

International Scenario: The Iran Hostage Crisis (1979-1981)

The Iran hostage crisis occurred after the capture of the American embassy in Tehran, Iran by Iranian students on Nov. 4, 1979.

What Happened?

For several decades the United States had been the primary supporter of Muhammad Reza Pahlavi, the Shah (King) of Iran. The Shah led an autocracy in Iran. Eight U.S. presidents provided the Shah with military and economic aid in exchange for oil. Many Iranians opposed the Shah because he did not grant the people freedoms he promised in the 1960s. Many Iranians were also angry with the United States due to U.S. support for the Shah. On January 16, 1979 the Shah and his family were forced to flee Iran due to extreme protests against his leadership. Following the Shah's departure, conservative Muslims led by the Ayatollah Ruhollah Khomeini staged a revolt, abolishing the Shah's government and establishing an Islamic Republic.

On November 1, 1979 Khomeini urged his people to demonstrate against the U.S. On November 4th, thousands gathered around the U.S. embassy in protest. Some of these demonstrators soon stormed the embassy and took it by force. Out of 90 occupants in the U.S. Embassy in Tehran, 66 were originally taken captive. The hostages were often shown blindfolded to local crowds and television cameras.

What Was The U.S. Response?

President Carter decided to use economic pressure in this situation by stopping oil imports from Iran and freezing Iranian bank accounts in the United States. At the same time, he began several diplomatic initiatives to free the hostages, all of which failed. On April 24, 1980, the U.S. attempted a military rescue mission that also failed. Meanwhile, the U.S. State Department and CIA worked on a secret 'exfiltration' plan for the individuals who escaped the takeover and hostage situation but were still trapped in the country. This plot, called "Argo", was successful, though the United States did not admit its involvement at the time due to fear of retaliation against the remaining hostages.



Blindfolded U.S. Hostages. Source: Reuters

Resolution

In the United States, the failure to resolve the crisis contributed heavily to Ronald Reagan's defeat of Jimmy Carter in the 1980 Presidential Election. After the election, successful negotiations quickly began. On January 20, 1981, the day of President Reagan's inauguration and after 444 days of captivity, the hostages were freed, and the United States unfroze around \$1 billion in Iranian assets.

Image Credit: "[Hostage being led out](#)" is under the public domain

Adapted from: <http://www.infoplease.com/encyclopedia/history/iran-hostage-crisis.html>,
http://encyclopedia.kids.net.au/page/mo/Mohammad_Reza_Pahlavi_of_Iran and
http://academickids.com/encyclopedia/index.php/Iran_Hostage_Crisis

A Summary of Sanctions Against Iran

U.S. Sanctions:

- As a result of the hostage crisis in 1979, the U.S. government froze Iranian government assets in the United States and U.S. banks overseas, totaling \$12 billion, according to the U.S. Treasury. That freeze was eventually expanded to a full trade embargo until an accord was signed with Iran in 1981. Most assets were unblocked and the embargo was lifted.
- In 1987, the United States imposed a new embargo on Iranian goods and services, “as a result of Iran’s support for international terrorism and its aggressive actions against non-belligerent shipping in the Persian Gulf,” the U.S. Treasury says.
- In 1995, the United States banned “involvement with petroleum development in Iran,” the U.S. Treasury says. Two years later, the United States banned “virtually all trade and investment activities with Iran by U.S. persons, wherever located.”
- In 2010, the United States passed the Comprehensive Iran Sanctions, Accountability, and Divestment Act. It revoked, for example, permission to import “certain foodstuffs and carpets of Iranian origin,” the U.S. Treasury says. Those who violated the law could face a fine of up to \$1 million and 20 years imprisonment.
- The law established that Iranian goods or services may not be imported unless they are gifts valued \$100 or less; informational materials, or personal property of someone coming into the United States.
- U.S. citizens may not export goods or services to Iran or, in general, to a third country knowing it is intended for Iran. There are exceptions for “donations of articles intended to relieve human suffering,” gifts valued at \$100 or less, certain agricultural products, medicines, and informational materials, the Treasury says.
- The U.S. government prohibits “servicing accounts of the government of Iran,” including the country’s central bank.
- In 2011, the United States added further sanctions, including tightening restrictions on companies that provide Iran with equipment and expertise to run its oil and chemical industry. It prohibited groups that do business with financial institutions in Iran from holding accounts in the United States.
- U.S. sanctions also targeted groups in Iran – such as the Islamic Revolutionary Guard Corps, the Basij Resistance Force, and Iran’s Law Enforcement Forces – as well as several individuals in Iran.

****Additional sanctions were placed on Iran by the United Nations (which the U.S. is a member of) and the European Union.**