

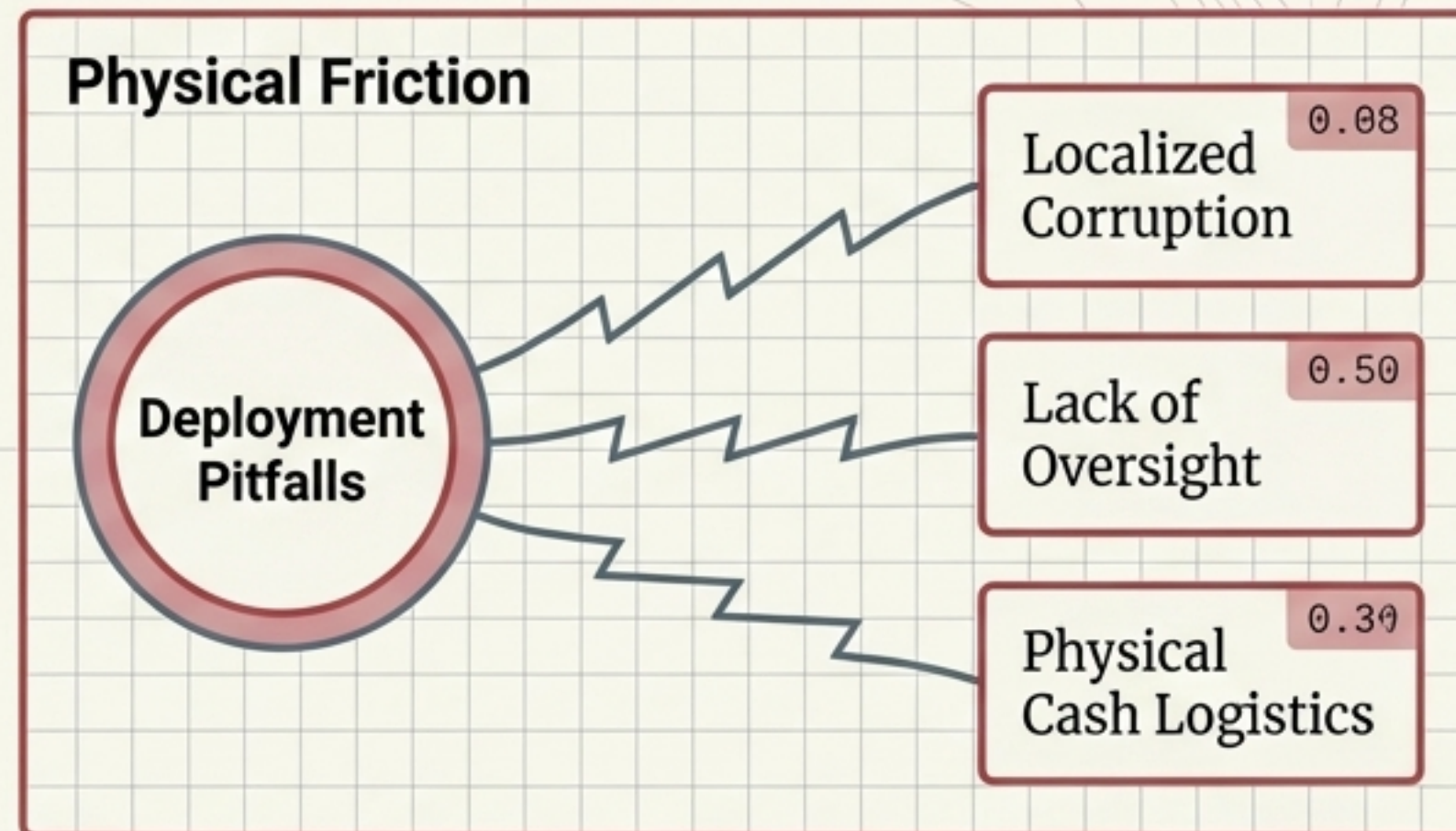
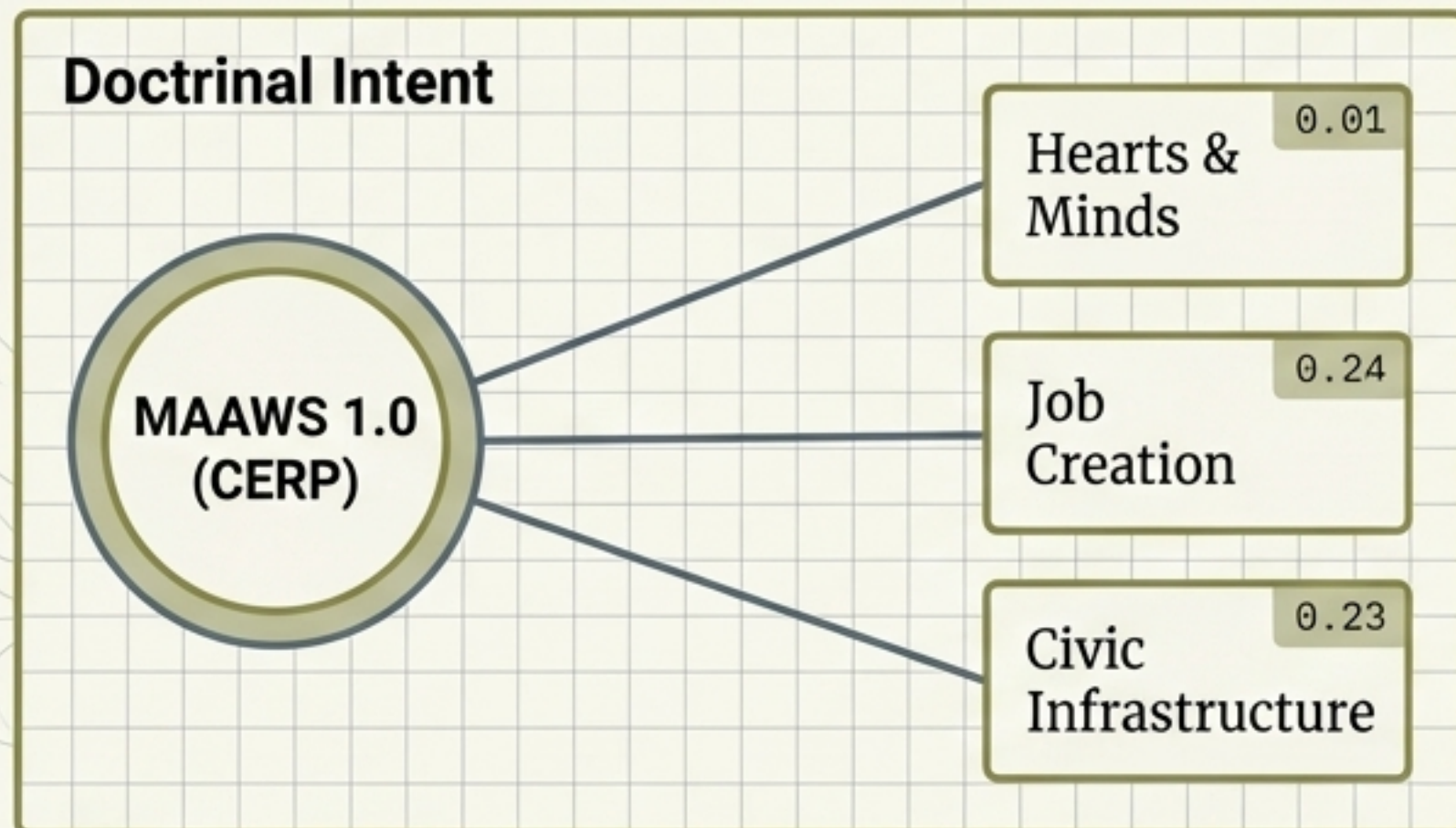
Digital MAAWS: The Weaponization of Code and Capital

How cryptocurrency transformed financial warfare, and how the U.S. is reclaiming the digital battlespace.

The Origins of MAAWS: Money As A Weapons System



Money is my most important ammunition in this war. – General David Petraeus



The Weapon

Physical pallets of U.S. dollars via the Commander's Emergency Response Program (CERP).

The Target

Insurgent recruitment pipelines and local civic stability.

The Misfire

Heavy localization led to warlord capture, lack of economic expertise, and untraceable outflows.

The Battlespace Shifts: From Physical Cash to Programmable Ledgers

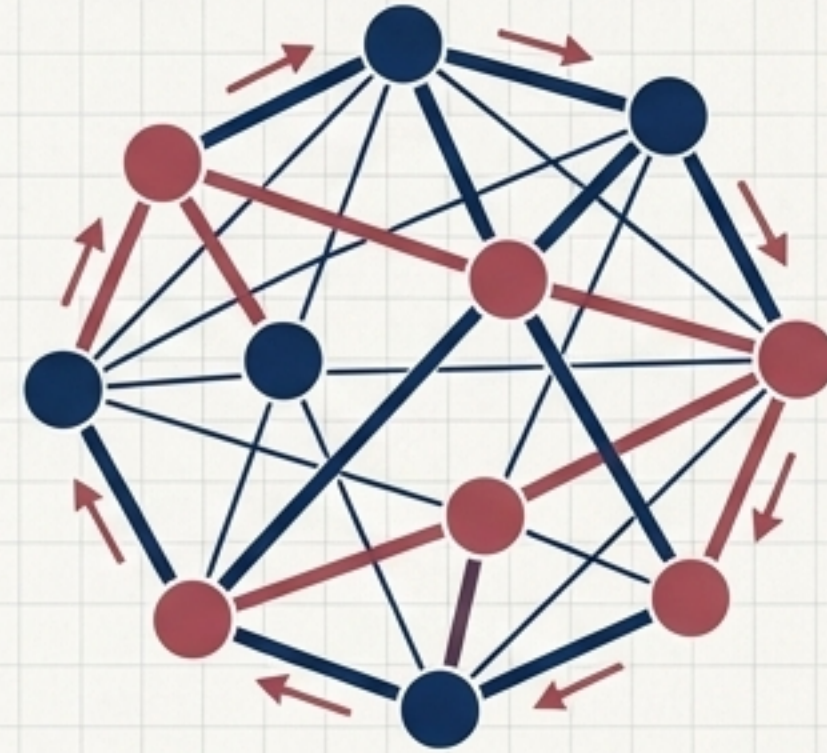
Key Insight Panel

Merriweather:
Adversaries recognized that U.S. kinetic power relies on U.S. financial hegemony.

To bypass physical sanctions and traditional banking chokepoints, they weaponized the blockchain—building parallel financial rails outside U.S. jurisdiction.



Physical Battlefields



Digital Ledgers



1. Tactical Cash Drops (2003)

IBM Plex Mono

State-Sponsored Hacks (2018)

IBM Plex Mono

Industrial-Scale DeFi Evasion (2025)





IBM Plex Mono

2025 Metric:
\$154 Billion
received by illicit addresses.

694%
year-over-year increase in value received by sanctioned entities.

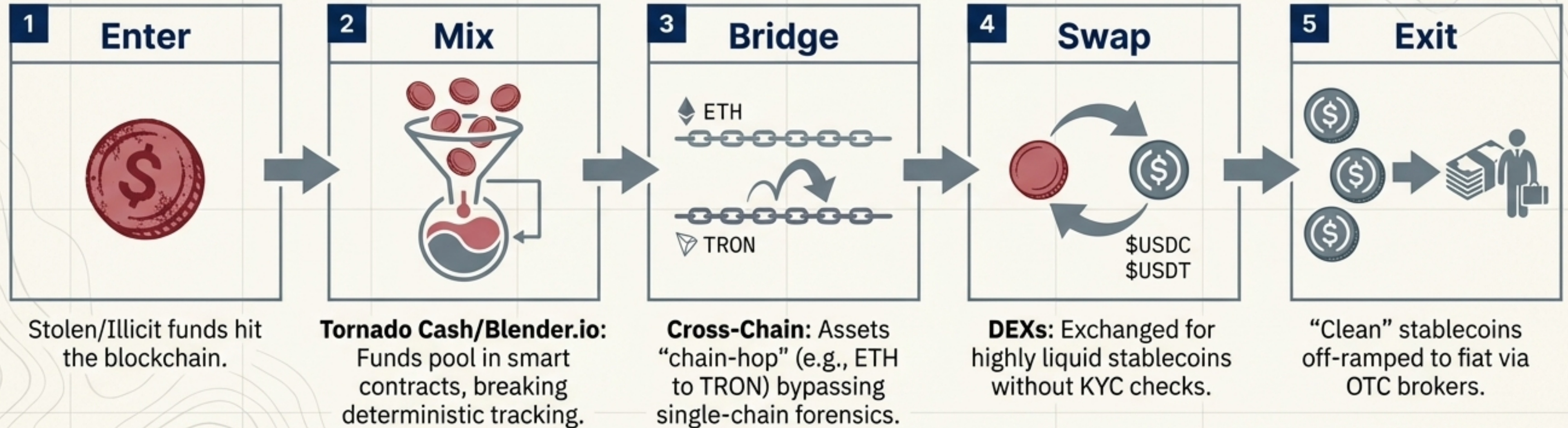
The Threat Landscape: Sovereign Evasion Profiles

The Axis of Evasion

Actor	Primary Tactic	Evasion Mechanism	Data / Target
 DPRK (North Korea)	Cyber Heists & Obfuscation	Hacks bridged through DEXs and Tornado Cash to break forensic trails.	Funding WMD and ballistic missile programs.
 Russia	Infrastructure & Parallel Rails	A7A5 ruble-backed token; Bulletproof hosting (Aeza); re-branded exchanges (Grinex)	\$93.3B processed via A7A5 in 10 months.
 Iran	Shadow Banking	Institutional laundering of oil sales via brokers and DeFi protocols, bypassing SWIFT.	Over \$600M in inflows mapped to sanctioned oil revenues.
 Venezuela	P2P Liquidity	High-velocity P2P USDT networks operating outside KYC perimeters for oil exports.	38% of all Venezuelan web traffic hits P2P crypto sites.

The Mechanics of Evasion: DeFi as Autonomous Money Washers

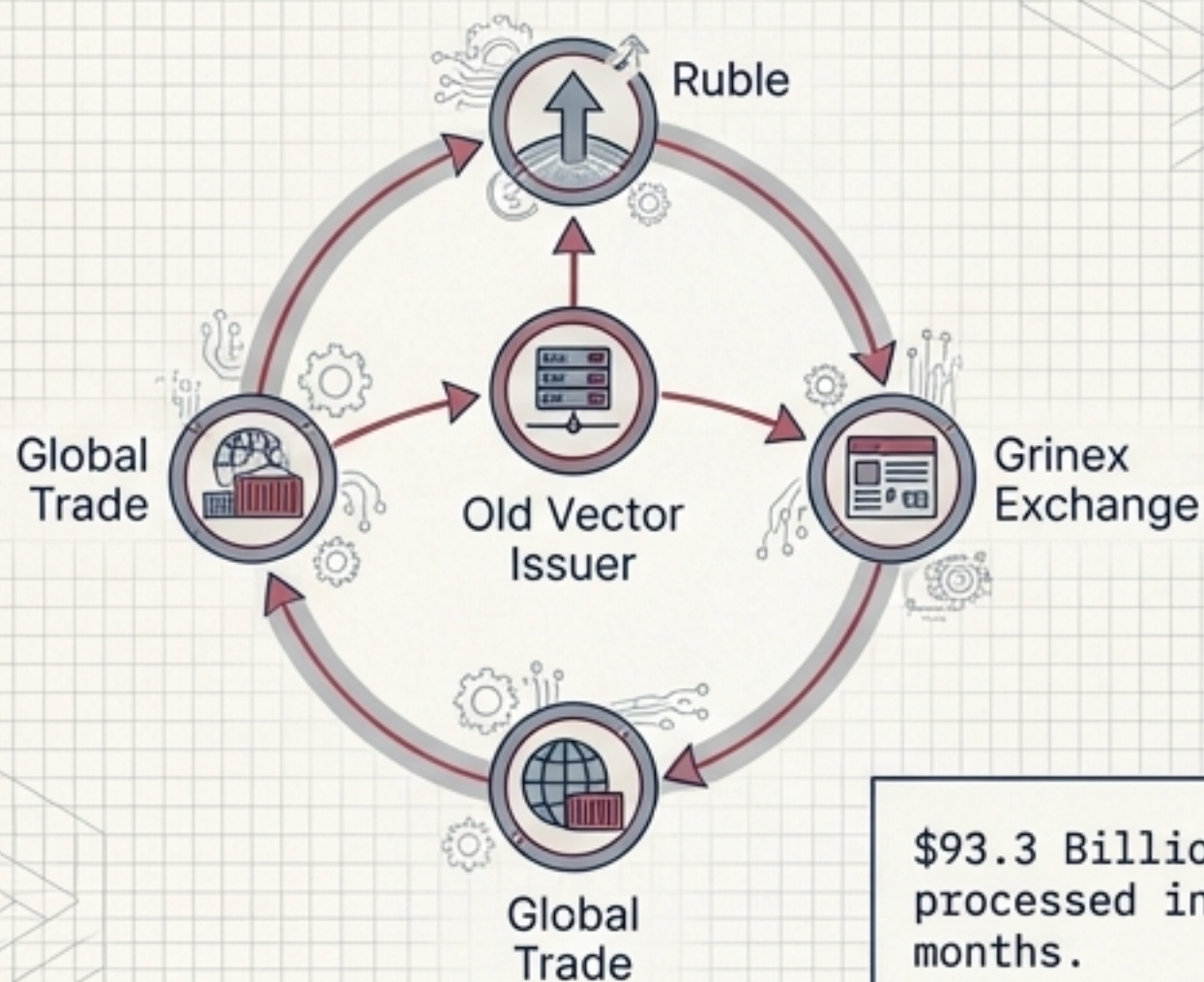
LAUNDERING MACHINE FLOWCHART



Critical Vulnerability: Permissionless protocols like Tornado Cash cannot be shut down by traditional subpoenas. The code executes autonomously, creating permanent compliance blind spots.

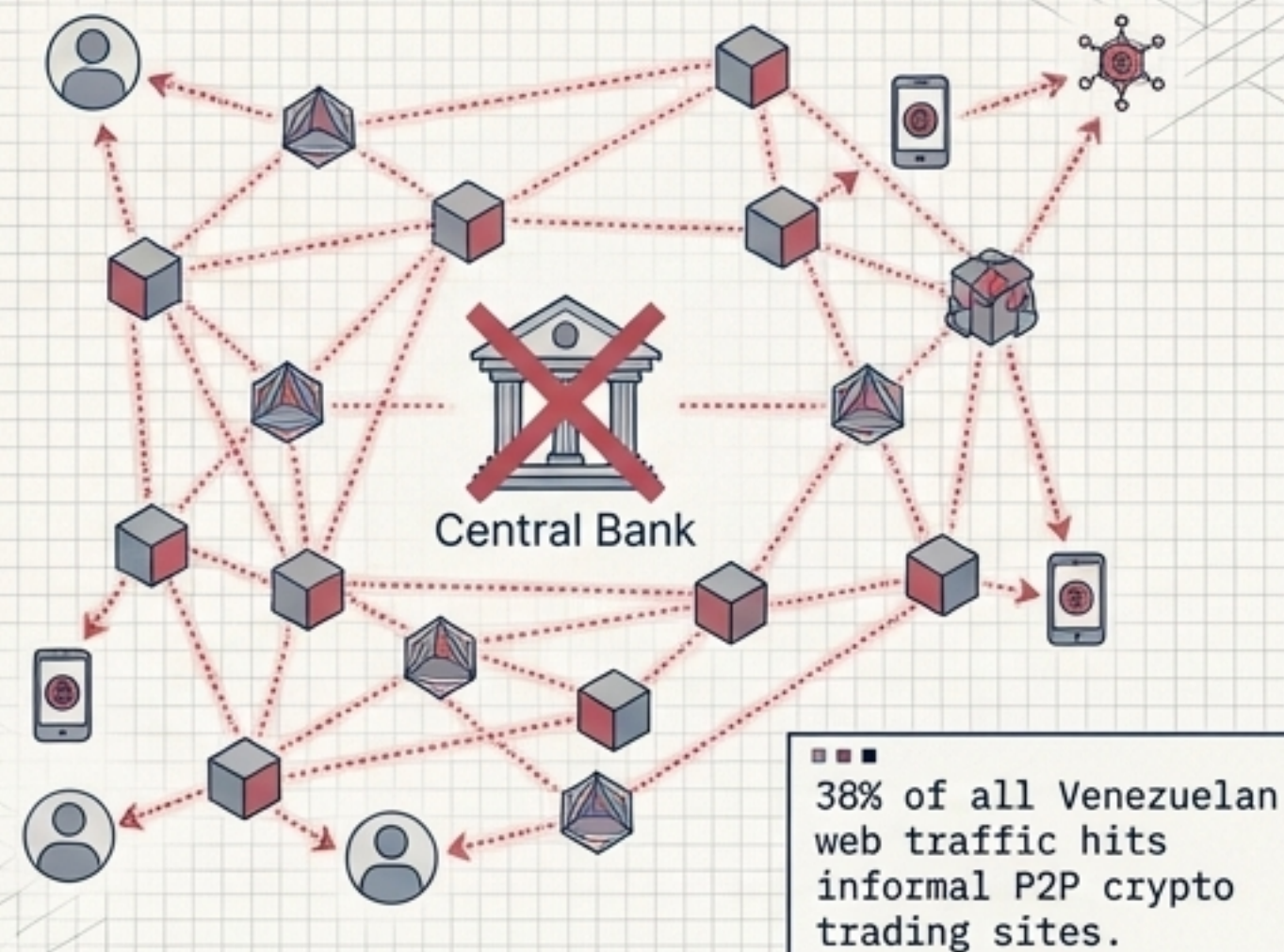
Forging Sovereign Parallel Rails: The A7A5 & USDT Case Studies

Russia's A7A5 Token



Insight:
A7A5 represents an evolutionary step—a token expressly engineered to bypass traditional financial SWIFT rails entirely.

Venezuela's USDT P2P Networks



Insight:
Utilizing dollar-pegged stablecoins (USDT) on high-velocity networks to export oil, replicating tactics likely to be adopted by Russian entities.

The U.S. Counter-Offensive: Striking the Roots, Not the Leaves

Infrastructure-Centric Targeting

Leaves



Old Strategy: Whack-a-mole regulation.

Branches



Centralized Exchanges
(Garantex) / Mixers

Roots



Service Layer & IaaS
(Bulletproof Hosting,
IP Providers)

New Strategy: Infrastructure teardown.

Strategic Shift

Enforcement has evolved.

By targeting the technical backbones and liquidity pathways that keep networks online, the U.S. increases costs, fragments ecosystems, and forces sanctioned actors into exposed environments.

Arresting individual hackers is futile; dismantling the supply lines is permanent.

Dismantling the Service Layer: OFAC in Action

Operation 1: Aeza Group (Russia)

Target: Bulletproof hosting for ransomware.

Result: Sanctioned TRON payment infrastructure; disrupted cybercrime supply chain.

Operation 2: Funnul Technology (Philippines)

Target: Triad Nexus IP infrastructure.

Result: Dismantled technical enablers of \$200M pig butchering scams.

Operation 3: Huione Group (Cambodia)

Target: Transnational money laundering via stablecoins.

Result: FinCEN 311 Special Measure designation; \$4B illicit flows disrupted.

Operation 4: Garantex to Grinex (Russia)

Target: Exchange re-branding.

Result: Re-designated successor entities and issuers of the A7A5 token.

The Ledger is a Beacon: The Structural Advantage of Public Blockchains

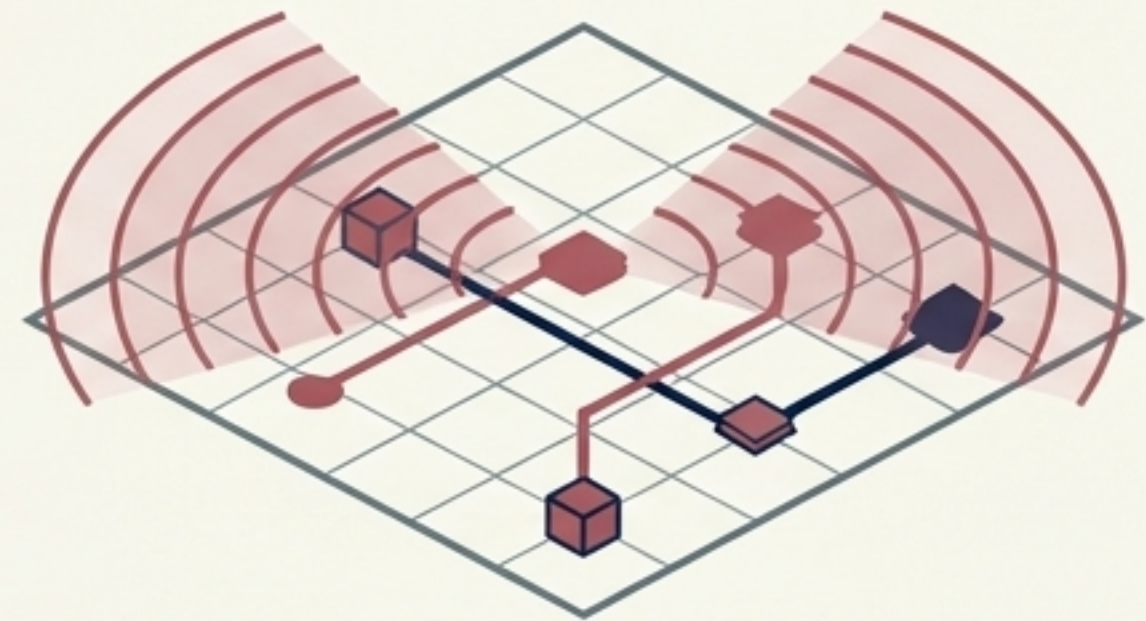
Core Concept: Public ledgers possess a structural advantage for investigators. Immutable transparency turns the adversary's tool into a permanent tracking beacon.

Traditional Shell Company



Opaque, relies on fragmented international subpoenas. Delay measured in months.

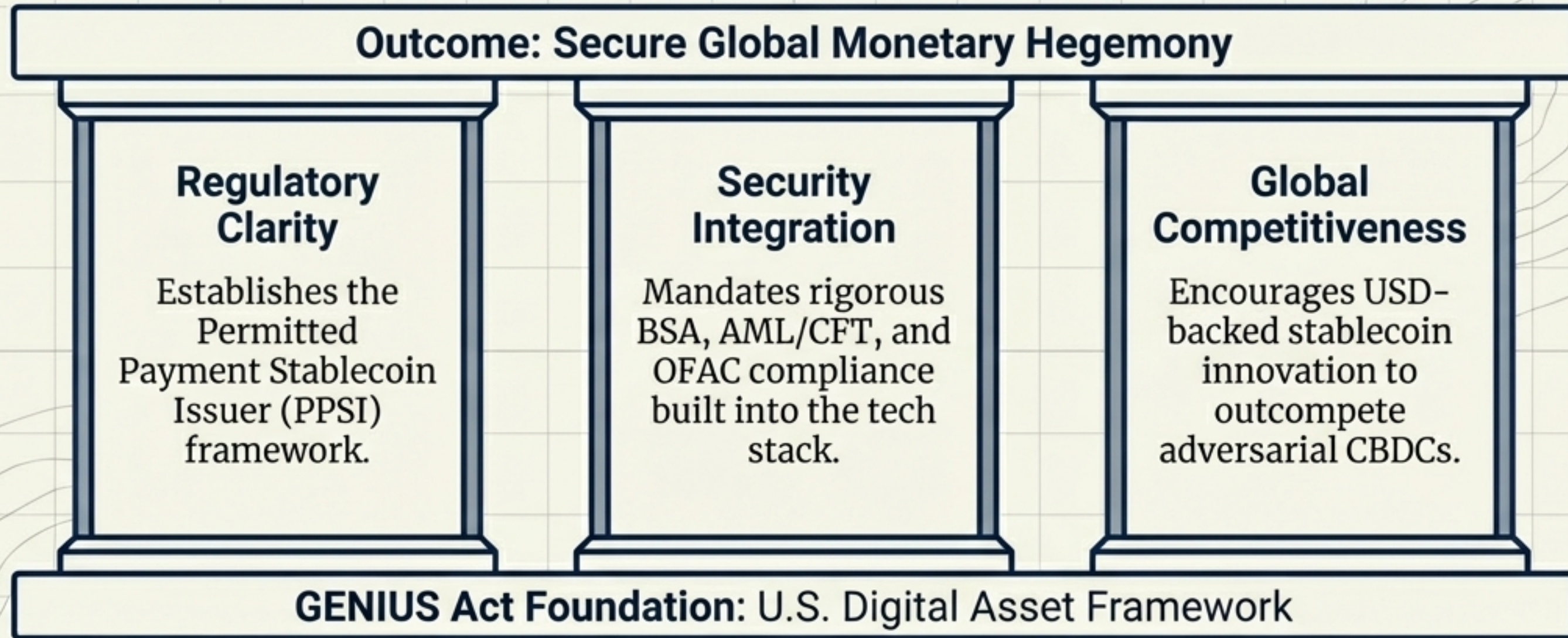
Blockchain Forensics



Real-time, global, probabilistic tracking. Real-world risk manifests immediately on-chain.

Analytics evolve faster than obfuscation. Even billion-dollar multi-chain flows leave behavioral patterns and infrastructure dependencies that can be mapped.

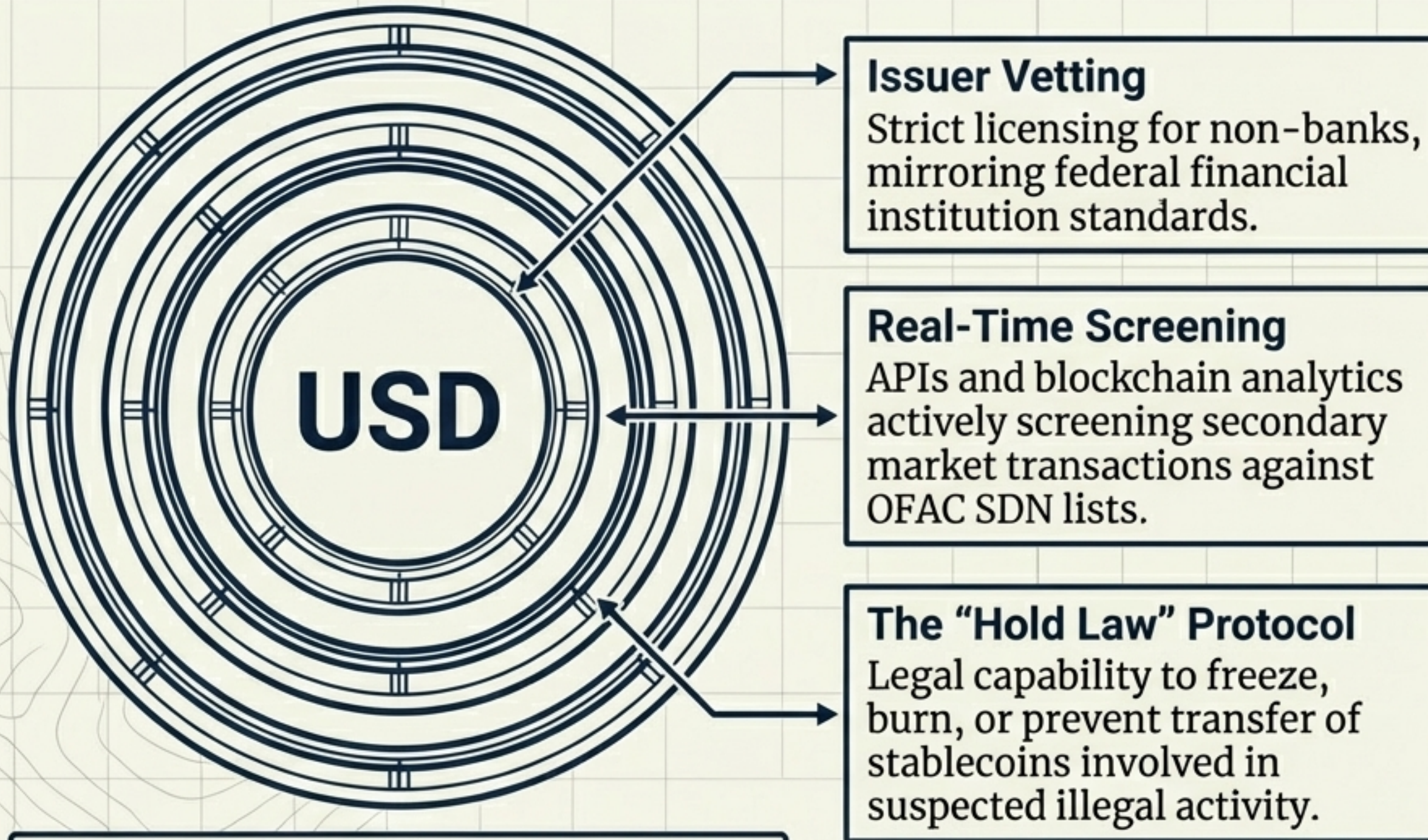
The GENIUS Act (2025): Legislating U.S. Digital Dominance



The Strategic Thesis

The GENIUS Act reframes stablecoin regulation. It is not merely consumer protection; it is the deployment of a U.S. dollar-backed digital instrument designed to crowd out illicit alternatives and secure global monetary hegemony.

Designing the Ultimate Weapon: Programmable Compliance



Programmable Compliance Schematic

Because stablecoins are bearer instruments moving at the speed of light, AML standards must be stronger than traditional banks.

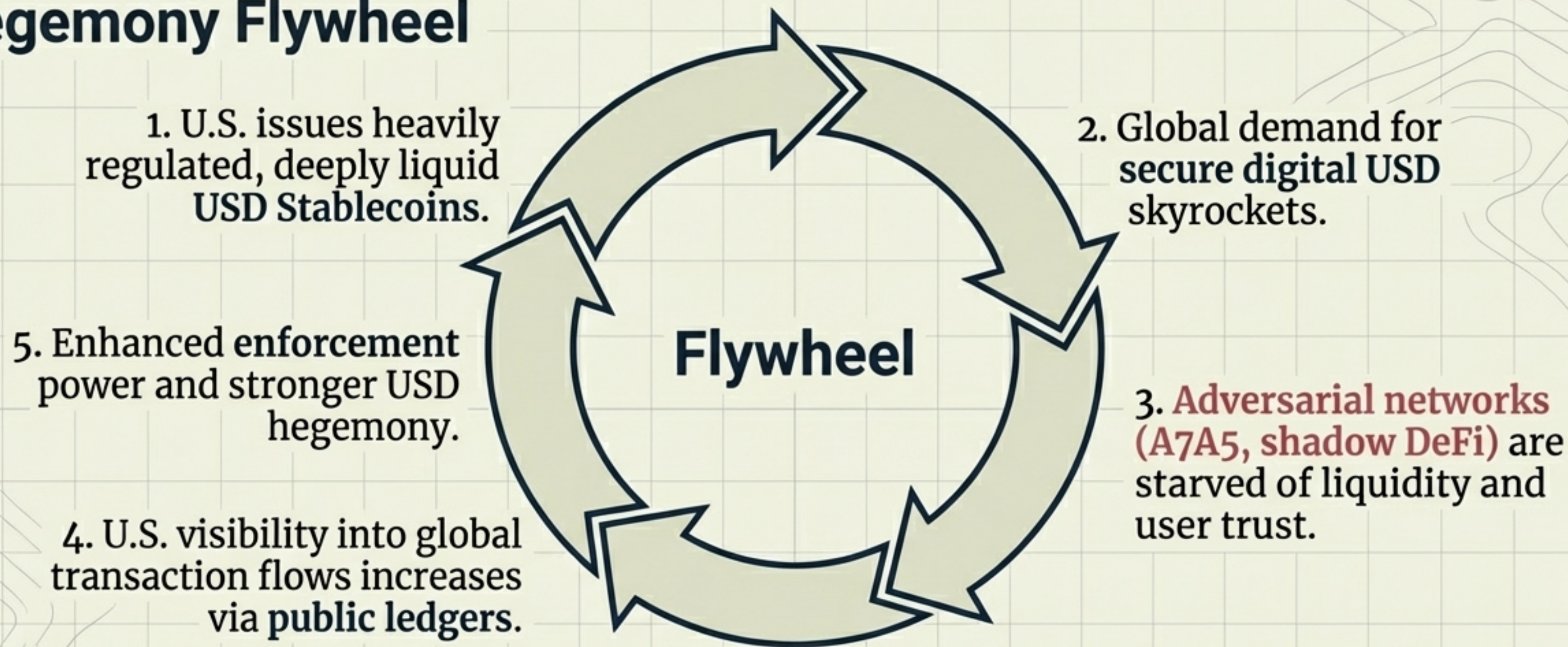
GENIUS builds the sanctions perimeter directly into the asset’s architecture, actively rejecting illicit finance.

The Evolution of Financial Warfare

"MAAWS 1.0 vs. MAAWS 2.0" Diagnostic Table

	MAAWS 1.0	MAAWS 2.0
Environment	Localized physical battlefields (Iraq/AFG).	Global, borderless digital ledgers.
Implementation	Pallets of physical cash, local paying agents.	Cryptographically secured smart contracts, algorithmic distribution.
Oversight & Tracking	Easily lost to corruption, zero post-distribution visibility.	Immutable, real-time tracking, probabilistic forensic tracing.
Strategic Goal	Tactical pacification; "hearts and minds".	Strategic starvation of adversarial liquidity; projecting USD dominance.

Projecting Power: The Dollar Hegemony Flywheel



Core Insight

By saturating the digital battlespace with transparent, trusted, and regulated U.S. stablecoins, we do not just regulate the market—we conquer it. Regulated stablecoins are the ultimate deployment of MAAWS.

Future Scenarios: The Architecture of Digital Money

Non-Interest Bearing
(Competes with USD Cash)

**Interest-Bearing /
Limited Market Access**
(Competes with MMFs)

**Interest-Bearing /
Enhanced Access**
(Competes with Bank Deposits)

Conceptual Spectrum

Demand for USTs

Pro-Hegemony

Reserve requirements drive massive demand for short-term U.S. Treasuries, funding the government and cementing dollar utility.

Domestic Risk

If stablecoins pay interest, they risk pulling deposits from insured depository institutions, requiring banks to seek alternative wholesale funding.

Strategic Posture: The New Rules of Engagement

The Threat

State actors have abandoned physical cash for DeFi obfuscation, cross-chain bridges, and sovereign stablecoins to evade U.S. power.

The Tactics

Enforcement must target the digital infrastructure (hosting, mixers, OTCs) using the blockchain's inherent transparency to map and dismantle networks.

The Weapon

The GENIUS Act operationalizes MAAWS 2.0. Regulated, programmable USD stablecoins are not just a financial product—they are the premier instrument of modern U.S. economic statecraft.

To secure the future, the U.S. must dominate the ledger.