

ON THE RECORD:

BROAD SUPPORT FOR ENDING IRAN'S NUCLEAR WEAPONS PROGRAM BY CUTTING OFF GASOLINE SALES

Administration Officials



October 7, 2008

**Then-Presidential Candidate Barack Obama
Presidential Debate**

“...Iran right now imports gasoline, even though it's an oil-producer, because its oil infrastructure has broken down... if we can prevent them from importing the gasoline that they need and the refined petroleum products, that starts changing their cost-benefit analysis. That starts putting the squeeze on them.”

<http://www.cnn.com/2008/POLITICS/10/07/presidential.debate.transcript/>



April 22, 2009

**Hillary Rodham Clinton, Secretary of State
Remarks to the House Foreign Affairs Committee**

“We believe that by following the diplomatic path we are on, we gain credibility and influence with a number of nations who would have to participate in order to make the sanctions regime as tight and as crippling as we would want it to be.... It is our expectation that we will be able to put together such a comprehensive sanctions regime in the event that we need it.”

<http://www.state.gov/secretary/rm/2009a/04/122048.htm>



November 28, 2008

**Dennis Ross, current Special Assistant to the President & Senior Director to the
Central Region “Iran: Talk Tough with Tehran” *Newsweek***

“The U.N. sanctions adopted in the past three years primarily target Iran's nuclear and missile industries, not the broader economy. Hitting the economy more directly would force the mullahs to make a choice. Iran has profound economic vulnerabilities: it imports 43 percent of its gas. Its oil and natural-gas industries—the government's key source of revenue, which it uses to buy off its population—desperately require new investment and technology. Smart sanctions would force Iran's leaders to see the high costs of not changing their behavior.”

<http://www.newsweek.com/id/171256>



April 22, 2009

Robert Gates, Secretary of Defense

“In Obama's Middle East Push, a Message to Tehran,”*Time*

During a visit to Amman, Defense Secretary Gates voiced his support for sanctions against Iran. He said that if Tehran did not respond to the Obama Administration's overtures, "We would try to get international support for a much tougher position."

<http://www.time.com/time/world/article/0,8599,1913365,00.html>

Congress: Bills, Resolutions, Statements for the Record, and Letters



July 21, 2009

**Senate Amendment s. 1628 to the Defense Authorization Act; passed voice vote
Sponsors: Jon Kyl (R-AZ), Joe Lieberman (ID-CT), John McCain (R-AZ), and Evan Bayh (D-IN)**

U.S. Senators Jon Kyl (R-Ariz.), Joe Lieberman (ID-Conn.), John McCain (R-Ariz.), and Evan Bayh (D-Ind.) introduced a measure today that urges President Obama to impose tough new sanctions on the Iranian government if it fails to take tangible steps to abandon its nuclear ambitions by this fall.

Title: Bipartisan Amendment urges President to Prepare New Sanctions Against Iran: Should Iran Spurn Engagement and Continue Pursuing Nuclear Weapons, Tough New Measures Would Follow

Measure introduced as an amendment to an annual defense spending budget bill, warns of stricter US economic sanctions on Iran's government unless the UN Security Council toughens its own sanctions regime on the Islamic republic.

The measure, which was introduced as an amendment to *S. 1390, the Defense Authorization Act*, specifically urges sanctions against the Central Bank of Iran – the keystone of Iran's financial system and its principal remaining lifeline to the international banking system – if the Iranians fail to embrace President Obama's offer of direct diplomacy before the G-20 summit at the end of the September, or fail to suspend all uranium enrichment and reprocessing activities within 60 days of that summit.

http://www.google.com/hostednews/afp/article/ALeqM5gFk3L5UrR_YZQ5XeND0BFcnAngXA



July 9, 2009

House Appropriations Committee Amendment to H.R. 3081 prohibits use of funds by the Export-Import Bank for any project controlled by a company refining oil for Iran. H.R. 3081 - 2010 State and Foreign Appropriations Resolution, passed by a vote of 318 to 106.

Reps. Mark Kirk (D-IL) and Brad Sherman (D-CA) introduced a bipartisan amendment on June 26, 2009 to limit use of funds by Export-Import for any project controlled by a company refining petroleum for Iran. The amendment language was passed as part of the bill.

Section 7043(B) of H.R. 3081, State and Foreign Appropriations Resolution, reads:

“Limitation on the Use of Funds by the Export-Import Bank Related to Iran- None of the funds made available in Title VI under the headings ‘Program Account’ and ‘Subsidy Appropriation’ may be used by the Export-Import Bank of the United States to guarantee, insure, or extend credit for any project controlled by an energy producer or refiner that provides the Islamic Republic of Iran with significant refined petroleum resources, that materially contributes to Iran's capability to import refined petroleum resources, or that allows Iran to maintain or expand, in any material respect, its domestic production of refined petroleum resources, including any assistance in refinery construction, modernization, or repair.”

<http://thomas.loc.gov/cgi-bin/query/F?c111:1:./temp/~c11101tllE:e167311:>



April 30, 2009

Congressman Jerry Moran (R-KA), one of 32 U.S. representatives co-sponsoring H.R. 1985: The Iran Diplomatic Enhancement Act of 2009

“The real and dangerous threat Iran poses to national and international security must not go unnoticed amid the myriad economic issues challenging America.”

“Congress should sanction any company engaged in activities that contribute to Iran's ability to import refined petroleum by approving H.R. 1985, the Iran Diplomatic Enhancement Act. Although Iran has a wealth of oil, it lacks the ability to turn much of that oil into fuel. As a result, it imports about 40 percent of its gasoline. The threat of such serious sanctions may lead Iran to negotiate in good faith and forgo its pursuit of nuclear weapons.”

“The Obama administration must back its policies of engagement with tougher sanctions and guard against Iranian diversions and delays. Our country must respond to the serious threat Iran poses to the peace and security of the world and approve the Iran Sanctions Enabling Act and the Iran Diplomatic Enhancement Act.”

<http://www.hutchnews.com/Westernfront/wesmoran>

April 30, 2009



H.R. 2194: The Iran Refined Petroleum Sanctions Act of 2009

Sponsor: Howard Berman (D-CA)

As of July 17, 2009: 238 Co-Sponsors

Original Co-Sponsors: Gary Ackerman (D-NY), Dan Burton (R-IN), Ileana Ros-Lehtinen (R-FL), Brad Sherman (D-CA), Robert E. Andrews (D-NJ), Mark Kirk (R-IL), Edward Royce (R-CA)

Sec. (3)(A)(2): “The President shall impose sanctions... if the President determines that a person has... provided Iran with refined petroleum resources or engaged in any activity that could contribute to the enhancement of Iran’s ability to import refined petroleum resources, including (A) providing ships or shipping services to deliver refined petroleum resources to Iran; (B) underwriting or otherwise providing insurance or reinsurance for such activity; or (C) financing or brokering such activity.”

Berman: “I share President Obama’s conviction that it is unacceptable for Iran to possess nuclear weapons and his determination to seek a diplomatic solution to this issue. However, should engagement with Iran not yield the desired results in a reasonable period of time, we will have no choice but to press forward with additional sanctions - such as those contained in this bill - that could truly cripple the Iranian economy.”

<http://hcfa.house.gov/111/HR2192.pdf>

April 28, 2009



Senate Amendment s. 908 to the Iran Sanctions Act of 1996

Sponsor: Evan Bayh (D-IN)

As of July 17, 2009: 65 Co-Sponsors

Original Co-Sponsors: Amy Klobuchar (D-MN), Robert Menendez (D-NJ), Susan Collins (R-ME), Benjamin Cardin (D-MD), Barbara Boxer (D-CA), James Inhofe (R-OK), Lindsey Graham (R-SC), Debbie Ann Stabenow (D-MI), Russell Feingold (D-WI), John McCain (R-AZ), Mel Martinez (R-FL), James Risch (R-ID), Barbara Mikulski (D-MD), Charles Schumer (D-NY), Samuel Brownback (R-KS), John Thune (R-SD), Thomas Coburn (R-OK), Mike Johanns (R-NE), Kirsten Gillibrand (D-NY), Jon Kyl (R-AZ), Christopher Bond (R-MO), David Vitter (R-LA), John Ensign (R-NV), Jim Bunning (R-KY), Joseph Lieberman (I-CT), Patty Murray (D-WA), Mary Landrieu (D-LA), Richard Burr (R-NC), Ron Wyden (D-OR)

Title: “A bill to amend the Iran Sanctions Act of 1996 to enhance United States diplomatic efforts with respect to Iran by expanding economic sanctions against Iran.”

<http://www.defenddemocracy.org/downloads/s.908.pdf>

April 28, 2009



Chuck Schumer (D-NY), one of twenty-five U.S. senators co-sponsoring Senate amendment s. 908 to the Iran Sanctions Act of 1996

"Bottom line: this [legislation] allows us to put our finger right on the pressure point where Iran is the weakest, and that is gasoline."

Foundation for Defense of Democracies



April 27, 2009

Senator Joe Lieberman (I-CT), speech to American Enterprise Institute for Public Policy Research, on the eve of the introduction of Senate amendment s. 908 to the Iran Sanctions Act of 1996

“What we need is a multi-pronged, explicit strategy that ties together multiple lines of operation, including direct diplomacy with the Iranians, into a coherent plan of action for the months ahead that has goals, schedules, rewards, and punishments... Our bill will amend the 1996 Iran Sanctions Act to allow the President to sanction foreign companies that are involved in the sale of gasoline and other refined petroleum products to Iran, or that provide insurance or shipping for the delivery of these products to Iran, or that assist Iran in maintaining its own refineries... During last year’s campaign, President Obama repeatedly expressed interest in using Iran’s dependence on foreign gasoline as leverage in our nuclear standoff. However, under current law, the President’s authority to do so is ambiguous. Our legislation would eliminate this ambiguity.”

http://www.defenddemocracy.org/downloads/Lieberman_speech_AEI.pdf



April 22, 2009

**H.R. 1985: The Iran Diplomatic Enhancement Act of 2009
Senators Mark Kirk (R-IL) and Brad Sherman (D-CA)**

“A Bill to amend the Iran Sanctions Act of 1996 to enhance United States diplomatic efforts with respect to Iran by expanding economic sanctions against Iran to include refined petroleum, and for other purposes.”

Kirk: “Only from a position of strength can we expect diplomacy to succeed. A restriction of gasoline deliveries to Iran offers the best chance to stop Iran’s uranium enrichment program using the soft power of the United States and our allies.”

http://www.defenddemocracy.org/downloads/hr_1985.pdf

http://www.defenddemocracy.org/downloads/kirk_apr_21_09.pdf



April 12, 2009

Senators Evan Bayh (D-IN) and Tom Coburn (R-OK) on FOX News Sunday, discussing proposed legislation to sanction companies which do business with Iran

Bayh: “[So far], the sanctions [against Iran] have not had much teeth. We’ve done some things in the financial arena to cut off their access to the global banking sector. But... their real vulnerability is the import of refined petroleum products. And Senator Kyl and I, Republican from Arizona, are going to be introducing legislation to really crack down on companies doing business with Iran, to increase the cost of that business, to drive up the price of violating these sanctions on the part of the Iranians, and perhaps to cause some domestic concerns within Iran... we’ve got to make them choose. Do you want to be on good terms with the United States? Do you want to do business in America or do you want to continue to enable this kind of irresponsible behavior on the part of Iran? We’ve got to crack down now, because if we allow things to just continue the way they’re going, we’ll wake up one morning and they will have a nuclear weapons capability.”

Coburn: “Talk isn’t going to do it - there has to be consequences, and there are ways to make it very painful for Iran.”

<http://www.cqpolitics.com/wmspage.cfm?parm1=5&docID=news-000003096085>



April 2, 2009

Senators Jon Kyl (R-AZ) and Joseph Lieberman (ID-CT), Amendment 980 to the Congressional Budget Resolution of FY 2010

Amendment Purpose: “To deny funding for federal government expenditures to companies that are obtaining at least \$1,000,000 in revenue from the sale of goods or services to or investment in Iran's energy sector, including, but not limited to: the exploration, development or exploitation of Iran's natural gas or crude oil fields; the import of refined petroleum products, including but limited to liquefied natural gas and petroleum bi-products to or from Iran, including the provision of shipment, insurance, and reinsurance services”

<http://www.defenddemocracy.org/downloads/980.pdf>



March 26, 2009

Reps. Steny H. Hoyer (D-MD), Howard L. Berman (D-CA), Ike Skelton (D-MO), Silvestre Reyes (D-TX), Henry A. Waxman (D-CA), Gary L. Ackerman (D-NY), Robert Wexler (D-FL), letter to President Obama on Iran nuclear strategy

“Should the process of engagement not yield the desired results, we would urge you to immediately apply the tools at your disposal to increase economic pressure on the Iranians, [including]...:

- Sanctioning the Central Bank of Iran
- Sanctioning international banks that continue to do business with Iranian banks
- Denying access to American ports to shipping companies whose ships call on Iranian ports
- Sanctioning insurance companies that insure vessels calling on Iranian ports...
- Sanctioning energy companies investing in Iran’s oil and gas sector”

<http://hcfa.house.gov/111/Iran3-26-09.pdf>



March 12, 2009

FDD Senior Fellow Orde Kittrie, testimony before the House Financial Services Committee Subcommittee on International Monetary Policy & Trade on H.R. 1327, the Iran Sanctions Enabling Act of 2009

“Iran must import some 40% of the gasoline it needs for internal consumption. In recent months, Iran has, according to the respected trade publication *International Oil Daily* and other sources, purchased nearly all of this gasoline from just five companies... The U.S. should put these companies to a choice between doing business with Iran and doing business in the United States. For those companies that supply refined petroleum to Iran and are publicly traded, the divestment from them of state and local pension funds could help convince the companies that continuing to supply gasoline to Iran is simply not worth the opportunity costs.”

www.defenddemocracy.org/index.php?option=com_content&task=view&id=11784888&Itemid=105



March 4, 2009

Senator Jon Kyl (R-AZ), speech on the Senate floor

“I think there would be no disagreement with the proposition that U.S. taxpayers should not be supporting Iran's energy sector. As a result, I have offered this amendment No. 634 that does exactly that. It says very simply: That none of the funds made available in this appropriations legislation, can go to companies helping Iran either import or export energy or energy-related goods.”

<http://www.defenddemocracy.org/downloads/kyl3409.pdf>



March 3, 2009

Richard N. Haass, President, Council of Foreign Relations, before the Committee on Foreign Relations, United States Senate

“It is also possible that Iran will decide to cross this line and test and build weapons as India, Pakistan, and North Korea all have. But this is less likely given that it would be inconsistent with Iran’s public statements and would run the risk of more significant sanctions, including an enforced denial of refined gasoline exports to Iran...”

<http://foreign.senate.gov/testimony/2009/HaassTestimony090303a.pdf>



February 27, 2009

Reps. Brad Sherman (D-CA), Mark Steven Kirk (R-IL), Robert Wexler (D-FL), Edward R. Royce (R-CA), Ileana Ros-Lehtinen (R-FL), Howard L. Berman (D-CA), Robert E. Andrews (D-NJ)

“We are writing to respectfully request that the Department of Energy conduct a review of a contract awarded by the Department to buy oil for the Strategic Petroleum Reserve (SPR) from Vitol, the Swiss/Dutch energy trading firm, announced on January 16... We note with concern the fact that Vitol is a major trading partner of Iran and is a key supplier of refined petroleum to Iran. While this is not grounds for denying a contracting opportunity under current law, it further demonstrates that this firm may not be the best business partner for the United States government.”

<http://www.defenddemocracy.org/downloads/Chu22709.pdf>



June 2, 2008

Then-Presidential Candidate John McCain

“Over a year ago I proposed applying sanctions to restrict Iran's ability to import refined petroleum products, on which it is highly dependent, and the time has come for an international campaign to do just that. A severe limit on Iranian imports of gasoline would create immediate pressure on Khamenei and Ahmadinejad to change course, and to cease in the pursuit of nuclear weapons.”

http://www.aipac.org/Publications/SpeechesByPolicymakers/PC_08_McCain.pdf



December 17, 2008

Reps. Brad Sherman (D-CA), Mark Steven Kirk (R-IL), Howard L. Berman (D-CA), Edward R. Royce (R-CA), Steve Israel (D-NY), Steven R. Rothman (D-NY), Ron Klein (D-FL), Gary Ackerman (D-NY), letter to the Chairman of the Export-Import Bank, Mr. James Lambright

“The United States is leading an effort to increase economic and diplomatic pressure on the Iranian regime in response to Tehran’s nuclear program and its support for terrorism. As the United States and its allies seek avenues to achieve this pressure, the need for Iran to import roughly 40 percent of its refined petroleum is one of the most important levers that can be applied to Tehran.”

http://www.defenddemocracy.org/downloads/lambright_h_121708.pdf



November 14, 2008

Florida State Senator Ted Deutch, Letter to Florida Governor Charlie Crist, as indicated in press release, ‘Senator Ted Deutch Asks Governor to Examine Port Canaveral Deal with Largest Gasoline Importer to Iran’

“We must express to Vitol in no uncertain terms that the citizens of our state understand the threat of a nuclear Iran... While we welcome their investment, we expect Vitol to join our state’s commitment to preserving international security by aiding the effort that Florida has already begun. Vitol need not wait for Congressional action to stop exporting gasoline to Iran, not when we are able to raise this vital issue as Vitol raises its fuel terminal on Florida soil.”

http://www.flsenate.gov/cgi-bin/View_Page.pl?Tab=legislators&Submenu=1&File=111408.html&Directory=Legislators/senate/030/press



October 29, 2008

Senators Jon Kyl (R-AZ) and Joseph I. Lieberman (ID-CT), letter to the Chairman of the Export-Import Bank, Mr. James Lambright

“Recently we became aware that the Export-Import Bank approved two loan guarantees... totaling \$900 million to Reliance Industries Limited... We are deeply concerned that through these loan guarantees, the United States taxpayer is supporting energy projects that benefit the Iranian regime, thereby helping Iran to evade the full costs of its illegal nuclear weapons program and support for international terrorism for which it has been sanctioned repeatedly... It is inexplicable to us that the US taxpayer would be supporting energy projects that help the outlaw regime in Tehran.”

http://www.defenddemocracy.org/downloads/lambright_s_102908.pdf



September 25, 2007

H.R. 1400, 110th Congress

The Iran Counter-Proliferation Act, passed by a vote of 397-16

A bipartisan bill was introduced on September 25, 2007, to impose additional economic sanctions on Iran, including measures to prevent exports of refined gasoline to Iran. The bill was introduced by Rep. Tom Lantos (D-CA). Section 2(b)(7) reads:

“It is the sense of Congress that... the United States should encourage foreign governments to direct state-owned entities to cease... all exports of refined petroleum products to Iran and to persuade, and, where possible, require private entities based in their territories to cease... all exports of refined petroleum products to Iran.”

<http://www.govtrack.us/congress/bill.xpd?bill=h110-1400>



June 28, 2007

Reps. Mark Steven Kirk (R-IL) and Rob Andrews (D-NJ), press release, “Kirk, Andrews Introduce Bipartisan Iran Sanctions Enhancement Act to Curb Iranian Gasoline Imports”

A bipartisan bill was introduced on June 28, 2007, to expand economic sanctions against Iran to include the importation of refined petroleum. Introducing the bill, Representatives Mark Steven Kirk (R-IL) and Robert E. Andrews (D-NJ) said:

“As Iran continues to defy the U.N. Security Council and International Atomic Energy Agency, we need to explore new economic sanctions to augment our diplomacy. Legislation targeting gasoline imports offers the best way for IAEA

safeguards to succeed... An international restriction on the supply of gasoline would serve as a critical diplomatic tool to deny Iran the ability to further its efforts to acquire nuclear weapons.”

http://www.house.gov/list/press/i110_kirk/Iran_Sanctions_Enhancement_Act.html,
<http://www.govtrack.us/congress/bill.xpd?bill=h110-2880>



May 17, 2007

Senator Barack Obama (D-IL), Speech on the Senate floor introducing the Iran Sanctions Enhancement Act 2007, 110th Congress

“This bill will enable citizens, institutional investors, and State and local governments to ensure that their money is not being used by companies that help develop Iran's oil and gas industry. This would place additional economic pressure on the Iranian regime with the goal of changing Iranian policies... We should send a message that, if Iran wishes to benefit from the international system, it must play by international rules. If it chooses to flout those rules, then the world will turn its back on Iran. Pressuring companies to cut their financial ties with Iran is an important piece of that process... For all of its bluster, Iran is not a strong country. Its oil infrastructure is weak and badly in need of investment... This is precisely why we need [this] legislation... It is incumbent upon us to find and implement ways to pressure Iran short of war, ways that demonstrate our deep concern about Iran's behavior, and ways that will help us to exert leadership on this issue. This bill is one of those ways.”

<http://www.govtrack.us/congress/record.xpd?id=110-s20070517-39&bill=s110-1430>

Editorials from Leading Newspapers

UPI.com

August 14, 2009

‘Iran deserves targeted sanctions’, editorial, *United Press International*

“Investors in the Iranian energy sector should follow the example of world bankers through tough sanctions to punish post-election Tehran, analysts say. With its adamant pursuit of nuclear technology and post-election posturing, Tehran must be convinced through targeted sanctions that its behavior is lamentable, analysts write in *The Wall Street Journal*. With the gasoline trade for Iran approaching \$9 billion per year, Iranian petroleum suppliers should look to lessons learned through the Bank Secrecy Act and reassess the risk of dealing with Tehran, the authors conclude.”

http://www.upi.com/Energy_Resources/2009/08/14/Analysts-Iran-deserves-targeted-sanctions/UPI-69211250272005/

NATIONAL POST

January 21, 2009

‘Now is the Time to Confront Iran’, editorial, *National Post*

“The Iranian regime is vulnerable – facing a severe political and economic crisis at home and diminished influence abroad...Over two-thirds of the U. S Senate and more than half of the House of Representatives have co-sponsored the Iran Refined Petroleum Sanctions Act. The bill, based on research by the Washington-based Foundation for Defense of Democracies (FDD), targets Iran's most serious economic Achilles heel – its heavy dependence on imports of gasoline. Will such a campaign work? It might – especially given Iran's current vulnerability...As Mark Dubowitz of the FDD argued in these pages on Tuesday, "No one could argue that countries threatened by Iran had ignored peaceful alternatives.”

<http://www.nationalpost.com/opinion/story.html?id=1826851>

THE WALL STREET
JOURNAL

March 25, 2009

‘Pain Iran Can Believe in’, editorial, *Wall Street Journal*

“Here’s a fact: despite being a leading oil exporter, Iran imports roughly 40% of its gasoline because it lacks adequate domestic refining capacity. Any cut-off in supply would do immediate damage to the fragile Iranian economy and could bring about social unrest, as happened in 2007 after the regime imposed gasoline rations. Here's another fact: Iran is supplied with gasoline by a mere handful of foreign companies, all of which do substantial business in the United States. Final fact: There is a growing bipartisan consensus in favor of gasoline sanctions... Diplomacy will have no chance without the threat of sticks, so Congress could help by passing two significant pieces of legislation affecting Iran's energy supply...Critics of gasoline sanctions argue that they amount to a game of whack-a-mole, and to some extent that's true. But the goal of the sanctions isn't to create an airtight regime so much as to sharply raise the costs to Iran for pursuing its nuclear programs. "This is no silver bullet but it may be silver shrapnel," says Mark Dubowitz of the Foundation for Defense of Democracies...The only way Iran's regime is going to stop its nuclear program is if it feels some pain it can believe in.”

<http://online.wsj.com/article/SB123793752240531921.html>

Chicago Tribune

November 26, 2008

‘Tell Iran, No Gas’, editorial, *Chicago Tribune*

“Obama will need more leverage if he hopes to convince the Iranians that the price of going nuclear is much too high. In a presidential debate last month, Obama suggested a new way to apply pressure: Stop gasoline imports into Iran. Iran imports about 40 percent of its gasoline. Squeeze that supply and the mullahs would notice.”

<http://archives.chicagotribune.com/2008/nov/26/opinion/chi-1126edit1nov26>

CHICAGO
SUN-TIMES

September 25, 2008

‘Limit gas exports to stop the nukes’, editorial, *Chicago Sun-Times*

“A decision by the international community to restrict gas exports to Iran would lead to discontent among citizens already unhappy with theocratic rule and could be just the thing to persuade Tehran to stop its nuclear program.”

http://www.defenddemocracy.org/downloads/suntimes_sept_25_08.pdf

**The
Washington
Post**

September 23, 2008

‘Iran Slips Away; Even as Its Nuclear Program Accelerates, the Impetus to Stop it Loses Steam’, editorial, *Washington Post*

“The two most important [measures against Iran] would be an arms embargo -- which would prevent Russia from supplying Iran with the advanced air defense systems it has reportedly promised -- and a ban on the export to Iran of gasoline and other refined products, which could cripple Iranian transport.”

http://www.defenddemocracy.org/downloads/wapo_sept_23_08.pdf

**The
New York
Times**

June 10, 2008

‘Threatening Iran’, editorial, *New York Times*

“Senators Barack Obama and John McCain disagree on holding direct talks with Iran... But last week, both endorsed enhanced sanctions, including limiting gasoline exports to Iran. That is an idea well worth exploring. Iran relies on a half-dozen companies for 40 percent of its gasoline imports. The United Nations Security Council is unlikely to authorize a squeeze, but quiet American and European appeals might persuade some companies to slow deliveries, and it would grab Tehran’s attention.”

www.nytimes.com/2008/06/10/opinion/10tue1.html

Policy Institutes



March 2009

Presidential Task Force, 'Preventing a Cascade of Instability: U.S Engagement to Check Iranian Nuclear Progress', Washington Institute for Near East Policy

“President Obama said during the campaign that he is interested in using Iran’s dependence on refined petroleum products as a point of leverage. Specifically, the U.S. government should discourage countries and companies from building oil refineries in Iran, or exporting refined petroleum products to Iran, until the impasse with the international community over its nuclear program is resolved.”

Signatories: Rep. Gary Ackerman (D-NY), Sen. Evan Bayh (D-IN), Robert Einhorn, Michael Eisenstadt, Eugene Habiger, Simon Henderson, Bruce Jentleson, Robert Joseph, Danielle Pletka, Stephen Rademaker, Amb. Dennis Ross, William Schneider, Jr., Michael Singh, Amb. Nancy Soderberg, Leonard Spector

<http://www.washingtoninstitute.org/pubPDFs/PTF-Iran.pdf>

INSTITUTE FOR
SCIENCE AND
INTERNATIONAL
SECURITY

January 21, 2009

David Albright, President of the Institute for Science and International Security, Former UN Nuclear Weapons Inspector, and Jacqueline Shire, 'Nuclear Iran: Not Inevitable', Institute for Science and International Security

“Iran’s failure to comply with the UN Security Council’s resolutions calls for a new round of sanctions, including targeting Iran’s oil and gas sector, in particular the gasoline imports on which Iran has come to depend... As a first step, the Obama administration should ask all of Iran’s gasoline suppliers to stop their sales to Iran, followed by an initiative to seek agreement among supplier nations not to provide Iran gasoline.”

www.isisnucleariran.org/assets/pdf/Iran_paper_final_2.pdf



September 2008

'Meeting the Challenge: US Policy toward Iranian Nuclear Development', Bipartisan Policy Center

“There may be some room for targeted sanctions to focus on Iran’s economic vulnerabilities, such as the Islamic Republic’s need to import much of its refined petroleum needs. Iran’s government currently spends roughly \$5 billion per year to import refined gasoline, an expenditure which steadily draws down Iran’s foreign exchange reserve fund. The international community may consider sanctions to retard Iran’s ability to refine or liquefy its gasoline and other petroleum products. Iran does not have the technically trained human capital to add refining capacity on its own. It is dependent upon foreign investment and technical assistance in order to construct new refineries...”

“An actual blockade of Iranian gasoline imports would have a much greater impact... The Iranian regime feels vulnerable about its stability and a tighter rationing of gasoline or a spike in gasoline prices would likely spark further social discontent and political upheaval.”

<http://www.bipartisanpolicy.org/ht/a/GetDocumentAction/i/8448>



January 21, 2009

Iran's Clenched Fist: Should the United States Extend or Withdraw Its Hand?

“Perkovich explained that sanctions can have two aims—to change behavior, or to punish a regime as an example for others. Even if sanctions against Iran would not deter it from advancing its nuclear program, there may be value in using them to deter others from developing similar programs. Unilateral, congressionally-mandated sanctions, however, would not work, and often backfire. United Nations sanctions could impose political and economic costs on the Iranian regime, but only if Russia and China also participate. Cohen pointed out however, that their participation is far from certain and securing their cooperation would be a crucial challenge for the Obama administration. All panelists did agree that sanctions should be a last resort.”

<http://www.carnegieendowment.org/events/?fa=eventDetail&id=1377&prog=zru>

Expert Commentary

August 15, 2009



'Iran fuel sanctions spell opportunities for traders,' *Arabian Business*

“That's what you saw with South Africa and to some extent with Saddam Hussein's Iraq. The flow would continue but players would take on substantial financial and political risk,” said Al Troner, managing director of Asia Pacific Energy Consulting. Higher import costs would impact Iran's budget, which could hurt president Mahmoud Ahmadinejad. Government subsidies make Iran's gasoline among the cheapest in the world. If imports cost more, more of the budget would be spent on those subsidies, leaving less cash to finance Ahmadinejad's populist programmes. So even if the oil trade sidesteps the sanctions, the measures may have the impact that the US and its allies want.”

<http://www.arabianbusiness.com/564729-iran-fuel-sanctions-spell-opportunities-for-traders>



August 10, 2009

Ian Talley, 'Amid Pressure for New Iran Sanctions, Obama Administration Weighs Efficacy,' *Dow Jones Newswires*

“A majority of lawmakers in both chambers of Congress support legislation that would hit Iran where it is thought sanctions will hurt the most: embargoing petroleum products such as gasoline and diesel. Although the Persian nation has one of the largest crude reserves in the world, the country imports around 35%- 40% of its petroleum products because it lacks refining capacity. Lawmakers say they plan to pass the Iran refined Petroleum Sanctions Act after the August recess to give President Barack Obama leverage in upcoming international negotiations.”

<http://www.nasdaq.com/aspx/stock-market-news-story.aspx?storyid=200908101240dowjonesdjonline000232&title=amid-pressure-for-new-iran-sanctionsobama-administration-weighs-efficacy>



July 30, 2009

Tom Doggett, 'U.S. Senate votes to penalize Iran gasoline suppliers,' *Reuters*

“The Senate included language to go after Iran's gasoline suppliers in an \$34 billion energy and water spending bill that the chamber approved late on Wednesday. The measure must now be reconciled with a similar bill passed by the House of Representatives... 'Congress has embraced the idea of using Iran's economic Achilles' Heel -- its heavy dependence on gasoline imports ... to pressure the regime into giving up its illegal nuclear weapons program,' said Mark Dubowitz, Executive Director for the Foundation for Defense of Democracies.”

<http://www.reuters.com/article/rbssEnergyNews/idUSN3037343320090730>



July 22, 2009

Tom Doggett, 'U.S. lawmaker ready to push Iran fuel sanctions bill,' *Reuters*

“If the Obama administration can't persuade the Iranian government to end its nuclear program, the chairman of the House Foreign Affairs Committee warned on Wednesday he will move forward with legislation this fall that seeks to cut off gasoline exports to Iran... The bill would impose sanctions on foreign companies that export refined petroleum products, such as gasoline, to Iran or help maintain the country's domestic refining capacity.”

<http://www.reuters.com/article/politicsNews/idUSTRE56L58J20090722>

NATIONAL POST

July 21, 2009

Mark Dubowitz, FDD Executive Director, 'Turn off Tehran's Gas', *National Post*

"International diplomacy has failed to end Iran's nuclear program, halt its support for terrorist groups or force the regime to respect basic human rights. But a new strategy is at hand: In a four-part National Post series, presented in partnership with the Washington-based Foundation for Defense of Democracies, prominent writers explain how the world can apply pressure on Iran where it hurts: at the gas pump."

<http://www.nationalpost.com/news/story.html?id=1810461>



REUTERS

July 17, 2009

Tom Doggett, 'U.S. Congress seen hindering cheap fuel for Iran', *Reuters*

"Under the legislation, which overwhelmingly cleared the House of Representatives last week, the U.S. Export-Import Bank would be barred from providing credit, insurance or loan repayment guarantees to companies that supply fuel to Iran or help expand the country's domestic refining capacity. Iran has some of the world's richest oil reserves, but it imports 40 percent of its gasoline to meet growing demand. Government subsidies help keep gasoline in Iran much cheaper than in other countries."

<http://www.reuters.com/article/companyNews/idUKTRE56G64G20090717>

TIME

July 16, 2009

Vivienne Walt, 'How Iran Might Beat Future Sanctions: The China Card', *Time*

"If you really want to use effective sanctions, then you want to cut off gas imports," says Erica Downs, China energy fellow at the Brookings Institution in Washington. "If the Chinese do invest \$40 billion and dramatically increase Iran's refining capacity, it would definitely weaken one of the weapons in the U.S. arsenal."

<http://www.time.com/time/world/article/0,8599,1910669,00.html>

**THE WALL STREET
JOURNAL**

July 14, 2009

Mark Dubowitz, FDD Executive Director, 'Hitting Tehran Where it Hurts', *Wall Street Journal*

"Europe and her allies must be willing to peacefully exploit Iran's economic Achilles heel: the regime's heavy dependence on gasoline imports. Europeans, in particular, need an effective policy response. With European companies heavily involved in the Iranian gasoline business, European policy makers need to stop this trade. If the regime faced damaging economic pressure from a significant reduction in gasoline supplies, Khamenei might decide that a nuclear bomb, instead of being the guarantor of regime survival, could be the catalyst of its demise. At that point, he might be in the mood to compromise. If not, no one could argue that countries threatened by Iran had ignored peaceful alternatives."

<http://online.wsj.com/article/SB124742606453828901.html>

NATIONAL POST

April 16, 2009

Mark Dubowitz, FDD Executive Director, and Joshua Goodman, FDD Director of Research, 'Hit Iran Where it Hurts', *National Post*

"President Obama and Prime Minister Stephen Harper should put Iran's gasoline suppliers on notice that it is no longer business as usual. The stakes could not be higher: A nuclear Iran would change the balance of power in the energy-rich Foundation for Defense of Democracies

Middle East, pose an existential threat to Israel and likely precipitate a nuclear arms race in an already volatile region. President Obama's vision of a nuclear-free world hinges on what happens next with respect to Iran. The last, peaceful chance to stop the Iranian bomb may depend on whether or not the United States, Canada and their allies are willing to aim political arrows at Iran's Achilles heel.”

<http://www.nationalpost.com/news/world/story.html?id=1501136>



April 8, 2009

Mort Zuckerman, Editor, U.S. News & World Report, ‘Iran is making fools of everyone’, *The Huffington Post*

“Fortunately, Iran has an economic Achilles' heel -- they are dependent on imported gasoline for 40% of their refined fuel. Furthermore, they require new investments in their energy industry to maintain current production. Reduced oil prices have put a great strain on their economy. Discontent is growing among its citizenry suffering from high inflation, unemployment, and poverty. Clearly, it makes sense to play on this fundamental weakness.”

http://www.huffingtonpost.com/mort-zuckerman/iran-is-making-fools-of-e_b_184748.html



April 6, 2009

Reuel Marc Gerecht, FDD Senior Fellow, ‘The Return of Weakness’, *The Weekly Standard*, Volume 14, Issue 28

“The only sanctions that could conceivably pull the regime to the negotiating table, freeze its nuclear program, and allow for inspections of its closed nuclear sites would be energy related. Stopping the export of gasoline to Iran (which cannot refine enough for its domestic market) could have a devastating effect on Iran's economy and public morale. But neither the Obama administration nor the Europeans like the "big stick" approach. In other words, the nuke is coming.”

<http://www.weeklystandard.com/Content/Public/Articles/000/000/016/335fasmg.asp>



March 29, 2009

Robert Gates, U.S. Defense Secretary, FOX News Sunday

“Perhaps if there is enough economic pressure placed on Iran, diplomacy can provide them an open door through which they can walk if they choose to change their policies... I think the two go hand in hand, but I think what gets them to the table is economic sanctions.”

<http://www.alertnet.org/thenews/newsdesk/N29508331.htm>



March 20, 2009

Edgar M. Bronfman, President, World Jewish Congress, ‘Realism and Leverage for Engaging Iran’, *Huffington Post*

“What is needed, it seems to me, is a policy that understands both the clear limitations of either "just bombing," or "just talking." Rather, real sanctions that take into account present economic realities could provide us in the West and the Middle East with the best opportunity to attenuate Iran's behavior and goals...Because it lacks an adequate domestic refining capacity, Iran still needs to import about 40 percent of the gasoline its people use. Herein lies the opportunity... The responsible thing to do would be to pursue such corporations [which export gasoline to Iran], and offer them a simple but ethical choice: Washington or Tehran... Such sanctions and divestment strategies, combined with a firm but expansive diplomatic outreach, will provide the West with the strongest point of departure from which to engage Iran.”



March 5, 2009

Charles Krauthammer, Syndicated Columnist, Fox News Channel

“...There's nothing that we are doing or will do that will lessen Iran's commitment to acquiring nukes. All of this stuff happening diplomatically is a charade, as it was in the past and is now. The only thing that would stop the Iranians, conceivably, would be a complete embargo, including refined petroleum, meaning gasoline, which would shut down its economy.”

<http://corner.nationalreview.com/post/?q=NDU5YjQ3YjM1NjdYlTYTZiZGJjZmQyODI1ZDdlMGJwMTk=>



January 14, 2009

Clifford May, FDD President, ‘Please Squeeze the Mullahs’, Scripps Howard News Service

“Without gasoline, Iran's economy - long sputtering and slowing dramatically now due to global recession and the sudden drop in oil prices - will go into crisis... So an American president who could restrict the flow of gasoline to Iran would wield a powerful tool - one he could use as leverage in negotiations. He could force Iran's rulers to reevaluate whether their drive for nuclear weapons strengthens - or threatens - their hold on power... If nothing else, this would send the mullahs a message that there are non-military ways to cause them discomfort – even without the participation of the U.N. and European governments. A shortage of imported gasoline would further weaken Iran’s already unhealthy economy. Faced with that prospect, the ruling mullahs would ask themselves the question that is always foremost on their minds: “What best protects our hold on power?”

www.defenddemocracy.org/index.php?option=com_content&task=view&id=11784361&Itemid=0



December 23, 2008

Richard N. Haass, President, Council of Foreign Relations, ‘We Must Talk Iran Out of the Bomb’, *Globe and Mail*

“What would also help would be to make clear that Iran would face additional sanctions, including constraints on its ability to import refined petroleum, if it refused to accept a fair and reasonable compromise. Persuading Russia and China to support a package of requirements, incentives and penalties would be important. In addition, the odds Iran would accept such an offer might increase if the details were made public. The Iranian people may well choose leaders in next June's election who can deliver a much higher standard of living over those who would run the country into the ground.”

<http://www.theglobeandmail.com/servlet/story/RTGAM.20081222.wcoiran23/BNSStory/specialComment/home>



November 13, 2008

Orde F. Kittrie, FDD Senior Fellow, ‘How to Put the Squeeze on Iran’, *Wall Street Journal*

“If Barack Obama is to persuade Iran to negotiate away its illegal nuclear weapons program, he will first need to generate more leverage than what the Bush administration is leaving him with. The current U.N. sanctions have proven too weak to dissuade Tehran's leaders, and Russia and China seem determined to keep those sanctions weak. Meanwhile, the regime continues to insist there are no incentives in exchange for which it would halt or even limit its nuclear work. However, Tehran has an economic Achilles' heel -- its extraordinarily heavy dependence on imported gasoline. This dependence could be used by the United States to peacefully create decisive leverage over the Islamic Republic.”

<http://online.wsj.com/article/SB122654026060023113.html>

The New York Times September 29, 2008
Gary Milhollin, Director, Wisconsin Project on Nuclear Arms Control,
‘An Arms Race We’re Sure to Lose’, *New York Times*

“Just as Iran is about to reap the fruits of its nuclear program, America and its allies must convince the mullahs that they would be better off without it. This will require more than the weak sanctions achieved so far. No less than a credible threat of international economic and diplomatic isolation — of making Iran a pariah state — will cause Iran to blink. It’s still worth a try, but time is shorter than we thought.”

<http://www.wisconsinproject.org/pubs/editorials/armsracesuretolose-092908.htm>

THE WALL STREET JOURNAL September 26, 2006
Ilan Berman, Vice President, American Foreign Policy Council
‘An Economic Coalition of the Willing’, *Wall Street Journal*

“Far and away the biggest chink in Iran's economic armor is its reliance on foreign gasoline. Today, Iran's antiquated, socialist economy -- where a gallon of gas still sells for roughly 40 cents -- has become a major Achilles' heel. Iran now consumes over 64.5 million liters of gasoline a day, with close to 40% coming from foreign sources... And, with just a 45-day domestic supply available, steady supplies from abroad are vital to the continued functioning of the regime. All of which suggests that a comprehensive gas embargo on the Islamic Republic could quickly wreak havoc on Iran's industrial sectors -- and, potentially, galvanize serious social unrest on the Iranian street as well.”

http://www.afpc.org/publication_listings/viewArticle/26

Forbes September 1, 2008
Steven Forbes, CEO of Forbes Inc.
‘Iran Confrontation Coming’, *Forbes Magazine*

“Iran is heavily dependent on gasoline imports. A blockade would quickly bring the enfeebled Iranian economy to its knees. Unemployment is high, and not even burgeoning oil revenue is enough to buy off the populace. Even the French oil company Total is pulling out.”

<http://www.forbes.com/global/2008/0901/013.html>



June 9, 2009

Irwin Cotler, a Canadian Member of Parliament, introduced a private Member's Bill in Parliament that contains language targeting Iran's dependence on imported petroleum.

Irwin Cotler, special counsel on human rights and international justice to the Liberal party introduced a private member's bill in Parliament called the Iran Accountability Act (IAA). IAA creates restrictions on how Canada can lawfully interact with Iran as long as Iran continues its policy of genocidal threats, nuclear ambitions and domestic repression.

The IAA seeks to prohibit new Canadian business investments with Iran and specifically targets Iran's heavy dependence on refined petroleum. The relevant section of the bill reads:
"oil-related activities" means importing, exporting, extracting, producing, refining, processing, exploring for, transporting, selling or trading oil or petroleum products, or constructing, maintaining, or operating a pipeline, refinery or other oil infrastructure.
