



Sanctions: The Economic War on Iran

Defending President Barack Obama against Republican charges that he has not been tough enough on Iran, David Axelrod, senior advisor to the president, said on ABC's *This Week* on March 4 of this year that the president had succeeded in "bringing the entire world together over the last few years with the most withering economic sanctions that have ever been administered against any country." On August 1, both the House and Senate approved even more sanctions, which the president signed into law. Yet barely a month later Republican presidential candidate Mitt Romney was repeating his call for still tougher, "crippling sanctions" to force Iran to abandon its alleged pursuit of a nuclear weapon.



"I will have a very different approach with regard to Iran," including "crippling sanctions that should have been put in place long ago," Romney said in a September 9 interview on Fox News — despite the fact that U.S. intelligence agencies have reported there is no evidence Iran has decided to develop a nuclear weapon. The Tehran regime claims it is developing nuclear power for peaceful purposes, including energy production and the making of medical isotopes.

Innocent Victims

Perhaps Mitt Romney should talk to the parents of Milad, an eight-year-old Iranian in Kuhdasht, a town 400 miles southwest of Tehran. *The Washington Post* recently reported on the 12-hour bus journey to the capital the parents made with their child to purchase Feiba, a U.S.-made medicine needed to control the youngster's severe hemophilia. They were able to obtain only enough for two days.

"I am really worried. My son's life is at risk," said Afsaneh, his mother. In addition to nose bleeds that could be life threatening, there is the possibility that the child could lose the use of his right leg. That would make the sanctions imposed by the United States and allied governments, in Romney's word, truly "crippling."

"This is a blatant hostage-taking of the most vulnerable people by countries which claim they care about human rights," said Ahmad Ghavidel, head of the Iranian Hemophilia Society, which assists about 8,000 patients. One young man in southern Iran died after an accident when the blood-clotting injection he needed was not available, Ghavidel told the *Post*. "Even a few days of delay can have serious consequences like hemorrhage and disability," he said.

Government officials in Tehran have said international sanctions have had little impact on the country, claiming 97 percent of Iran's medicine is produced domestically. But while the volume of medical imports affected by the embargo may be small as a percentage, health experts say they are having a significant effect on medicines needed for chronic diseases for which there are no effective domestic remedies. And even those medicines that are produced domestically are dependent on imports for the



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materials used in their manufacture.

Exemptions in Theory

While the sale to Iran of most goods is banned outright under the terms of the international embargo, the export of food and medicine from the United States is not banned. It is subject to the licensing requirements of the U.S. Treasury's Office of Foreign Assets Control. But even those with licenses have trouble making purchases. After going from one European bank to another or resorting to middlemen and unofficial transactions, importers say they are unable to obtain the amount of medicines needed, when they are needed.

"The exemption of medicine from sanctions is only in theory," one importer told the *Post*. "International banks do not accept Iran's money for fear of facing U.S. punishment." Shortages of kidney dialysis machines and transplant equipment have been reported and are expected to worsen as the sanctions continue to take their toll. But the sick are not the only innocent victims of the sanctions, which are wreaking havoc on businesses in Iran that have nothing to do with the government's nuclear program.

"Western countries have always claimed that they don't want to make trouble for the Iranian people," a member of the Energy Commission at Tehran's Chamber of Commerce told the *Wall Street Journal*. Yet he described the private sector of the nation's economy as "severely suffering." The web of restrictions and the limited access to capital is affecting a broad range of businesses, making it difficult for entrepreneurs to buy or sell even those goods not covered by sanctions, since they can no longer use normal payment channels. Unemployment in Iran is, by some estimates, triple the official rate of 12 percent, the British journal *The Economist* reported, and the severe unemployment is accompanied by soaring prices:

On October 1st and 2nd Iran's rial lost more than 25% of its value against the dollar. Since the end of last year it has depreciated by over 80%, most of that in just the past month. Despite subsidies intended to help the poor, prices for staples, such as milk, bread, rice, yogurt and vegetables, have at least doubled since the beginning of the year. Chicken has become so scarce that when scant supplies become available they prompt riots. On October 3rd police in Tehran fired tear-gas at people demonstrating over the rial's collapse. The city's main bazaar closed because of the impossibility of quoting accurate prices.

Blunt Instruments

Despite the frequent protestations by U.S. and Western diplomats that the economic pressure is aimed at the government in Tehran and not intended to cause the suffering of the general population, it is ordinary citizens among the 75 million people of Iran who are paying the price of the dispute between Tehran and the West over Iran's nuclear program. Economic sanctions are blunt instruments for forcing a government into compliance with demands of other nations, and they seldom work. The sanctions imposed on Iraq after the first Gulf War were tightened over a period of 12 years and neither altered the course of the government in Baghdad nor drove Saddam Hussein from power. On the contrary, they appeared only to solidify his control over a people whose suffering had been intensified by governments hostile to his regime. Shortages of food and medicine were accompanied by disease run rampant, as the government was unable to purchase equipment needed to repair bombed out water and sewer lines. That the United States and its allies were aware of the harm the sanctions inflicted on ordinary Iraqis is well documented. In 1996, when the embargo was five years old, then-Secretary of State Madeleine Albright was questioned by Lesley Stahl on CBS's *60 Minutes*, about the human suffering caused by the



sanctions:

Stahl: We have heard that a half million children have died. I mean, that's more children than died in Hiroshima. And, you know, is the price worth it?

Albright: I think this is a very hard choice, but the price — we think the price is worth it.

Albright did not dispute the half-million figure cited by Stahl in apparent reference to a report of the UN Food and Agriculture Organization that 567,000 Iraqi children under the age of five had died as a result of the sanctions. Whatever the number, the fact that the United States and its allies — and the United Nations, as well — were willing to sacrifice the lives of hundreds of thousands of Arab children to the goal of “regime change” in Iraq was much publicized throughout the Arab world and no doubt did much to inflame anti-American and anti-Western hostility. Years later, when the abuse of prisoners by American military personnel at the Abu Ghraib prison in Iraq became an international scandal, columnist Joseph Sobran observed sardonically, “There goes all the good will we built up through years of bombing Arab cities and starving Arab children.”

Indifference to Suffering

Militant anti-Americans need not depend on years-old scandals or statements by officials of previous administrations to find evidence of indifference to humanitarian concerns on the part of U.S. policymakers. In an article published in the Washington, D.C., journal *The Hill* on August 9, U.S. Rep. Brad Sherman (D-Calif.), a senior member of the House Foreign Affairs Committee and the top Democrat on its Subcommittee on International Terrorism, Non-proliferation and Trade, called for strict enforcement of the latest sanctions approved by Congress. Calling the legislation “the most significant measure on Iran that Congress has ever passed,” Sherman said its goal is to “drive Iran’s economy into a crisis and force its leaders to the negotiating table” where Iran must “agree to end [uranium] enrichment and other sensitive nuclear activity.”

“Iran needs to import most machines and hi-tech goods, goods and technology needed to make a nation run,” Sherman wrote, boasting that “the largest corporations in the world will have to forgo business with Iran or lose all their U.S. government contracts,” while “banks will do business in Iran at considerable peril.” He acknowledged, if only to dismiss, claims by some critics that the sanctions could spark trade wars between the United States and other nations.

“Critics also argued that these measures will hurt the Iranian people,” the congressman wrote. “Quite frankly, we need to do just that.”

Iraq Redux?

When a dozen years of sanctions and the resulting economic hardship on Iraq failed to achieve their goal, the United States and its coalition partners went to war with that nation over its alleged “weapons of mass destruction.” More than 4,000 American lives were lost, a hundred thousand or more Iraqis were killed, and millions were made homeless from the devastation of a war started over weapons that were not there. The war did achieve the U.S. goal of “regime change,” however, as the government of Saddam Hussein was replaced by an elected Shiite parliament and president with friendly ties to Saddam’s old enemy — the Shiite government of Iran.

Now Democrat Barack Obama appears to be following the same policy toward Iran that Republican George W. Bush followed into a war with Iraq. This time, we are told, it is the possibility of a nuclear-armed regime in Tehran that threatens the peace and stability of the Middle East and the safety and



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security of the United States and its allies. Iranian President Mahmoud Ahmadinejad has replaced Saddam Hussein as the world's most dangerous leader and his oft-stated hostility toward the state of Israel has given rise to fears of an Iranian attack on the Jewish state once Iran has a nuclear bomb at its disposal.

But Israel is believed to have some 200 to 300 nuclear warheads, and Iran's rulers know that an attack on Israel would mean their own and their nation's destruction. Yet President Obama insisted in his United Nations speech of September 25 that "a nuclear-armed Iran is not a challenge that can be contained." Two days later, Israeli Prime Minister Benjamin Netanyahu told the General Assembly why deterrence would not work against Iran as it did against the Soviet Union with its thousands of nuclear weapons.

"There's a great scholar of the Middle East, Professor Bernard Lewis, who put it best," Netanyahu said. "He said that for the Ayatollahs of Iran, mutually assured destruction is not a deterrent, it's an inducement."

Yet in that same speech, Netanyahu called for the drawing of a red line, backed by the promise of military action, on Iran's nuclear program to deter Tehran from developing a nuclear weapon. But if "the Ayatollahs of Iran" are hell-bent on achieving their own destruction, why would a red line and threats of military reprisals stop them from developing a nuclear bomb? And why would the human suffering and damage to their nation's economy caused by the sanctions prevent them from doing so? North Korea is acknowledged to be among the world's worst economic basket cases, yet that country was able to develop a nuclear weapon over the strenuous objections of "the international community."

Both Barack Obama and Mitt Romney have made clear their willingness to use military force, if necessary, to prevent Iran from having a nuclear weapon. Romney has even promised to prevent the nation from acquiring the "capability" of developing a nuclear weapon, echoing the policy declared by Netanyahu. Yet a National Intelligence Estimate (NIE), prepared by all 16 U.S. intelligence agencies, reported in 2007 that Iran had abandoned its nuclear weapons program in 2003. An NIE released late last year reported no evidence that Iran had decided to renew its quest for a nuclear weapon. Secretary of Defense Leon Panetta has acknowledged more than once the absence of such evidence. Asked about Netanyahu's call for a "red line," Panetta told CBS News: "When they make the decision to go ahead and build a nuclear weapon, that, for us, is a red line."

Why the economic war and threats of military action if there is yet no evidence Iran has even decided to build a nuclear weapon? Mitt Romney's two dozen foreign policy advisors include 17 who served in the Bush-Cheney administration that took the nation to war over alleged weapons of mass destruction in Iraq. Barack Obama, who spoke out against the Iraq War while a state senator in Illinois, appears to have found military action more to his liking since entering the White House, his Nobel Peace Prize notwithstanding. While the Constitution puts the question of war and peace for the United States in the hands of the U.S. Congress, Romney has said he would not need congressional approval for military action against Iran. Obama, with his unauthorized intervention in Libya's civil war last year and his continued bombing of targets and killing of civilians in Pakistan, Yemen, and other Middle East nations, has also demonstrated his determination that the making of war shall be solely the prerogative of the president.

Some may see an opportunity to build the "New World Order" sought by the first President Bush, or the "global democratic revolution" declared by the second, out of the chaos of another Middle East war. But before the American people are called upon to "support our troops" in another ill-conceived war, we



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might ask this question: “Does it really make moral, political, or practical sense to start another war with a country over what it might do with a weapon it does not have?”

— Photo of President Obama signing a 2010 sanctions bill against Iran: AP Images

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