

DOHA FORUM

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THE PERPETUUM MOBILE OF HISTORY?

The economic underpinnings of conflicts

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SLIDE 1. Cover Page

1. Introduction

Dear participants and guests of the Forum!

First, I would like to extend my gratitude to His Highness **Sheikh Tamim bin Hamad Al Thani**, Emir of the State of Qatar, one of the world's most respected leaders, our Amphitryon, and His Excellency **Sheikh Mohammed bin Abdulrahman Al Thani**, Prime Minister and Minister of Foreign Affairs of Qatar, for the invitation to participate in this **international forum, organized in Doha.**

I would like to apologize in advance to the deeply respected **Sergey Viktorovich Lavrov**, the Russian Foreign Minister, who, as my senior and more experienced comrade, will certainly correct my mistakes when speaking hereafter.

SLIDE 2. Disclaimer

I am in an out of character role today and therefore first of all, I should mention a disclaimer, as my speech contains estimates and forward-looking statements.

I am confident that the presentations and discussions of the participants will be informative and constructive.

Desert rose - **Qatar**, one of the most ancient cradles of civilization with a distinctive history and culture. In recent decades, the country has become a key player in the **global energy market**, holding a unique position in meeting **global energy needs.**

To a great extent, it is thanks to Qatar's growing role not only in the Middle East, but also in the world, the **Forum in Doha**, which gathered the world's diplomacy and thought, is a **global platform for dialog** and search for solutions to the problems and challenges confronting the world today.

SLIDE 3. Stable energy prices are becoming a thing of the past

2. General market profile

One of these challenges is the unprecedented **volatility** in the energy market, the root cause of which is the use of energy for **political purposes** not taking into account that political cycles are much, **5-10 times** shorter than investment cycles of our projects. At the same time, **energy security**, the core mission of the energy sector, is given secondary importance.

SLIDE 4. Energy consumption in mature economies is times higher than in the developing world

It is worth recalling that **750 million people** across the world still don't have access to electricity at all ¹.

In order to raise living standards in developing countries to at least half the level of the “golden billion”, residing in different countries, **oil production will have to almost double**. At the same time, it is necessary to provide energy sources for the growing consumption of the soaring economies of **India, Southeast Asia and Africa** as a whole.

SLIDE 5. New technologies are a powerful driver of energy consumption

We should also consider that global **energy consumption will also increase** as demand from data centers grows. According to the Goldman Sachs Investment Bank, **global electric power consumption by such centers** could grow two and a half times by 2030 and exceed **one thousand terawatt hours**, which would be equal to almost **half of Europe's consumption**².

SLIDE 6. Oil and gas will continue to play a key role in the global energy mix

¹ Statista.com

² Goldman Sachs, Generational growth report, April 28, 2024

According to forecasts by leading international banks, economic growth in developing countries and the development of data centers will lead to an **annual increase in energy consumption** to nearly **9 million barrels of oil equivalent per day**, compared to the current global consumption of **300 million**. At the same time, renewable energy production may only grow by **two million barrels** of oil equivalent per day next year. This means that the role of **fossil fuels** in global energy security is becoming **strategic**.

3. Transformation of the unipolar system

Politics is not my subject but I would like to draw the attention of our esteemed discussion participants that the **economic background** that underpins political decisions is often the **main reason** for their adoption.

In the historical past, it was generally not customary to **hide the economic motives of wars**. Conquests of trade routes and military booty, campaigns for slaves, gold and spices; eventually all colonial wars were **outright robbery**, which continued for hundreds of years, though even then covered up by religious or civilizing mission. The **Aztecs, Mayans and Incas**, who were exterminated during the colonization process, when historians estimate that some 25 million people perished, are well aware of this. The total political and ideological cover of the true interests of war is a tradition that has not only been preserved, but has also taken on complete and perfect forms over time.

I would like to remind that to this day, the **U.S. Constitution** still has the **14th Amendment**, which prohibits a claim for compensation for freed slaves who were considered the property of the owner. Interestingly, this is the same amendment that was tried to be used to **disqualify Trump's candidacy** from the election.

World War I began as a **war for the redistribution of colonies** among the old colonizers and the new ones, offended by the initial division of the world. The **dramatic robbery of defeated Germany** was one of the reasons that led to World War II, the main beneficiary of which was the **United**

States, which gained enormous economic advantages over the war-ravaged economy of old Europe.

This system, built on the absolute domination of the US and its allies, is undergoing the painful **transformation** we are witnessing at the moment. **Bretton Woods** became a true tangible embodiment of the **neocolonial system** built by the United States.

In 1971, America finally abandoned the gold backing of the dollar, turning it into an **instrument of unrestricted emission**. The subsequent collapse of the Soviet Union and creation of a unipolar system following the take-down of its historical opponent eventually led to the **erosion of the very foundations of democracy**.

Where did its founding principles go: **free trade, free movement of goods and capital, property guarantees, human rights**? The principles of market economy and primacy of civil rights? **Independence of the court and private law**? The competitive environment has been destroyed by the creation of preferences and privileges, replaced by **unilateral sanctions imposed by the U.S. and its allies**.

Sanctions are destroying the previously inviolable institution of contractual obligations, the legal system itself, and, as a result, the social sphere and, ultimately, the **global market** itself.

SLIDE 7. Sanctioned person contact details

It gets to the point of absurdity. There is no need to bring charges or prove guilt to impose sanctions. **Newspaper clippings are enough**. As an example, I would like to remind you that I am also included in the sanctioned persons list. Some people in this conference hall may face **criminal charges** for talking with me. To protect them against the risks, I have prepared my **new business card**. If they are asked whom they communicated with, you can show what it says.

4. Sanctions: who are the targets?

SLIDE 8. U.S. sanctions undermine confidence in the dollar

Over the last 20 years, we see that the number of U.S. sanctions has exceeded **15,000**³, **plus 5,000** sanctions imposed by their **European allies**⁴. Unfortunately, the **energy sector**, due to its demand and importance, has become an instrument of **special attention and pressure**. The redistribution of the global energy market as a result of **sanctions` massive application**, destruction of competition, destruction of long-term contracts and supply chains is characterized today by price volatility, risks of shortages, and false “green” transition goals.

SLIDE 9. The U.S. exploiting sanctions for non-competitive advantages

Thus, illegal unilateral Western sanctions affected about **40% of the global hydrocarbon resource base**. The targets of these sanctions are not only **Iran, Venezuela and Russia**, but primarily **Europe**, which has lost stable and relatively cheap supplies, and also **Asia-Pacific** growing markets, which are facing limitations on their economic needs.

SLIDE 10 European industrial production is declining

In reality, **European** economy has become the main victim of sanctions, having lost the basis of its competitiveness.

Developments in **Europe** over the past few years are conclusions provoking. In the last two years alone, **industrial production** has fallen by 5%.

I believe it is not a secret for intellectual politicians that **Brexit** was synchronized with the **U.S.** actions to weaken the economy of the European Union. Just like in the biblical story, I would like to ask a question: “When did Noah build his ark?”. The answer is simple: “**Before the flood.**” This is exactly what **Great Britain** did, which timely **rushed away from Europe going under water**.

³ Washington Post, How four U.S. presidents unleashed economic warfare across the globe, June 25, 2024

⁴ European Commission data

SLIDE 11. Gold as a dollar and euro alternative to the Central Bank's reserves

The **abuse of sanctions** and the use of the dollar as a **sanctions tool** limited its application scope in international trade and provoked the search for alternatives, which became **national currencies**, primarily the **yuan**. At the same time, the **return of gold** as an instrument of guaranteed security of national currency systems was the most universal and historically justified.

According to the World Gold Council, only for the last three years the **share of gold** in the global gold and currency reserves has grown by almost **8 percentage points** and reached **20%**.

The only way to **restore the dollar to its status as the world's currency** is to stop using it and its conductive financial infrastructure as a sanctions tool.

Analyzing the program of President-elect Trump, the elements of which were presented during the election campaign, we see that it assumes rather adequate measures aimed at supporting the U.S. economy **by reducing taxes and rates**, returning **jobs** to the real sector, protection of national producers and domestic market. It is not surprising that **Canada, Mexico, China, Europe will have to suffer**. After all, Donald Trump is the president of the United States, not Mexico, Canada or China, to which **new duties** will be applied **amid the paralysis of the World Trade Organization**.

In addition, in order to reduce fuel costs at the U.S. market, it is likely that all **restrictions on production** will be lifted, **taxes** will be lowered, **administrative barriers** will be removed, and investments will be redirected into the real sector away from the **illusory alternative energy sector**.

Ways of **U.S. debt** restructuring are being sought. According to Zoltan Pozsar, a well-known American analyst, the United States may try to impose a **new financial system** on the world, threatening to impose total duties on all imports. It involves **converting the entire U.S. state debt into Treasury**

bonds with a maturity in a hundred years and an interest rate far below today's parameters⁵.

What should we prepare for? Following Bretton Woods, annulled in 1971, the **World Trade Organization**, the arrangements under the **North American Free Trade Agreement (NAFTA)** have lost their importance, and the **Paris Climate Agreement** has been disavowed. This that is not all.

5. Background of military conflicts

It is obvious that behind the scenes of the conflicts in the **Middle East**, **Ukraine**, and the escalation around **Taiwan** and the **Korean Peninsula**, there is responsibility of **beneficiaries with great financial interest** who expect to gain rewards. Among them are **Blackrock, Vanguard, NCH Capital, Kopernik Global Investors, BNP Paribas Asset Management, Saudi Arabian Sovereign Fund** and others who have bought up a total of **9 million hectares** of agricultural land, which makes up a **third of Ukraine's cultivated area**. Among them are also microchip manufacturers, which should replace Taiwan, companies of military-industrial complex, which have an irresistible desire to make profits despite any tragedies and casualties as **Karl Marx** warned about long ago.

SLIDE 12. Final slide

6. Conclusion

In our business and work with partners we rely on **principles clear to everyone**: consideration of mutual interests, trust, and long-term cooperation. We're a small company, but we can do **great things**.

Colleagues, I would like to conclude my speech by quoting His Highness the Emir of Qatar, Sheikh Tamim bin Hamad Al Thani:

⁵ Ex Uno Plures, article Sequencing the Trump Reboot, November 7, 2024

“Development can achieve its objectives only through good governance, the rule of law, combatting corruption and injustice”⁶.

In conclusion, I would like to thank the leaders of **Qatar** for hospitality and substantial content of the forum program.

Peace be upon you and the mercy of Allah and His blessings!!!

⁶ Administrative Control and Transparency Authority of the State of Qatar, Words of His Highness, The Emir of the State of Qatar