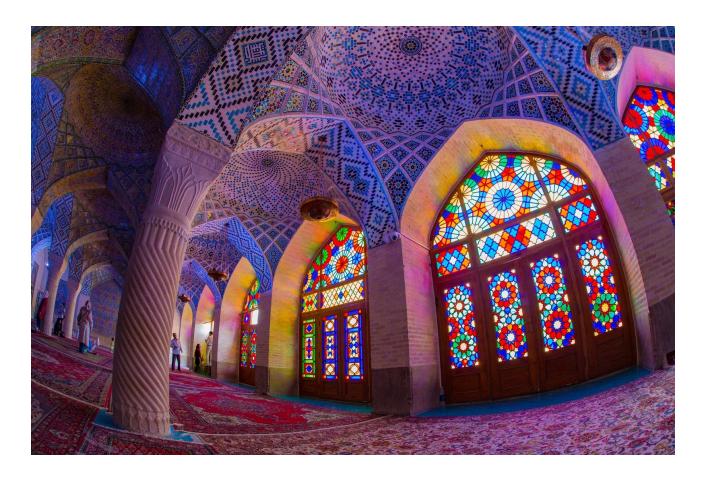


## Part of an editorial series By Andrew Pancholi Published in The August 2018 Edition Of The Market Timing Report





## **IRAN & THE CYCLE CURVE FOR WARS**



Earlier this year, we had forewarned readers that geopolitical conflict could easily escalate this year.

In the January edition of the report, we showed you the cycle curve for wars.

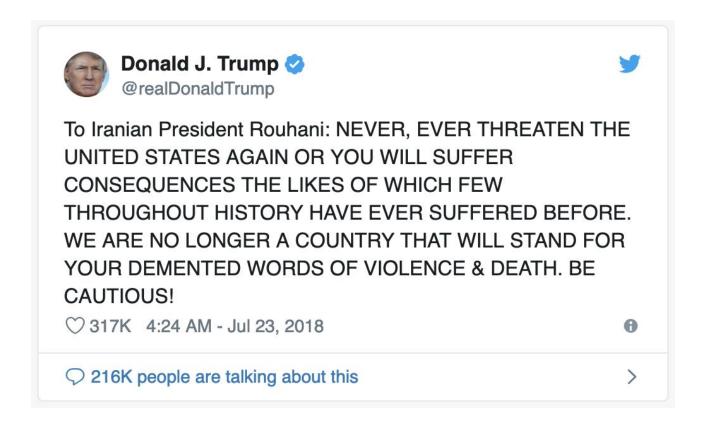
Last month we mentioned to watch for signs of trouble towards the back end of July.

August is also significant.

These things often simmer in the background.

One explicit tweet caught my eye... And indeed the global news headlines.





Of course, matters between Iran and parts of the Western world have been ongoing.

This time I sense we may be lighting "the blue touch paper."

Before I can show you why, let us take a look at what cycles are in play.

The area known as Iran, previously known as Persia, and its history dates back many thousands of years. It was indeed one of the great trading areas of the globe at various times.

There had been many conflicts between the various rulers within this geographical area but the roots of modern day Iran can be seen to begin in 1501.

The Safavid dynasty unified Iran at this moment in time and the area became aligned with Shia Islam. The nation had been ruled in pretty much unbroken fashion by a series of emperors and shahs until the Iranian Revolution took place in 1979.



On February 1, 1979, an Air France Boeing 747 touched down at Teheran's Mehrabad Airport. Ayatollah Ruhollah Khomeini returned from Paris after 14 years in exile.

The Islamic revolution was taking place. Iran became a theocracy and a republic.

Shah Mohammed Reza Pahlavi had been deposed by the populace and fled to exile in America. For the most part, he had been a great friend to the West – but there were some exceptions. For the most part, the Shah developed much trade with America and also Britain. He was one of the first customers for the supersonic passenger jet— the Concorde.

With the departure of the Shah of Iran, the mood changed.

Some of you will recall that the US embassy was attacked in Teheran. 52 people were taken hostage and held for 444 days. The Ayatollah, with much popular support, referred to America as "The Great Satan."

Cycle Point Number One – the revolutionary cycle is 82 to 84 years. Significant events occur at the halfway point. 1979+41 takes us to the year 2020. We are approaching a major time window for change in Iran.

But let's not get ahead of ourselves.

American interests in Iran really dated back to a small group of missionaries who were spreading their Presbyterian word within this nation in the early 1800s.

Formal relations began between America and Iran in 1856.

That was exactly 162 years ago. I am most grateful to my long-standing friend and mentor Bill S, who taught me this very complex cycle which causes geopolitical events of the same nature or region to replicate within this time cycle.

He pointed out that 162 years from the outbreak of the Crimean War, Putin annexed the Crimean peninsula. This is just one such example.

Cycle Point Number Two – 2018 is 162 years from the commencement of diplomatic relations between the United States and Iran.



Cycle Point Number Three – two of our 82 to 84 year Revolution cycles approximate to 164 to 168 years. This takes us into the early 2020s. This aligns with the cycle from 1979.

The US legation opened in Teheran in 1883 under President Arthur's administration.

Cycle Point Number Four – this is exactly 135 years or 34 five year cycles back from 2018.

Western interest in Iran grew substantially with the demand for oil. Remember crude oil was only really discovered in 1859. (Yes, you are right, there are likely to be major ramifications for crude oil in the year 2021 but that's another story).

Teheran had remained suspicious of the imperialist policies of both Russia and Great Britain, who were attempting to increase their influence within the region.

In 1907, both Russia and Britain intervened, or should we say interfered with the ongoing Iranian Constitutional Revolution. It was at this point that America considered political involvement with Iran. By 1910 Teheran was welcoming this in order to quash the ambitions of the other two imperialists.

The October 1917 Bolshevik revolution in Russia gave cause for concern with regards to the spread of communism. Clearly, Russia would want this to spread to Iran.

However, as with most modern day politics and conflicts, oil was the key factor.

Back in 1901 a British company had acquired a significant oil concession within Iran and 13 years later the British government became a major shareholder in this operation which is now known as the Anglo Persian Oil Company. The key grievance was that the British were only paying 16% of net revenues back to the Iranians. The demand and significance of oil had risen considerably within the previous two decades.

In order to disempower Britain's dominant economic position and also achieve a more favourable goal, the Majlis or ruling Parliament commenced negotiations with both the US government and some private companies including Standard Oil.



Initially, the United States backed down as it did not wish to come into conflict with either Britain or Russia. However, further negotiations continued.

Feeling threatened, the British government covertly backed a military coup which took place in February 1921. Reza Shah came to power.

Cycle Point Number Five – the 100 year anniversary of this will take place in 2021. Another cycle is falling into place.

The Anglo Iranian oil concession debate would continue with Britain retaining the upper hand much to the dissatisfaction of the Shah.

Looking for support from other global nations, the Shah looked towards Germany to help him rid his nation of Britain and Russia. He became a great admirer of Hitler which clearly antagonised the other nations.

Despite the United States taking a somewhat back seat approach towards Teheran, diplomatic relations were suspended between January 1936 and January 1938 over the American detention of an Iranian representative.

Cycle Point Number Six – adding the 82 to 84 year revolutionary cycle to January 1936 takes us to 2018 – 2020. Another reason to suspect a deterioration in diplomatic relations.

In 1946 Iran went into a major crisis. This was to do with which nations occupy the territories during the war and when they should withdraw. This was a highly complex affair that led to considerable destabilisation within the nation.

Cycle Point Number Seven – 1946 to 2018 is an exact 72 year cycle again putting the nation as a potential major tipping point.

There is no clear cycle set relating back to 1951. The closest one would be the 72 year cycle which would play out in 2023.

The key point is that we have at least seven significant cycles coming into play with regards to US – Iranian diplomatic relations. The window is now open and all the cycles fall within the next 2 to 4 years.



This time it pays to watch carefully the rhetoric and actions from both Washington and Teheran.

As that song goes, "there may be trouble ahead..."

A closer look at other parts of the Middle East is very revealing.

Let's take a look at the history of Iraq in cycles.

Between 1534 and 1918 the region then known as Mesopotamia was part of the Ottoman Empire.

However, during the course of the First World War in 1917, Britain seized Baghdad.

In 1920 The League of Nations gave approval to the British mandate in Iraq prompting much domestic unrest and nationwide revolt. The following year in 1921, Britain appoints Faisal, the son of Hussein bin Ali and the sheriff of Mecca, as king. This puppet rulership lasts until 1932 when Iraq gains independence.

Adding the 84 year revolutionary cycle to 1921, the time when Britain took over rulership, takes us to 2005. Specifically, on 15 October 2005 modern day Iraq instituted its present constitution following the ousting of Saddam Hussein. The year 2005 saw many car bombings, explosions and shootings: the civil of 1921 unrest reappeared exactly on schedule.

In simplistic terms the hundred year cycle from 1920 takes us to 2020. The 90 year cycle from 1932 takes us to 2022.

Half of the 30 year cycle from 2005 takes us into 2020. This cycle is likely to come forward a little.

This suggests Iraq is likely to destabilise between the years of 2019 to 2022.

Now let's bring in the next part of this equation. This is a big factor.



90 years ago this month, Germany, France and the United States all became signatories to the Kellogg Briand Pact.

The ink was placed on the papers on 27 August, 1928. United States Secretary of State Frank B Kellogg and French Foreign Minister Aristide Briand were the primary brains behind what was officially known as, "The General Treaty for Renunciation of War As an Instrument of National Policy." —10 years after the ending of the "Great War."

The primary nations of the world recognised that they did not want to go down that road again.

All the major nations followed suit and join these three pioneering nations. There were at least 62 signatories.

As we now know, this noble venture didn't last and 11 years later several of the signatories were at war with each other.

Readers of this letter and students of cycles know that 90 year cycles are potent – they represent three 30 year cycles or two 45 year cycles. 45 years becomes the midpoint. That midpoint is 1973. The world was not short of conflict then.

Top of the list was the Yom Kippur War. Israel engaged with Egypt and Syria but the ramifications were global as military conflict translated into economic strangulation in the form of the ensuing oil crisis.

The Western world is brought to its knees. This was fully covered in our January special edition and new readers can access that from our members area. If you were to halve the 45 year cycle, or take 1/4 of the 90 year cycle, that comes to a value of 22 1/2 years.

When you add that time period to the commencement of the Kellogg Briand Pact, you will note the outbreak of the Korean War – and major American conflict.

So whether we like it or not, cycles repeat. What goes round, comes round. Human psyche is contained within these cycles.



The chain can never really be broken despite the honourable intent of great men.

The 50 year cycle shows that on 4th August 1968, Israel bombed Palestinian bases in Jordan, so an imminent heightening of Middle Eastern tensions is potentially not far off. Equally, on the 8th of August 1988, representing the 30 year cycle, Iran and Iraq announced a ceasefire. The spotlight is on this region.

Sticking with this theme and moving slightly further east, Pakistan is seeing a series of decennial cycles coming together marking difficult changes in leadership.

The 17th August 1988 marked the death of then Prime Minister Zia along with other people including the United States Ambassador to Pakistan Arnold Lewis Raphel.

Many conspiracy theories surround the somewhat mysterious plane crash in which they perished.

Fifteen years earlier on 14th August 1973 - marking the 45 year cycle from now - Zulfikar Ali Bhutto took up the role of Prime Minister.

Presently former international cricket star, Imran Khan, an A-list celebrity and former charismatic playboy, once married to British socialite Jemima Goldsmith, has just won the Pakistani elections.

This is clearly a significant turning point in the history of this nation.



## We're seeing the Next Major Turning Point In S&P 500!

Can you afford to ignore this information?

Are you ready to take advantage of this next upcoming cycle?

Click to find out more.