

As Trump Moves to Cut Off Iran's Oil Revenues, What's His Endgame?

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Maximum pressure, meet minimum patience. The Trump administration took another dramatic step toward disrupting the status quo in and on Iran with the abrupt halt of all waivers for U.S. sanctions targeting Iranian oil exports. The decision places Washington on a collision course with China, India, and Turkey—whose continuing crude imports from Iran would be subject to U.S. penalties after May 2—and appears designed to push Iran's leadership to the brink.

But the brink of what, precisely? The intended outcome of the administration's campaign against Iran remains somewhat uncertain and even contested. Secretary of State Mike Pompeo [insisted once again today](#) that the objective of intensifying economic pressure on Tehran remains a new negotiating process aimed at curtailing a range of destabilizing Iranian policies. That aligns with President Donald Trump's long-stated position, based upon his conviction that his background in wrangling real estate deals will enable him to extract a better bargain from the Islamic Republic than more than a decade of diplomacy and coercion applied by his Republican and Democratic predecessors managed to produce.

Trump's self-delusions may be unseemly, but the logic that severe pressure can force a recalcitrant Tehran to yield is itself not wholly unrealistic. Iranian leaders have traditionally been loath to negotiate with Washington, but the then-unprecedented measures applied by the Obama administration between 2010 and 2013 helped generate newfound urgency in Tehran for a resolution of the crisis and traction around a serious bilateral and multilateral negotiating process. Then, and at other points in Iran's post-revolutionary history, it's clear that existential pressure precipitated previously inconceivable concessions from the Iranian leadership.

Still, while their lips that say one thing, the heart of the Trump administration seems to feel another; regime change, or at the very least regime collapse, represents the only viable option for dealing with Tehran as expressed by Trump's national security advisor, John Bolton. According to the timeline Bolton has articulated, Washington is already behind schedule in accomplishing that task; only two years ago, he [promised an audience](#) assembled by a discredited cult-like group of Iranian exiles that, together, they would celebrate the Islamic Republic's overthrow "before 2019" in Tehran. There as elsewhere in his long track record of commentary on Iran, Bolton evinced derision at the notion that the Islamic Republic is capable of changing its policies, even under pressure.

Some sense of delinquency on Bolton's prior prophesizing, and a belated recognition that the Islamic Republic's survival skills are more formidable than previously anticipated, may help explain the abruptness of the administration's efforts to ratchet up pressure on Iran. The reimposition of U.S. sanctions on Iran

has already imposed significant costs on the country—gutting the value of its domestic currency, driving off most reputable foreign investors, and severely complicating all international transactions, with the International Monetary Fund predicting [a six-percent contraction](#) in the Iranian economy over the course of this year. Many basic commodities are in short supply and the ration lines all too familiar to Iranians from their experience during the eight-year war with Iraq are once again a routine feature.

And yet thus far, Tehran appears to be muddling through with only limited consequence to its political stability or capacity to project power. To be sure, there are signs of retrenchment in its economic assistance to proxies like [Hezbollah](#) and Syria's [Bashar al-Assad](#), but there is little evidence that the Islamic Republic is approaching either a collapse or a capitulation. Nor has Tehran taken the tempting bait presented by Trump's repudiation of the nuclear deal by reneging on its own obligations under the agreement, or otherwise launching retaliatory measures against American interests in the region, which might have facilitated wider international support for Washington's coercive campaign.

If diplomacy were indeed the Trump objective, this uneasy state might present an opportune moment for a carefully prepared overture toward Tehran. Instead, the prospect that Tehran might simply accommodate itself to sustained long-term pressure presented new risks for the administration. As I wrote at the outset of the maximum pressure campaign, ["survival is tantamount to success"](#) for Iran's leaders. Concerned that Tehran could snatch victory from the jaws of an American bludgeon simply by holding on, the Trump administration is now aiming to deal a death blow.

Will it succeed? As with all revolutionary enterprises, it is too soon to tell. The past decade has demonstrated emphatically that Washington can decimate the Iranian economy and that the international community has neither the recourse nor the incentive to wholly forestall that outcome. However, there is simply no precedent for an externally-driven economic implosion to trigger a successful transition away from a well-entrenched authoritarian regime toward a durable democracy or enhanced regional stability.

And there is even less reason to believe that the current constellation of American decisionmakers has engaged in a prudent consideration of the second and third-order consequences to U.S. interests and allies that may flow from its escalation of economic warfare against Iran. General Alireza Tangsiri, commander of Iran's Islamic Revolutionary Guard Navy, [today reiterated](#) the energy security formula that Tehran has observed for the past 30 years, warning that if Iran is prevented from exporting oil, its neighbors will face similar impediments. Tehran has a variety of well-tested instruments—from undersea mines to terrorist proxies to cyberwarfare—to deliver on that threat, and added incentive to do so, given the explicit Saudi and Emirati coordination with today's announcement. Perhaps Trump, who regularly tweets his displeasure at gasoline price spikes, should ponder how the last American president fared in managing a full-fledged oil crisis in the Persian Gulf that erupted in the midst of his re-election campaign.

