

## Sanctions imposed on Iran causing a stronger effect than anticipated', says US National Security Advisor



Imgae: DC

The sanctions imposed by the United States on Iran in August are having a stronger effect than was anticipated earlier, according to John Bolton, former US Ambassador to the United Nations and current National Security Advisor to the Trump regime.

The sanctions targeted Iran's car industry, their trade in gold and other precious metals as well as the purchase of the US dollars. The second set of sanctions are scheduled to be imposed on the 4<sup>th</sup> of November this year, which will affect Iran's oil sales and its banking sector. The August sanctions caused an enormous rise in the country's food prices since Iran's national currency, the Rial, subsequently lost half its value since April. There has also been an increase in inflation and an elevated level of unemployment. Said John Bolton, "Let me be clear, the reimposition of the sanctions, we think, is already having a significant effect on Iran's economy and on, really, popular opinion inside Iran. I think the effects, the economic effects certainly, are even stronger than we anticipated." However, Bolton believes that the Iranians have had this coming for some time now. "Iranian activity in the region has continued to be belligerent: what they are doing in Iraq, what they are doing in Syria, what they are doing with Hezbollah in Lebanon, what they are doing in Yemen, what they have threatened to do in the Strait of Hormuz." The Strait is a waterway for the transportation of oil. Iran's Revolutionary Guards have been threatening to close off the Strait as a response to Donald Trump's call to ban all Iranian oil exports.

The President of the United States backed out of the 2015 international nuclear deal with Iran after Washington saw the deal as inadequate to try and curb Iran's nuclear activities. Trump promised to impose the "highest level" of sanctions on Iran's energy, petrochemical and financial sectors. This caused Iran to get livid and take a defiant stand, rattling other world powers where some businesses have been debating on divesting from the Islamic Republic. Europe, China and Russia were against these sanctions. Meanwhile, Brussels has pledged to protect European countries who could suffer from the sanctions. While Europe is persuading Tehran to stay in the deal by trying to secure enough economic benefits, European firms wary of the financial penalties are making Europe's goal increasingly difficult to achieve. Total, a French oil group pulled out of a major gas project while Peugeot-Citroen Automobiles is considering following in their steps. Bolton said, "We expect that Europeans will see, as businesses all over Europe are seeing, that the choice between doing

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business with Iran or doing business with the United States is very clear to them."He added, "So we will see what plays out in November. But the president (Trump) has made it very clear - his words - he wants maximum pressure on Iran, maximum pressure, and that is what is going on. There should not be any doubt that the United States wants this resolved peacefully, but we are fully prepared for any contingency that Iran creates."

The re-imposition of these sanctions could make things worse for the economy of Iran. Already, protests over the cost of living by Iranians are turning into anti-government rallies.

*\*Neha Hardikar is a Research Intern at The Kootneeti*

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