

Pepe Escobar: Iran Just Unleashed BOMBSHELL BIGGER Than a Nuke, Trump BLINDSIDED

Pepe Escobar discusses the major bombshell Iran just dropped on Trump that has changed the world forever, and the US and Israel are furious. Pepe on Telegram: <https://t.me/rocknrollgeopolitics>
Pepe on X: <https://x.com/RealPepeEscobar> Transition Protocol: <https://www.youtube.com/@UCewRbK22LRnNi6N3EcGjbow> / Subscribe for more in-depth geopolitical analysis! Leave your thoughts in the comments below! Support the Channel: Patreon: <https://www.patreon.com/dannyhaiphong> SUBSCRIBE ON RUMBLE: Rumble: <https://rumble.com/c/DannyHaiphong> Follow Me on Social Media: Twitter: <https://twitter.com/DannyHaiphong> Telegram: <https://t.me/DannyHaiphong> Support the channel in other ways: <https://www.buymeacoffee.com/dannyhaiphong> Substack: chroniclesofhaiphong.substack.com Cashapp: \$Dhaiphong Venmo: @dannyH2020 Paypal: <https://paypal.me/spiritofho> #iran #iranwar #pepeescobar

#Danny

Welcome back to the show, everyone. As you can see, I have Pepe Escobar, independent journalist and geopolitical analyst, to join me on the breaking news and latest developments, which now we must begin with: the initial draft of Iran's strategic plan for managing the Strait of Hormuz, a bombshell that was dropped directly on Trump as he's been waiting for some kind of deal to happen over many days now. This deal is very significant, the draft in particular, because not only does it solidify Iran's control over the Strait of Hormuz and all corridors that will be used, but also it carries violation fees of up to 20% of the cargo value and will exclude U.S., Israeli, and all hostile vessels from use of the Strait of Hormuz, which is incredibly significant and a big blow to Trump.

Now, also, the Telegraph has said that these recent leaks out of Oman and Iran all point in one direction: that the agreement between Iran and Oman to reopen the Strait is not only sealed, but also ensures that we know that the U.S. has lost this war. Iran keeps on hitting tankers in the Strait of Hormuz, two in the last 24 hours, as these ships try to violate this emerging agreement. And this is also big news. Zero dollars' worth of Saudi oil has been imported to the United States for the first time, I think, in history since the two had bilateral ties. This comes in the month of July. Saudi Arabia is also on fire as Yemen has targeted a major military facility there in the Najran region, which I believe is part of Yemen, actually.

But you can correct me, Pepe, if I'm wrong. There's been dozens of casualties in the last 24 hours by Yemen against Saudi-backed forces. And what you talked to me about before the show, Pepe, the Turkey-Pakistan-Saudi Arabia joint Mecca defense deal—sorry, I didn't have it up—joint defense deal

has been signed. We don't really actually know what is in this agreement, but it comes amid this emerging and burgeoning and escalating war of resistance by Yemen against Saudi Arabia. So, Pepe, how about we begin with the Strait of Hormuz deal and work our way here? What is going on now? It appears Iran is really solidifying its leverage, and Donald Trump is very silent about this, at least in terms of how these terms do not look favorable to the United States. Your thoughts?

#Pepe Escobar

Well, it's a lot to digest. We have one hour. It's a lot to digest because this new configuration of the chessboard, simultaneously the signing of this Sunni-NATO pact in Mecca by Erdogan, MBS, and Sharif, Prime Minister of Pakistan. There's an outstanding photo, the three of them looking at Mecca across the—whatever, mirrors or whatever—the window, I'm sorry, across the window, after they had signed and prayed looking at Mecca. So the symbology, of course, will resonate all across the lands of Islam. But you may be sure that in the Arab street, in the streets of Islam, in the Arab world, in Central Asia, in Southeast Asia, popular opinion overwhelmingly will be looking at these three and basically saying, "These people are not real Muslims."

These are interlopers. They are not real leaders. In terms of popular support across the Muslim world, they are at rock bottom. We can venture to say, the three of them, especially MBS. Well, okay, to get there, let's start, as you mentioned, with the fact on the negotiating table. In fact, by the way, the only active negotiating table these past few days was the technical negotiating table between Iranian officials and Omani officials. And they were ready to announce that they were about to clinch a deal, and it will be before Friday. So the deal is practically clinched. The agreement between Muscat and Tehran is practically clinched.

In fact, in our channel, Transition Protocol, Larry and I, from the beginning of the week, we were already talking about that and saying, no, this is going to happen this week. And that seems to be the case. It is groundbreaking doesn't even begin to explain it. And in terms of a de facto strategic defeat of the United States, this is really mind-boggling territory. Essentially, everyone sailing into the Strait of Hormuz will have to follow Iranian territorial waters authorization by the IRGC Navy, paying the required fees to the PGSA, the new body that regulates navigation in the Persian Gulf, official Iranian body, of course.

And on the way out, there will be two layers. The first layer of control will be Omani, and they will receive their own fees as well. And the second layer is a final authorization once again by Iran. So, to put it very, very, you know, in a very simple way, very straight to the point, of course, it's a bit reductionist, but it gives all of you the gist of the whole thing. To enter Hormuz, 100% Iranian control. To exit Hormuz, roughly 50% to 70% Iranian control. That's what it is in practice. Signed, sealed, and delivered by both sides. This is not a unilateral Iranian decision.

Very, very important, which will be part of the final draft. And expect serial discombobulations from Mar-a-Lago to Washington, D.C. It's verboten territory for U.S. and Israeli ships and for ships of

hostile nations. This means those that were part of the U.S.-Israel combo during the 40-day war. And there's the matter of paying reparations, extra fees, the 20% extra fee. This is not clear yet. But if this agreement is signed, sealed, and delivered for good between today, tomorrow, this week, and maximum Monday between Muscat and Tehran, wow, this is a sealing agreement, you know, for all practical purposes, the de facto, on the ground and on the seas, strategic defeat of the United States. So you can imagine the consequences, right?

And it's quite telling that, for the moment, there's basically silence coming from Washington, apart from the usual odd vociferations, but basically silence, right? And intersecting with this decision, which is something that Iranians kept emphasizing throughout the week, Iran, via members of parliament, via the Minister of Foreign Relations, everybody, advisors to Leader Mustafa Khamenei, they were saying, "There's only one negotiation going on at the moment, and it's a technical negotiation between us and Oman about the Strait of Hormuz. There's nothing else." Translation: our old friend, the MOU dead cat, continued to be dead. For all practical purposes, it was in deep coma, dead or alive, but as in a Hollywood movie, could be resuscitated, as every serial killer is, but essentially dead.

And this is why it was dead and why the Iranians were not making any move about it. First of all, because according to the Iranian interpretation, the MOU was blown up by Donald Trump. So there's only one way to go back to the MOU: if the United States starts to fulfill the commitments of the MOU. Everybody knows the 14 points. In sub-Saharan Africa, they are discussing the 14 points. Everybody knows about it. And the Americans didn't deliver anything. So what's going to be, especially after this new code of navigation rules across the Strait of Hormuz approved by Iran and Oman, what's going to be Trump's reaction? Number one. Number two, what's going to be the reaction of CENTCOM and company? Nobody knows.

What's going to be the reaction of other GCC members which need to use the Persian Gulf and the Strait of Hormuz? And now we see, interacting with all these unknown answers, the coming in Mecca of Sunni NATO. And that, Danny, is wow. Talk about something beyond dodgy. We have a Muslim nuclear power. We have the second-largest NATO army. And we have the unlimited funds of the House of Saud together in an agreement that nobody has read, and there were no leaks about it because nobody knows what's really inside this agreement except the, you know, NATO-style Article 5 paragraph that says essentially an attack on one of us is an attack on all of us. In fact, the official rhetoric so far, if I remember correctly, is armed attack, in case of an armed attack.

Okay, let's see the immediate probability right in front of us. Ansar Allah and the Yemeni armed forces responded to Saudi provocations and a Saudi de facto attack on Yemen, and they will continue to respond not only two to one, but even more, three to one, four to one, five to one. Does that constitute grounds for this Sunni-NATO pact to be enforced? Nobody knows. And if it is, imagine the scenario of the Pakistani Air Force and Turkish NATO assets being used side by side with Saudi Arabia to bomb Yemen, a member of the Axis of Resistance. How can they possibly explain that to Tehran?

How can Pakistan possibly explain that to Tehran, considering that so far they have been acting de facto as mediators between Iran and the U.S., with, by the way, according to the Pakistani mediators, support in the background from Saudi Arabia? Very, very important. If we go back to the real beginning, which is before the Islamabad 1.0 meeting, where we had Ghalibaf and J.D. Vance, we have to always repeat that, because the first, let's say, Sunni-NATO axis, or even Sunni—there was a meeting in Islamabad where we had Pakistan, Turkey, Saudi Arabia, the three that signed the NATO-style thing in Mecca today, and Egypt. So why is Egypt not part of this thing that was signed in Mecca?

Nobody has an answer for that yet. And it would be nice to hear something from Cairo about all that. Is this pact basically conceptualized against Israel, against CENTCOM, against CENTCOM and Israel, against Iran, or all of the above? No answers so far. So this can go a long way to highway-to-hell territory, just like that, in fact. And I would like to try to ask this question today to our friends in Yemen, or if they can answer during the weekend, possibly. How is Sana'a watching this Sunni-NATO pact in Mecca? Do they see it as directly against Ansar Allah and the Yemeni armed forces? Are they expecting a Saudi offensive backed by Turkey and Pakistan, like tomorrow?

So this complicates the chessboard to a degree that we, Danny, we cannot even begin to start to understand what's going on. It's very, very, very dodgy, the whole thing. And why today? Timing as well. Why today? Because they knew that the new rules for the Strait of Hormuz were practically sealed. And they wanted, of course, to change the narrative, which is a typical Trump administration tactic. Did they communicate with Trump beforehand? Did they tell the White House beforehand that, look, we have a new NATO in town and it's not yours? So, for the moment, we only have questions and absolutely no answers from anywhere. The only thing we know is this looks like another pass towards the big, big highway to the mother of all hells ahead of us.

#Danny

Right. Yeah.

#Pepe Escobar

Danny, give me your interpretation, your first interpretation.

#Danny

Yeah. Oh, well, all of these developments feel like a kind of outside of the Iran sphere. And, you know, it feels like Iran, Ansar Allah, they're obviously moving in very strategic ways, especially Iran with this new deal. But with Saudi—Turkey. Turkey has been seemingly trying to keep its nose out of, at least publicly, what's been happening in West Asia with regard to Iran and the Strait of Hormuz and all of this. But Saudi Arabia—and with the U.S.'s hand in this, I'm wondering if this is

kind of a desperate scramble to create some kind of security architecture to counter what's about to happen, which is that Iran—first of all, Saudi Arabia is going to get its butt kicked by Yemen, which is already happening. And second of all, the Strait of Hormuz.

And now you have the Bab al-Mandab Strait being tied up. We know that all three of these countries, even Pakistan, which has been playing a mediator role, but we know that it wants things to go to some kind of pleasant status quo. I'm wondering if this is some kind of desperate scramble to insert themselves in influencing dynamics. But I am confused about how that will happen, given that the United States has a huge hand, obviously, in what Saudi Arabia does. We're seeing that in many respects with Saudi Arabia bombing the Iraqi resistance and Yemen as well. We know the U.S. greenlit that, and that they're having strange back-and-forths about what they should be doing there. And they're all very concerned about Iran, especially Turkey and Saudi Arabia.

So it's a very curious thing, but it seems like a desperate scramble to respond to developments more than go on any kind of offensive. And I remember this, Pepe. It used to be said in the mainstream media, and this is just actually from a few days ago, that a lot of former U.S. officials are saying that what Iran is doing here with the Strait of Hormuz is more powerful than a nuclear bomb itself. So I wouldn't be surprised if that kind of alarm is also going through these Mecca states, these so-called Gulf states, and Turkey and Pakistan. I could see that the UAE supposedly struck a deal with Iran clandestinely to move their oil out through the Fars. So there's a lot of moving parts here, but it does seem like a response to this changing architecture that I know you've been covering so well. So, Pepe, back to you.

#Pepe Escobar

Yes. Well, it's interesting because I think a few weeks ago, maybe four, five, six weeks ago, one of the Pakistani mediators, he told us, he told Larry and myself, and we didn't believe him, of course, because there's no evidence. But he said, "Look, wait, wait a few months. The UAE will be coming to us and will be coming to the table." There are already a few signs that they are already approaching the Pakistani mediators and, you know, just like probing the terrain, because they know that they cannot antagonize Iran anymore. Iran is the emerging and now de facto big power in West Asia, period. Everybody has to live with that, especially their neighbors. Extra reason, there's a lot of Iranian money moving in all sectors of business, especially in Dubai.

There is a back and forth that never ended and will never end. So they need an accommodation. And of course they need an accommodation because they need to escape retribution for what they did to Iran during the war. And Iran kept tabs. They know everything that UAE used to attack Iranian targets. So there's got to be—there will be blood. There's got to be retribution. They could negotiate. UAE could negotiate the retribution, or the retribution will be granted in cash, funds from the UAE. That's another story. But Saudi Arabia, while their margin of maneuver is extremely limited,

if, for instance, war occurs, MBS calculations. And that's complicated because guess who taught MBS to think geopolitically? MBZ. MBS learned about geopolitics from the bigger guy. So this is not good at all, right?

And now, okay, are they willing to pick up a long fight against Yemen again, considering that they lost the previous one? Are they willing to sacrifice practically their whole oil industry because they know that when the Yemeni armed forces respond, it's really hardcore? And they are ready to go all the way hardcore. Are they dragging Pakistan into their own war? The Pakistanis, as far as we know, until today in Mecca, they told, via their mediators, the Saudis, "Look, back off. You're not going to drag us into your war against Yemen." The problem is they signed the thing today in Mecca. De facto, Pakistan has been dragged into anything that Saudi Arabia decides to do against Yemen. So this will be one of the big questions that Larry and I will have to our sources in Pakistan, like, in one hour from now. We have a list of questions already.

Okay, can you please explain your position with this Mecca thing and what you're going to actually do if Saudi Arabia restarts a war against Yemen? Or if Saudi Arabia decides to bomb the PMUs, the People's Mobilization Units in Iraq again, as they did side by side with the U.S.? Are you going to attack Iraq again? So the Pakistani position today, starting today, became absolutely unbearable. Unbearable. And we are—wow, we really want to see what they're going to answer. And there's no way they can defend signing a pact and being dragged into other people's wars. Turkey is different. Turkey, we know how Erdogan works. And, you know, all of us spend time in Turkey, and I keep cultivating my good friends in Ankara and Istanbul.

They say, yeah, he's always hedging, and he will always hedge about anything. So this is another hedging move. You know, maybe it's inconsequential. But the repercussions of the actual signing, they are extremely consequential. They have to think about that. And, of course, all the positioning considering the new rules of the game in West Asia, which are basically dictated by Iran. And nobody can change that. Even militarily, you cannot change that. So, once again, no answers ahead, but the chessboard became even more complicated than it was 24 hours ago. And, of course, the possibility of a return to the MOU, the dead-cat MOU, after Muscat and Tehran clinched this deal on—which, by the way, this is important, it's temporary.

So if the Trump administration freaks out, Oman—they have a dialogue with, more indirect than direct, but they have a dialogue with the White House as well. They can always say, look, it's temporary. When you sit down with the Iranians, then you and Iran are going to have to discuss the Strait of Hormuz again. But for the moment, this is our own agreement, bilateral agreement, both states on both sides of the Strait of Hormuz. Makes perfect sense. So obviously, Saudi Arabia is looking at it. Turkey is looking at it. They said, no, we need to do something. And they come up with this Mecca thing. Wow.

#Danny

Well, I think it's so striking, Pepe, that, as you said, there are no answers coming out of these states signing this, as you call it, Sunni-NATO pact. And Donald Trump also appears to have no answers for what's happening. And I'll just play this briefly, this 10 seconds or so. No, he said nothing about this. Okay.

#Danny

And his line on the Strait of Hormuz right now is getting also very ambiguous. Here's what he said about the status of it.

#Donald Trump

Well, I don't want to say it has been sort of open right now. You know, we have a thing called the blockade headed up by the U.S. Navy, and we control it. And now, we control it, but they can always shoot something. They always have something or drop a mine.

#Danny

So very ambiguous, very idiotic in many ways, but at the same time.

#Pepe Escobar

This answer is totally idiotic.

#Danny

Can they control the strait? Zero ships are coming through in and out of the strait unless Iran says they can go through. I think something like 10 in the last week, something so ridiculously small. But at the same time, I think the fact that we have—you have those questions about a very specific thing like Yemen with regard to the Sunni NATO alliance now. And I think it is very curious that players like Pakistan, like Turkey—we know Saudi Arabia is off its whatever right now, being pushed from all sides and pulled from all sides. They're bad at hedging, I guess is what I'm trying to say.

So they're increasingly getting into war with Ansar Allah, which they'll lose. But if Pakistan and Turkey don't get behind it now that they're in the Sunni-NATO alliance defense pact, is it worth the paper that it's signed on? I mean, it just feels like, what is the point of this if not to directly intervene on matters like the Strait of Hormuz, like Yemen, like the regional situation? And is it to the behest of the United States? We know Turkey, they like to play all sides. We know it has a close military relation with the United States, but also it has its own regional ambitions.

Pakistan obviously has its own ambitions, even though it works closely with the United States. Saudi Arabia, same way. But what role is the U.S. playing in all this? I wonder, given that all of these parties are very valuable to the U.S. in terms of trying to get their say pushed through, in terms of

influence in the future, which is waning dramatically, as we just covered with the Strait of Hormuz. It's gone. It's over. They have none. They can't dictate terms on that. So your thoughts on this, though, about what the U.S. could be behind the scenes.

#Pepe Escobar

I can see a lot of generals, military officials, running around like cockroaches in rooms in Washington and in CENTCOM. Really. They probably don't understand what this is all about and what is going to be their role. They can even, if they are paranoid enough, and many are, think, "Is this thing against us? Could it be Turkey, Pakistan, and Saudi Arabia preventing a possible CENTCOM intervention?" Could be, of course. Certainly, when they think about armed attack long term, we have to think the death cult, Israel. No question. If, if, once again, questions, questions, questions.

If there was an Iranian angle... and considering that Pakistan is directly involved, and Turkey, which was supporting the Pakistani mediation and so-called road to the peace process via the MOU so far, they are involved. Obviously, there's no way they can explain to Iran that this also involves Iran. And obviously, there won't be an armed attack by Iran against Pakistan. Absolutely out of the question. An attack against Saudi Arabia would be to defend Yemen if the Yemenis ask, which they won't because they're self-sufficient. And there won't be an Iranian attack against Turkey. This is ridiculous. So once again, the only crisis point is Saudi Arabia and Yemen.

So it's up to the Saudis. They have to make up their minds finally. Do they respect their own memorandum of understanding with Yemen, or do they restart a war that they lost? And the memorandum of understanding, which I think is 2019, is because they were losing the war. It was after Iran—sorry, after Yemen bombed Abqaiq in 2019. And then the Saudis said, "No, no, please stop it, stop it." So they want to go back to that. Do they want to lose the East-West Pipeline? Do they want to lose Yanbu? Do they want to be blocked in the Red Sea? So it's, once again, an MBS decision. And Turkey and Pakistan, they are clever enough not to get involved because this is strictly between Saudi Arabia and Yemen.

And the position of Ansar Allah and the Yemeni armed forces at the moment is, okay, they're just observing all that with a smirk. And they say, okay, let's see if they attack us again. Of course, there will be two-to-one, three-to-one, four-to-one retribution. Do they expect Saudi Arabia and—oh, sorry—Pakistan and Turkey to intervene again? Once again, huge question. But consider that the Yemenis fear no one, literally. They have no fear. And when you go there, Danny, you talk to them. You know, you see Sana'a. You were driven to the mountains to see Saada. You see the birth of Ansar Allah.

You talk to the local people. Don't mess with these guys, please. Do yourself a favor. They don't fear no one. So once again, the whole thing, with or without the three of them in Mecca, boils down to MBS being reasonable and diplomatic and trying to solve the problem with Yemen diplomatically. They could have help from Pakistan and from Turkey, for that matter, but on a diplomatic level.

Iran—this is not a NATO against Iran, essentially. First of all, because the Pakistanis will have to explain to Tehran in detail why they signed this thing. Otherwise, the Iranians say, okay, you're not mediators anymore. Bye. That's it. And all the leverage that Pakistan gained these past two months disappears like that, completely.

They are doing that for their own reasons, of course. They are doing it because China basically approached Islamabad and said, "You, as mediators, have to break your backs to get these two back on the table." So that's the role of China. Number two, they are doing it because they need more visibility, more respectability, and, very, very important, energy. And energy will come from Iran. So that's why, for instance, Iran is under pressure. They opened six or seven overland connectivity corridors between their borders to facilitate Iranian exports, not only to Pakistan, but to China via Pakistan. That's why you have the guy from the National Iranian Oil Company visiting Islamabad to discuss what?

The Iran-Pakistan gas pipeline, which Pakistan has needed badly for over a decade. And they could never get it because of American interference. So now it's, you know, the possibility is just around the corner. So obviously, Pakistan, they have their reasons. And of course, in terms of their geopolitical presence across Eurasia and across the Global South, it's huge. You are the official mediators, the top mediators between the U.S. and Iran. So obviously, for them, it's... But of course, they do this essentially for their own national security reasons and for their own national interests. So it's very easy for Tehran to, you know, just—Araghchi was supposed to be in Islamabad today.

He's not because Shehbaz Sharif went to Mecca. So this thing was kept under wraps until today, Danny. There was not an expectation that something would be signed in Mecca because there were two trips that they were trying to coordinate the calendar. One of them is Araghchi arriving in Islamabad. The information that we received at the beginning of the week is, look, Araghchi is going to be in Islamabad on Friday. But then the whole thing changed because the new information was that Munir and Shehbaz Sharif would travel to Saudi Arabia to meet MBS. But there was nothing about signing the Sunni-NATO thing. Nothing. This came out of the blue today. Everybody was, what?

#Danny

Well, you posted Iran's response, or at least someone in Iran, Rezaei.

#Pepe Escobar

This is via a member of parliament, Danny. We should not read that as an official response. But I think it's what they are thinking, essentially.

#Danny

Yeah, I think somehow, even though it won't be an official response, because I don't even know if Iran has a big opinion as a collective. But in terms of a lot of Iranians in parliament and outside of parliament, I would say Saudis must know that a paper agreement with Turkey and Pakistan will not bring them security, just as years of one-sided nursing to the Americans did not bring them security. Reform your policies so that you do not need to beg for security from others. I mean, I think that's a very...

#Pepe Escobar

Very logical analysis. That is very Iranian. It's super logical, straight to the point, and based on facts.

#Danny

Right. No lies told, as they say. I mean, that's it. And Iran has now the résumé to show it. Not once has Iran begged anybody, including Russia and China, which, as you know, on this program and in programs that you do and work that you do, a lot of people ask, "Well, why don't they ask for more from Russia? Why don't they get more from Russia and China? Why don't Russia and China help them more?" And a lot of it is that they're not really begging anybody to save them. They'll work with Russia. And look at what they've been able to accomplish.

#Pepe Escobar

It's not how strategic relationships work. Like, you know, one of the things that I learned on the spot in Moscow for the past few years, when there were Iranian delegations in Moscow, both sides, they were saying, "Look, we are open to anything. If you need anything, just ask." And this went both ways. You know, way before the war this year, they were already exchanging information and help and support at the highest level, at the Ministry of Defense level, way beyond the Ministry of Foreign Relations, all the way to the leaders. This was, you know, conversations between Putin and Khamenei. They used to talk a lot. They were always in close contact. So this is how the strategic relationship works.

In terms of China and Iran, it's even more subtle because when something happens, it's already there. Because the Chinese never advertise what they do. Never. It's always in the shade. It's always discreet. And of course, in terms of a strategic relationship, for them, Iran is a matter of national security in terms of energy. That's why they don't have a 25-year agreement with anybody, only with Iran. And it's energy infrastructure, infrastructure that Iran badly needs, and energy that China badly needs, and they can pay in yuan, one of the reasons of the February 28 war. And now that we are getting to the point, the whole, whole point of the war, which was never the nuclear dossier. It's an oil war. It's a control of oil checkpoint war.

It's a control of an oil checkpoint that was using the petro-yuan. Anathema, total anathema for the United States. Sovereign, independent nation allied with the top two powers in Eurasia. So the list of

reasons to start a war against Iran from an American side is infinite. But obviously, you don't launch a war like that without pre-planning, careful detailing. And what do you plan? If things go downhill, which they did practically immediately, what's your Plan B or C? There was nothing. So no wonder we are in the situation where by the end of this week, we could have an agreement between both nations side by side of the Strait of Hormuz, basically saying, look, the new rules of the game are these, and we set them. And everybody has to comply, including the United States.

#Danny

Yeah, and it's not hard for the United States to comply if we take it in a vacuum, because they're completely out of it. But, you know, all they have to do is sit back and let it happen. But, of course, we know that this is not possible for the Empire of Chaos. Pepe, we have some audience questions. Let's get to a member's question from Coia Tizino. Sorry if I'm butchering that. Hi, everyone from Brazil. Guys, why does the MOU not contemplate the end of the genocide by Israel in Gaza? Pepe, what are your thoughts on this? Because you've been talking about the MOU for quite a long time, of course.

#Pepe Escobar

These are two different issues. It's immensely important for Gaza. It's cosmically important for Iraq. What is in the MOU, already in paragraph one, means end of all wars. And inside this end of, or inbuilt in this end of all wars, is the war by the death cult against Gaza and the West Bank. Absolutely. But this would have to be discussed separately. There are too many, you know, ultra-hardcore issues in the MOU, and this would be lost in the shuffle. This would be part of a larger negotiation.

And, of course, it will have to involve the death cult itself, which does not negotiate with anybody, as all of you know. They kill people. The only thing that they know is to actually kill people. But, very important, it is part of the MOU. End of all wars means end of all wars against Palestine, against Lebanon, against Yemen, against Iraq, and against Iran. It's quite, quite clear. But obviously the Americans did not interpret that because the language is very vague. The language of the MOU was on purpose extremely vague, which is, you know, it's a Pandora's box of interpretations.

#Danny

Yeah. And the United States, well, you know, the United States didn't abide by it for, it seemed like, a single minute. So that, well, I mean, there were some sanctions lifted for a little bit there. There were obviously some moves maybe to open up the blockade, but it was never serious, and it lasted for a very short period of time. But Arachi did say around that period that they would eventually be negotiating specifics around specific conflicts, including sanctions, Gaza. So, for me, it seemed like the specifics of part of these, as you said, ambiguities with the MOU terms were supposed to be addressed in the actual negotiations. But the MOU was supposed to be terms that were followed

immediately, in terms that were quite clear. Lebanon was specifically cited, and then, of course, all the sanctions and the, you know, the frozen assets, all of that, that was supposed to happen right away, but it didn't, and so...

#Pepe Escobar

You remember when we were on the verge of six billion being transferred from Qatar? We were literally on the verge of the money transfer, and the Americans blocked it at the last, literally at the last minute. Probably somebody was about to press click, and no, not anymore.

#Danny

They were playing games. They were playing games. So I think this is the big problem about addressing any direct conflict specifically, is that the party on the other side is not—they're not serious. And so that's where we are. But Farzana Deem says, "Is China happy with Pakistan's diplomacy?" Pepe, what do you think?

#Pepe Escobar

It's a complicated answer. We should not use happy, especially when it comes to China. We should use, is this satisfying China's national interest and overall geopolitical interests? For the moment, yes, because the most important part of the answer to your question: the Chinese are coordinating in the background the whole Pakistani mediation effort. This is immensely important. They never show up. Chinese diplomacy is, in terms of sophistication, when they are dealing with ultra-hardcore dossiers like this one, which involves Chinese national security, and the interpretation by the highest levels, Politburo level, all the way to Xi Jinping from the beginning, they interpret it, starting even before February 28th and right at the beginning, this is a war against us.

After Iran is Russia, after Russia is us. And we are the number one strategic threat to the Americans, the way they see us. So obviously, from the beginning, the decision was made in Beijing: we will do everything it takes not to let Iran fall or fold or give up or be shattered. So the conduit, after the negotiations—the process leading to possible negotiations started—was Pakistan. And for instance, right at the beginning, we have to come back right to the beginning because this explains a lot of what happened afterwards, but also it does not explain a lot of what happened after, which was the first meeting of the four Sunnis. The four Sunnis were three that signed the MAC agreement today: Pakistan, Saudi Arabia, and Turkey, plus Egypt. These four, they met in Islamabad.

And they discussed, what can we do to maybe start a peace process? Can we talk to Iran? How do we talk to Iran? Which one of us will talk to Iran? And all that. Guess what happened the day after? The foreign minister of Pakistan goes to Beijing immediately after the meeting of the four Sunnis to talk to Wang Yi. And Wang Yi says, look, guys, this is not good enough. Try harder. We support you. If you're trying to get towards, let's say, the road towards a peace process, we support everything,

because this is what we want and this is what we have been saying loudly everywhere. China wants a solution, a peaceful diplomatic solution for Iran-U.S., according to the UN Charter and all that. The usual Chinese, you know, posture. But they started to cultivate Pakistan as the top mediator.

And that's why these past few years, these past two months, essentially, we have this alignment between Beijing, Islamabad, and Tehran, based on mutual trust and based on their shared objectives. So, for the moment, we can say that, yes, this is what the Chinese—the Chinese totally support the MOU from the beginning. In fact, they were part of the negotiations in the background as well. The problem is they knew that the other side would never respect it. The Chinese also have experience with the Americans on broken promises. So from now on, if the dead cat is finally resuscitated for the umpteenth time, the Chinese will support it, no question. The problem is the Pakistanis have to make very clear to the Chinese and to the Iranians what is their role now after they sign this Mecca fog of war thing. Changes a lot. And they're going to have to do a lot of explaining in Islamabad.

#Danny

Yeah. Yeah. Well, you know, in terms of China's thoughts and feelings about things, yeah, I think you're exactly right. China is more about interests and strategy. And also, it is playing this very much at a far-away kind of role where it is not really, you know—Pakistan has Pakistan's politics, which are very complex and complicated. Yeah. Pakistan will play the role that it can play, and China will always support anything positive that Pakistan can do, not least because Pakistan is, what, number two in terms of partnership with China in the region? Maybe number one in terms of overall economic development and cooperation.

With CPEC, yeah, with CPEC. And, you know, right there with Iran, Iran maybe plays a far more geopolitically significant partnership with China. But nevertheless, I think China is going to support both of those in doing something positive around this war. And, yeah, I agree with you 100%. Those MOU terms China sees as positive, so why wouldn't it throw any kind of weight that it can, outside of interfering in the process, which it does not—there's no point to that.

#Pepe Escobar

And there's another element, Danny. The Chinese are always saying that everything is in the MOU. There's nothing to renegotiate, which is exactly the Iranian position. Look, all the points are there. It was signed by both presidents. Now you have to fulfill the commitments. And the Chinese support that a zillion percent. There's nothing else to negotiate. Everything is there. You have to start negotiating point by point and fulfill your commitments. You know, give them the money back, relief of sanctions, start discussing about Lebanon, everything.

#Danny

Yep. Well, you know, it reminds me what you just said there, Pepe, of what Mohammad Ghalibaf said on X recently. I think this was in the last 24 hours. He said he mocks Trump, saying, "Massive attack coming. Wait, never mind. They want to negotiate." End quote. That's theater diplomacy on loop. Using bullying plus broken promises plus fake news as leverage is a failed strategy. Acknowledge the facts and fulfill your commitments. We don't need more theater. So that was a direct message to the world.

#Pepe Escobar

Commitments and theater. Perfect. It's very, very Persian. Logical. And, you know, fact and fiction. They're very good at contraposing fact and fiction.

#Danny

Yeah, so that's where we are, Pepe. Well, maybe in the last five or so minutes that we're here, where are we, and what do you expect coming next down the bend now that it is becoming quite clear that Iran is looking to solidify at least this part of the MOU, the Strait of Hormuz question, yes, completely and entirely outside of any kind of U.S. participation? So what do you see coming down the bend, given that that's going to come in the next, what, hours, days at the most?

#Pepe Escobar

Today now is, yeah, night already in the Middle East, so maybe not today. It could be Saturday. Saturday is a normal working day in Muslim countries. Or it could be on Monday. But once this agreement is signed, even if it's temporary, we have to remember, all of you, this is a temporary agreement. Even then, this is a stepping stone for what they're going to be discussing if the MOU, that pact, is resuscitated. And it's following Iran's planning, I would say, almost to the millimeter. Don't forget that the margin of maneuver for the Americans is shrinking by the day. Next week is the deadline for the Strategic Petroleum Reserve's depletion, mid-August. It's next week, literally around the corner. Not to mention, we ran out of everything. PAC-3s, Patriots, you know, but we, we ran out of everything.

#Danny

Yeah, the economic situation is so bad here in the United States, and it's very bad. But continue, sorry.

#Pepe Escobar

How much is a gallon of gas in New York now? Do you know?

#Danny

Right now? Oh, it's still over \$4. I mean, it's not going down.

#Pepe Escobar

This is the big problem.

#Danny

That's for regular. So diesel, which is, you could consider that, what, the business, right? The trucking. Diesel gas is \$5.50, close to six. It's very bad. I mean, it's close to levels of what we had at the worst of the worst on the East Coast. The West Coast was always much worse, but the East Coast, you know, you had \$5 regular, \$5.50 regular, um, and for diesel, over six, seven. You know, you had these astronomical— but it hasn't gone down that much, and it likely won't. And that's where the, uh, I think that's where the big crisis is that they're all trying to hide, is the fact that the results of the economic catastrophe that the U.S. and Israelis' decision to go to war with Iran, those are kind of written in stone. A lot of that is not reversible. But anyway, back to you.

#Pepe Escobar

True, true, absolutely. Yes, absolutely. Wow.

#Danny

Well, okay.

#Pepe Escobar

Look, we're going to try to get some answers already tonight. So if we have some breakthrough, we should talk again next week.

#Danny

We will.

#Pepe Escobar

About the Sunni and NATO thing.

#Danny

Yeah, let's do it. Yeah, we'll definitely talk.

#Pepe Escobar

Everything, yeah. And of course, what the Yemenis are going to do.

#Danny

Yeah, well, things are burning. It seems like Yemen is looking to do as much harm as possible to Saudi Arabia to get Saudi Arabia to just give up, you know, give it up as quickly as Saudi Arabia can. That seems to be because Yemen is now—Yemen is basically getting rid of—it almost reminds me of what Iran is doing with the Iraqi so-called proxies, right? The Kurdish proxies, the Kurdish proxies. They just hit them and hit them and hit them, and now you would move on to—what did Mossad just do? Mossad just fired a bunch of leaders because they are angry that they couldn't get the Kurds to play this role, not only in Iran but on the Iraqi border, because Iran just kept on hitting them. And now it seems like Yemen is doing the same thing in Yemen on the Saudi border: just hit them. Those proxies, they are running away, retreating, and we'll see if Saudi Arabia keeps this up. I don't know. Your final words to the audience, Pepe, as we end the stream here.

#Pepe Escobar

My final words would be, okay, let's go straight to the point: never mess with Yemen.

#Danny

Yeah, no, never do. Never do. The U.S., Saudi Arabia never learned. The UAE, I guess, learned, although, you know, and the U.S. never learned. The Israelis learned. They stopped. They stopped. And Saudi Arabia now has to learn, it seems like, over and over and over again. Thanks so much to The Alchemist for this generous super chat. Thanks so much, Pepe. Your Telegram and your X are in the video description below, so people should go there, follow you, follow and support all of your work, and be sure to follow all your reports, Transition Protocol.

I believe that's also in the video description. I believe I'm on today with them at 3 p.m. Eastern Time to record something. So, yeah, it's a great project. Everyone should subscribe and support that channel. Without further ado, everyone, tomorrow I'll be back on with Mark Sleboda, 1 p.m. Eastern Time, August 8th. We are over and out. Hit the like button. That helps boost this show so people listen to it and watch it all throughout the day. All right, everybody, take care, and I'll see you next time. Bye-bye.

#Pepe Escobar

Cheers, everyone. Thank you.