



Trump administration fixation on Iran perverts US foreign policy

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Amid controversy over a possible ceasefire in the trade war with China, the U.S. engineered the arrest by Canada of a top Huawei executive for allegedly violating U.S. sanctions on Iran. So far Beijing has targeted Ottawa for retaliation, arresting three Canadians.

Huawei is one of China's international behemoths. The arrest of Meng Wangzhou, the founder's daughter and company chief financial officer, was not for committing a genuine crime against Americans, but rather for allegedly violating U.S. sanctions against Iran.

Washington's use of the country's unique economic clout to coerce the rest of the world reflects extraordinary hubris. Americans would be outraged if another nation did the same to them.

In recent years the U.S. has increasingly insisted that the rest of the world follow America's lead, or else. Thus, secondary sanctions have become commonplace, the economic weapon of choice. Washington is using U.S.-dominated financial markets currently in an attempt to isolate Iran.

Obviously, the purpose of secondary penalties is to magnify the impact of a boycott. In some cases, such as Iraq and North Korea, Washington won U.N. Security Council support for multilateral penalties. In many instances, however, foreign governments dismiss what they see as short-sighted, counterproductive penalties.

When international support is lacking, Washington threatens foreign companies. Even the slightest error can lead to huge fines. So an American secondary boycott often becomes a global squeeze if not full boycott.

Commercial restrictions have become all too common, perhaps because they are easy to apply and seem to offer a costless remedy to difficult foreign policy problems. Alas, target states almost never comply and only rarely offer to negotiate.

Foreign governments typically are too concerned about power and prestige to capitulate to

threatening foreigners. Another reason sanctions fail is that they hurt the wrong people — average folks most vulnerable to economic decline.

Elites, especially with political clout, often profit from the increase in the state's economic role. Over the years opposition leaders in both Yugoslavia and Cuba complained to me that oppressive governments manipulated sanctions to their advantage.

In response the U.S. and other nations increasingly tried "smart sanctions," targeting government officials and their supporters personally. However, while this approach is ethically more satisfying, evidence of its success remains sparse. No dictator has yet given in because he wanted to vacation in the West.

Nevertheless, Washington continues to promiscuously impose sanctions. Today Iran is the target du jour. Unfortunately, the administration's policy toward Tehran appears to have been developed by Saudi Arabia, which is more disruptive, brutal and destabilizing than Tehran.

Moreover, seeking to impose Washington's will on the rest of the world generates resentment and resistance. Even U.S. allies have tired of the blundering behemoth taking short-sighted measures and creating long-term damage, with nary a thought about the interests of anyone else.

After the president killed the Iran deal, European governments began exploring strategies to protect their businesses from U.S. controls. China and Russia also are interested in these endeavors. Until now the stakes have not been important enough to drive Washington's friends and adversaries to act, let alone do so together.

The Huawei case adds another dimension. Even if administration policy toward Iran was not so misguided, it should not become the tail that wags the dog. China matters far more than Tehran. The China-U.S. relationship is the most important bilateral connection on Earth.

U.S. relations with China already are frayed, given the trade war and other differences, especially over North Korea and control of East Asian waters. Washington has substantial leverage but must set priorities. Meng's arrest effectively raises the importance of compliance with Washington's Iran sanctions.

Moreover, the Huawei arrest is likely to stiffen spines in Zhongnanhai. Chinese officials want to de-escalate the trade dispute and avoid penalties against Huawei, but nationalistic, politically sensitive leaders don't want to be pushed around. The failure of President Trump to raise the issue when meeting with China's President Xi Jinping is seen as a loss of face.

Indeed, China's leadership faces aroused public opinion, which tends to unite on issues of national pride. The regime fears and often accommodates public sentiments. Some Chinese have expressed fear for investments in the U.S. while others urged an economic boycott.

Retaliation might extend beyond Canada. Some American business executives are now expressing unease over traveling to China.

Washington's hubris threatens its foreign relationships and international authority. A backlash over Meng's arrest is certain. When it comes, it is likely to do far more than undermine America's Iran campaign.

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