



The Fruits of 'Maximum Pressure': An Increasingly Isolated Iran | Opinion

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You wouldn't know it from the popular press, but the Trump administration's campaign of "maximum pressure" against Iran is working.

In recent weeks, assorted commentators and Obama-era officials have taken to social media and the editorial pages of various newspapers to argue the opposite. They have blamed the Trump administration's expanding economic sanctions and political pressure on the Islamic Republic for everything from causing a humanitarian catastrophe inside the country to inadvertently setting the stage for a new war in the Middle East.

Quite predictably, in this election year, Iran has also become a partisan campaign issue. Democratic Party presidential contender Joe Biden has argued publicly that the Trump White House has "no strategy" for dealing with Iran, and his top foreign policy advisor has intimated a Biden administration would likely reverse course and adopt a more conciliatory stance toward Tehran.

So, is "maximum pressure" really as ineffective as the critics are saying? Indicators from within the Islamic Republic suggest precisely the opposite.

Iran, by rights a bona fide energy superpower, has seen its global oil trade dry up over the past year as a result of American pressure. As recently as 2018, according to official figures compiled by the Organization of Petroleum Exporting Countries, Iran generated more than \$60 billion in annual revenue from the sale of oil abroad. But last year, as Iranian officials have disclosed, that figure dwindled to just \$8 billion as a result of U.S. sanctions—thereby robbing the country's clerical regime of funds it desperately needs in order to stay afloat.

The problems for Iran don't stop there. American sanctions are also profoundly chilling foreign investment in the Islamic Republic. Following its signing of the 2015 nuclear deal with the West, Iran witnessed a surge of new trade with countries eager to return to "business as usual" with Tehran. Over the years that followed, the resulting growth in investment helped to rehabilitate Iran internationally and strengthen the regime's hold on power domestically. In the past year, however, "maximum pressure" has prompted a dramatic reversal of this trend. According to United Nations calculations, foreign direct investment in Iran fell by 36.5 percent last year as compared to 2018 figures, and now stands at its lowest level in nearly two decades.

The results have hit Iran's already-brittle economy hard, causing commodity prices to spike, deepening the country's endemic poverty and causing major market disruptions. These worsening conditions are the reasons why recent days have seen a resumption of the protests that have repeatedly shaken the country since late 2017, even though Iran is still weathering a national health crisis as a result of the coronavirus pandemic.

So pronounced is Iran's current economic downturn that it has begun to impact the regime's foreign adventurism. Last year, U.S. sanctions forced Iran to reduce its funding to Hezbollah, leaving the Lebanese militia that is the Iranian regime's principal overseas terrorist proxy in dire financial straits. More recently, funding shortfalls have compelled the country's official broadcaster, Islamic Republic of Iran Broadcasting, to shut down its Dari language programming into neighboring Afghanistan, where the Iranian regime has long sought to project its influence. The agency is now said to be contemplating additional closures (potentially including the dismantlement of its influential English language Press TV channel) in order to further cut costs. Other changes in Iranian foreign policy could be in the offing in the not-too-distant future as well, as the Iranian regime is forced to further tighten its fiscal belt.

And that is precisely what the White House is seeking. The Trump administration has made abundantly clear that the objective of its Iran strategy is to apply "maximum pressure" as a way of ratcheting up the costs to Iran's ayatollahs of their rogue international behavior. By that yardstick, the administration's approach has been a clear success—and Washington has every reason to keep pouring on the pressure.