

The Worst Option

by [Patrick Clawson \(/experts/patrick-clawson\)](/experts/patrick-clawson)

Aug 16, 2005

Also published in New Republic

ABOUT THE AUTHORS



[Patrick Clawson \(/experts/patrick-clawson\)](/experts/patrick-clawson)

Patrick Clawson is the Morningstar Senior Fellow and Research Counselor at The Washington Institute.



Articles & Testimony

If Washington wants to change the Iranian regime's behavior, it may want to look for leverage beyond economic sanctions, including on the soccer pitch.

"No one can want the Iranian leadership to gain possession of atomic weapons," German Chancellor Gerhard Schröder opined earlier this week. "But let's take the military option off the table. We have seen it doesn't work."

Actually, the option least likely to work is the one most actively considered: economic sanctions. British, French, and German diplomats -- the "E3" negotiating to shut down Iran's nuclear program -- say that if Iran continues to stonewall, they will push for U.N. Security Council action, starting with polite calls for Iran to return to the bargaining table but escalating, if need be, to economic sanctions.

It is hard to see how sanctions could help. When President Bill Clinton imposed unilateral U.S. sanctions on Iran, ten years ago, the country was deep in debt and desperate to attract foreigners. Today, Iran is remarkably well-placed to resist sanctions. Iran has record foreign exchange reserves of over \$25 billion -- enough to pay for a year's imports at their present bloated levels. Any effort to restrict Iranian oil exports would drive up the world price of oil and attract a host of sanctions-busting middlemen. With the higher prices and still-considerable exports, Iran's income might actually go up. And most importantly, Mahmud Ahmadinezhad's new government has such primitive economic views that it would not give a whit about sanctions.

We might think that Iran badly needs foreign investment to create jobs for the 800,000 young people joining the labor force each year. But Ahmadinezhad's team has already accused the few foreign investors in Iran, such as Renault or the Turkish cell phone firm Turkcell, of robbing the country.

Economic sanctions are the option favored by befuddled policy makers -- after diplomacy has failed and when the military path holds no appeal. However, economic sanctions have a poor track record at deflecting nasty regimes. At

their best, economic sanctions can reduce the cash flowing into nasty regimes -- and, therefore, possibly reduce its spending on objectionable activities. But that simply will not happen in Iran's case. It can readily afford the approximately billion-dollar cost of an accelerated nuclear and missile program. And sanctions would come at a considerable cost. They would drive up the price of oil, inflicting significant damage on the global economy.

Fortunately, alternatives to sanctions abound. The way to influence Iran's security policy is through security measures, not economic steps. Consider just two measures: isolation and containment/deterrence à la the Cold War.

Iran's Supreme Leader Ayatollah Ali Khamenei does not want to be isolated internationally. This is a feeling that emerges from his experience. The country's near total isolation in 1980 left it vulnerable to military attack without response from the world community. This memory has reverberated through his recent decisions. When confronted by a united European-American front in October 2003, he ordered Iran to freeze its nuclear program.

To be sure, getting Iran to concede may be harder this time: Ahmadinezhad and his Revolutionary-Guard allies do not seem to care about Iranian isolation, and Khamenei seems more determined this time. But political isolation of Iran still holds promise. The past year has brought considerable progress. Russia has told Iran that until it reaches an agreement with Europe, the Bushehr nuclear power plant will never be fueled -- which is of enormous symbolic importance to Tehran. If the Iran file goes to the U.N. Security Council, the Serbian and South African precedents provide a useful book of tactics: banning travel by key political figures and their immediate family and forbidding Iranian participation in international sporting competition. If young Iranians learn that their country's participation in next year's World Cup -- for which Iran has qualified -- is dependent on resolving the nuclear issue, there will be a dramatic up tick of interest in negotiations.

Containment and deterrence measures should be paired with isolation. We could enhance cooperation with Arab states in the Persian Gulf, selling them more advanced weapons. Or we could enhance our military presence in the vicinity or change our "declaratory posture" with a trans-Atlantic statement promising to defend any state threatened by a nuclear Iran.

Such containment and deterrence steps would show Iran that it is starting an arms race that it will lose. Ironically, Iran's nuclear program hurts Iranian national security by endangering its relations with richer Arab neighbors and Turkey. We hear much loose talk about how Iran lives in a dangerous neighborhood. But, in fact, a non-nuclear Iran faces no prospect of attack. Iran's security problem stems from the weak and fragile states surrounding it, from Iraq and Afghanistan to Azerbaijan and Turkmenistan, populated by ethnic groups with multi-million member minorities in Iran (little more than half of Iranians are Persians). Nuclear weapons do nothing to solve this problem.

A containment program would also rally Iran's neighbors, so they neither accommodate Iranian pressures nor seek their own WMD. The latter is a disturbingly plausible prospect. There have been indications that Saudi Arabia and Turkey are rethinking their nuclear postures.

(And if this course of policy failed, we'd at least have placed the military assets needed in the event that strikes on Iran become necessary -- presumably because of some aggressive Iranian action, such as leaving the Treaty on Non-Proliferation of Nuclear Weapons and openly acknowledging pursuit of nuclear weapons.)

The course I'm proposing is less costly and probably more likely to win international support than sanctions. Political isolation measures, like banning Iranian participation in the World Cup, may be easier for energy-hungry China to support than a ban on foreign investment in Iran's oil and gas industry. Besides, containment and deterrence measures do not require Security Council action. They can be implemented by working with those allies with serious navies, such as Britain and France. The Gulf Arab monarchies could welcome an opportunity to shore up defenses against their traditional security worry, namely, a bullying Iran. And these days they certainly have overflowing coffers with which to help fund such initiatives.

Our options for influencing Iran are many. Indeed, we can even offer Iran some inducements, such as exchange of military observers at exercises or limitation of heavy weapons along the Iran-Iraq border. Those measures would be in our interest as well as theirs. There is no need to rush to consider military force -- or to go down the same flawed economic-sanctions route. Instead, the EU, the United States, and our Persian-Gulf allies should make it clear that they are willing to isolate and contain Iran -- much as the West did against the Soviet Union more than a half century ago.

Patrick Clawson is deputy director of The Washington Institute for Near East Policy. ❖

RECOMMENDED



BRIEF ANALYSIS

[Israel Is Pushing Arab Peace Partners to Their Limits](#)

Sep 25, 2025

◆
David Schenker

[\(/policy-analysis/israel-pushing-arab-peace-partners-their-limits\)](#)



BRIEF ANALYSIS

[After Operation Inherent Resolve: The Future of U.S.-Iraq Security Relations](#)

Sep 24, 2025

◆
James Jeffrey

[\(/policy-analysis/after-operation-inherent-resolve-future-us-iraq-security-relations\)](#)



BRIEF ANALYSIS

Time to Pull the Plug on MINURSO? Not Quite

Sep 24, 2025



Souhira Medini,
Sabina Henneberg

(/policy-analysis/time-pull-plug-minurso-not-quite)

TOPICS

Proliferation (/policy-
analysis/proliferation)

REGIONS & COUNTRIES

Iran (/policy-
analysis/iran)