

US rejects EU carve-out from sanctions against Iran

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The Trump administration has formally rejected calls from France, Germany and the UK, as well as the European Union, for a carve-out from US sanctions on Iran imposed as a result of the US withdrawal from the Iran nuclear deal last May.

The letter, signed by Secretary of State Mike Pompeo and Treasury Secretary Steven Mnuchin, cited in a number of news reports over the weekend, was in reply to a June 7 request from the European powers seeking exemptions in finance, energy and health care and for contracts with Iran signed after the nuclear deal was reached.

The European powers had said that, “as allies,” they expected that “the United States will refrain from taking action to harm Europe’s security interests.”

This was flatly rejected. The Pompeo-Mnuchin letter said the US was seeking to apply “unprecedented financial pressure” on Iran after pulling out the Joint Comprehensive Plan of Action (JCPOA).

“The president withdrew from the JCPOA for a simple reason—it failed to guarantee the safety of the American people,” the letter said. “We are thus not in a position to make exceptions to this policy except in very specific circumstances where it clearly benefits our national security.”

The first wave of sanctions will come into effect on August 4, targeting cars, gold and other metals. A second wave will be imposed on November 4, directed against sales of oil and financial transactions by Iran’s central bank.

Earlier this month, State Department official Brian Hook said teams from the Trump administration had visited a number of countries to “warn governments and companies” of the risks of continuing to do business with Iran. The US would be “aggressively” locking up Iran’s overseas assets and denying the

“Iranian regime access to its hard currency.” He said the US wanted to reduce Iranian oil exports “down to zero as soon as possible” before the November 4 deadline.

The US measures are another economic blow against the European powers, which had looked to the JCPOA as opening the way for billions of dollars of lucrative trade and investment deals with Iran.

As details of the Pompeo-Mnuchin were published, Trump took another swipe at Europe following his denunciations of its levels of spending on NATO and his declaration that Germany is a “captive” of Russia because of gas deals.

In an interview with the CBS program “Face the Nation” yesterday, when he was asked to name the US’s “biggest foes globally,” Trump first cited the European Union. “I think the European Union is a foe, what they do to us in trade. Now you wouldn’t think of the European Union, but they’re a foe,” he said, before going on to name Russia as “a foe in certain respects” and China as “a foe economically.”

The EU has held out the prospect of being able to counter the US measures by offering protections to corporations doing deals with Iran.

EU foreign ministers are set to hold talks today to set out their response, with an official telling the *Financial Times* that its members would continue to resist the Trump administration’s efforts to scuttle the accord.

The EU would continue to underline their expectations “that US sanctions should not be imposed in a manner that prevents European economic operators from undertaking their legitimate business with Iran in line with commitment under the nuclear deal,” the spokesperson said.

The EU is working to provide non-dollar-denominated financial lines to Iran’s central bank for

payments for oil and to update a 1990s law which sought to shield European companies from previous US sanctions.

However, major European corporations, including the French oil giant Total, have already pulled out of proposed agreements, fearing the impact of US sanctions. They not only risk being denied access to US markets but also face the prospect of losing their ability to finance deals with third parties because of the dominant role of the US dollar in the global financial system.

The US withdrawal from the JCPOA and its threat to impose sanctions on those who still adhere to it have been undertaken despite the fact all the other signatories, as well as the chief international nuclear inspection agency, have declared that Iran has been in full compliance with the agreement.

For the US, the issue of Iran's nuclear capability has always been about the pursuit of a wider agenda—the removal of Iran as a regional power in the Middle East in order to facilitate unfettered US domination. On May 12, the US set a series of demands including that Iran cease involvement in the Yemen, Syria and Iraq.

The letter from Pompeo and Mnuchin said the US would continue to maintain sanctions until it saw a “tangible, demonstrable and sustained shift in the policies we have enumerated.”

This is, in effect, a demand that Iran abandons any independent foreign policy and aligns itself completely with the dictates of the US in the region. The inherent logic in such a demand is war against Tehran, coupled with regime-change operations.

The threat of war was the subject of a comment published in the *Atlantic* by Democratic Senator Tim Kaine, who ran as Hillary Clinton's vice-presidential candidate in the 2016 elections. The nuclear deal with Iran was one of the key foreign policy initiatives of the Obama administration.

Describing the decision of the US to wage war against Iraq—a decision that was fully backed by Clinton—as one of the “worst mistakes” ever made by the US, he wrote: “I fear the United States is on the verge of blundering into another unnecessary war with Iraq's next-door neighbour Iran.” The same warning signs, he said, are “on the horizon.”

Indeed, the same personnel are involved. John Bolton, one of the chief promoters of the war against

Iraq and a strident advocate of regime-change in Tehran, is now the National Security Adviser in the Trump administration.

Kaine also cited a report by the web site *Axios* that Israel and the US had formed a working party a few months ago to focus on efforts within Iran to encourage protests and apply pressure on the government. The *Axios* report said the work of the joint team had been discussed at a meeting between Bolton and his Israeli counterpart several weeks ago.

Pompeo will deliver a major address next Sunday entitled “Supporting Iranian Voices” after issuing a series of tweets supporting protests against the Tehran government and declaring that “the world hears their voice.”



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