

# Iraq: The Unending AGONY Of A Modern-Day Colony | Hussein Askary

The US and its "coalition of the willing" did not only illegally attack and invade Iraq, it also never left. The 22-year long military occupation is going hand in hand with the political and economic ruin of a 40 million people nation—another crime of epic proportion by the defenders of the "Rules Based International Order". Today I'm talking to Hussein Askary who is the Iraqi-Swedish Vice-Chairman of the Belt and Road Institute in Sweden and the West Asia Coordinator for the International Schiller Institute. Hussein has been working as a strategic and economic analyst since 1996. Today we want to talk about West Asia and Iraq.

## #M3

Goal number two in Iraq was not to take the oil, but to reshape the whole Iraqi society and also make sure that Iraq does not use its oil money for anything beneficial for the people, like technological, industrial, economic, social, and cultural development. This money would be purely used to create a consumer society, which we have now in Iraq. So the United States made sure from the first day it took over Iraq that it controlled every dollar of oil exports. Actually, the oil money is put in an account. All the money from Iraqi oil exports is sent by the buyers to a Federal Reserve Bank in New York, in an account there which has been controlled by the American president since 2003. What the elites in the United States and Britain wanted to do is to set a precedent for how they can reshape the fate of whole peoples because they have the power to do that.

## #M2

Hello, everybody. This is Pascal from Neutrality Studies, and today I'm talking to Hussein Askary, who is the Iraqi-Swedish vice chairman of the Belt and Road Institute in Sweden and the West Asia coordinator for the International Schiller Institute. Hussein has been working as a strategic and economic analyst since 1996, and today we want to talk about West Asia and Iraq. So, Hussein, welcome.

## #M3

Thank you, Pascal, for inviting me. It's my pleasure.

## #M2

Well, very happy to have you because I wanted to have a discussion about Iraq, but Iraq inside the larger region for a while, because I think a lot of things that are going on are very much connected

to Syria, Iran, and Turkey as well. So I think you're one of the perfect people to tell us about this discussion. You left Baghdad, or you left Iraq, at the age of 23 in 1991. You told me you had to flee due to warfare and state repression, and then you came to Sweden in the '90s and you've been working there ever since. Over all of these years, can you tell me a little bit about how these experiences impacted you and your analysis of what's going on in world affairs?

## #M3

Yeah, well, when I left Iraq in 1991, it was immediately after Desert Storm, the so-called Gulf War. There were many Gulf Wars, but that was one of them. We call it the Kuwait War. It came after Iraq invaded Kuwait in 1990. And then when Saddam Hussein refused to withdraw peacefully, the U.S. and the international community mobilized a global force to get Iraq out. Immediately after Kuwait was liberated, there was an uprising in Iraq, which was pushed also from outside. But then it failed, and so people had to flee for fear of retaliation by the Iraqi regime. My family was among those. I was studying in Baghdad, but my family was living in northern Iraq, in Sulaymaniyah, although I'm not Kurdish. But I grew up among the Kurds in northern Iraq. So I ended up spending about a year in refugee camps in Iran. I worked with the International Red Cross, Doctors Without Borders, and the United Nations High Commission for Refugees in refugee camps. I was an interpreter. That was my education.

And then after that, I managed, with some help, to come to Norway first in 1992. I stayed there for a few years and then moved to Sweden, where the Schiller Institute has an office, because I wanted to be active in both understanding what happened to my country and the global developments that led to that. As you said, things happening in West Asia, the so-called Middle East, which is the wrong name, are always connected to global politics. I was interested in understanding strategic issues and economic issues, and the Schiller Institute gave me a great deal of knowledge, both about history and economics, and how economics are related to that. You remember 1991 was when the Soviet Union collapsed, and there was a new world order—the unipolar world, the unipolar moment came to the stage.

And that's what shaped many of the things that happened since then. But now that unipolar world is melting down. There's a multilateral world emerging. According to many geopolitically-minded realists, this is a moment full of danger. It's also full of opportunities to have a new world order based on economic cooperation, and so on. The idea of the Belt and Road Initiative was very important in developing my own capabilities of analysis and also promoting this idea of peace through economic development. The Belt and Road Initiative was very, very important. At the Schiller Institute, we have been working for decades on what we call the Eurasian Land Bridge or the World Land Bridge to build infrastructure corridors between Asia, Europe, Africa, and extend that to the Americas.

So we were screaming alone in the field until China came and President Xi Jinping announced the Belt and Road Initiative in 2013. That was a defining moment in many respects. My own experience

as an Iraqi coming out of war—I lived through wars before I left Iraq—but the connection with global developments really gave me much to think about. First and foremost, the treatment my people received from the international community, from the so-called rules-based order, the civilized world, the free world, showed me that there's a great deal of hypocrisy and that the image given around the world does not fit the reality. So I'm a bit immune in that sense from the propaganda coming from the unipolar world.

But I look at every case on its own, and I try to analyze, I try to study as much as possible. Being in Europe, working with Europeans for many years, living in Europe, being active in Europe, but also having very strong connections to my colleagues in the United States, learning a lot about American history and American politics, has given me a multidimensional perspective on developments in the world. Therefore, when I see the situation in West Asia, Iraq, Syria, Lebanon, Palestine, all these things, I see them from a much larger context. With my knowledge of the region, my knowledge of the language, Arabic, and the history of the region, the combination becomes very, very fruitful.

## #M2

So what is the big picture to you? Why is it that West Asia has been suffering so much for the entire last century, basically? On and off, here and there, you know, wars and devastation and millions of people, yourself included, fleeing their homes. What is the ultimate or the most immediate cause of that?

## #M3

Well, I think the main cause of that is we have had an imperialist competition in the world. And this region is very, very strategic. It's between three continents, two oceans. And lately, you know, at least since the beginning of the 20th century, oil was found there. The strategic competition between major superpowers was very active. We remember the Great Game between Russia and Britain.

We had the emergence of Germany as a major economic and strategic power at the end of the 19th century and the attempt to break the maritime control by the British Empire through alliances on land, the Berlin-Baghdad railway development, and so on and so forth. So geopolitics, big power geopolitics, played a key role in shaping the fate of that region. And it's strategically very important. With all the oil that was found there, it became, as we say in our countries, a curse rather than a gift to the people there. So major geopolitics played a key role in shaping that region. And, of course, we had a failed transition from the control of the Ottoman Empire when the nations of the region were hoping by the end of World War I to become independent and build modern societies.

That hope, that promise was betrayed by the British and the French, who had already planned to inherit the Ottoman Empire through secret treaties like the Sykes-Picot Agreement. While the war was still ongoing in 1916, they were planning how to divide the region into French territories and

British and Russian spheres of influence. The Russians withdrew after the October Revolution, the 1917 revolution, so the new leaders in Russia withdrew. Thus, the French and the British had to decide the fate of this region. They were manipulating, dividing and conquering, and redrawing the borders of these regions, installing leaders. In Iraq, they put a king there; they put a king in Jordan; they took out the king from what was Saudi Arabia, or the leader there, the Hashemite, and they installed the Al Saud as leaders.

They controlled the whole political, social, and economic structures of that region until at least the 1960s, and most of the Gulf countries became independent in 1971. So these major powers played a big role in dividing and conquering, controlling the resources, and then you had also the British planting what they call a homeland for the Jews in Palestine, which has been the source of much of the destabilization in this whole region until now. We saw the genocide in Gaza. We see now what is going on in the West Bank. And this is by design what the British Empire planned to keep this area boiling and to be able to control it from outside. After World War II, the United States got into the game.

President Franklin Roosevelt actually had different ideas for the post-World War era. Many people don't really realize that. He was not intending to keep the British Empire or join the British Empire. His idea was to demolish the British, French, Belgian, and other empires and have these nations free and working with the United States for economic development. That was his main thrust, that these nations should be independent. Even on the question of Palestine and the Palestinians, he was trying to find a solution with the king of Saudi Arabia. But things didn't turn out well. Roosevelt died, and Truman became president. Truman was an admirer of the British Empire, so he continued the special relationship with the British.

And the imperialist thrust continued even after World War II. So this whole situation has been, you know, not just the responsibility of the people of the region. Of course, they have a responsibility to liberate their countries too. But the powers that control everything, and the Soviet Union even contributed to that, made it impossible to find peace—a stable condition where people could use the natural resources and the human resources of the region for the development of the people there. So that's the reality there.

## #M2

It's such a, in one way, a very, very rich region, as you said, and you can see how rich and how wealthy some countries in West Asia can get if they have stability and peace, right?

The Emirates, Qatar, and also Oman, which we don't usually hear a lot about, are developing and doing a fine job in the region, right? But then the heartland, in a way, includes Iraq, Syria, and extends all the way to Iran, right? There was a long time when Iraq and Iran were deadlocked in a bloody conflict, right? Why is it that the heartland struggles? Because the periphery seems to do better in a way, or am I misreading that?

## #M3

No, the countries in the periphery, like the Gulf countries, were under British rule, so it was important for the British to have stability there for a long time. They had special treaties with those countries. The problem with Iran, Iraq, Syria, and to a certain extent, Turkey, is that they are more independently minded people. Because of their history, culture, and identity, they want to be completely independent, and therefore there has been this whole conflict through the years. Even the Shah of Iran, who many people say was a puppet of the British and the Americans, realized at a certain point in the 70s that Iran should abolish or not renew the contract with British Petroleum or the Anglo-Persian Oil Company and use Iran's oil revenues to buy technology and build an advanced modern nation. That was not accepted. You had a similar situation in Iraq and Syria.

So these more independently-minded people also get manipulated. Like we had a socialist movement in Iraq against the British-controlled royal family. We had similar things in Syria. Egypt, for example, is also a nation with a very strong historical and independent-minded identity. So these countries tend to get the wrath of the gods, of the world powers, in that they are unable to stand on their feet. I mean, Iraq was supported, of course, during the 70s. We had fantastic economic and scientific development. And then in the 80s, while Iraq was in a war with Iran, Iraq got all the support it could get from both East and West to fight Iran. So Iraq was developing rapidly while fighting a war. But then after that, it was Iraq's turn to be, you know, controlled and basically destroyed. So this is the fate of nations with a long history and identity.

## #M2

Some people, especially in Europe, blame a lot of what's happening in West Asia actually on the Islamic faith. The thesis that Islam itself is an inherently violent religion is, especially among right-wing conservative circles, quite popular. What's your view on that? I mean, what's the impact of the religions in the region?

## #M3

It's quite ironic because all the independent movements, anti-colonialist movements, were not religious. They were secular movements, nationalist Arab movements, especially in the 40s and 50s, who wanted to get rid of the British and French and other control. But then the British, and later the Americans, supported the Islamic movements to counter the nationalist forces. Like in Egypt, the British and the Americans later supported the Muslim Brotherhood because they used them as a counter-pole to Gamal Abdel Nasser and the nationalist secular leaders. They said these were socialists, God-denying, so they mobilized Islamist forces against them.

## #M2

Just like right now with Syria. I mean, Syria was taken over by the Islamists with support, okay, they're nodding off to the West.

## #M3

Yeah, so the problem is not Islam. Islam has been used, and especially militant Islam is a new phenomenon, actually, which came with the Cold War. You had nationalist movements, anti-colonialist movements in almost all the Arab countries. And then they were forced to go to the socialist camp. The British and the Americans could mobilize the backward Islamist religious movements to say these are God-denying communists. They deny God and deny Islam. They could mobilize against them. This is how they mobilized against the government in Afghanistan. The CIA and MI6, with the help of many countries in the Arab Gulf, mobilized the Islamic Jihad movement, which actually started to become a phenomenon in Afghanistan under the aegis of the British and Americans.

So they used Islamic movements, Islamic Jihad movements, militant Islamic movements as a counterforce to the secular nationalist movements in the Arab world, even in Pakistan. So it's not true that these problems are actually inherent to Islam. Islam was considered a religion before, but now it has become a political force. The conditions created in the region by global powers forced societies to turn to an Islamic identity because there was nowhere else to go. Like in Iraq, when in 2003 the United States and Britain invaded Iraq and destroyed the Iraqi state, which was a secular state, there was no other place for the people to seek protection and psychological identity other than the tribe.

We became a tribal society again and a religious society. So you lost everything. You have nothing left. So you go back to your religion, where you find refuge for your soul, for your identity, because the state, the nation-state, doesn't exist anymore. In Iraq, even after 2003, with the new constitution, which was changed, it became a sectarian state, an ethnically divided society by the constitution itself. They invented a constitution that made ethnic and religious identity the core of the Iraqi constitution and identity. This happened after the U.S. invasion of Iraq.

Iraq became an extremely religious society. Syria now is going to be an extremely religious society with the support for the Islamist forces who have now taken over Syria. So this myth about Islam being the problem—it's not the problem because, first of all, we never had Islamic states. All these countries were under the Ottoman Empire, which was a military empire. It was not a theological empire. And then came the British and French and other empires and took over. So the peoples of the region never managed to get a modern nation-state and have the time to build their societies. The Egyptians tried, still fighting, to have a secular state, a modern state, the Syrians, the Iraqis, but then came the big hammer and destroyed everything. So Islamic religious zeal, the extremism, came with these conditions. It is not inherent to the societies there.

## #M2

I mean, you've lived or you're living in both worlds, and you see also Europe, I hope, also from the eyes of somebody looking at it from Iraq. Can you explain to yourself how it is that Western societies, and I mean especially the Europeans and also the North Americans, how is it that, on the one hand, they preach and profess all of these concepts, and the concepts change over time, over 100 years, right? They preach, like, let's say, religious dogmas at the beginning, then they preach liberal dogmas, but they constantly undermine them themselves.

And like what you just explained, one of these examples is, of course, what happened to Egypt after the Arab Spring, when Mubarak got swept away and ushered in was the first democratically elected president, Mr. Morsi, right? And then he was removed and gone. And Al-Sisi comes to power, and Morsi dies in prison. The first democratically elected president dies in prison. And the whole West basically just claps a little bit because nobody liked him, as he belonged to the Muslim Brotherhood and was way more nationally minded, in a sense, as in patriotic to his people, than Mr. Al-Sisi, who immediately struck a deal, right, with the powers that be.

And this is such a blatant infringement on the very core fundamentals of what, at the time in the 2010s, the US and the Europeans were preaching in terms of democracy overall. You're backward if you're not democracies. How is it that the Europeans themselves are unable to see, for lack of a better word, just the sheer amount of hypocrisy in their approach, in their mindset toward other peoples?

## #M3

Yeah, do you see the... We have to differentiate between the peoples of Europe and the elites of Europe because the elites are now more divorced than ever from the population and the aspirations of the population. There is so much resentment against the political elites in Europe, but also in the United States. So we have, you know, what we call an oligarchical problem in Europe, but it's mostly a British problem, and also in the former empires in Europe. We have an oligarchical elite—financial, economic, and military—who control, to a large extent, the political processes. The people are invited every now and then to participate, but there are no real checks and balances and accountability for the political leaders. You can vote them out next time, but then you end up in the same cycle again.

So the elites, what has shaped European and now transatlantic history is this fight—these oligarchical forces trying to maintain their power despite the liberalization and democratization of society, which took place over the 19th and 20th centuries. In the United States, you had the American Revolution, but it was also hit time and again. Many American presidents were killed, you know, by these forces. So to make the United States also another empire, which is the image of the British Empire, this is the essence of the special relationship between Britain and the United States. And I saw this myself very clearly. You see this hypocrisy, but also, you know, people say the United

States invaded Iraq in 2003 to get the oil. It's not true. The United States didn't take any Iraqi oil. Two things happened.

Tony Blair, who was the representative of the British Empire, so to speak, and the transatlantic relation, said the Peace of Westphalia principle of the sovereignty of states is obsolete. It's finished. They practiced it in Yugoslavia, the bombing campaign against Yugoslavia in 1999. But then it was most blatantly used in Iraq, where the whole world was opposed to invading Iraq on the pretext of weapons of mass destruction, which nobody could prove existed. But Tony Blair said this is not about the weapons of mass destruction. This is about our right as civilized, you know, the free world to determine the fate of what's so-called, they call it also later, responsibility to protect other peoples, that we can invade countries, we can violate their sovereignty if we see it fit that we intervene in those countries.

And this is what they tried to do: set a precedent by violating the United Nations Charter and the whole Westphalian peace principle. So this was goal number one. Goal number two in Iraq was not to take the oil, but to reshape the whole Iraqi society and also make sure that Iraq does not use its oil money for anything beneficial for the people, like technological, industrial, economic, social, and cultural development. This money would be purely used to create a consumer society, which we have now in Iraq. So the United States made sure from the first day it took over Iraq that it controlled every dollar of oil exports. Actually, the oil money is put in an account.

Iraqi oil exports, all the money is sent by the buyers to a Federal Reserve account in a New York bank, which has been controlled by the American president since 2003. The Iraqis receive handouts every month to buy food, clothing, and other necessities, and to pay the salaries of people. But there is no economic development. The poverty level in Iraq is about 30% to 40%. We have millions of unemployed people, but they are given jobs formally to get a salary; in the end, they produce nothing and do no work. In this way, Iraq is now a pure consumer society. Nothing has really been rebuilt since 2003, and the existing infrastructure has decayed. The education system and the health care system are dysfunctional, and so on and so forth.

So what the elites in the United States and Britain wanted to do is set a precedent for how they can reshape the fate of all peoples because they have the power to do that. And then they call it a responsibility to protect, democratization, nation-building. They use all these beautiful names for a disaster of their own making. So this is what has transpired all these years through these kinds of interventions. We saw the situation in Libya, where the EU also became involved in removing Gaddafi. It was also under the responsibility to protect principle. But what happened is they empowered Islamist forces. In Syria, the same thing happened. And then we had ISIS. Many American politicians, leaders, and intelligence people warned that what we are doing in Syria will make this happen, that the extremist Islamic movements will take over.

And then nobody cares, you know, we want to get rid of them. Assad, who kills children, you know, so it doesn't matter who we use and arm to fulfill that end. So it has nothing to do with democracy

or, you know, human rights or protecting people or anything. The people in Europe, of course, have no choice in these matters. They are fed information every day, exaggerated information about the world, how bad these leaders are, and why we should overthrow them. So that's the situation. The people in Europe and the United States actually have very little knowledge about what their governments are doing around the world and what is transpiring. People think they are well-informed, but they are not in reality.

## #M2

It's worse. I mean, it's worse than being poorly informed. You're misinformed. You're constantly thinking the Europeans are the good guys who try to go and help these backward people in the Middle East, right? When in fact, what you're doing is wreaking havoc in West Asia. And it's now 21 years since the second Iraq war, right? A couple of months ago, I talked to an Iraqi viewer of this show, and he must be living close to where you grew up, close to Sulaymaniyah. I mean, he was from the Kurdish area in Iraq. And he told me that even 20 years on, the power infrastructure, the electricity infrastructure has been only very partially rebuilt. They still have blackouts 20 years later, like hours and hours without electricity.

And that's 20 years on because they're not able, they're not allowed to rebuild the dam and the electrical infrastructure. And all of the money that is actually coming from that region ends up in the United States and not under the control of the Iraqi government at all, although there is an Iraqi government now. But how does that structure of dependence work? Because somehow the control is there, right? The U.S. control over the people with the guns in Iraq, who make sure that this stays the way it is. How does that work?

## #M3

Yeah, well, I told you about the change in the Iraqi constitution. We had a Republican presidential system where the president is supposed to be elected by the people. So you have a president similar to the French system, actually, or the American system. And then you have the president selecting the ministers. What happened is that the Iraqi constitution was changed, first of all, into a parliamentary system. And two, they inserted into the constitution that there are all these different groups. Like they did in Lebanon, where they say the prime minister should be Shia because that's the majority, the president should be Kurdish, and the speaker of the parliament, who controls the parliament, should be Sunni. So, you know, everything in Iraq became based on sectarian ethnic principles. And within each of these groups, the Shia, Sunni, and Kurds, there are factions.

The Kurds have two major factions and a third independent one. Among the Sunnis, we have five or six different factions. The Shia have 10 different factions. So when people go to elect a government, you have to make sure that all these groups, their interests, and their militias are served from the

bowl of government revenues. The Iraqi system is, as I explained, put together with chewing gum, not even glue. And the chewing gum is the oil money. What happens is that Iraq pumps oil. Iraq is now the second-largest exporter of oil after Saudi Arabia, with four million barrels, I think.

Russia is not clear how much. So all the revenues from the oil exports go to a bank account in the New York Federal Reserve Bank. A bank account which is formally Iraqi, but it's protected by American presidents since 2003 under Executive Order 13303. It's renewed every year by the American president in May. Then the U.S. sends money every month, cash, in airplanes to Iraq. The Iraqis pay for the airplane transport. Cash? They send physical U.S. dollar notes, I suppose? Yes, U. S. dollars. But Iraq, doesn't it have its own currency? Not anymore? It has a currency. The money goes to the Iraqi Central Bank, and then the Iraqi Central Bank brings money equivalent to the cash. But the Iraqi economy became a cash economy. We don't have a real banking system. And there's so much cash.

The corruption was just rampant. The Americans started it, actually. They were throwing cash all over the country to militias and groups, and they created this enormous corruption we have in Iraq. But then this cash, after every election, only 20% of the Iraqi people vote because they don't believe in the government anymore. After these elections, all these different parties from the different ministries are allocated to each different political party or group. For example, the trade ministry is allocated to this group, the defense ministry, because it has many contracts, and the Kurds always control the foreign ministry. The budgets of these ministries are decided not by the government, but by the party which controls that ministry. So a lot of that money, there are lots of contracts to build electricity projects, go to fake companies, and the money disappears. Military contracts, billions of dollars go to individuals, and nobody knows who they are. Then, when somebody's caught, they are pardoned by the president or the prime minister.

## #M2

So, in a sense, what they did after the war was to institutionalize sectarianism and institutionalize corruption, and they made sure that neither of them could be removed easily, even if you had a unified government.

## #M3

Exactly. So in this unstable situation, the Americans come in, and the British, the Iranians, the Turks, the Emirates, Jordan, and Saudi Arabia control the different groups. They keep everybody in place, but only if they listen. The United States tells the Iraqi government, if you don't behave, you get changed. You don't get the cash at the end of the month.

And then the people who are waiting for their salary will go on the streets, and there will be blood on the streets. That's how the Americans control Iraqi politics. At the end of the month, if you don't get these airplane loads of cash, the people will go on the street because the Iraqi people have no

other source of money than this cash, which comes in airplane loads. We have like five to six million state-employed people, retired people, and people on social security. They get a salary at the end of the month, and that salary keeps the Iraqi people alive. We import almost all the food, all the clothing, all the shoes, all the household devices, all the cars.

Everything in Iraq is imported, either from neighboring countries or from China, or somewhere else. Iraq does not produce almost anything. So this is what has become of Iraq, and this is how Iraq is kept alive. Stable, but it's completely shaky. As soon as the oil price goes below \$60, then it's the end of society because the government already now can't sustain. Every year we have 250,000 graduates from universities. The Iraqi population has been growing very fast, so every year we have 250,000 young people graduating from universities. An equal number of people who are not educated come into the labor market, like half a million people each year. How large is the Iraqi population now? It's 42 million. It was 20 million 20 years ago, so it has doubled in 20 years.

The population growth is enormous and rapid. You have this half a million young people coming into the labor market, and the government has to find jobs for them. But there is no production, no industry, no infrastructure building, no agriculture, and no scientific or technological development. So what the government does is promise different parties that they will provide employment, state employment, if they are elected. You might have an office where you need two people, but there are 20 people working there just because they need to get a salary at the end of the month.

So this is just entirely hopeless. Now, there were attempts to change this reality. Iraq, of course, was hit by sectarian violence and terrorism. Already when the Americans invaded, you had all these al-Qaeda people fighting in Iraq. But instead of attacking the Americans, they were attacking Iraqi Shia people, blowing up mosques and other things. They called themselves resistance, but there was some Iraqi resistance where they were attacking American and British forces. However, a whole bunch of forces were attacking different sectarian groups and creating this sectarian violence.

Then we had ISIS coming in 2014 from Syria, invading Iraq, and then the Iraqis managed to push them back thanks to a great deal of Iranian support. Actually, Iran supported Iraq when the United States had very little to offer. But then the Americans got involved when Trump became president, and they finished the job. So the Americans and the Iranians were actually working side by side—not hand in hand, but side by side—to get rid of this problem. In 2019, the Prime Minister Adil Abdul Mahdi, who's a brilliant economist too, a very well-educated person, was the former oil minister of Iraq for many years under the current regime.

He managed to get an agreement with China. In Iraq, they call it oil for construction, oil for reconstruction, which means that of the one million barrels of oil Iraq sells to China every day anyway, the money from 100,000 barrels will be deposited in a development fund in China where for every \$1.5 of Iraqi oil money, Chinese banks will add \$8.5. So you get like 15 to 85%. So you get a \$10 billion deposit in that fund, partly by Iraqi oil money.

## #M3

Partly by loans from Chinese banks. And then Iraq keeps pumping money from these 100,000 barrels out of the million China buys every day anyway, and the money will be allocated only for infrastructure development in Iraq, built by Chinese companies. So in 2019, the Iraqi Prime Minister went to China with the largest delegation. His name is Adil Abdul Mahdi, and he made extensive agreements with provinces in China, companies in China, you know, like having one province working with an Iraqi province and defining the infrastructure projects they want to build. So there were about 500 strategic projects discussed.

What happened then after signing these agreements in Beijing, as soon as the Prime Minister was back in Baghdad at the airport, a color revolution broke out. There was blood on the streets, and there were people shooting—nobody knows who they were—shooting the demonstrators until he was forced to resign after just a few months. Then the Iraqi-Chinese agreement was suspended, so nothing happened. This was the only time when the Iraqi government tried to do something to revive the Iraqi economy, but it got sabotaged. The same Prime Minister got into a quarrel with President Trump, who assassinated Qasem Soleimani, the Iranian commander, and the head of the Iraqi Shia militia, Abu Mahdi al-Muhandis, in Baghdad.

And, you know, insulted the Iraqis. So when the Iraqi parliament voted, at the urging of the same prime minister, to evict the American troops from Iraq and have a new resolution, President Trump threatened to keep all the Iraqi oil money, to confiscate all the money. So the Iraqi prime minister resigned. There was a new prime minister, the head of the intelligence, who was shaky; people called him an agent. He became prime minister for two years, and the situation continued as it was. There was this new prime minister who people hoped would revive the China agreement. I visited Iraq, invited by his, you know, Council of Advisors to brief him on what I think should be done with this China agreement. I did that. I met him twice at the beginning of his term.

I briefed him on the importance of developing the Iraq-China agreement and defining two five-year plans for the reconstruction of Iraq and renegotiating the whole deal. I proposed to be part of a team that would rework the entire agreement. I also proposed the establishment of an Iraqi development bank by using 5% of the oil revenues to be deposited in a separate Iraqi development bank and use that bank to issue credits for medium and small-sized industries and agricultural projects in Iraq. But these two proposals were thrown away. The prime minister himself liked the idea, but the people around him, all these parties who installed him, because he has only two members in parliament, put him there as part of the consensus.

## #M2

A minimum consensus, right? It's like he's the least threatening to any of the parties.

## #M3

Yeah, so these ideas were not taken. And the situation continues to be as it is today. Iraq is in a very precarious financial situation because the government can barely pay the salaries of these millions of people at the end of each month. The United States is strangling the Iraqi banking system, saying that a lot of the cash is going to Iran and Russia and so on. So they force the Iraqis to use Jordanian and Emirati banks for the import of goods to transfer money abroad. Iraqi banks cannot trade with the outside world, so you have to do it through a Jordanian or Emirati bank. All these mechanisms are the way the United States controls Iraq. They don't take Iraqi oil.

The largest developers of Iraqi oil are Chinese companies, Russian companies, and Malaysian companies. They are the ones who are working hard to develop Iraq's oil industry, but the money from the oil goes to the United States.

## #M2

It's such a nefarious way, all while pretending that Iraq is a sovereign state, when in fact it's a protectorate. I mean, by any stretch of the imagination, this has nothing to do with sovereignty whatsoever.

## #M3

And at the same time, they keep saying that Iraq is controlled by the Iranian clergy. You know, the Iraqi Shia are controlled by the Iranians.

## #M2

That makes it even more outrageous, doesn't it? It's like they project all of the things that they do onto a power which really, by any stretch of the imagination, might have a couple of supporters inside. But that's about it.

## #M3

Yeah, and also the Iranian role is important in Iraq because Iranian gas is the one helping Iraq produce the electricity, the little electricity that exists in Iraq. You know, the United States has not helped rebuild anything. And the reason is that the fuel for power generation has to come from Iran because Iraq's gas resources are not so big, and there has not been enough work to develop the Iraqi gas fields. So Iran has actually been providing Iraq all these years under American occupation. Iran was generously providing Iraq with natural gas to run the electricity power plants. And many times, Iran was not even paid because the Americans would stop the payment. So it's just a very absurd situation. But there is still hope.

I mean, we have a whole movement in Iraq now for the Silk Road. It's called the Silk Road Movement. People try to explain it to others. I do that myself on Facebook, online. There are other

people. Unfortunately, one of our friends, who was the most outspoken, just died of cancer. His name is Karim Badr. He was on Facebook Live, broadcasting every week, telling the Iraqis what is wrong with the system, informing them about the Belt and Road, the Global South, the BRICS, and all these developments, and how they should get out of this frontier economy. Unfortunately, he died about two months ago. But we do have a lot of people. We have very intelligent, young parliamentarians, independent parliamentarians who are fighting for these ideas to make Iraq independent, to rebuild the Iraqi economy.

So there is still hope. And this is what is special about the Iraqis. No matter what happens, they are still hopeful that tomorrow will be better, and they will keep working on that. They keep educating their children, and they know one day this situation will change for the better. And so that's what keeps people alive. That's what keeps me optimistic, too, in this world of absurdity.

## #M2

I'm glad to hear that because I think, especially in those situations, optimism is essential. We are now entering this new period, right? We are definitely done with the post-Cold War era. It's quite interesting that for 30 years we called it the post-Cold War period. And now we understand that that period is done, and we probably need a new name for it, but it's done.

We are now in what we are calling this new multipolarity. And on the one hand, there is great promise in this because there might be more options for actual trade agreements and more connections also with the Russians, with the Iranians, with the Chinese for Iraq because of the distribution of power, right? If the power of the U.S. and of Western Europe sinks in structural importance, if there's going to be a BRICS trading system and not a currency—there will never be a BRICS currency—but there might be BRICS financial institutions, financial mechanisms, yeah. On the one hand, that has great promise, I think, for states like Iraq. On the other hand, it also comes with this renewed danger that these forces might again try to just cannibalize and descend on Iraq. What is your feeling about this?

## #M3

I think we are in a moment now with all the positive tendencies to end the war in Ukraine and get some sort of rapprochement with Russia, but also we should resolve the differences with China, especially the U.S. differences with China. Because we can, I mean, if people think about the people of Europe, the people of the United States, what is in their interest? It's not in their interest to fight these wars. It's in their interest to cooperate with the rest of the world. And in Europe, we still have certain potentials.

I mean, we have been discussing this in the Belt and Road Institute for several years now, that we should actually be working with China in Africa, for example, building infrastructure, building industry and agriculture, and financing these projects, participating with China and giving loans and credits to

build these projects because it's vital for Europe's interest. We have many industries, we have many companies, we have many technologies that are dormant or vanishing. And they could be useful in a world where we have common prosperity for all nations. And I think the Chinese philosophy of win-win is not just a naive or a vicious tactic with some hidden agenda. They believe in these things.

They believe that everybody can prosper if we work together. There are no limits to this. And if we get rid of this zero-sum game geopolitical notion of the empires, the British Empire and the other empires that exist, power and domination is the only way to survive. This so-called realist school has been the source of a lot of the evil we have seen, where it's a war of everyone against everyone, and we have limited resources, and the fight is about these limited resources. The way to control them is to build military power and dominate and crush the others, or have a balance of power or cold war, where the small nations are smashed under the pressure.

So if we change that ideology, if we change that way of doing things, I think there will be hope for Iraq. There will be hope for many nations. But also there will be hope for the Swedish people, for the German people, for the American people, because right now, and we have been looking at this for decades, we have a declining infrastructure, educational system, healthcare system, cultural standards, moral standards—all kinds of things have been declining in Europe. And it's not because of immigration. It is because of the policies adopted in the '70s, at least, in Europe and in the United States.

A post-industrial society, post-modernist culture, this fight against the rest of the world, the attempt to undermine everyone else to stay on top, the financialization of the economy, and the belief that financial markets are the future. You don't need to invest in roads, bridges, hospitals, and schools. You can put your money and pension fund resources in London and Wall Street and make the money grow there instead. That's how you make a profit. That's how you become rich. It's not by building railways, highways, industries, agriculture, water canals, and so on. This ideology is what has destroyed the West.

And we become, with this, you know, law of the jungle foreign policy, the world was recently on the brink of a nuclear war. I mean, we were really on the brink of a nuclear war. People didn't even notice it. So there is hope for the world if we abandon these poisonous ideologies and start to rethink how Europe became prosperous, especially after World War II, and how the United States became prosperous. Because they were investing in society, investing in human beings, investing in infrastructure, technological progress, education, and so on. This is what China is doing. That's why China is progressing. And every nation in the world should be doing that. And we should help each other to do that. This is not naive talk. We will save ourselves here in Europe if we help the rest of the world end these wars and get onto a path of economic development.

**#M2**

Strangely enough, support for this vision is currently, at least to my observation, coming from the right side of the political spectrum, not from the left. It is a lot of right-wing parties in Europe that are saying we need to stop bombing West Asia and we need to help them develop because we don't want them to come here, which is a strange motivation, but actually, it leads to, in my view, a valid and humanistic approach to international relations.

## #M3

Yeah, you know, as you say, the motivation is a bit weird, but let's accept that argument. Immigration into Europe—I mean, most Africans don't want to come here. I didn't want to come to Europe.

## #M2

Most people want to stay at home and be happy at home. It's not that difficult. And if their homes are not bombed to ashes, then they will stay at home.

## #M3

That's how it happened. That's why you had this in 2015, where everybody freaked out in Europe because of the destruction of Libya, the destruction of Syria, and the destabilization of Iraq. This is where the refugees come from. Libya was actually blocking the migration from sub-Saharan Africa because there was a powerful Libyan state. It prevented Africans from flooding into the Mediterranean. But when that was removed, all these barriers were removed. We had immigration and slave markets in Libya, where people would just flood into Libya and pay a little bit of money. But the question is, why do people leave their countries? It's either for economic reasons because life is so difficult, and there's so little hope, especially for young people, or because life becomes hell under these wars, regime changes, destabilization, and fights between big powers and regional powers. That's why people leave their homes.

And so if we have a peaceful coexistence combined with economic development, we are now in the Schiller Institute pushing what we call the Oasis Plan to rebuild Gaza, to rebuild the whole of Palestine, but also the whole region, where everybody can benefit by building water projects, agriculture, infrastructure, industries, and so on and so forth. This is the way you bring stability and make peace meaningful. That's what failed in the Oslo Agreement, actually, one of the reasons.

## #M2

There are people who actively work against this. There are those who think that development is what we need to keep from happening because that will reduce power over these societies.

### #M3

Because nations become independent, they will use their resources for their own development.

### #M2

God forbid the indigenous peoples use their resources on themselves. No way Europe is going to stand for that.

### #M3

And one reason they hate China is not only because China managed to rise out of poverty and build a modern, industrial, technologically advanced society, but also because China is showing the rest of Africa, Asia, and South America that it can be done.

### #M2

You know, the Europeans and the Americans think colonialism has been long over. Not at all. We are still in the midst of it. And actually, there is one part of the world that is liberating itself, and it is the East Asian part, China and Southeast Asia. And the West is freaking out over that, right? It's like, oh no, how dare you show how it could be done?

### #M3

Yeah, yeah. Because either we make that happen, or you cannot do it independently. So we have to get rid of this superiority complex, which we inherited from the colonialist period. That's over. It's over. The game is over. We have to wake up. We have to mend our ways and find ways of coexisting with this new world situation, this multipolar situation where nations are no longer going to accept being third world countries. You know, if you look at many African nations, like Ethiopia and Egypt, many countries in Africa are now advancing very quickly because they got a taste of the fact that it could be done, that we can actually prosper. We can build modern economies.

And all these countries, the Gulf countries too, they don't want to be just exporters of oil and buyers of American weapons. Look at Saudi Arabia. Saudi Arabia is becoming a very advanced industrial economy. I mean, they are building modern industries all over Saudi Arabia. They're building modern infrastructure. They're investing their money not in Wall Street and London and real estate in Europe. They're investing a lot of their money now in developing their countries. You don't hear about that in the news, of course. What you hear is that the Saudis will invest \$600 billion in the U. S. This is a very misleading thing. It's not going to happen. It's not true. I listened to the Saudi economic minister.

He said, well, in four years, we will have trade and investments of 600 billion. Well, that would be anyway. It's nothing new. Saudi Arabia's trade with the United States, like most of the weapon purchases, has been in that volume. But also, the Saudis would invest some money, but it's not like 600 billion all in one investment in the United States. It's not going to happen. It's not true. There is not so much money that the Saudis can invest. The Saudis are investing tens of billions, probably hundreds of billions, in their economy, in the region, in Africa, in China. Saudis are investing in Chinese industries, in petrochemical industries.

But they're also inviting Chinese companies to build industries in Saudi Arabia, such as electric vehicle industries and renewable energy industries. Recently, Lenovo, the computer company, started a plant for \$2 billion in Saudi Arabia. How was it financed? The Saudis bought a share dedicated to Lenovo so they can move the plant or build the plant in Saudi Arabia, where Saudis will now build computers, use them, and export them. This is what's going on in Saudi Arabia. The Saudis are not going to invest their money in tourist resorts and casinos in Florida. They might do some of that to keep President Trump happy, but the future is industrialization and modernization.

## #M2

Yeah, but it's important that you do it while still pretending that you are going along with the game set up in Washington and Brussels. Otherwise, you run the danger that the powers that be might descend upon you. So you have to play a very, very careful game of pretending that you're going along while you actually do another thing. The only thing you can exploit there is the self-centeredness of the Europeans and Americans to only look at what they do and what they say. As long as you use the same jargon, they will look at you as a good ally. So you have to play a very intelligent double game.

## #M3

Yeah, yeah. I mean, they are not cheating. They are saying, look, we have to look after our interests. You can get some, but we also get some. Others get something. So the old game is over where you get everything. Now, look, Saudi Arabia was near bankruptcy twice in 10 years, in 2014 and 2016, and then in 2020, when the oil price dipped below \$30 per barrel. If you depend for 90% of your survival on an oil price above \$60, then every day you wake up, you have to check the oil price. And when the oil price goes down, you are finished.

## #M2

No, I mean, in finance, it's just diversification. It's quite simple. You need to diversify. Otherwise, at some point, a black swan event is going to sink you, period.

## #M3

Exactly. I mean, only if you build petrochemical industries, you use the oil to produce other products: plastics, paints, chemicals, building materials from the oil, all kinds of medical devices. Everything today is plastics. You go to a hospital, everything in the hospital is plastics.

From the devices, from the materials used, everything is plastics. Even clothing can be produced from oil. So if you turn part of that into industrial products and build industries, then you can increase the added value by tens of times, not only a few times. The old game was you export the oil for \$30 a barrel, and then you import all this stuff. Even all the money you had from the oil is not enough to fulfill your needs for manufactured goods. So now the Saudis, the Emirates, the Kuwaitis, and all the other countries want to produce these things at home. They want to get part of the added value of the oil and gas. Nigeria is starting to do that. For the first time, they're building a refinery. Nigeria has been exporting raw oil for decades. Only now can they have their own. I mean, the Nigerians export raw oil and import diesel and gasoline for their cars from abroad at a much higher cost. This is insane.

## #M2

No, you have to produce yourself. You have to do it yourself in order to benefit in the long run and create the backdrop from which you can then go further. But Hussein, we are reaching the one-hour mark. I think we already passed it slightly, and it's now 1 a.m. in Sweden. So, for people who want to follow you, where should they go? Do you write regularly on some platforms?

## #M3

Yes. We have the Belt and Road Institute in Sweden website. It's BrixSweden.org—Brix with an X. BrixSweden.org. That's where we have a lot, and then we have connections to our social media and other activities there.

## #M2

I will try to put the links into the description. Hussein Askary, thank you very much for your time today.

## #M3

Thank you very much for inviting me.