

Middle East Report by Judith Wyer

Khomeini's blackmail

Iranian demands for Gulf War reparations dovetail with larger plans for an Islamic bloc with "Islamic banking."

In early May, just before Iran began "Operation Jerusalem" to end Iraq's occupation of Iran, Iranian President Khomeini informed a mediator that Iran wanted \$50 billion in war reparations as a precondition for beginning serious negotiations to end the 21-month Gulf war. The \$50 billion demand is expected by the Ayatollah Khomeini regime to come from the wealthy Gulf states aligned with Iraq.

If the Ayatollah Khomeini succeeds in ousting the Iraqi regime of Saddam Hussein, as he pledges to do, Iran calculates it can blackmail Saudi Arabia and its oil-producing neighbors, whose only military defense against Iran has been Iraq.

A well-placed Middle East analyst in Washington confirmed to *EIR* that with the defeat of Iraq, Khomeini is now preparing for phase two of his strategy of spreading his evil revolution throughout the Persian Gulf.

The source reports that the Ayatollah "intends to bleed the Gulf states financially, by blackmailing them with the threat of destabilization through Shiite Muslim minorities allied with Khomeini throughout the region and Arab extremists within the PLO along with Syria that have vowed support for Khomeini."

The *Wall Street Journal* reported on May 26 that Saudi Arabia and the five other states of the Gulf Cooperation Council are already considering Khomeini's financial

demand for reparations.

But if the Gulf states cave in to Iran's outrageous demand they will walk into a trap laid not by Khomeini but by the same British intelligence service and its assets in the State Department who installed Khomeini and keep him in power for certain deadly strategic objectives.

London is committed to the creation of an Islamic bloc, the so-called Umma, which would supersede the sovereignty of the nations of the Muslim world, and impose the genocidal policies carried out by Khomeini, and Pakistan's Islamic dictator and narcotics trade protector Zia Ul-Haq.

Key to this scheme is to cut the Muslim world loose from the world monetary system, leaving it dependent upon a gang of corrupt Islamic bankers, who are puppets of neo-colonialists in London and Geneva. A source associated with the Persian Gulf project of Georgetown University's Center for Strategic and International Studies revealed that "London now sees the prospects for an Islamic solution to the Gulf conflict which will greatly advance the Islamicization of the entire region."

Two weeks after President Khomeini set his price of \$50 billion, the central bank governors of the 42-nation Islamic Conference met in Istanbul. The *Wall Street Journal* reported May 24 that one of the proposals put to the conference was

that wealthy Muslim nations cease depositing their surplus funds in Western banks, whose high interest rates are hurting the developing Muslim states, and instead directly deposit their billions in Islamic institutions.

Should the Iranian ploy succeed, London calculates that a new Islamic banking system may come into being.

Over the past five years, a vast network of Muslim banks has emerged under the titular leadership of Saudi Prince Muhammed al Faisal, the eccentric son of the late King Faisal, who has been an outcast in the Saudi royal family since he proposed that the kingdom tow icebergs from Antarctica to solve its water problem.

An ardent supporter of Khomeini's revolution, Prince Muhammed is controlled by a clique of elite European-based Muslim ideologues associated with such groups as the Geneva-based Islam and the West and London's Islamic Foundation. These groups in turn are fronts for the likes of the Club of Rome and the Swedish-based International Federation of Institutes of Advanced Studies, open advocates of the drastic population reduction for the developing sector outlined in the State Department's *Global 2000 Report*.

The State Department, *EIR* has learned, is involved in efforts to get the Gulf states to pay war reparations to Iran through Islamic financial institutions. If this should occur it will give "Islamic banking" a tremendous political boost.

Khomeini has spread the motto that "the Saudis make the petrodollars and the Muslim people should spend it," reports a Mideastern source.