U.S. Turns Up Financial Pressure on Iran

A planned bank sanction shows how foreign policy can move through the global financial system instead of, or alongside, military force.

An unmarked bank vault door stands partly closed with distant ships silhouetted behind it.

The U.S. government plans to **sanction** another bank this week as part of a campaign to economically **isolate** Iran, Treasury Secretary Scott Bessent told the Associated Press in reporting published by PBS NewsHour. Sanctions are penalties, often **financial**, that a government uses to **pressure** another country, company, or person without directly using military force. Bessent spoke ahead of Group of 20 meetings in Asheville, North Carolina, where finance leaders from major and developing economies were gathering. He said he would push other governments to **cooperate** with the U.S. effort.

The move matters because the United States is trying to use the banking system as a tool of foreign policy. Banks depend on trust, access to currencies, and connections to other banks. Losing access to the U.S. financial system can be a serious punishment, because many international transactions depend on U.S.-linked finance. That is why sanctions can reach beyond the country directly being targeted. A bank outside Iran may still face consequences if U.S. officials believe it is helping Iran move money.

Bessent described the approach in unusually blunt language, calling it “financial violence” if necessary. The phrase captures the central tension in the story. Supporters of sanctions often argue that **economic** pressure is better than bombs because it can punish a government while avoiding direct attacks. But sanctions can also spread pain through businesses, banks, workers, and customers who may not be making government decisions. They can also push other countries to resist U.S. pressure if they think Washington is overusing its power in global finance.

The timing is complicated because the administration has said it is shifting from military strikes to economic pressure during a war that recently reached the six-month mark. Yet the AP reported that hostilities flared again Sunday when U.S. forces struck Iranian rocket launchers on the Strait of Hormuz, the narrow waterway between the Persian Gulf and the Gulf of Oman. Iran vowed to retaliate and called the attack deadly. That means the financial campaign is not happening in a calm **diplomatic** setting. It is taking place while military action remains possible.

The Treasury Department’s first official action in this new campaign was not a full sanction on a bank. Instead, it was a proposed rulemaking aimed at the Emirati branches of Banque Misr, Egypt’s second-largest bank. A proposed rulemaking is a formal step in which an agency announces a rule it may adopt after a process. If finalized, the rule would cut those branches off from the U.S. financial system. The distinction matters: stopping short of full sanctions can send a warning while leaving room for negotiation or correction.

That **restraint** also raises a question about how far the United States is willing to go. The AP noted that the administration has mostly relied on warnings rather than new sanctions against Iran's trading partners. China is the biggest issue. The article says China is Iran's largest trading partner and the leading buyer of its oil. Bessent said he would speak with Chinese counterparts at the G20 meeting and that all options were available when it came to possible sanctions over continued purchases. He also rejected the idea that the administration was reluctant to confront China.

This is where the trade-off becomes sharper. If the United States targets smaller banks but avoids major trading partners, the campaign may look limited. If it sanctions China or Chinese institutions, the pressure on Iran might increase, but so could tension between the world's two largest economies. Bessent said the U.S. and China agree on the need to reopen the Strait of Hormuz and prevent Iran from developing a nuclear weapon. Agreement on broad goals, however, does not automatically mean agreement on penalties, timing, or who should bear the costs.

For banks and governments, the message is that transactions with Iran may carry growing risk. A bank may have to decide whether business connected to Iran is worth the possibility of losing access to U.S. finance. A government may have to decide whether cooperating with Washington protects stability or gives the United States too much say over its economic relationships. Those are not simple legal questions. They are political choices made through financial systems that most people rarely see.

The broader issue is whether economic pressure can reduce conflict or deepen it. Sanctions can be presented as a middle path between doing nothing and using force. But when they are strong enough to matter, they can also become a form of **coercion** that other countries experience as hostile. The planned bank sanction is one piece of a larger test: whether the United States can build international cooperation against Iran while avoiding a wider confrontation with the countries and banks that still do business with it.

Written from reporting by PBS NewsHour.

THINK IT THROUGH

1. When is economic pressure a more responsible tool than military force, and when might it become its own form of escalation?

> **A strong answer:** A strong answer should weigh sanctions as a nonmilitary alternative against their coercive effects and possible impact on civilians, banks, and other countries.

2. Should the United States risk conflict with major trading partners such as China in order to make sanctions on Iran more effective?

> **A strong answer:** A strong answer should consider credibility, international cooperation, economic consequences, and the difference between targeting Iran directly and pressuring third parties.

3. What information would you want before judging whether this sanctions campaign is likely to succeed?

> **A strong answer:** A strong answer should identify missing evidence such as how Iran is using banks, how partners are responding, what costs sanctions create, and what goal would count as success.

U.S. Turns Up Financial Pressure on Iran

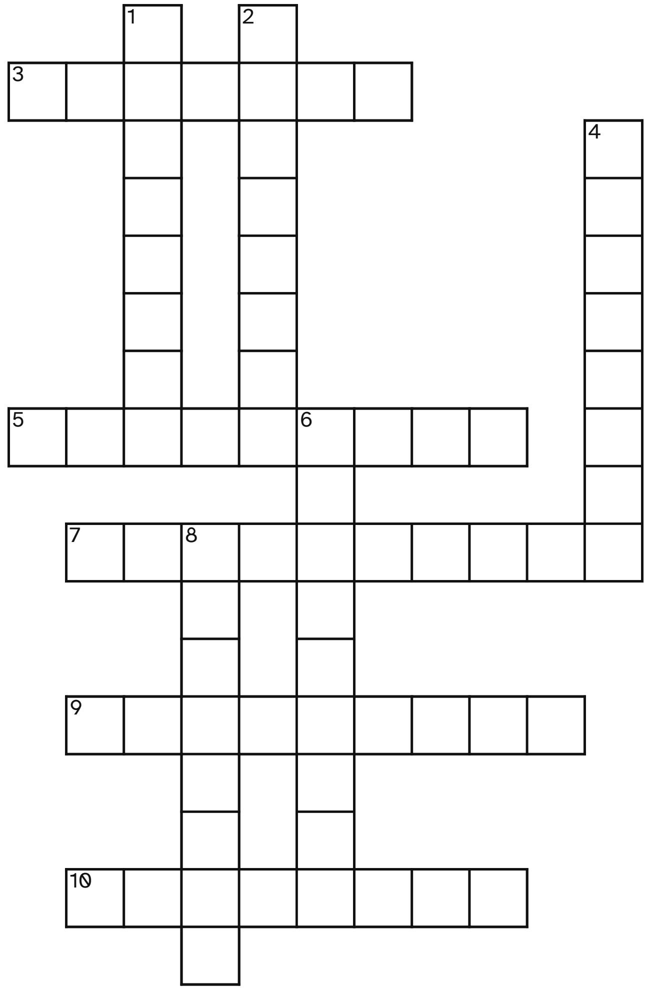
O	N	C	I	R	T	M	N	O	D	S	S	S	Z	A	R	N	U
E	G	O	I	T	N	O	P	O	C	D	M	W	O	R	I	U	R
D	N	E	C	E	R	Y	M	T	C	O	M	T	R	L	S	E	O
N	I	O	C	P	O	C	H	O	N	R	N	N	O	N	T	M	O
X	E	P	R	E	S	S	U	R	E	A	C	E	O	E	T	E	T
A	P	L	L	A	Y	P	M	T	R	A	S	T	S	O	P	T	A
S	N	E	C	O	N	O	M	I	C	E	S	E	R	I	F	N	I
A	Y	N	A	C	M	T	I	D	E	C	S	T	O	S	E	L	L
N	A	N	N	S	L	A	I	I	N	E	S	T	B	O	E	S	S
C	O	O	P	E	R	A	T	E	S	I	T	E	R	R	E	R	L
T	C	X	C	E	L	R	F	I	N	A	N	C	I	A	L	R	R
I	F	S	E	U	R	R	N	S	C	L	E	U	J	U	I	O	P
O	A	I	A	N	I	R	N	O	C	O	E	R	C	I	O	N	C
N	E	I	M	S	C	R	H	L	A	N	T	R	A	E	C	L	T
E	R	A	R	L	Y	L	P	A	R	L	F	E	H	C	O	I	C
N	P	I	L	I	R	O	M	T	K	L	A	N	A	A	C	R	E
E	G	O	N	P	C	R	T	E	U	E	C	C	T	I	A	A	H
I	E	A	R	A	L	O	N	E	E	I	O	Y	R	T	N	A	T

COERCION COOPERATE CURRENCY DIPLOMATIC

ECONOMIC FINANCIAL ISOLATE PRESSURE RESTRAINT

SANCTION

U.S. Turns Up Financial Pressure on Iran



ACROSS

3 Separate a nation or group from contact, trade, or support

5 Related to managing money and funds

7 Related to talks and relations between governments

9 Act of holding back from a stronger response

10 Official money used by a nation or region

DOWN

1 Using threats or intense influence to make someone obey

2 Government-imposed penalty meant to change another's behavior

4 Related to goods, services, trade, and money

6 Work with others toward a common goal

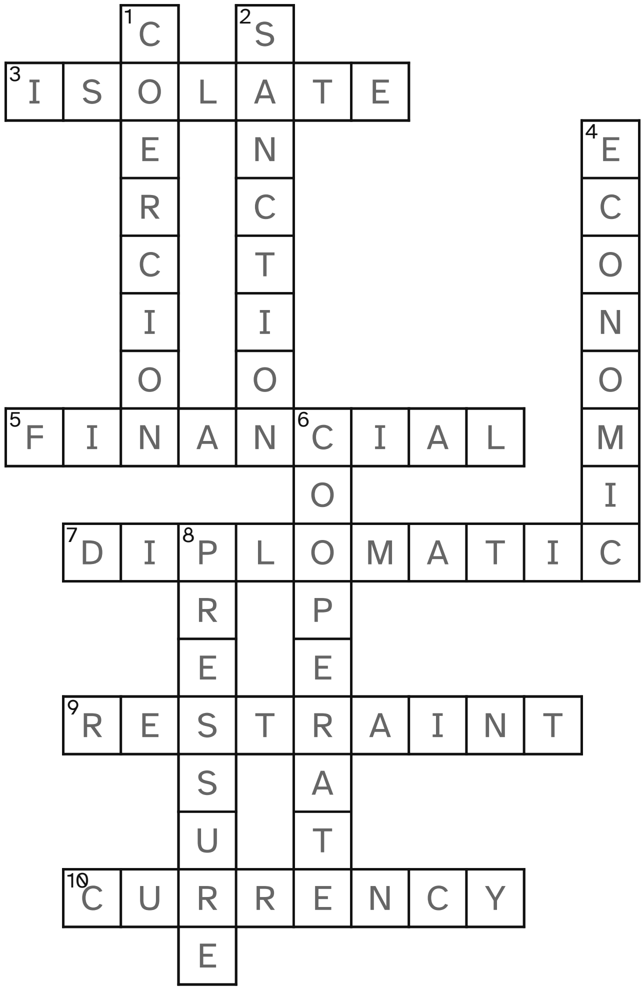
8 Influence used to make a person or group change behavior

U.S. Turns Up Financial Pressure on Iran — answer key

O	N	C	I	R	T	M	N	O	D	S	S	S	Z	A	R	N	U
E	G	O	I	T	N	O	P	O	C	D	M	W	O	R	I	U	R
D	N	E	C	E	R	Y	M	T	C	O	M	T	R	L	S	E	O
N	I	O	C	P	O	C	H	O	N	R	N	N	O	N	T	M	O
X	E	P	R	E	S	S	U	R	E	A	C	E	O	E	T	E	T
A	P	L	L	A	Y	P	M	T	R	A	S	T	S	O	P	T	A
S	N	E	C	O	N	O	M	I	C	E	S	E	R	I	F	N	I
A	Y	N	A	C	M	T	I	D	E	C	S	T	O	S	E	L	L
N	A	N	N	S	L	A	I	I	N	E	S	T	B	O	E	S	S
C	O	O	P	E	R	A	T	E	S	I	T	E	R	R	E	R	L
T	C	X	C	E	L	R	F	I	N	A	N	C	I	A	L	R	R
I	F	S	E	U	R	R	N	S	C	L	E	U	J	U	I	O	P
O	A	I	A	N	I	R	N	O	C	O	E	R	C	I	O	N	C
N	E	I	M	S	C	R	H	L	A	N	T	R	A	E	C	L	T
E	R	A	R	L	Y	L	P	A	R	L	F	E	H	C	O	I	C
N	P	I	L	I	R	O	M	T	K	L	A	N	A	A	C	R	E
E	G	O	N	P	C	R	T	E	U	E	C	C	T	I	A	A	H
I	E	A	R	A	L	O	N	E	E	I	O	Y	R	T	N	A	T

COERCION COOPERATE CURRENCY DIPLOMATIC
ECONOMIC FINANCIAL ISOLATE PRESSURE RESTRAINT
SANCTION

U.S. Turns Up Financial Pressure on Iran — answer key



ACROSS

3 Separate a nation or group from contact, trade, or support

5 Related to managing money and funds

7 Related to talks and relations between governments

9 Act of holding back from a stronger response

10 Official money used by a nation or region

DOWN

1 Using threats or intense influence to make someone obey

2 Government-imposed penalty meant to change another's behavior

4 Related to goods, services, trade, and money

6 Work with others toward a common goal

8 Influence used to make a person or group change behavior

Where this came from

This article was written for 3andB from the reporting below. It is not a reprint — the wording is ours and the facts are theirs.

PBS NewsHour

"U.S. plans to sanction another bank in effort to clamp down on Iran transactions, Bessent tells AP"

Published	Sunday, August 30, 2026
Read by us on	Monday, August 31, 2026

https://www.pbs.org/newshour/world/u-s-plans-to-sanction-another-bank-in-effort-to-clamp-down-on-iran-transactions-bessent-tells-ap

WHAT IS IN THIS PACKET

The article with a note on each question, a word search, a crossword, and the answer key to both.

COPYING AND REUSE

Free to print, copy and hand out for classroom use. Please keep this page with the packet, so the next teacher can see where the story came from.