

Congressional Testimony

House Foreign Affairs Subcommittee on the Middle East and Northern Africa

"Examining What a Nuclear Iran Deal Means for Global Security"

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The Paradox of Iran

The paradox of Iran is that of a society which aspires to be like South Koreaô prosperous and globally-integratedô hindered by a hardline revolutionary elite whose ideological rigidity and isolationism more closely resembles North Korea. During Iranøs 2013 presidential campaign Hassan Rouhani marketed himself to both these interest groups as the man who could reconcile the ideological prerogatives of the Islamic Republic with the economic interests of the Iranian nation. Despite these raised expectations, however, Iran today remains a country of enormous but unfulfilled potential.

From the outset of his presidency, Rouhani understood that Iranøs economic malaise could not be reversed without lifting sanctions, and lifting sanctions requires a nuclear deal. He accordingly invested all of his political capital in nuclear diplomacy rather than domestic affairs, and refrained from unsettling Iranøs conservativesô whose support he needs to secure a nuclear compromiseô with talk of democracy and human rights, or an alteration of Tehranøs regional policies. The combination of an interim nuclear deal, normalized U.S-Iran dialogue, and the appointment of competent economic managers has helped curb rampant inflation, increase oil exports, and improve private sector confidence.

While Iran® economic has shown modest signs of improvement, however, Iranian civil society who supported Rouhani contend that more than a year later, little has changed. According to Ahmad Shaheed, the United Nations Special Rapporteur on the situation of human rights in Iran, since Rouhani® elections Iran® already high execution rate has increased substantially, and the persecution of religious minorities remains widespread. In recent weeks the Islamic Republic of Iran reminded the world it is a place where young women risk acid attacks for õbad hejabö, imprisonment for attending male volleyball matches, and execution for protecting themselves against alleged rapists.

While Rouhaniøs international detractors accuse him of being duplicitous, his domestic supporters worry that the fate of his presidency rests largely on a nuclear deal that he does not have the authority to complete. Critical decisions such as the nuclear file continue to require the blessing of Supreme Leader Ayatollah Ali Khamenei together with the Islamic Revolutionary Guard Corps, whose political and economic interests appear to be symbiotic. While a clear majority of Iranøs population and much of the outside world want to see Iran emerge from political and economic isolation, the Islamic Republicøs 35-year history has shown us that what hardliners lack in popular support, they make up for in coercive strength.

Implications of a nuclear deal for Iran internally

Optimists hope that a nuclear deal will empower Tehrangs moderate officials and embolden civil society, creating a more tolerant, auspicious environment for reform. Skeptics fear that in the aftermath of any deal the Islamic Republic will heighten its repressive apparatus to show its public that external flexibility doesngt signal internal weakness. These scenarios are not mutually exclusive, in that a nuclear deal could both embolden moderates and invite a backlash from hardliners.

What important to note is that Iranian civil society has expressed near universal support for a nuclear accommodation. While not all are hopeful that it will lead to greater civil liberties, they believe a more internationally integrated Iran is conducive to the advancement of an open society. Contemporary history corroborates their instincts. In the Islamic Republic 35-years the country most repressive periods have been at times of external conflict and crises, which Tehran hardliners have often instigated, exploited, and prolonged for internal political expediency, such as the 1979 hostage crisis.

Indeed, for Iran® hardliners the economic welfare of its citizens has always been secondary to domestic political expediency and revolutionary ideology. They shrewdly understand their authority is best preserved in isolation--similar to their allies in places like Pyongyang and Havana--and enmity with the United States is needed for internal legitimation. A nuclear deal that reduces Iran® isolation, potentially strengthens moderates at home, and raises popular expectations for further rapprochement with the U.S. could be more threatening to regime stability than a continued standoff.

Implications of a nuclear deal for Iran's foreign policy

Advocates of a nuclear deal often assert that it would strengthen Tehranøs moderates and auger greater U.S.-Iran regional cooperation on contentious matters such as Syria, Iraq, and Persian Gulf security. Skeptics fear a deal would not only fail to moderate Iranøs regional policies, but would also provide Tehran a significant financial boost to buttress the Assad regime in Damascus and other regional proxies hostile to the U.S. and Israel.

While domestic Iranian politics is famously unpredictable, there is no historic precedent nor recent evidence to suggest the Islamic Republic might abandon or modify its longstanding revolutionary principles, namely opposition to U.S. influence and Israeløs existence. Throughout the last three decades these pillars of Iranøs foreign policy have shown little signs of change, despite the election of moderate presidents or tremendous financial strain due to sanctions and/or low oil prices.

This is despite the fact that since 1979 the U.S. and Iran have faced common adversaries in the USSR, Saddam Hussein, the Taliban, al-Qaeda, and now ISIS. Indeed, as Henry Kissinger once wrote, õthere are few nations in the world with whom the U.S. has more common interests and less reason to quarrel than Iran.ö Yet successive U.S. presidents tried and failed to turn these overlapping interests into a cooperative working relationship.

While the overlap in U.S. and Iranian interests may at times allow for tactical cooperation, as long as Ayatollah Khamenei remains Supreme Leader Iran is likely to maintain strategic enmity with the United States. One of the fault lines between Iranøs so-called õprinciplistsöö those who believe in fealty to the principles of the 1979 revolutiono and its pragmatists is the fact that the latter have been willing to work with the United States against Sunni radical groups (such as the Taliban and al-Qaeda), while the former have been willing to work with Sunni radical groups against the United States.

Though Khameneiøs hostility is cloaked in ideology, in reality ito driven by self-preservation. As the powerful cleric Ahmad Jannati once noted, olf pro-American tendencies come to power in Iran, we have to say goodbye to everything. After all, anti-Americanism is among the main features of our Islamic state." More recently in July 2014 Khamenei himself asserted that

õReconciliation between Iran and America is possibleí but reconciliation between the Islamic Republic and Iran is not.ö

Managing irresolution

There is a strong possibility that nuclear negotiations will result in neither a comprehensive resolution nor a comprehensive failure, but a limited agreement and extended negotiations. In such a scenario the role of Congress remains especially critical. While the precise merits and demerits of a limited deal and the terms of an extension cannot be assessed beforehand, two broad principals are important to keep in mind:

- Any scenario must be measured against not a utopian ideal (the total dismantlement of Iranøs nuclear program), but realistic alternatives.
- The intent of U.S. policy should be to deter Irangs nuclear advancement, not provoke it.

Given the wide-spread assessment of the United States and European allies that economic pressure forced Tehran to seriously negotiate, Congress might be tempted to enact additional sanctions in order to coerce an Iranian compromise. Premature, unilateral U.S. sanctions, however, run the risk of jeopardizing P5+1 unity, tainting America favorable standing among the Iranian people, and precipitating a conflict.

Rather the force greater Iranian nuclear concessions, additional sanctions would more likely encourage Iran to recommence its nuclear activities and curtail its already limited cooperation with the International Atomic Energy Association (IAEA). Iran¢ calculationsô which may prove to be miscalculationsô are in part driven by the view that President Obama is desperate for a foreign policy victory and Washington, not Tehran, will be blamed for abrogating the collectively agreed upon Joint Plan of Action (JPOA).

While the global embargo of the Iranian economy has up until now remained largely intact, in the event of a diplomatic breakdown it uncertain whether Europe, Russia, and Asia will continue to forsake their own commercial and strategic ties with Iran to placate the United States. In contrast to the era of bombastic Iranian president Mahmoud Ahmadinejad, today China, Russia, and even many European allies believe Iran is too critical to Middle East stability to be shunned, and President Rouhani and Foreign Minister Zarif are reasonable leaders who should be engaged and strengthened, not sanctioned and weakened.

The worst scenario for U.S. interests is one in which Congress overwhelmingly passes new sanctions, Iran resumes its nuclear activities, and international unity unravels. Such an outcome would force the United States to revisit the possibility of another military conflict in the Middle East, an option that few Americans favor.

In this context, Congressional legislation should be devised to lock-in Iranøs current compromises, deter Iranian encroachment, and incentivize greater Iranian compromises. In essence, Iran should have both strong disincentives to move forward together with strong incentives to compromise. In order to maintain international unity itøs important that Iranian encroachment trigger additional Congressional sanctions, rather than Congressional sanctions triggering Iranian encroachment. Put another way, congressional sanctions should be conceived in order to deter Iranøs nuclear ambitions, not provoke them.

It is also important for Congress to think more creatively about ways to align itself with the aspirations of the Iranian people, not only against the nuclear aspirations of the Iranian government. U.S. policies necessary to counter Iran nuclear program and the policies needed to facilitate political transformation in Iran are at loggerheads. The economic pressure and political isolation that have proven necessary to force Tehran to reassess its nuclear ambitions are hurtful to Iranian civil society and the private sector, which require political and economic engagement.