



TRUMP'S SANCTIONS AND THE UNMAKING OF THE IRANIAN NUCLEAR DEAL?

Anu Sharma

Research Associate, CAPS

The relations between US and Iran have started moving towards a new low with the US imposing fresh batch of sanctions on Iran. These fresh sanctions have supplied Iran with a reason to re-affirm their adversarial feelings towards the US. In retaliation, Iran conducted a set of tests of surface-to-surface missiles and radar systems during the drills in a 35,000 sq. km stretch of desert in the northern Iranian province of Semnan. However, this move by the US has been designed to punish Iran for testing its medium-range ballistic missile programme and its unconditional support to Iranian Revolutionary Guard Corps (IRGC). US treasury department said that it published a list of 13 people and 12 entities facing the new set of sanctions.¹ This move clearly indicates the escalation of tensions between the two countries as it comes just hours after the President said that Tehran was “playing with fire.” Tehran quickly responded with its own plan to initiate reciprocal measures, including

legal restrictions on US nationals and companies.²

Sanctions have been a regular feature of US policy towards Iran for more than three decades now. However, the sanctions cannot unilaterally solve the foreign policy problems. The US first imposed sanctions on Iran over the seizure of US embassy in Tehran by Iranian revolutionaries in 1979. These sanctions were, however, lifted in 1981 after the hostages were released. Sanctions were re-imposed in 1984 following Iran's efforts to acquire Weapons of Mass Destruction (WMDs) and its support to the sponsorship of terrorism in the form of its support to Hezbollah in Lebanon and various other terrorist organisations in the West Asian region at that time. In the past, the intensification of sanctions by the US against Iran indicated a bipartisan consensus that sanctions were an important policy mix by the US towards Iran.³ After 2005, the US stepped up its enforcement of sanctions and took measures to restrict Iran's access to the

US financial system, with considerable impact. In response to Iran's covert nuclear development program, the U.S. in 2010 stepped up the sanctions aimed at investment in Iran's energy sector, foreign trade financing and international banking transactions. The European Union, which was previously one of Iran's top trading partners, also imposed sanctions in response to Iran's nuclear program in 2006 along with 16 other countries which supported the sanctions in some measure. These sanctions estimated to cost Iran about US\$60 billion annually as a result of its lost oil export revenues, and the freeze had been more than US\$100 billion in Iranian financial assets.⁴ It is believed that US sanctions brought Iran to the negotiating table and was able to sustain through the negotiations thereby resulting in the nuclear deal.

The Trump administration's antagonistic stance on Iran has provided some sort of reassurance to the states of Israel and Saudi Arabia. Perhaps, the Hardliners in Iran were expecting this kind of drastic step from the US, considering the new US government's resentment towards Iran. The reasons cited for the US sanctions relate to the ballistic missile programme of Iran which the US views as a grave concern and probable threat to the international community. President Trump's former National Security Advisor, Michael Flynn also made it clear that the new sanctions may be tougher on policy options but the US wants to ensure that it does not conflict with the nuclear deal.⁵ It is

pertinent to mention here that in a recent Press conference with Israeli PM Benjamin Netanyahu President Trump stated that the Iranian nuclear deal was the worst deal ever made but did not indicate any intent to withdraw from the deal. He further stated that his administration has already imposed new sanctions on Iran, and he would do more to prevent Iran from ever developing a nuclear weapon.⁶

The recent tests were aimed at demonstrating Iran's intentions to go ahead with its ballistic missile programme. At the same time, it also raises the question of whether the recent missile tests conducted by Iran violated the UN Security Council Resolution 2231 (2015) which specifies a restriction on the transfer of missile-related technology or activities by Iran however it does not restrict Iran to develop or test ballistic missiles.⁷ Moreover, Iran has long maintained that its missile tests don't violate Security Council resolutions because there are no nuclear warheads involved and Iran's conventional defences are its own business. But the above-mentioned resolutions do warn Iran against testing missiles that could be capable of carrying a nuclear warhead. In the case of Iranian nuclear deal with the P5+1 countries, it is pertinent to mention that post-deal Iran has tested 14 ballistic missiles till December 2016.⁸ However, at the same time, in the context of UNSC resolution, these fresh sanctions do not violate the Iranian nuclear deal but come under a separate set of sanctions structure that allows

the US to target Iran over its missile programme including support for terrorism and other matters.

There are various theories explaining Iran's motives behind its missile tests. Some observers maintain that the tests were a retaliatory action to Trump's wholesale ban on Iranians travelling to the US under the banner of keeping the "radical Islamic terrorists" out. The other set of theories relate to the view that the re-introduction of sanctions on Iran's financial and energy sectors would effectively shred the nuclear agreement. The ballistic missile tests provide the Trump administration with the pretext that it needs to expand the sanctions and violate the nuclear agreement, thereby forcing Iran to walkout of the deal.⁹ Saudi Arabia, Israel and the other allies of the US in the region, as well as a few countries in Europe that are within the range of some of Iran's ballistic missile capabilities, were deeply concerned about the prospect that Iran could put one of those nuclear weapons on top of one of those ballistic missiles.

Furthermore, the Iranian leadership had made it quite clear that in case the Iranian nuclear deal is scuttled, they will intensify their commitment to their nuclear ambitions. There are chances that the deal will hamper the US reputation in the region and isolate the superpower since the Europeans, the Chinese and the Russians will scramble to cut side deals with the Iranians. Also, the Trump

administration's plans to tackle ISIS in Syria would fail with Iran not being on their side. At the same time, with Iran being lost, the US will have to strive very hard to regain its hold on the region. It would be harsh for the US and chaotic for international order. Ultimately, it would put into question the ability of the US to lead the reshaping of the world order on western terms, by alienating Washington's European allies and allowing China and Russia to mock the US leadership, all the while ceding the moral high ground to Tehran.¹⁰

"With the increase in sanctions, the perception that the US might be rolling back on the Iran deal – and the anti-Iran mood that is emerging in Washington–will further empower hardliners in Iran, where the rhetoric will be, 'we told you so—these people cannot be trusted'," said MahaYahya, director of the Carnegie Middle East Centre.¹¹

(Disclaimer: The views and opinions expressed in this article are those of the author and do not necessarily reflect the position of the Centre for Air Power Studies [CAPS])

Notes

¹The sanctions are to be imposed under Executive Order 13224, which freezes the US assets of entities or individuals who commit, threaten to commit, or support terrorism including the freezing of assets of weapons of mass destruction proliferators or their supporters. "Exclusive: US expected to impose fresh sanctions on Iranian entities-sources" Reuters, February 02, 2017, <http://www.reuters.com/articles/usa-trump-iran-sanctions-idUSKBN15H20E?il=0>. Accessed on February 09, 2017; Nick Wadhams, SalehaMohsin&GolnarMotevalli, "Iran Carries Out New Missile Tests After Trump Imposes Sanctions", *Bloomberg Politics*, February 03, 2017, <https://www.bloomberg.com/politics/articles/2017-02->

03/u-s-imposes-fresh-sanctions-on-iran-in-wake-of-missile-tests. Accessed on February 06, 2017.

² Jay Solomon and Asa Fitch, "U.S. Hits Iran with Sanctions, Drawing Threat from Tehran", *Wall Street Journal*, February 3, 2017, <https://www.wsj.com/articles/trump-administration-sanctions-25-iranian-entities-1486135896>. Accessed on February 6, 2017.

³ Patrick Clawson, "U.S. Sanctions" August 2015, *Iran Primer*, <http://iranprimer.usip.org/resource/us-sanctions>. Accessed on February 06, 2017.

⁴ Ruairi Patterson, "EU sanctions on Iran: The European Political Context", vol. XX, no. 1, Spring 2013, <http://www.mepc.org/journal/middle-east-policy-archives/eu-sanctions-iran-european-political-context>. Accessed on February 16, 2017.

⁵ "Exclusive: US expected to impose fresh sanctions on Iranian entities-sources" *Reuters*, February 02, 2017, <http://www.reuters.com/articles/usa-trump-iran-sanctions-idUSKBN15H2OE?il=0>. Accessed on February 09, 2017.

⁶ Office of the Press Secretary, Remarks by President Trump and Prime Minister Netanyahu of Israel in Joint Press Conference, The White House, February 15, 2017, <https://www.whitehouse.gov/the-press-office/2017/02/15/remarks-president-trump-and-prime-minister-netanyahu-israel-joint-press>. Accessed on February 16, 2017.

⁷ "UN Security Council Resolution 2231 (2015), Specific Restrictions—Ballistic Missile related transfers and activities, <http://www.un.org/en/sc/sc/2231/restrictions-ballistic.html>. Accessed on February 16, 2017.

⁸ Behnam Ben Taleblu, "Iranian Ballistic Missile Tests Since the Nuclear Deal", February 09, 2017, http://www.defenddemocracy.org/content/uploads/documents/20917_Behnam_Ballistic_Missile.pdf. Accessed on February 14, 2017.

⁹ Shahid Shairsaless, "Help comes from US for Iranian Hardliners", February 07, 2017, *Gulf News*, <https://www.pressreader.com/>. Accessed on February 16, 2017.

¹⁰ Cornelius Adebahr, "What Would Happen If the U.S. Congress Killed the Iran Deal?", *Carnegie Europe*, August 06, 2015, <http://carnegieeurope.eu/2015/08/06/what-would-happen-if-u.s.-congress-killed-iran-deal-pub-60962>. Accessed on February 20, 2017.

¹¹ Nick Wadhams and Saleha Mohsin, "US slaps new sanctions on Iran after missile test", February 4, 2017, *The*

National, <http://www.thenational.ae/world/united-states/us-slaps-new-sanctions-on-iran-after-missile-test>. Accessed on February 16, 2017.