you.

#Nima

Always. Alastair, I want to start with what's going on between Israel and Lebanon. Last night, we had Israeli Channel 12 report that four Israeli soldiers were killed. They say Iran was behind the killing of these soldiers because they want to provoke Israel to attack Beirut. Then we had more than 100 attacks on the southern part of Lebanon in Nabatieh. The intensity was the most — these attacks were close to Nabatieh and those areas. And before coming to this live, Iran has announced that the Strait of Hormuz is closed right now. And they have announced that the ceasefire has come to a new ceasefire. I don't know what it means anymore. They announced that in two minutes, in five minutes, the ceasefire is going to happen between Israel and Lebanon. Your understanding — what do you make of what's happening?

#Alastair

Well, first of all, I mean, from my perspective, it's called a memorandum of understanding. But from my experience with doing these sorts of things, they should be called a de-escalation framework, because it's not an agreement on really anything, or an agreement that has, you know, components of punishment if it's not done. This is a framework. And it was a framework that was put into place.

And the Supreme Leader said, I think it was yesterday or yesterday evening, and it was a very important statement, because he was saying that although this has been given, if you like, permission to proceed, in fact, he did not wholly agree with it. He had some reservations about it.

But given the stance of the Security Council and President Ebrahim Raisi, it was decided to go ahead. I think his statement was important, I mean, for two things. I mean, but basically, it was a statement, first of all, to put on notice the negotiating team to say, you know, you have been given permission on the condition that you stick by the agreements and you don't agree to any further concessions to the United States in this period. And it was also, I think, directed more widely to the Iranian public in saying, look, we know that there are reservations. There is skepticism in Iran that Iran is moving back into a sort of JCPOA type of stranglehold.

There will be a sort of trap that will trap Iran, just as the JCPOA imposed a stranglehold of sanctions and tariffs and resolutions and the IAEA on it. And I think this was the message. The message really was a reassuring one coming from the Supreme Leader to say, no, we're not going to do that. Now, there are two other things that he said. I mean, not necessarily in this particular statement, but for him, he's made it clear that the most important, if you like, asset for Iran is control of Hormuz. That's absolutely clear. The second thing is Lebanon. And Iran has clearly stated now that Lebanon is not just one of the resistance allies, but is a part of the security needs of Iran, that it is strategically part of Iran's security posture. So those two things are really important.

Now, going to what's happening now, the reaction to this framework in Israel has been hyperbolic in its rejection and antagonism to it. I mean, strong words. I mean, you know, from the usual suspects like Ben-Gvir. He said, after the killing of these four military men, one of whom was a lieutenant colonel, by the way, and the commander of the 23rd Brigade, after the killing of that, Lebanon must burn. It's got to burn as punishment for that. Now, not all of the comments have been as extreme as that of Ben-Gvir, but many of them, most of them, and not just on the right, but right across the board, have said, you know, we have to avenge the killings of these four soldiers. What was going on?

The soldiers, I think, were trying to take this ridge, which is just close to Beaufort Castle, the old Crusader castle in Lebanon. It's a strategic ridge, and it's not clear to me whether they were trying to increase, because the ridge extends. I mean, it's not just at Beaufort—this is the highest part of it—but it extends. Were they trying to establish, if you like, a semicircle of containment for Hezbollah in the region, or, as others suggest, that possibly under that ridge near Beaufort Castle is a deeply buried tunnel system, which no doubt would contain Hezbollah's, probably its longer-range missiles. It would be, in other words, is there a missile city buried under or near Beaufort Castle, which they're trying to get at before they withdraw from Lebanon, if they're compelled to withdraw from Lebanon.

So this has triggered a huge response. And I think I've said to you before, you know, the change in the security doctrine in Israel to that of permanent security, away from the Ben-Gurion security

doctrine, has created a situation that, for Israelis, they want preventative security as well as, you know, the security of today. In other words, they want to prevent a threat arising in the future that could become—because after the 7th of October they called that a Holocaust. It was not, but they call it a Holocaust. And think of it, psychologically, emotionally, somehow Israel experienced a Holocaust on the 7th of October, from the 7th of October, and that they therefore are saying that they must take prevention at the root to ensure that doesn't happen again.

So the net effect of this is really on its psyche more than on its rationality, but on its psyche is there's no way we can allow Hezbollah to exist in a place where they can threaten the northern settlers, the settlers that are there in their settlement towns from the border with Lebanon going down to the Galilee. And this is where Hezbollah has, in reaction to these Israeli military incursions into Lebanon, been firing their missiles, and their new drones with fiber-optic control have been very effective. And the Israelis haven't got any real answer to it. They've been buying up, currently, some fishing nets to hang on things, but I don't think it's the answer yet. So they're very concerned about this, but they don't know what to do now. So this is almost certain to draw some sort of response from Israel, I think. And it was predictable that this would happen because, as I say, they were never really—it was never likely that they were just going to—they were never likely to agree that Hezbollah could just exist there. They have been shocked at the potency; they thought that they had weakened Hezbollah and that it was a shadow of its former self. And they have been really shocked by its capabilities, by its military efficiency. And that has given rise to this sort of sense that, you know, we have to do this. And during these talks, I mean, obviously, Israel was pressing the United States to say, you have the right to self-defense and therefore you can fire into Lebanon and whatever.

But the framework was, the paper says very clearly, it's about sovereignty — the sovereignty — and one of the things that was quite striking about it is it treats Iran as a sovereign state, and one in which the U.S. is engaging. So it's engaging with a sovereign state to discuss certain issues in dispute. But that's a very different approach than we've seen before, and it's quite important. It has the actual rubric that Trump crossed by prioritizing, if you like, relations with Iran over the Israeli security claims that it needed to continue the war in Lebanon. The prioritizing of, if you like, that framework agreement over Israel's claimed interests in Lebanon has been a shock, a huge shock to Israel. Israelis haven't got over it.

They see this as an enormous defeat because, put simply, you know, their objective, which they say they haven't, you know, they've not stopped—their objective was always to destroy Iran and to destroy the state. But they know that they can't do it without the facilitation of the United States, the full support. It's not possible. They can't even refuel their aircraft to launch air attacks over Iran without the assistance of the United States. So this has become—they realize that their grand strategy of flying, as they put it, wingtip to wingtip with the United States to attack Iran and destroy its missile bases and so on—they appreciate that's failed. It's failed completely. And also, they don't have a strategy for Lebanon. What's their strategy?

#Nima

Buffer zone.

#Alastair

They're destroying the houses and saying, you know, very proudly, you know, when the residents return, they'll find there's nothing there. There's nothing. We will have destroyed it all. It was a sort of sadistic tone to it all. And some of that is true. It's been completely flattened. And this is not an answer. And even the military say, you know, buffer zones may have made sense 20 years ago. They don't make any sense in today's world with the drones that Hezbollah has. You know, they don't have a range of 22 kilometers. They're not Katyushas of 2006. They're quite different.

And so a buffer zone just exposes your troops to continual harassment and to guerrilla tactics and loss of life, which is what's happening. So Israel is in this huge conundrum. On one hand, they understand—from my reading, and I was looking at the translations of the Hebrew press today—on the one hand, they understand that the Middle East will never be the same again after the signing of that document. They understand that the great victory that Netanyahu proposed is finished. It's over. They see that Netanyahu's political standing is collapsing. They see that they've got no solution to Hezbollah.

And they have been very struck also by Trump's language, particularly the press conference that followed the G7 meeting, when Trump was saying very clearly, look, there's no need, why are you doing this? You go into Lebanon, and because you're chasing one person, you take down entire blocks and people are living in them. And how do you expect them to live like that, in this way? You're heavy-handed, he was complaining. And then he made an incredible sort of statement that was intended as a rebuke. He said, you know, you just, you kill too much. He said this, you kill too much. And he said, maybe we should turn it over to Jolani, Sharaa in Syria.

I mean, you know, he effectively was saying, listen, an ex-ISIS person would manage the situation better than you Israelis, because they would know how to do it in a more sophisticated way. I mean, it was really to say, you know, even an ex-ISIS person is a better bet for Trump than what he sees from Netanyahu. I mean, they've never heard language like this from an American senior politician, let alone the president, saying this sort of thing. And he said more than that. I mean, he said, well, you know, you have to stop these attacks on Lebanon. And he made other comments about Netanyahu, I mean, beyond calling him crazy and whatever. But also, what is interesting in the Israeli press is two observations that come from this.

First of all, if you take, like, Chit Brinovich, we've had what he's writing, and you'll find it in our Substack shortly with the details so you can read them for yourself. But what he's saying is it's very clear from some of these strange statements from Trump, for example, saying that Iran should join the Abraham Accords, or saying that he wants Sharaa to take over the management of Lebanon

from Israel. All of these things, he says, look, they don't make sense. But they do suggest something is going on in Trump's mind, that he wants to try and create enough room for maneuver that he can have a relationship and create a relationship with Iran, and that that will not be damaging to Israeli security. He says that.

And the Israelis have picked that up, and they say, you know, this is a very significant thing — that he is seeing Iran as being crucial to the security of the Middle East, that Iran is an essential component of stability, and that he wants to try and move in that direction. Now, everyone will say, is that realistic? Can this be done? Time will tell. Who knows? I mean, all the auguries point against it, probably. We all know the likelihood that this framework will not last forever, even maybe beyond today. But I mean, this seems to be what the Israelis have picked up, which is quite interesting and significant. And the second thing they picked up quite widely across it — don't forget, this is all in the Hebrew press, not in the English-language press.

In the Hebrew press, they pick up the fact that Trump seems to be moving towards imposing costs on Israel if they continue action. They don't say what, and they say we don't know, but it looks as if Trump is serious about it. He wants to protect the framework. He wants to try and make it work, and for very obvious reasons. Because, as he said at the G7, he said, you know, we were on the verge of economic collapse. The reserves have run out. And I saw today someone giving the figure for Cushing, the big strategic reserve — it has only 20 million barrels of oil in it. Well, that's sludge. You know, that's like, you know, when you get to the bottom of your oil tank — it's useless stuff. It doesn't actually, you know, and you can't use it.

I mean, even if they pump it, it has to be treated before, because it's all separated and it's got sediments and things in it that form. I'm not an expert on the chemistry of oil, but I'm told, you know, this is it. So, I mean, it wasn't weeks away, as he said in that statement, but probably was today. I mean, the crisis was there. And he needs it. So he needs this very much. He needs, if you like, Hormuz open to the extent that Netanyahu needs the war in Lebanon to continue to stay in office. Both of them have opposing needs to survive politically. Netanyahu needs to show that he's tough and that he is not, if you like, a banana republic president that has to take the word of President Trump. I mean, he says these things: we're not like that, we're not some subordinate place, we're a sovereign nation, and we will make our own decisions.

We're not bound by his framework. So there is really a huge, if you like, turmoil in Israel concerning it. But it's interesting that the juxtaposition of the wide acknowledgement that the entire Israeli strategy against Iran, against Hezbollah, against the axis of resistance, has failed and cannot be restored because they cannot do it if the United States does not facilitate them, and they cannot do it, certainly, should the United States, as was being speculated in the press, actually withdraw support — not just leave it where it was, but stop supporting them. And actually, some of this has been happening. Some of the tanker aircraft have been withdrawn. Is he going to go on with this?

I mean, there are, you know, they have military officers sitting in the Kirya, the defense ministry in Tel Aviv, as well as representatives of Israel sitting in Florida in CENTCOM there as well. So they're in both parts of CENTCOM coordinating every detail of the attacks on Iran. What happens if they're called back? What happens if the tanker aircraft is sent home? So this whole sort of strategic paradigm has collapsed for Israel. And people are beginning to say, well, we need to think about whether it was such a good idea. We moved so far away from the original Ben-Gurion idea that we were a small country and we couldn't take on the whole Middle East because we don't have men for that. That was what happened to the United States after Vietnam.

Lyndon Johnson lost the presidency, and also, you know, the American public were not ready to accept conscription. They weren't going to go and fight again in Vietnam. And, you know, it's becoming similar in Israel. I mean, you know, mothers of the soldiers are beginning to rebel again and say, you know, we're not just going to send our sons off to die in a PR campaign for Likud coming up in the new elections in September. And so, you know, where do they go? Perhaps, and this is being suggested, we have to reexamine the whole of Israeli strategy. Now, you know, this is not something that's going to happen overnight. Of course not. And I'm not even suggesting it. In fact, I'm suggesting the converse strategy. Actually, Israel is finding it very, very hard to come to terms with reality.

It's a harsh reality, one which they've been trying to find a way of bypassing. But now they face head-on a reality that is really so, so difficult for them to come to terms with because it goes against not only the security establishment but also those messianic elements of Likud, the ones that, you know, want to establish the greater Israel because they want redemption and the Messiah to appear. So the eschatological element to it is deeply buried there too. And will they come to terms with this? I doubt it, you know, because those very people, those messianic groups, I mean, have attacked the Ashkenazi, more European components and said, you know, you promised us that just founding Israel would be the redemption.

It would stand as the redemption, redemption for Jews on the land of Israel. And you lied and you tricked us because actually the establishment of the state of Israel has taken us further away from redemption. What is their solution? Armageddon. We need a big crisis or a big war, and only then will we move to the messianic age when all the values change and everything changes and we enter a new world. Now, I don't think people in America or in Europe really understand the dilemmas in this way. This is why I keep saying, you know, the Western way of trying to understand Israel purely through a rational, secular optic just doesn't work and gives you the wrong answers, because it's not secular rationalist at all. It's eschatological in different ways.

Some of it in a way which is seemingly secular, but looking to, if you like, a globalist redemption — a secular, globalist redemption of the world — the Trotskyist view, and then the neocon view, which is all about Zionism and redemption itself by creating a greater Israel. So all of these — I'm sorry to go on, but it's really important understanding, particularly for your viewers and for Iran to understand

what it is. Yes, there are tensions in Iran about this project, and understandable, because I've been involved for 20 years with the JCPOA and seeing what it is like. It is a stranglehold approach. And I think the retention...

Now, if you turn to the United States, there is going to be there also, there is huge pushback against Trump and this document. Huge pushback. I'm sure you've already seen it, but I mean, it's almost as exaggerated as what I described Ben-Gvir saying about it, you know, from Cruz and people like that. And Cruz, you get very strong language saying, you know, oh, this is the end of the world, everything is collapsing around us, and it must stop. And there's going to be a huge effort to push Trump off the space as much as they possibly can. And the general conventional opinion is that Trump understands this means that Trump is going to—this will contribute to his defeat at the midterms.

I'm not so sure. Look, I don't pretend to be an American political expert at all. But what I understand from people who are more versed in it is, first of all, that in the midterms, you know, the elections are segmented. It is one part of the House that is elected and then another part. It rotates. It's not all at once, everyone goes to election. It is one part only. And that some of those who follow Republican politics say, actually, what that means is because of redistricting, changing the electoral boundaries and other things, there are probably about 20 Republican seats that are problematic or in that sort of problematic area.

Now, of course, that could mean the loss of the House, but we're not talking about, you know, a wave of change of the sort of thing that some people are suggesting. And some of those people are even saying, you know, it could actually, you know, it might actually be to—this argument might be to Trump's advantage with the base. There is a base that, you know, adheres to Trump. It adheres to Trump in a personal way, as they follow him personally for being Trump. I mean, I'm not going to try to explain it—I wouldn't be able to—but there is that base. But for many of these in the MAGA, I think, not necessarily the ones who just have a personal attachment, but other MAGA people too, this issue of—this is a big issue.

The issue is who's in control of America's foreign policy. Is it Israel or is it the United States? And so far they've seen it's Israel. And now Trump is actually saying things to Israel that they'd never expect he would have said to Netanyahu or to Israel. I think, you know, who knows, but it might actually be quite appealing to many of the MAGA group that he is standing up, I mean, finally getting back to America First in 2020. I mean, having been on a long diversion to Israel First, but seems to be coming back to America First. Is that going to happen? It's too early to say. But I'm saying perhaps we shouldn't draw too many, you know, absolute conclusions. There will be a huge pushback.

Maybe they will try to take action, the neocons in Congress, to put constraints on him or to block him. Who knows? It's all possible. But I think what's just happened, and where we started our conversation—and this is important—because looked at from that optic of, you know, the MAGA and

the group who are questioning who's in charge of American foreign policy, they all saw Trump sign in Versailles Palace this document. And then today, they will be told that Israel has launched big attacks in Lebanon. What does it appear to someone—Americans and others, Europeans—who are not absolutely familiar with the Lebanon story and everything? I mean, it will appear that Israel is, you know, punching Trump and America in the face.

It's a slap no longer just at Trump. It's a slap at America—as America First, as America a sovereign nation. It's the inverse. You know, Netanyahu is saying, you know, we're the sovereign nation and we're not going to take orders from someone. And America, some of the supporters are saying, are most likely saying, listen, I mean, we're not going to take orders from Israel about, you know, and we're trying to get this agreement and we're trying to get Hormuz open because our gas prices are going through and inflation is going high. And now he's screwed that up, and it may turn even more against Israel. All these, I have to emphasize, are speculative things.

I can't support it with sort of statistics or evidence, but I hope there are sort of glimmers in that of something, you know, where things are going. And I think there are other dynamics to it too, which we haven't really touched upon. But, you know, I think China and Russia will be saying very, very clearly to Washington, do not go back to war on Iran. Do not start attacking Iran. That would be a huge mistake, and we would consider that as being something that is completely opposed to our interests. So there is a wider element to this. But come back, and I think this is the thing we have to always come back to—it's the economy, stupid. It's the economy. It's inflation.

It is Hormuz shut. It is we run out of reserves in Cushing and in the strategic reserves. As Trump said, then everything stops, you know, if you get to that point. So that's why I said at the beginning it's the most important thing. The Supreme Leader has been focusing—Hormuz? Hormuz. That is our asset, and Lebanon is our strategic debt. And so how all of this is going to play out, you know, you have to go to the Oracle at Delphi to get a full answer to it. But I would just say again, look, this was just a piece of paper that was signed at Versailles. You know very well that it isn't full of commitments. It doesn't have obligations. It is just a very generalized framework.

#Nima

I think your definition is some sort of de-escalation document, and that's the best description of it. You mentioned it.

#Alastair

That's right. It's just that and nothing more. But, and this is the big but, the language that we've heard from Trump, I mean, has broken a paradigm—the paradigm: Iran is a threat. Iran must be contained. Iran must not be allowed to act against Gulf states. Iran must not be supporting terrorism. Iran must not be allowed to enrich uranium beyond the very limited amount in case they get the bomb. I mean, suddenly, all that language. I mean, Trump actually said, well, you know,

Saudi Arabia has ballistic missiles. You know, and, well, he didn't say it, but others are saying, you know, and why don't we keep going on about North Korea anymore? Well, because they've got a nuclear weapon.

And so, you know, I do think that the psychological impact of that piece of paper, that is no agreement but is just a piece of paper—but the impact of the words, the impact of the fact that Trump has indicated—now, he'll go back on it tomorrow, I don't know, you know what he's like—but, I mean, nonetheless, that has sent reverberations throughout the world. You know, Iran is being treated as a normal state, a normal nation. It's not full of threat. You know, Iran is a threat, Iran is a terrorist sponsor, all of that—that's all the Israeli narrative—is suddenly absent from that and what Trump said at the G7, and that can't be put back again.

It's broken. That hold, that psychological hold has been broken. Israel will do its best, and the neocons will do their best to say, to go straight back to that: Iran is a threat, Iran can't be trusted, they will break their word, they always lie. All of that will come back, of course. But it has cracked the glass, and that has, I think, quite a significant effect. I know for those in Iran, they will be much more focused on how does one get the United States to comply with anything it sort of tentatively agrees to. There's no answer to that except for the fact that Iran has leverage, and it has the ability to impose pain on the States.

But it will be very much better that it will, I think, appear to many people, well, the pain that's coming now has come because Israel will not tolerate—that Israel decided to take advantage of the ceasefire to steal half of Lebanon. And then it stole half of Lebanon during the ceasefire and then insists on keeping it. And that's what's destroying the prospects for Trump coming to a very obvious conclusion, a very simple thing: that Iran is essential, that Iran is a key component to stability in the region. It is a crucial element. You cannot have stability if always Iran becomes the eternal enemy, the eternal thing to be constrained.

And so I think, you know, Tucker Carlson said that on his show on the first night of that. He said that very, very, very, very plainly. It was quite surprising. He said, you know, so there was a ceasefire. Hezbollah was part of the document. And what does Israel do? It tries to steal half of all of Lebanon. He used those words. They stole it during the ceasefire and want to keep it. And that's not acceptable. I mean, that's from Tucker Carlson and others. So, you know, something has cracked. You know, I mean, the psychology, you know, the fact that you can actually say that in the United States, someone like him can say this. I don't know how many people—I think he has something like six million people follow his monologues.

#Nima

I think something huge is happening, Alastair, in the United States. Just mentioning the latest news before asking my question. Channel 12 reported from one of the Israeli officials. Because, as you remember, I said that the ceasefire is coming, just the new ceasefire. But it seems he said that there

is no ceasefire, there is no renewal of the ceasefire, and they're attacking. The footage is coming out of the southern part of Lebanon. Nabatieh and all the areas around this city have been attacked by Israelis.

A huge, huge bombing is happening right now in Jebel al-Rafia and the Tia region in the southern part of Lebanon. And the problem, Alastair, yesterday J.D. Vance said in his sort of Q&A session with the press, when it came to the Israeli reaction to MOU, he said more than two-thirds of what Israel has used during the war came from the United States. Two-thirds. It means that's huge, huge for Israel. So they need to wake up. He said that they need to wake up and smell the situation they're in. These are important points.

#Alastair

Very, very key. I mean, this is what I said today. It was already in the Israeli, the Hebrew press this morning. I mean, written, of course, the day before, but saying... You know, people were commenting to the effect that it looks as if the United States will start sanctioning us if we go ahead with this war by withdrawing support. I mean, which support? Who knows? But, I mean, again, just the fact that Vance suggests, you know, I mean, he said it — you depend, two-thirds of everything you use comes from us. I mean, that's an implied threat to say, you know, if you won't cooperate, we want to find something, and we believe, and Trump believes, he will say, that this is in the security interests of Israel.

And I think it is in the security interests of Israel because, as I've just said before, you know, Iran is part of it. I mean, even the Gulf states, you know, everything was geared — the Gulf states were sort of built up around the idea that they are a bulwark against a threat from Iran. I mean, all of that collapses once you... I mean, the whole Gulf states narrative was based on, you know, the pillars that, you know, they were under the security umbrella of the United States, first of all, but secondly, that they had a huge interest in the sort of, you know, tech world and investment in the Gulf states.

And the third thing was that they were there to contain and to circumscribe the freedom of Iran. So, I mean, all of that then, you know, big question mark. So what is the Gulf state there for now? How is it going to reorient itself to the future? They have seen very clearly that their security umbrella was non-existent, and it looks like being completely pulled away. I think I saw, but I may be wrong, some sort of statement that the United States does not intend to rebuild its naval headquarters at Bahrain — they're going to pull out from that. That symbolically must be a huge signal to the Gulf states because that's been the pillar of American naval and military power in the Gulf region.

#Nima

When it comes to the calculation on the part of the Trump administration, I think there are two options. One of them is staying in this fight against Iran or maybe starting a new round of war

because of this rate of foremost, because of the outcome, which was disastrous for Israel. This is one side. The other side would be sacrificing everything for the United States. With the case of the Strait of Hormuz, we know how the economic pressure somehow crushed economies like Japan and South Korea. During the war, they needed to bring some sort of air defense system from South Korea to the region because the THAAD system — four of the THAAD systems — were destroyed during the war.

So basically what Israel is asking for is to sacrifice everything — not only the global economy, not only the economy of the United States, but also to sacrifice all their allies in West Asia, outside of West Asia, in Japan, South Korea, I would say even Europe — to sacrifice everybody. And plus, we have midterm elections in the United States, then presidential elections. You know, these are too connected. And J.D. Vance doesn't want to sacrifice — it doesn't seem that he wants to sacrifice everything for Israel. Nobody is willing in this administration as time goes by. It seems, what appears to me, this is the new move on the part of the Trump administration. They're somehow comparing what they're losing and what they're gaining out of this war.

#Alastair

Israelis generally are psychologically incapable of digesting this. They just cannot digest it. I mean, this is such a break with the narrative that they have awarded themselves, which is their own narrative of how they're winning, how they are superior to many of the Gentiles. They're cleverer, and their military is so capable, and their technology is so potent. And they're going to find that they are in denial. And I think that denial will last forever. You know, they won't come out of it. I mean, some people, as I've indicated, are coming out, but I don't think that'll be the case for many. It'll, you know, we'll just keep going, even though, you know, people will ask us, how are you going to keep going without the United States?

No, you can't. And so what are you going to do? What is going to be your new policy? What are you going to do? And of course, ultimately, I think, you know, some Israelis — very, very few — but understand that as a last resort, you know, how would they break this impasse? One day they will have to come and talk to Iran. Someone, a senior Israeli, told me that more than a decade ago, and he said, listen, you know, first it will be Israel that will do this, then America, and last, very last, will be the Europeans who will actually come to understand that there has to be some sort of talk, that there has to be some agreement. We're a million miles away from that.

I'm not suggesting anything at all, but I'm just saying, looking down the horizon, you know, what's the alternative, you know, for a country like Israel? The alternative is what Trump is sort of edging towards. He may change his mind, but he's edging towards the idea of, first of all, treating Iran as a normal state and then treating it as someone with whom you can engage and talk about security. Now, I'm sure, you know, the nuclear issue will be hugely problematic if it's addressed properly. But

maybe it won't be addressed in this period. Maybe it will just, you know, drag on but not actually be addressed. Because he's already said, you know, I mean, he said that, you know, well, other people have enrichment too.

I mean, you know, other states have enrichment. Saudi Arabia, I think, you know, I mean, enrichment is not confirmed, shouldn't be an absolute. So there seems to be something going on that is quite profound in Trump's mind and in the US. And who knows, we may see people being, you know, Trump quite likely could possibly, in response to the pressure being put on him, start to remove a few of the people from his team and replace them with others. I don't know. I have no inside information, but it wouldn't surprise me at all if he starts getting rid of the people who are opposing him. I mean, he has that history of removing people who criticize him or go against him. He's quite vindictive about these things.

#Nima

Actually, Israel Hayom reported just three days ago that Donald Trump is considering, you know, he wants to fire the Secretary of Defense, Pete Hegseth, together with the head of the CIA, Ratcliffe. It was mentioned in the Israeli media. I don't know how serious that is, but somehow it mentions Rubio as well.

#Alastair

You know, all of this is just speculative, and I have no sort of information that is based on anything substantial at all. I just threw it out there as a sort of one option about where things might go, but they might not. But I think this is, you know, a very important area. And I think something that I just wanted to add to it, because it's missing so much of this, is, of course, when people talk about Houthis, they talk about it in terms of simply, you know, the removal of so many barrels of oil from the market. But the other thing is that it is also a very potent tool for moving away from the petrodollar, of moving to other currencies and other forms of payment. And depending how things turn out, this is a dynamic which may change the region.

I mean, you know, we've already had the UAE ask America for, you know, some said, you know, we really need some cash because we need to buy one and two, remember? So I think we are going to see that whole architecture that I described that came in place in '73 after the first oil crisis with the high prices. And that created the opportunity for America to encourage the higher prices, and then at the same time for the U.S. to insist that they should be recirculated back into the banking system in New York so that they could fund this new financialized world that was opening up, where everything was about trading and about arbitrage and moving between markets — not making things, not running a real economy, but a traders' inside-trader commerce, inside information, inside-trading economy, where people can become millionaires in two minutes if they get the right information.

So I think that is the case. And we see suddenly China seems to be moving in anticipation of this. It has just increased the M-Bank system. I know that's not widely talked about, but it was a system that was first put into practice, trialed by China with a number of Middle East states some years ago for direct digital clearing between central banks. And it worked. And then when they came to the Shanghai Cooperation Summit, the bank withdrew it all and said, finished, we're not going to go ahead with this thing, because it was obviously seen as a threat to the dollar hegemony. But the software was basically, the technology was basically Chinese. And so they've reinstated it. And just recently they announced that 56 countries are entering into direct clearing through the Chinese clearing system.

But central banks, that is. Fifty-six states have indicated that they want to sign up to be able to clear trade balances. The most important thing about this is that the Chinese system is based on the blockchain system for digital currencies. So only the two central banks that are doing the clearing know the background to the currency. But the U.S., the Federal Reserve Bank in New York, will not be able to see where money is moving and whose money is moving where. And also, the Chinese are looking at extending the financial card systems more widely and using them. And also, Russia is doing the same, and eventually sort of synchronizing or integrating these card systems so they can be used much more widely.

Things like Alipay, for example, and I've said before, you know, it has about, you know, more than a billion people using it. And you can pay for things on Alipay, you know, of course, in China and Iran. But actually, if you look at any taxi in Rome, it says you can pay with Alipay. You can settle your fare with Alipay. This is here in Rome today. All the taxis that you get through the app, there's a little notice underneath it saying, you know, MasterCard, Visa accepted, Alipay accepted too. So, you know, things are changing in that way. So this will have another effect on the Gulf states and how they react, but also how Iran manages this shift, because it's a very important shift that is taking place.

And the last thing you need to have on your doorstep, with all these young people who have just, you know, become alive and woken up as a result of this war and are starting to think for themselves, the last thing you want is to have the example of these sort of super hedge funds sitting on your doorstep, with their gleaming skyscrapers and the promise of instant money from trading on markets, all watching their Bloomberg screens, which is where it's been, and data centers coming to the Gulf and all of these things. I think this will have to change as things work out. In Iran, it's important Iran should sort of think about that and work with that, because it also needs to put its economy—it's got to find the right way of stabilizing the economy. I think... maybe this is a bit rude to say, but I think Iran has been schizophrenic in economic thinking.

Half of it is sort of neoliberal economics, but working at the same time also self-sufficient economics. And the two are all at cross purposes and don't work well. So you have high subsidies at the same time that you have neoliberal policies being implemented. And I think the whole thing has become a complete mess and perhaps, you know, needs some talk to the Chinese about the best way of

moving to a different economic system, which is what they did many years ago. And Japan, I mean, they saw the effect in Japan of, you know, the control over the credit system which America had in Japan, which destroyed Japan. It came out of the war and rebuilt itself, and then the Americans came and said, you must direct your banks to provide credit to real estate companies and to buying of assets, not to ordinary productive enterprises.

That's what Japan did, and then the whole thing crashed. And then they became more American and more followed the American economic, financialized model. But I mean, I think, I'm sure that's happening, that people are thinking about this. And we see that there was Kahliba was talking about a deeper engagement with China. So I think, you know, these things all—what I was talking about, about more banks joining the clearing system, the payment system being extended across the BRIC states and others, and how that will leave the Gulf sort of marooned in a small area of a small sector of sort of hyper-financialized economics. And that isn't really what you want sitting next to your young, growing Iranians, I would suggest.

#Nima

Yes. Thank you so much, Alastair. Before wrapping up, if you want to follow Alastair, go to conflictsforum.substack.com. Let me bring it up here for you, and you may see the latest post. You said that today you're going to publish a new piece on your Substack. Here is the latest post: "Israel Cannot Win Its War." These are the recent posts on Alastair's Substack.

#Alastair

And you will also see, because we do regularly, a sort of summary of what is coming out of the Israeli press commentaries. And I think one will be coming out later today.

#Nima

They can find it nowhere, in my opinion, but on your Substack.

#Alastair

Yeah, it is. And it's quite astonishing because in the Hebrew press, they speak in a completely different way than they do in the English-language media.

#Nima

Thank you so much, Alastair, for being with us today. My pleasure.

#Alastair

Thank you. Thank you, Nima. All the best to you. Bye for now. Bye.

