



When the Weapon Turns

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Somewhere in the last two weeks, quietly and without announcement, the Trump administration eased its sanctions on Russian oil. There was no press conference. No acknowledgement that a policy had shifted. Just a quiet reversal, buried in the noise of a live ongoing war. A 30-day waiver allowing buyers to purchase Russian crude without fear of sanctions, signed off by Treasury Secretary Scott Bessent and described, with a straight face, as a temporary measure to stabilise markets.

The numbers behind that reversal are worth sitting with for a moment. Since the conflict began, Russia has been earning approximately €510 million over half a billion dollars every single day from oil and gas exports. A whopping 14 percent rise over its February averages, according to the Centre for Research on Energy and Clean Air. Russia's own 2026 budget was built on an



assumed oil price of \$59 per barrel; as of late February, Urals crude had fallen to around \$40. The war America launched against Iran has, in a matter of weeks, rescued Moscow's war budget. Senator Jeanne Shaheen, ranking member of the Senate Foreign Relations Committee, put it plainly: "As Putin helps Iran target Americans in the Middle East, the President is now filling the Kremlin's war coffers."

It is worth pondering on what that means. On the one hand, the United States is currently at war with Iran, on the other, It has spent years building a maximum pressure campaign against Moscow. The economic shock generated by Iran's effective closure of the Strait of Hormuz has now forced Washington to soften its economic war on Russia in order to manage the fallout from its military war on Iran. The Trump administration

took on two pressure campaigns that at this stage was running simultaneously, but in this case pulling in opposite directions. The punch line is that they are both undermining each other.

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Writing in the Financial Times, Nicholas Mulder, author of *The Economic Weapon* and assistant professor at Cornell University, offered a sharp diagnosis of this moment. America's monopoly on economic coercion the presumption that it alone could weaponise trade, finance and chokepoints against



adversaries is over. Iran and China have demonstrated that. The era of unipolar economic warfare has ended. Mulder argues a strong case. But I think the story goes further than even his analysis suggests.

This is not simply a structural shift in the international order. It is the culmination of a doctrine that was always more fragile than it appeared and the Strait of Hormuz is where that fragility has finally become impossible to ignore.

The mirror America built

There is something almost instructive about the symmetry of what Iran has done. For decades, the United States identified chokepoints in enemy economies and weaponised them. For example, SWIFT as a financial pressure point, oil revenues as leverage, technology

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supply chains as coercive tools. The logic was consistent: find the pressure point, apply sustained force, compel behaviour change. Washington called this statecraft. Others called it coercion. The language depended on which side of the pressure you were standing on.

Iran has now done precisely the same thing in return. The Strait of Hormuz carries roughly twenty percent of global oil flows. Iran did not need to fire unlimited missiles to activate this weapon. It needed only to make



the waters dangerous enough that the insurance market withdrew and that is exactly what happened. Within seventy-two hours of the conflict beginning, seven of the world's largest marine insurance mutuals issued cancellation notices for war risk coverage across the Gulf. The ships stopped. The market did what no army had managed. Washington spent thirty years building the financial architecture of coercive power. Tehran studied that architecture and built its equivalent.

The reaction in Western capitals has carried an unmistakable note of surprise. Which is itself telling. A principle that justified American policy for three decades somehow became illegitimate the moment someone else applied it.

What maximum pressure was always heading toward

Mulder makes the point that moving from maximum pressure sanctions on Iran to open war prompted Iran to deploy its economic weapon in response. That sequence is worth examining closely, because it is not an accident. It is the logic of the doctrine playing out.

Maximum pressure was never just a sanctions policy. It was a theory the belief that sufficient economic pain would produce political capitulation without the

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costs of military engagement. Applied to Iran from 2018, it produced no such capitulation. It produced hardship. It produced anger. What it did not produce was the fundamental shift in Iranian behaviour that justified its costs. When the policy failed on its own terms, escalation became the only remaining option. Sanctions gave way to strikes.

This, I have come to recognise through researching the frameworks that govern decisions to go to war, is the trajectory that coercive doctrines tend to follow when they are pushed beyond their limits. The economic blockade of Qatar failed. Sanctions on the Sahel juntas failed. China's pressure on Japan and Australia made both countries more hostile, not less. The pattern is not ambiguous. Sustained economic coercion more often hardens targets than breaks them. And when it

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hardens them sufficiently, the coercer faces a choice between accepting failure and reaching for something worse.

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The bill for going alone

Here is where the story of the past few days becomes particularly telling.



Last weekend, Trump appealed to Britain, France, Germany, Japan, South Korea and China to send warships and help reopen the Strait. He warned that refusal would be “very bad for the future of NATO.” He claimed, without naming anyone, that numerous countries were “on their way.” When asked which ones, he said he would rather not say yet. No announcement came. No list was ever published.

What came instead was a cascade of refusals. Germany’s defence minister Boris Pistorius was direct: “This is not our war. We have not started it.” He then asked a question that no one in Washington has yet answered convincingly: “What does Trump expect a handful of European frigates to accomplish in the Strait of Hormuz that the powerful US Navy cannot manage on its own?” France’s Macron said France “will never take

part in operations to open or liberate the Strait of Hormuz in the current context.” Italy, Spain, Australia, Poland, Japan and South Korea followed. The EU’s foreign policy chief said simply: “Nobody is ready to put their people in harm’s way in the Strait of Hormuz.”

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The German chancellor’s spokesman made the underlying logic explicit: Washington had told European partners at the outset of the war that their assistance



was neither needed nor desired. Two weeks later it was demanding that assistance. The answer it received was entirely predictable. And entirely self-inflicted.

What makes this more than a diplomatic embarrassment is what happened inside Britain. The leader of the Conservative opposition, Kemi Badenoch, had spent the opening days of the conflict calling Starmer too scared to act, urging a more hawkish posture, competing with Nigel Farage over who could sound more enthusiastic about the American operation. By the time Trump began publicly attacking Starmer for not sending warships, Badenoch had reversed course entirely and found herself defending the prime minister from the White House. “The words coming out of the White House were wrong,” she said. “It’s very childish.” Senator Lindsey Graham, one of Trump’s closest allies, said he had “never

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heard him so angry in my life” over the European refusals.

Think about what that sequence represents. The ideological constituency that was most aligned with Trump’s worldview, in one of America’s closest allies, publicly distanced itself from him within two weeks of the war starting. Not because of policy disagreement. Because of how he conducts himself when things do not go to plan.



That is not simply a diplomatic problem. It is a measure of how quickly the unilateral approach has burned through goodwill that took decades to build.

Damage that has no favourites

The third thing this moment reveals may be the most consequential of all. Economic warfare, once it reaches a certain threshold, stops discriminating between adversary and coercer. It damages everyone.

The Russia reversal is one illustration. The EU now faces pressure to resume Russian gas imports despite years of deliberate decoupling a reversal that would have been unthinkable eighteen months ago. Two pillars of Western economic statecraft are now directly contradicting each other, and the contradiction is being resolved by abandoning the weaker one. Oil

has crossed a hundred dollars a barrel. American consumers are heading toward four dollars a gallon. Supertanker freight rates have hit records. Iran, meanwhile, moves its own oil through arrangements with

China and Turkey. The Strait is not closed it is selectively open, on Tehran's terms, in a way that keeps the Iranian economy breathing while tightening the pressure on everyone else.

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Mulder's conclusion that a world of persistent economic wars will sooner or later spiral into actual warfare has, in the case of Iran, already come true. The question is what we learn from the spiral.

The question this moment forces

I want to be careful not to overstate what we are seeing. History has produced moments that looked like turning points and turned out to be episodes. The Suez Crisis of 1956 seemed to confirm British decline; it was only in retrospect that it became legible as the end of an era. We may be living through something equivalent or we may simply be watching a particularly turbulent chapter in an order that will partially reconstitute itself.

But I find it increasingly difficult to argue that this is just turbulence. The end of the American monopoly on

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economic coercion is structural, not cyclical. The erosion of allied solidarity is not an accident it is the direct consequence of a foreign policy doctrine that treats consultation as optional and multilateralism as a constraint rather than a resource. And the self-defeating quality of the Russia reversal is not a one-off. It reflects a deeper incoherence in a strategy that tries to run multiple maximum pressure campaigns simultaneously without a theory of how they interact.



Are we watching the end of an era in international relations? Perhaps. What we can say with more confidence is this: the tools that defined American power for thirty years economic coercion, financial dominance, the presumption that allies would follow where Washington led are no longer working as advertised. And the Strait of Hormuz, with its frozen insurance market and its anchored tankers and its cascade of European refusals, is where that reality has become impossible to paper over.

What happens next will depend in large part on whether anyone in Washington is willing to look at that honestly. History suggests it is the accumulation of costs rather than the force of argument that eventually compels that kind of reckoning.

The costs are accumulating.
