GlobalResearch
Center for Research on Globalization

Blockade of the Strait of Hormuz. Iran's Options

A Historical Perspective

By Soraya Sepahpour-Ulrich
Global Research, July 05, 2012
5 July 2012

Region: Middle East & North Africa
Theme: Oil and Energy, US NATO War Agenda
In-depth Report: IRAN: THE NEXT WAR?

George Santayana wisely said: ""*Those who cannot remember the past are condemned to repeat it*." Oblivious to history and its lessons, America and its Western allies are repeating their actions of the 1950's — that of imposing an oil embargo on Iran. The American-led alliance has forgotten the past.

Iran remembers.

When under the leadership of the nationalist Dr. Mossadegh, Iran opted to nationalize its oil industry, the British Royal Navy blocked Iran's oil exports to forcefully prevent if from nationalizing its oil. In retaliation to Iran's nationalistic ambitions, and to punish Iran for pursuing its national interests, the British instigated a worldwide boycott of Iranian oil.

In the 1950's, Iran did not have the military might to retaliate to the oil embargo and the naval blockade was aimed at crushing the economy in order to bring about regime change. The subsequent events is described in *The New York Times* **[i]** article as a "lesson in the heavy cost that must be paid" when an oil-rich Third World nation "goes berserk with fanatical nationalism." Iran learnt that sovereignty and nationalism necessitate tactical/military strength and determination.

Not heeding the aftermath of the 1950's, the American-led Western allies have once again imposed an oil embargo on Iran. In retaliation, Iran has drafted a bill to stop the flow of oil through its territorial waters – the Strait of Hormuz, to countries which have imposed sanctions against it. This bill is not without merit and contrary to the previous oil embargo, it would appear that Tehran has the upper hand and the heavy cost associated with the embargo will not be borne by Iran alone.

Iran's Legal Standing

The 1982 United Nations Convention on the Law of the Sea stipulates that vessels can exercise the right of innocent passage, and coastal states should not impede their passage. Although Iran has signed the Treaty, the Treaty was not ratified, as such, it has no legal standing. However, even if one overlooks the non-binding signature, under UNCLOS framework of international law, a coastal state can block ships from entering its territorial waters if the passage of the ships harms "peace, good order or security" of said state, as the passage of such ships would no longer be deemed "innocent"2.

Even if Iran simply chooses to merely delay the passage of tankers by exercising its right to inspect every oil-tanker that passes through the Strait of Hormuz, these inspections and subsequent delays would maintain or contribute to higher oil prices. While higher oil prices would benefit Iran and other oil-producing countries, they would further destabilize the European economy which is already in crisis.

The Military Option

Although American-led Western allies are flexing their muscles by sending battle ships to the Persian Gulf, Washington's own war game exercise, *The Millennium Challenge* 2002 with a price tag of $250 million, underscored America's inability to defeat Iran. Oblivious to the lesson of its own making, by sending more warships to the Persian Gulf, the United States is inching towards a full scale conflict. The inherent danger from the naval buildup is that unlike the Cuban Missile Crisis, the forces in the Persian Gulf are not confined to two leaders who would be able to communicate to stop a run-away situation. Nor would the consequences of such a potential conflict be limited to the region.

Given that 17 million barrels of oil a day, or 35% of the world's seaborne oil exports go through the Strait of Hormuz, incidents in the Strait would be fatal for the world economy. While only 1.1 millions barrels per day goes to the United States, a significant amount of this oil is destined for Europe. Surely, one must ask why the United States demands that its "European allies" act contrary to their own national interest, pay a higher price for oil by boycotting Iranian oil and running the risk of Iran blocking the passage of other oil-tankers destined for them?

Again, history has the straight answer. Contrary to conventional wisdom, the United States and not the oil-producing countries has used oil as a weapon. Some examples include the pressure the United States put on Britain in the 1920s to share its oil concessions in the Middle East with U.S. companies. Post World War II, the United States violated the terms of the 1928 *Red Line Agreement* freezing the British and the French out of the Agreement.

In 1956, the United States made it clear to Britain and France that no oil would be sent to Western Europe unless the two aforementioned countries agreed to a rapid withdrawal from Egypt. The U.S. was not opposed to the overthrow of Nasser, but as Eisenhower said: "Had they done it quickly, we would have accepted it"3.

Demonstrably, although Europe is a major trade partner of the United States, the U.S. does not concern itself with Europe's well being when it comes to executing its foreign policy. This should come as no surprise, especially since the United States sacrifices its own national interest to promote the Israeli agenda and that of the military industrial complex. But this does not explain why Europe would shoot itself in the foot at a time when its economical woes have passed the crisis point.

It is possible that the leaders of Western European countries are beholden to special interest groups – the pro-Israel lobbies, as the United States is, or they believe Iran will not call their bluff by ratifying the bill passed by Majlis and their oil will be delivered unhindered; perhaps both. Either way, they are committing financial suicide and their demise may well come before Iran's resolve is shaken.

Soraya Sepahpour-Ulrich is a Public Diplomacy Scholar, independent researcher and blogger with a focus on U.S. foreign policy and the role of lobby groups.

Notes

1"THE IRANIAN ACCORD", *The New York Times*, Aug 6,1954, cited by S. Shalom

2 Martin Wahlisch, The Yale Journal of International Law, March 2012, citing UNCLOS, *supra* note 12, , art. 19, para1, and art. 25, para1.

3 Stephen Shalom; *The Iran-Iraq War* citing Kennett Love, Suez: the Twice-Fought War, New York: McGraw Hill, 1969, p. 651

Comment on Global Research Articles on our Facebook page

Become a Member of Global Research

Articles by: Soraya Sepahpour-Ulrich