

BREAKING: PERSIANS STILL BETTER AT CHESS THAN AMERICANS

Is it any surprise that Iran chose this moment to ditch the dollar?

Iran, the second-biggest producer of crude oil in the Middle East, has “completely halted” all oil transactions in dollars, the state-run ISNA news agency said, citing Oil Minister Gholamhossein Nozari.

No, I don't think so. After all, the release of the NIE this week will make it very difficult for the US to respond with full-scale war—as some believe the US did when Iraq moved away from the dollar. The Administration has been telling us for weeks now that Iraq is all peachy keen, which will make it hard to claim that Iran is destabilizing Iraq. And now the Administration has just said Iran has no active program to develop nukes—the other convenient excuse to start a war. Moreover, by pushing Europe to strong-arm Iran, all the while hoarding the information that Iran didn't have the nuke program we claimed they did, has really pissed off our European allies.

And, at the same time, Iran has picked a moment that may have maximum effect on OPEC as a whole.

The Organization of Petroleum Exporting Countries has set up a team to study pricing oil in another currency, the INSA cited Nozari as saying. The measure is designed to prevent further losses in revenue to oil exporters, ISNA reported.

The group's findings will be announced at the next OPEC meeting, Nozari said, according to ISNA.

IANAE, but it seems that each time an oil

producer moves away from the dollar, it's going to be more and more tempting for others to follow. So by moving while the issue is under consideration, it may pressure those on OPEC (our Saudi bankers) who want to help the US out.

Two weeks ago, the Annapolis Conference looked like an opportunity for the US, the Saudis, and the Israelis to forge some kind of agreement that might counter Iranian power. But things haven't gone so well for them in the interim two weeks.