

## **How BRICS Plus clashes with the US economic war on Iran**

by Pepe Escobar via james - Asia Times *Sunday, Jul 29 2018, 11:48pm*

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The key take away from the BRICS summit in Johannesburg is that Brazil, Russia, India, China and South Africa - important Global South players - strongly condemn unilateralism and protectionism.

The Johannesburg Declaration is unmistakable: "We recognize that the multilateral trading system is facing unprecedented challenges. We underscore the importance of an open world economy."

Closer examination of Chinese President Xi Jinping's speech unlocks some poignant details.

Xi, crucially, emphasizes delving further into "our strategic partnership." That implies increased BRICS and Beyond BRICS multilateral trade, investment and economic and financial connectivity.

And that also implies reaching to the next level; "It is important that we continue to pursue innovation-driven development and build the BRICS Partnership on New Industrial Revolution (PartNIR) to strengthen coordination on macroeconomic policies, find more complementarities in our development strategies, and reinforce the competitiveness of the BRICS countries, emerging market economies and developing countries."

If PartNIR sounds like the basis for an overall Global South platform, that's because it is.

In a not too veiled allusion to the Trump administration's unilateral pullout from the Iran nuclear deal (JCPOA), Xi called all parties to "abide by international law and basic norms governing international relations and to settle disputes through dialogue and differences through consultation," adding that the BRICS are inevitably working for "a new type of international relations."

Relations such as these certainly do not include a superpower unilaterally imposing an energy export blockade - an act of economic war - on an emerging market and key actor of the Global South.

Xi is keen to extol a "network of closer partnerships." That's where the concept of BRICS Plus fits in. China coined BRICS Plus last year at the Xiamen summit, it refers to closer integration between the five BRICS members and other emerging markets/developing nations.

Argentina, Turkey and Jamaica are guests of honor in Johannesburg. Xi sees BRICS Plus interacting with the UN, the G20 "and other frameworks" to amplify the margin of maneuver not only of emerging markets but the whole Global South. □□So how does Iran fit into this framework?

An absurd game of chicken

Immediately after President Trump's Tweet of Mass Destruction the rhetorical war between Washington and Tehran has skyrocketed to extremely dangerous levels.

Major General Qassem Soleimani, commander of the Islamic Revolutionary Guard Corps' (IRGC) Quds Force - and a true rock star in Iran - issued a blistering response to Trump: "You may begin the war, but it is us who will end it."

The IRGC yields massive economic power in Iran and is in total symbiosis with Supreme Leader Ayatollah Khamenei. It's no secret the IRGC never trusted President Rouhani's strategy of relying on the JCPOA as the path to improve Iran's economy. After the unilateral Trump administration pullout, the IRGC feels totally vindicated.

The mere threat of a US attack on Iran has engineered a rise in oil prices. US reliance on Middle East Oil is going down while fracking - boosted by higher prices - is ramping up. The threat of war increases with Tehran now overtly referring to its power to cripple global energy supplies literally overnight.

In parallel the Houthis, by forcing the Yemen-bombing House of Saud to stop oil shipments via the Bab al-Mandeb port, are configuring the Strait of Hormuz and scores of easily targeted pipelines as even more crucial to the flow of energy that makes the West tick. □□If there ever was a US attack on Iran, Persian Gulf analysts stress only Russia, Nigeria and Venezuela might be able to provide enough oil and gas to make up for lost supplies to the West. That's not exactly what the Trump administration is looking for.

Iranian "nuclear weapons" was always a bogus issue. Tehran did not have them - and was not pursuing them. Yet now the highly volatile rhetorical war introduces the hair-raising possibility of Tehran perceiving there is a clear danger of a US nuclear attack or an attack whose purpose is to destroy the nation's infrastructure. If cornered, there's no question the IRGC would buy nuclear weapons on the black market and use them to defend the nation.

This is the "secret" hidden in Soleimani's message. Besides, Russia could easily - and secretly - supply Iran with state-of-the-art defensive missiles and the most advanced offensive missiles.

This absurd game of chicken is absolutely unnecessary for Washington from an oil strategy point of view - apart from the intent to break a key node of Eurasia integration. Assuming the Trump administration is playing chess, it's imperative to think 20 moves ahead if "winning" is on the cards.

If a US oil blockade on Iran is coming, Iran could answer with its own Strait of Hormuz blockade, producing economic turmoil for the West. If this leads to a massive depression, it's unlikely the industrial-military-security complex will blame itself.

There's no question that Russia and China - the two key BRICS players - will have Iran's back. First there's Russia's participation in Iran's nuclear and aerospace industries and then the Russia-Iran collaboration in the Astana process to solve the Syria tragedy. With China, Iran as one of the country's top energy suppliers and plays a crucial role in the Belt and Road Initiative (BRI). Russia and China have an outsize presence in the Iranian market and similar ambitions to bypass the US dollar and third-party US sanctions.

Beam me up, Global South

The true importance of the BRICS Johannesburg summit is how it is solidifying a Global South plan of action that would have Iran as one of its key nodes. Iran, although not named in an excellent analysis by Yaroslav Lissovolik at the Valdai Club, is the quintessential BRICS Plus nation.

Once again, BRICS Plus is all about constituting a “unified platform of regional integration arrangements,” going way beyond regional deals to reach other developing nations in a transcontinental scope.

This means a platform integrating the African Union (AU), the Eurasian Economic Union (EAEU), the Shanghai Cooperation Organization (SCO) as well as the South Asian Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC).

Iran is a future member of the SCO and has already struck a deal with the EAEU. It’s also an important node of the BRI and is a key member, along BRICS members India and Russia, of the International North-South Transportation Corridor (INSTC), essential for deeper Eurasia connectivity.

Lissovlik uses BEAMS as the acronym to designate “the aggregation of regional integration groups, with BRICS Plus being a broader concept that incorporates other forms of BRICS’ interaction with developing economies.”

China’s Foreign Minister Wang Yi has defined BRICS Plus and BEAMS as the “most extensive platform for South-South cooperation with a global impact.” The Global South now does have an integration road map. If it ever happened, an attack on Iran would be not only an attack on BRICS Plus and BEAMS but on the whole Global South.

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