

U.S. Should Lead Patient But Firm International Response to Iran's Provocations

James Phillips

KEY TAKEAWAYS

The U.S. must maintain a maximum pressure campaign on Iran until the regime commits to permanently abandoning its nuclear weapons ambitions and support for terrorism.

Iran's actions speak for themselves: The regime is committed to destabilizing the region through its covert attacks on oil tankers and Arab oil exports.

As it weighs a response to Iran's maritime threats, the Trump Administration should patiently build international support for rolling back Iran's nuclear efforts.

The slow-motion confrontation between Iran and the United States has accelerated in recent weeks. Iran's June 19 shoot-down of a U.S. Navy surveillance drone near the Strait of Hormuz, and a series of attacks on ships in the Gulf of Oman off Iran's coast, have ratcheted up tensions on many fronts. The U.S. and its allies need to respond effectively to Iran's covert maritime threats, and as they do so, they should bear in mind that Iran's most potent threat is on the nuclear front.

Tehran has threatened to exceed the limits established by the nuclear agreement if the European Union fails to protect Iran from U.S. sanctions by July 7. Washington must calibrate its response to the drone and tanker attacks with an eye to mobilizing international support in the approaching crisis over Iran's surging uranium-enrichment operations, a much more important issue, which has triggered Iran's bellicose maritime threats.

This paper, in its entirety, can be found at <http://report.heritage.org/ib4973>

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Maximum Pressure vs. Maximum Blackmail

Following the U.S. withdrawal from the flawed 2015 Iran nuclear agreement in May 2018, Tehran initially adopted a cautious policy of strategic patience. It sought to outlast the Trump Administration and deal with what it hoped would be a different Administration after the 2020 presidential election. But the unprecedented strength of U.S. sanctions imposed under the Administration's "maximum pressure" campaign forced the regime to change course. Washington tightened oil sanctions on May 2 by eliminating waivers that allowed some countries to continue Iranian-oil imports, slashing Iran's oil exports from about 2.5 million barrels per day in May 2018 to less than half a million barrels of oil per day.

On May 8, 2019, the first anniversary of the U.S. withdrawal from the nuclear deal, Tehran announced that it would stop complying with parts of the agreement and warned that it would exceed limits on enriched uranium and heavy-water stockpiles unless Britain, France, Germany, and the EU find a way to protect Iran from U.S. oil and bank sanctions within 60 days, by July 7. A spokesman for Iran's atomic energy agency stated on June 17 that Tehran was on course to exceed the limits on its uranium stockpile by June 27.

In addition to its threats to ramp up uranium enrichment, Tehran has escalated its covert campaign against Arab oil exports, particularly from Saudi Arabia and the United Arab Emirates, which are key members of the U.S.-led coalition against Iran. On May 12, four oil tankers moored off the coast of the United Arab Emirates in the Gulf of Oman were sabotaged with limpet mines. Two days later, Iran-backed Houthi rebels based in Yemen attacked Saudi Arabia's East-West Pipeline with Iranian-supplied armed drones, forcing a temporary shutdown of the oil pipeline.

On June 10, Iranian Foreign Minister Mohammad Zarif warned the United States that it "cannot expect to stay safe" after waging an "economic war" against Iran. On June 13, two more tankers were attacked in the Gulf of Oman. Iranian Revolutionary Guards were filmed removing an unexploded limpet mine from one of the damaged ships, but Tehran continues to deny its involvement in all the attacks.

Iran's rogue regime has returned to some of the same tactics that it used to threaten international shipping during the so-called tanker war that evolved during the 1980–1988 Iran–Iraq war: covert mine attacks in international waterways. What is new is that the attacks have occurred outside the Persian Gulf, demonstrating Tehran's greater strategic reach, and involved sophisticated naval commando operations rather than floating

mines. Also, the limpet mines were placed above the waterline of all six tankers, indicating that the intention was not to sink the vessels, but to expose a vulnerability that gives Tehran greater leverage.

Iran's beleaguered regime is signaling that if it cannot export its oil due to U.S. sanctions, Iran's Arab neighbors also will be denied the opportunity to export their oil, with damaging consequences for oil-importing countries and the global economy.

U.S. Must Lead Careful But Firm International Response

Iran's provocative actions in shooting down a U.S. drone and disrupting oil exports are part of its strategy of pushing back against U.S. pressure on the nuclear issue. Those asymmetric tactics are the opening skirmish in what is likely to be a protracted and intensifying crisis over Iran's escalating uranium enrichment. Washington should keep an eye on how to mobilize the most international pressure on Iran on the nuclear front, as it mulls its options on the maritime front.

Iran seeks to drive a deep wedge in the international coalition that pressured it to reach the 2015 nuclear agreement and forestall a renewed international pressure campaign by provoking a crisis with the U.S. in which it will pose as a victim of U.S. "bullying." Washington can exploit the weakness of Iran's strategy by patiently building an airtight case documenting Iranian covert aggression. Iran's sabotage campaign against Arab oil exports threaten the interests of European and Asian oil importers, particularly China, India, and Japan, much more than it threatens the U.S., which is much less dependent on Middle Eastern oil. This gives Washington a chance to enlist such oil-importing states in a broad coalition to protect shipping that will make the issue one of "Iran against the world," rather than just "Iran against the U.S."

Underhanded but deniable attacks on international shipping in violation of international law remind other countries why the regime in Tehran cannot be trusted with a nuclear program. Iran's high-seas terrorism and intimidation tactics give European allies ample reason to reconsider their soft and naive approach to Iran policy, and to reunite with the U.S. in seeking a more binding and long-lasting agreement to preclude an Iranian nuclear weapon.

The Trump Administration should:

- **Have patience—sanctions are working.** Renewed oil sanctions have been much more effective in diminishing Iran's oil export revenues in

part because of the dramatic surge of U.S. shale oil and gas production in recent years, which has helped free up alternatives to Iranian oil exports. Sanctions have forced Tehran to cut back its military budget and reduce its support for militant groups, and have fueled domestic opposition to its costly intervention in Syria. Tehran's pinprick attacks on oil tankers cannot reverse Iran's deteriorating economic situation, but they can create the conditions for a more assertive international response to Iran. If Tehran escalates the attacks, it risks provoking not only a multinational naval escort operation and international sanctions, but possibly a costly and risky military clash with the United States. Such a clash could enable the unpopular regime to rally domestic support by appealing to Iranian nationalism to offset the declining appeal of its harsh Islamist ideology. This is another reason for Washington to patiently build the case for any military response and to make clear to Iranians that the regime provoked the crisis as part of its desperate efforts to cling to power.

- **Seek greater international support.** Washington needs to mobilize the strongest possible international support to effectively deal with Iran's naval, nuclear, and terrorist threats. It should patiently build a case against Iran that could generate wider and greater international support for further sanctions, possible naval escort missions, or as a last resort, military operations. To this end, Washington should go the extra mile to furnish proof of Iranian attacks and put the focus on Iran's aggressive tactics and nuclear brinkmanship. The best way to deter further Iranian aggression and avoid a possible war is to enlist European, Asian, and Arab allies to join a U.S.-led diplomatic campaign to persuade Tehran that the only way to lift sanctions is through negotiations to resolve the nuclear issue.
- **Maintain strong military forces in the region to deter Iranian attacks and defend U.S. interests against them.** Ultimately, no international agreement to limit Iran's nuclear weapons efforts can succeed unless it is backed by the credible threat of the use of force. Deterring an Iranian nuclear breakout is a much higher priority than responding to Tehran's symbolic pinprick attacks on oil tankers. The U.S. should practice military restraint as long as Tehran refrains from direct attacks on U.S. troops, citizens, or officials, or unless Tehran significantly escalates its attacks on international shipping.

- **Keep the diplomatic door open.** Iran's leaders have repeatedly rejected negotiations with the Trump Administration on the Iranian nuclear program, but they also did so in the run-up to the 2015 nuclear agreement. President Trump has correctly signaled his willingness to negotiate a better deal with Tehran. This is important for mobilizing greater international pressure on Iran, as well as underscoring to Iran's long-suffering people that it is the regime's refusal to permanently give up its nuclear weapon ambitions that has provoked sanctions and undermined their economic welfare.

Iran's Oil Threats Are Secondary to Its Long-Term Nuclear Threat

Iran's attacks on international shipping are driven by the maximum blackmail strategy it has adopted in the long-running confrontation over its nuclear program. In responding to Iran's threats to oil exports, the Trump Administration should act patiently to shape a supportive international environment for U.S. policy on the nuclear front, which is the crucial arena for containing Iran.

James Phillips is Senior Research Fellow for Middle Eastern Affairs in the Douglas and Sarah Allison Center for Foreign Policy, of the Kathryn and Shelby Cullom Davis Institute for National Security and Foreign Policy, at The Heritage Foundation.