US and EU lift economic sanctions against Iran

Keith Jones 18 January 2016

The US and its European Union allies announced late Saturday evening that they are lifting the punishing economic sanctions they have imposed on Iran since 2011 and bullied the rest of the world into enforcing.

The removal of the sanctions came hours after the International Atomic Energy Agency (IAEA) reported to the P-6—the US, Britain, France, Germany, Russia and China—that Iran had met the conditions to begin implementing the Joint Comprehensive Plan of Action (JCPA) Tehran and the P-6 reached last July.

For the JCPA to become operational, Iran had to dismantle or mothball most of its indigenous civil nuclear program. This included diluting or removing from the country 98 percent of its stockpile of low-grade enriched uranium, dismantling 14,000 centrifuges (two-thirds of its total uranium enrichment capacity) and placing them under IAEA storage, and gutting its Arak heavy-water nuclear reactor. This last condition was met last week, when Iranian technicians removed the core of the Arak reactor and replaced it with cement.

Reached after nearly two years of formal negotiations, the JCPA sets out a more than decade-long framework or "pathway" for "normalizing" Iran's civil nuclear program. As a signatory to the Nuclear Non-Proliferation Treaty, Iran has the legal right to a full-cycle civil nuclear program, but the US and its EU and Mideast allies long insisted that Iran's civil program was simply a cover for developing nuclear weapons—a charge that they never substantiated and that Tehran always vehemently denied.

Speaking from Vienna Saturday, US Secretary of State John Kerry boasted that under Washington's pressure Iran has had to dismantle much of its nuclear program and accept the most intrusive IAEA inspections regime ever devised. "Iran," declared Kerry, "has undertaken significant steps that many—and I do mean many—people doubted would ever come to pass."

The top US diplomat said that with the nuclear materials now available to it and the IAEA "safeguards" now in place, Tehran would need at least a year to assemble a single nuclear bomb and that if it ever attempted to do so "we would know it almost immediately and...have enough time to respond accordingly."

Kerry, who both before and during the P-6 nuclear negotiations repeatedly threatened Iran with war, touted the JCPA and the sweeping concessions the US extorted from Iran and that have now triggered JCPA "implementation day" as a victory for peace. They are nothing of the sort.

The nuclear deal with Iran is a tactical shift by Washington, the aim of which is to strengthen US imperialism so it can better confront, including militarily, what it views as its more significant adversaries, China and Russia.

US imperialism's decades-long drive for regime change

For Washington, the nuclear issue has always been essentially a pretext, a mechanism to intensify its decades-long campaign to bring to heel the clerical-bourgeois regime that emerged from the 1979 revolution that toppled the bloody rule of the CIA-installed Shah.

George W. Bush and Dick Cheney brought forward claims that Iran was seeking nuclear weapons in the immediate aftermath of the US's illegal 2003 invasion of Iraq. Their aim was to lay the political groundwork for a war on Iran, just as they had used lies about "weapons of mass destruction" as their casus belli to attack Iraq.

Obama dramatically ratcheted up pressure on Iran in 2011, imposing, with EU support, the most draconian economic sanctions regime ever employed outside of wartime. Iran's oil exports, the principal source of finance for its government, were cut in half. Iran was frozen out of the world financial system, crippling much of the rest of its trade and denying it access to tens of billions of dollars in oil sales proceeds and Iranian central bank reserves held outside the country.

In addition, the US and Israel collaborated in a campaign of "covert action" that included cyberwarfare and the assassination of Iranian scientists.

Obama, in countering significant opposition to the Iran deal within the US political establishment and military-security apparatus, has repeatedly declared that the only alternative to the JCPA is war with Iran.

In making this argument, Obama has trumpeted his record in authorizing wars and assassinations around the world and insisted that he and all future US presidents continue to have "all options" at their disposal in regard to Iran. In effect, he and Kerry have argued that at this juncture it is more expedient for the US to bind the Iranian regime to a diplomatic straitjacket and explore the possibilities of a further rapprochement with Tehran on US terms than risk a major war with Iran—a war that like all wars would entail massive costs and unintended consequences.

Central to the Obama administration's calculations is the recognition that Iran's bourgeois nationalist rulers are eager to do business with US imperialism.

Iran's current president, Hassan Rouhani, comes from a faction of the Islamic Republic's ruling elite which, with the blessing of the Supreme Leader, Ayatollah Khamenei has repeatedly sought to engineer a rapprochement with Washington over the past quarter century.

The US drive to subjugate Iran through economic sanctions and military pressure has intensified the already explosive class tensions within Iran. Fearing that mass unemployment and inflation will provoke a challenge from below, the leaders of the Islamic Republic are anxious for an accommodation with Washington in exchange for it forgoing its drive for "regime change" and accepting Tehran as a legitimate player in regional affairs.

US officials were apparently surprised at the speed with which the Iranian regime implemented the preconditions outlined in the JCPA, beating by months, reports the *New York Times*, the estimates by the CIA and Department of Energy.

That all factions of the Iranian regime accept the nuclear deal and a new relationship with Washington was underscored by the Iranian Revolutionary Guard Corp's quick release last week of ten US Navy sailors whose speedboats were apprehend inside Iranian waters near Iran's highly sensitive naval base at Farsi Island in the Persian Gulf.

In the run-up to Saturday's announcement of the lifting of US-EU sanctions, there was a flurry of diplomatic activity, as Tehran and Washington sought to address other frictions.

Ultimately, Iran "swapped" four dual US-Iran citizens, including *Washington Post* journalist Jason Rezaian, and allowed a fifth American to leave the country in exchange for the US releasing seven Iranians who had been jailed for their alleged involvement in sanctions-busting.

In a signal of the ongoing tensions between Washington and Tehran, the Obama administration waited until the plane carrying Rezaian and three others left Iran's airspace, then slapped new sanctions on 11 Iranian individuals or companies, for alleged Iranian violations of a UN Security Council resolution barring the testing of ballistic missiles. This was something of a fig leaf to appease right-wing opponents in the US, since the 11 entities newly sanctioned were dwarfed by the 550 individuals and companies freed from sanctions under the nuclear deal.

A *New York Times* report indicates that the US may have extorted further concessions from Tehran as a condition for quickly proceeding with JCPA "implementation day." According to the *Times*, " the United States and Iran were struggling late Saturday to define details of what kind of 'advanced centrifuges' Iran will be able to develop nearly a decade from now—the kind of definitional difference that can undermine an accord."

US-Iranian relations remain fraught

As it stands, the JCPA has been designed by the US to ensure continuous surveillance and periodic review of Iran's compliance, so as to enable Washington to pressure Tehran for fresh concessions whether by threatening to "snap back" the economic sanctions or holding up further implementation of the nuclear agreement.

More generally, through increased diplomatic engagement with Tehran and the renewal of Iran's economic ties with the west, Washington intends to probe and leverage the deep fissures within the Iranian regime over how far it should go in tying itself to US strategic interests. Rouhani and his foreign minister, Javad Zarif, have themselves repeatedly declared that Iran can act as a "stabilizing force" in the Middle East, from Afghanistan to Syria.

Since the summer of 2014, there has been some tacit collaboration between Iran and the US in opposing the Islamic State (ISIS) insurgency in Iraq. However, as the Iranian press, and on occasion the Foreign Affairs Ministry, have observed, the US and its Gulf allies have a long history of using Sunni Islamist forces, including those that came together to form ISIS, as proxies in "regime-change" wars.

Moreover, the chief aim of the current US war in the Middle East is not the defeat of ISIS, but the replacement of Bashar al-Assad's Baathist regime in Syria, a close ally of both Moscow and Tehran, and the imposition of a US puppet regime in Damascus.

The implementation of the JCPA does represent a major shift in the geopolitics of the Middle East. US-Iranian relations nonetheless remain fraught. Under conditions where the Middle East is essentially afire as a result of the wars waged and fomented by the US and its European and regional allies, they could easily unravel with the US pivoting back to full-scale confrontation with Tehran.

US imperialism has shown time and again that should circumstances

change and the opportunity present itself, no agreement it signs is worth the paper it is written on.

The Republicans, a minority faction of the Democratic Party, and significant sections of the military-security establishment continue to try to subvert the nuclear deal as they deem unacceptable anything but an immediate and complete Iranian surrender to US strategic interests.

Israel and Saudi Arabia, the principal US client regimes in the region, have sought to prevent a US-Iranian rapprochement because they fear it will come at their expense. Earlier this month, Saudi Arabia carried out the provocative execution of the dissident Shia cleric Nimr al-Nimr, then cut off diplomatic ties with Iran and prevailed on other Gulf States to do the same.

For their part, Obama, Kerry and the Pentagon have vowed time and again that they will aggressively challenge Iran whenever and wherever it is deemed to be impeding US "national interests."

Kerry, in his Saturday evening statement, declared that the implementation of the JCPA "does not wipe away all of the concerns that the international community," i.e. the US and its allies, have "rightly expressed about Iran's policies and actions and choices in the region."

The lifting of the economic sanctions against Iran will exacerbate competition between the great powers. The Europeans, who maintained significant economic relations with Iran until 2011, are anxious to resume exports and investments in the Iranian domestic production of cars, electrical equipment and other goods and, most importantly of all, to exploit Tehran's offers of major oil and natural gas concessions on cutrate terms.

US imperialism also covets Iran's resources and potential as a market and supplier of cheap labor. However, it cut off most economic ties with Iran decades ago and for the moment is committed to keeping in place sanctions that, in the name of human rights and stopping "state-sponsored terrorism," bar most trade with Iran. Expressing the mounting concerns in US business circles, CNN has published articles in recent days under the headlines "Iran without sanctions: European firms ready to pounce" and "Why US businesses could lose big in Iran."

Russia and China are also eager to exploit new opportunities in Iran, including for arms sales. Chinese President Xi is to visit Iran this week, as well as Saudi Arabia and Egypt.

Western analysts have long viewed the "opening" of Iran—or what they term as the "world's last major closed market"—as a much-needed shot in the arm for world capitalism. Yet the immediate impact of the lifting of sanctions on Iran will likely be highly destabilizing, as the Iranian regime is anxious to earn dollars by bringing large volumes of oil to market, thereby further depressing oil prices, which are already at near-record lows.



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