US builds “coalition of like-minded nations” against Iran

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While the Obama administration is publicly backing continued international talks with Iran over its nuclear programs, preparations are continuing apace for the imposition of draconian new penalties should Tehran fail to meet US demands.

The *Wall Street Journal* yesterday reported on a high-level meeting in Washington on Wednesday involving what was informally described as a “coalition of the like-minded nations” to discuss the imposition of sanctions on Tehran—with or without UN Security Council agreement. Obama has set December as the deadline for the conclusion of talks with Iran.

The gathering involved all G-7 members—the US, Britain, France, Germany, Japan, Italy and Canada—as well as Saudi Arabia, the United Arab Emirates, Australia and South Korea. Significantly, China and Russia were absent. Both are permanent members of the UN Security Council and parties to the negotiations with Iran, but have been resistant to broad sanctions against Tehran.

The meeting at the Treasury Department headquarters was convened at the initiative of Stuart Levey, Treasury Undersecretary for the Office of Terrorism and Financial Intelligence. Levey, a Bush administration official retained by Obama, has been centrally involved in the US campaign to bully international banks and financial institutions into cutting off relations with Iran.

No statement was issued from Wednesday’s meeting. The *Wall Street Journal* reported that eight areas of the Iranian economy were targetted, including refined petroleum projects, insurance and re-insurance companies, shipping and the banking sector. In addition, new ways to sanction key Iranian leaders and their ability to travel internationally were discussed. According to one diplomat, “Everything is on the table.”

The meeting recalls the Bush administration’s notorious “coalition of the willing” that joined the criminal US-led invasion of Iraq in 2003. While the gathering discussed economic penalties, it is obviously part of a broader US strategy to enlist close allies in any broader confrontation with Iran. While presently downplaying military action, Obama has pointedly not ruled it out.

The US plans further meetings. As the *Wall Street Journal* explained: “US officials view the meeting as the first in a series of strategy sessions among the 11 countries on how to enact new financial penalties on Tehran should it rebuff international efforts to end its nuclear program diplomatically.”

The US Congress is also preparing a battery of legislation designed to aggressively pressure foreign banks and corporations into imposing sanctions on Iran. As the US itself has virtually no economic ties with Iran, the measures threaten to penalise companies that trade or invest in Iran by choking off access to the American economy.

At a meeting of the Senate Banking Committee on Tuesday, the Democrat Chairman Christopher Dodd declared that he would move ahead with “comprehensive sanctions legislation” this month. “Our legislation will complement… and reinforce ongoing diplomatic efforts, and send a very, very, clear signal to Iran’s leaders of what’s in store if they

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continue to defy the will of the international community," he warned.

Broad options under consideration in the Senate committee include the cutting of US ties to foreign companies involved in supplying refined petroleum to Iran, the construction of oil and gas pipelines, and banking and financial transactions. The legislation could also include a broad ban on imports from Iran.

Another measure proposed by Democrat Robert Casey and Republican Sam Brownback would seek to force state and local governments to divest from companies doing business with Iran. Democrat Charles Schumer and Republican Lindsey Graham have introduced the Reduce Iranian Cyber-Suppression Act to prohibit the US government from dealing with firms that export communications technology to Iran.

Dodd told the Senate committee that Tehran had to know that the US would not wait long and that Congress wanted action. "The fear here collectively is that the Iranian government is taking us to the cleaners on this issue." In response, US Deputy Secretary of State James Steinberg, who testified at the session, underscored the Obama administration's preparedness for confrontation. "Our patience is not unlimited," he said, reiterating that "nothing is off the table" in dealing with Iran.

To reinforce the December deadline, the House of Representatives approved a defence authorisation bill on Thursday requiring the Obama administration to provide a formal assessment to Congress in January of negotiations with Iran. The legislation, which is yet to be approved by the Senate, calls for new economic penalties on Iran should it refuse to "accept the offer of the United States to engage in diplomatic talks" and "to suspend all enrichment-related and reprocessing activities".

The flurry of behind-the-scenes activity in the US Congress and internationally is another sign that the Obama administration intends to rapidly ratchet up the threats against Iran even as further negotiations between the P5+1 powers—the US, Britain, France, Russia, China and Germany—with Iran are slated later this month.

Prior to talks in Geneva on October 1, Obama deliberately stoked tensions with a theatrical "revelation" at the G-20 summit in Pittsburgh that Iran had a second, covert uranium enrichment plant near the city of Qom. Tehran had notified the International Atomic Energy Agency (IAEA) about the uncompleted facility four days previously. Iran has subsequently reached an agreement with the IAEA to inspect the site on October 25.

At the Geneva talks, Iran also offered to discuss a plan to ship the bulk of its current stock of low-enriched uranium to Russia then France for further enrichment and processing into fuel rods for its medical research reactor. By exporting Iran's low enriched uranium, the proposal would reinforce Tehran's claim that it was not planning to build a bomb. The scheme is due to be discussed in Vienna on October 19.

None of this has halted the continuing campaign in the US and international media branding the Iranian regime as "liars" and "cheats" over its nuclear program. The purpose of these denunciations is to create a climate of fear and distrust in a bid to stampede public opinion in the US and its allies behind an escalating confrontation with Iran and to bully countries that are wavering, or even opposed, into line.

In reality, the US is using Iran's nuclear programs as a convenient pretext for pursuing efforts to fashion a regime in Tehran more amenable to American economic and strategic ambitions in the region, particularly as it escalates the war in Afghanistan and Pakistan. The constant aggravation of tensions in the Persian Gulf only serves US interests, by cutting across the existing economic relations of its rivals with Iran.

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