

Op-Ed: Iran and China close to large military and trade partnership deal

Iranian officials are reporting that Iran and China are close to signing a major deal that would expand security ties and economic ties including the banking sector. The exact terms have not yet been announced.

Deal would advance both Chinese and Iranian interests

The US is interested in isolating Iran as much as it can and China also. The US State Dept. has threatened to impose more costs on both Iran and China if they follow through with the deal. The US has no right to punish sovereign countries for freely engaging in trade deals. The US uses its economic clout to impose sanctions on other countries whose policies it opposes and then tries to force other countries to follow the sanctions or be punished by possible loss of all trade with the US. The US also uses its power over international financial organizations such as SWIFT to impose its own policies. The EU has already set up its own international system outside of SWIFT. While the US dollar still predominates in international trade the Euro and the Chinese Yuan are increasingly used. In dealing with countries such as Cuba or Iran the US dollar is avoided.

The US is angry with recent delivery of fuel to Venezuela from Iran by five tankers. China is a much more powerful country than Iran or Venezuela. No doubt more countries will challenge the US and increase trade with countries that the US wants to hurt with economic sanctions. China is showing that it is strong enough to challenge US dominance and ignore US threats.

China has much to gain by big deal with Iran

The agreement would provide China with a huge presence within Iran's economy, including telecommunications, ports, railways, and banking. In return the Chinese will get a substantial discount on Iranian oil over the next 25 years. The US has been trying to cut off Iran from selling its oil internationally but has obviously failed to do so,.

China is heavily dependent on Mideast getting access to Iranian oil especially at a discount would be big economic gain. Other nations may also be encouraged to challenge US sanctions on Iranian oil sales.

As part of the deal, China would agree to joint military training with Iran and joint weapons research. The two countries may hope that a strong Chinese presence in Iran may lessen the risks of US or Israeli military attacks. The development of trade with China may ease the negative effect that US sanctions policy has on Iran. Indeed, US sanctions policy may be having the negative effect of creating closer relations between countries that the US considers enemies.

This opinion article was written by an independent writer. The opinions and views expressed herein are those of the author and are not necessarily intended to reflect those of DigitalJournal.com

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