

Iran-US Relations: window of opportunity?

Ghoncheh Tazmini ■ PhD in international relations, University of Kent at Canterbury

Introduction

One of the most interesting cases to watch in the days of American power transition is Iran. A week after Barak Obama's presidential inauguration on 20 January 2009 the Iranian revolution will mark its thirtieth anniversary and for three decades, American policy toward Iran has largely concentrated on punitive measures aimed at destabilising the Iranian regime and limiting its regional influence. However, despite efforts to shape Tehran's policies and behaviour by isolating the country politically and economically, Iran's regional influence is greater today than ever. Indeed, to date, US approach toward the Islamic Republic has been one based solely on sticks – a long campaign of isolation, pressure and threats – without carrots. This strategy has proven to be counter-productive and self-defeating for the Americans. Iran's location – in the heart of the Persian Gulf and at the crossroads of the Middle East, Central Asia and South Asia – its vast proven hydrocarbon resources, its 'soft power' instruments in various crisis areas where the US is bogged down, have heightened the country's strategic importance. Clearly, the 'sticks' have failed to curb Iran's rapidly growing influence as a political actor and a major energy supplier, both regionally and globally.

Nevertheless, these two countries are not necessarily fated to be enemies forever. Washington and Tehran share many strategic goals and in some areas may even be seen as potential allies. Both desperately want to stabilise Iraq and Afghanistan, both detest radical Sunni movements like al-Qaeda and the Taliban. Both, for different reasons, seek to assure a steady supply of petroleum to Western markets. It is in the national security interest of the United States – and in the interest of America's regional allies – to work with Iran rather than against it. However, the only way to win Iran over is to enter into comprehensive talks without preconditions, with the aim of resolving bilateral differences, normalising bilateral relations, and negotiating mutually beneficial relationships based on equal rights for all, rather than the primacy of American or Israeli interests in the Middle East. The essence of this approach is a sincere, sustained effort to dismantle the wall of mistrust between the two countries and to build confidence.

During his election campaign, Obama vowed to talk to Iran without preconditions, something that the administration of George W. Bush refused to consider. As a result, analysts predict that Obama's victory may be a chance to bridge the divide between the United States and Iran. This analysis explores the prospects for change in US-Iran relations under Obama's leadership. By contextualising bilateral relations within an historical framework, this analysis will reveal the historical points of contention between the two countries as well as their existing policy concerns. The examination will then centre on the current standoff by prescribing a new approach to dealing with Iran, not the 'puzzle' of Iran or the 'paradox' of Iran, but the Iran that is emerging as a major player on the international stage. This account will also reflect on the Iranian reaction to Obama's victory. Taking the current political calculus into consideration, this analysis will make the case that it is high time for a new approach in dealing with Iran.

Blowback History

Few episodes of twentieth century history more perfectly epitomise the concept of 'blowback'. In 1953, the US violently pushed Iran off the path to democracy by covertly deposing a formally-elected civil government. 'Operation Ajax', as the CIA plot was code-named, resulted in a whirlpool of instability in Iran, and contributed to the rise of anti-American sentiment. From 1952 to 1953, Prime Minister Mohammad Mossadeq who was appointed as Prime Minister by Mohammad Reza Shah Pahlavi began a period of rapid power consolidation, centred on nationalisation of the Anglo-Iranian Oil Company (AIOC). Established by the British in the early 20th century, the Anglo-Iranian Oil Company shared profits (85% British-15% Iran), but the company withheld their financial records from the Iranian government. By 1951 Iranian support for nationalisation of the AIOC was intense and the Iranian parliament unanimously agreed to nationalise its holding of, what was at the time, the British Empire's largest company. The United States and Britain, through a now-admitted covert operation of the CIA, conducted from the US Embassy in Tehran, helped organise a coup to overthrow Mossadeq. The operation failed and the Shah fled to Italy. After organising protests against Mossadeq, a second operation was successful and the Shah returned from his brief exile. The Shah rode back to power essentially on the tip of American bayonets. In essence, the United States had engaged in a massive covert operation designed to remove a world-famous democratically-elected leader from power and reinstall an authoritarian monarch (a move which makes a mockery of America's currently stated desire to 'spread democracy' in the Middle East). US interventionism in Iran had disastrous ramifications. It generated massive resentment toward the US government not only because Iran's democratically-elected prime minister had been ousted but also because the US went on to ardently support a brutal dictator for the next 25 years. It is speculated that the reason that the Iranian students took control of the US embassy after the overthrow of the Shah in 1979 was their genuine fear that the US government would repeat what it had done in 1953.

While Iranians certainly have not forgotten America's role in orchestrating Mossadeq's

overthrow, the more recent memory of US support for the Saddam in the Iraqi-imposed war against Iran (1980-1988) lingers just as powerfully. A covert American program during the Reagan administration provided Iraq with critical battle planning assistance at a time when American intelligence agencies knew that Iraqi commanders would employ chemical weapons in waging the decisive battles of the Iran-Iraq war. The covert program was carried out at a time when President Ronald Reagan's top aides and national security advisors were publicly condemning Iraq for its use of poison gas, especially after Iraq attacked Kurds in Halabja in March 1988.

During the Iran-Iraq war, the United States decided it was imperative that Iran be thwarted, so it could not overrun the important oil-producing states in the Persian Gulf. It has long been known that the US provided intelligence assistance to Iraq in the form of satellite photography to help the Iraqis understand how Iranian forces were deployed against them. Though senior officials of the Reagan administration publicly condemned Iraq's employment of mustard gas, sarin, VX and other poisonous agents, the American military officers said President Reagan, Vice President George Bush and senior national security aides never withdrew their support for the highly classified program in which more than 60 officers of the Defence Intelligence Agency were secretly providing detailed information on Iranian deployments, tactical planning for battles, plans for airstrikes and bomb-damage assessments for Iraq. The fact is that American intelligence officers never encouraged or condoned Iraq's use of chemical weapons, but neither did they oppose it. In fact, the Reagan administration publicly condemned Iraq's use of gas while privately acquiescing in its employment on the battlefield. Here we see two examples of the Realpolitik of American interests that have had a blowback effect: Iran's deeply entrenched suspicion of US intentions is firmly grounded in an historical past replete with tragic American blunders.

The Americans also cite past grievances as a source of mistrust, particularly the American hostage crisis in Tehran. On November 4, 1979 in the heady days of the Iranian revolution, a group of Iranian students stormed the American Embassy in Tehran and took 63 American Embassy personnel hostage. The specific grievance of the students (the hostage takers) focused on the

Shah and his relationship with the US. In October 1979, US officials learned the Shah was diagnosed with cancer. The Shah requested entry to the US for medical treatment; President Jimmy Carter rejected his request. After a vigorous campaign led by influential US Shah supporters the Shah was admitted into the United States. The arrival of the Shah to the US instigated Iranian unrest, which led to the invasion of the US Embassy. It evoked memories of the 1953 coup and aroused fear that the US was planning another coup to restore the Shah to power. In short, for the students who took over the Embassy, for the Iranian revolutionary officials who supported them, and for much of Iran, the taking of the Embassy was a response to the 1953 coup against Mossadeq. The US responded to the situation through economic and diplomatic pressures. President Carter stopped US oil imports from Iran, froze all Iranian assets in US banks, and, with the exception of humanitarian goods, the US ceased all trade with Iran. However, the economic sanctions and diplomatic pressures did not compel a hostage release. The US then responded with a failed military action, resulting in the deaths of eight Americans. The hostage crisis served as the defining moment of the US-Iran relationship for Americans.

Within a day of Reagan taking the oath of presidency, the hostages were released and returned stateside. However, during President Reagan's administration, there was little improvement in US-Iran relations. In 1983, the US accused Iran of supporting a series of anti-American terrorist attacks carried out by Hezbollah, and in 2003, the US Supreme Court decided that Iran supported the terrorist organisation. The Iran-Contra scandal followed the Hezbollah attacks. During the Iran-Contra scandal, the US illegally sold weapons to Iran and used the profits to support the Contras in Nicaragua. Despite the series of events with Iran in the 1980s, it was the accidental shooting down of a commercial airline by the US that increased the hostilities between the countries. In 1988, the USS Vincennes shot down an Iranian commercial flight in Iranian air space over the Strait of Hormuz – 290 Iranians died. Although the US paid a compensation of \$61.8 million to Iran, the US never paid for the lost aircraft nor did they offer an official apology to Iran.

When President Bush puts the words 'Iran' and 'World War III' in the same sentence, or when the Senate votes to designate a large part of Iran's military a 'terrorist' organisation, what is the anticipated Iranian reaction given this grievous historical backdrop? Instead of issuing threats and denigrating the Islamic Republic, the American government needs to ponder the question of what moral responsibility they have to Iran in the wake of this painful history. The fact is that the US is fixated with the idea of getting rid of the Iranian regime. Over the past years, the US has pursued the policy of secretly funneling US government money to Iranians in order to exploit cracks within the ruling elite and between Iran's rulers and its people. What is curious is that the US is desperately trying to coerce Iran into renouncing its uranium enrichment and plutonium production programs (which Iran insists is intended for civilian use), but at the same time, it is trying to destabilise the country and overthrow the regime. A foreign policy strategy based on such flawed logic is doomed and only prone to fuelling animosity to dangerous heights.

Few Americans recall how the Iranians were helpful to the US in Afghanistan after the US invasion in 2001 in actively supporting the Bonn conference agenda to help rebuild the new Afghanistan state, and in supporting the Afghan parliament's endorsement of Hamid Karzai as its president. In 2003, Iran offered a proposal trying to ease strained relations between the two rivals. Iran put several different issues on the table including an offer, within the framework of the negotiations, to support the idea of turning Hezbollah into a mere political organisation. Secondly, the offer included Iranian opposition for Islamic jihad and support for Hamas, and provisions that Iran would encourage the Palestinians to go a political route, rather than military route, in their dealings with Israel. The Bush administration rejected the offer and continued to depict Iran as a threat to not only the United States, but also to the international community. The history between the US and Iran is a continuous source of conflict with the potential to explode into a more severe conflict with global consequences. Now, if we consider Obama's victory as a window of opportunity in the history of Iran-US relations, then the Obama administration must first clarify a fundamental question: Is Iranian foreign policy rooted in an immutable ideological opposition to the United States, or is Iranian behaviour a function of US policies?

Could a different US approach result in a more conciliatory Iranian response? The only way to test these hypotheses is via direct dialogue. This entails opening the door to direct, unconditional and comprehensive negotiations at the senior diplomatic level where personal contacts can be developed, intentions tested, and possibilities explored on both sides. Sustained engagement is far more likely to strengthen US national security at this stage than either escalation to war or continued efforts to threaten, intimidate or coerce Iran. However, before we consider the prescription for a revised strategy towards Tehran under Obama, let us first reflect on Iran's response to Obama's presidential victory.

Iranian Reaction to Obama's Victory

The presidential victory of Barack Obama has been something of a bombshell for Iranians of every persuasion. Overall, officials and observers have expressed cautious optimism on the possibility of detente. On the one hand, Obama's life story as the son of an immigrant Muslim father resonates deeply amongst Iranians. On the other hand, his clearly stated positions on Iran's nuclear program rattle and unnerve the political classes. Iran's myriad political factions and groupings are trying hard to make out the President-elect's political worldview and priorities.

Two days after the 4 November election, the world learned that President Mahmoud Ahmadinejad had sent a surprisingly warm message to Obama, congratulating him on his victory and expressing the hope that he could start a new era. However, the Iranian president's hard-line supporters encompassing various clerical, non-clerical and paramilitary power centres have been divided over President Ahmadinejad's letter and the prospects for peace with Obama. Some groups, involving both clerics and non-clerics, have taken to defending Ahmadinejad's line, while others have taken to criticising it. Ayatollah Haeri Shirazi, the hard-line Friday prayer leader of the city of Shiraz, defended Ahmadinejad's letter by saying that it reflected 'our president's elevated self-confidence'. He added: 'He [Obama] is that country's first black president. He has taken over the presidency in conditions where there existed mass discrimination against black Americans until very recently'. Another

prominent hard-line ayatollah, also of pro-Ahmadinejad, Elm'ul Hoda, took a decisively different take. He said in his Friday prayer sermons in the city of Mashad: 'It is foolhardy to think US policy changes with personnel changes ... whether white or black doesn't matter'.

Anti-Ahmadinejad hardliners, mostly clerics, criticised the President's letter. Their main newspaper, Jomhouri Eslami, ran several editorials lambasting the notion that positive changes could come out of Obama's victory. In its 10 November editorial, the paper reminded Ahmadinejad that if the purpose of his letter-writing was to probe possible openings with the US, it was only the Supreme Leader that could have legally written such a letter or ordered one. It further added a cautionary note by calling attention to Obama's accusations against Iran. 'Over the last 30 years, both the Democrats and the Republicans have proven to be equally at odds with the Iranian people. Obama's victory should be seen in this context', the editorial noted.

The Centrist groups reacted in a pragmatic but cautious manner. Typical of these were two articles in the influential news weekly Omid-e Javan, printed in its 15 November issue. In one article, the author called the US presidential election 'the triumph of democracy'. However, the author warned its readers that it was demeaning for a country with a history spanning several thousand years to beg for respect from other countries. 'In addition', said the author, 'the Republicans usually win their battles with guns and bullets, while the Democrats do so through more subtle means'. The article ended by warning the country's politicians not to make hasty moves or statements. The second author had a more optimistic tone: 'By calling for unconditional talks with Iran, Obama is throwing the ball right into our [Iran's] court since we would have to talk under the Security Council umbrella, which is ill-disposed to us'. Ahmadinejad's letter, the author claimed, was misguided. He felt that it was rather presumptuous to assume that Obama would pursue a more conciliatory posture toward Iran.

The reformist groups on the other hand applauded President Ahmadinejad for writing the letter. However, they mostly questioned whether the new US administration could build confidence with Ahmadinejad at the helm of the Iranian government. For instance, in a seminar on foreign policy at the

prestigious Department of Law and Political Science at Tehran University, Mohsen Aminzadeh, a former undersecretary of state under the reformist president Khatami, asserted that only a reformist government could save the day. According to Aminzadeh, 'The Obama-Khatami duo has truly the potential to get us out of this crisis on the condition that the totality of the system lends a hand. If the present adventurist foreign policy is allowed to continue, there can be little chance of an improvement in US-Iran relations'. Aminzadeh cautioned that 'if the trend of radicalism continues [in Iran], he [Obama] would behave even more harshly toward us than Bush'.

Causality and a prescription for change

We have observed a series of reactions along the Iranian political spectrum. What is evident is that there is a lot of emotion imbued in the various postures adopted by the diverse groupings and factions. The feeling toward the US is certainly not one of indifference. There is no unified voice, nevertheless, the overall feeling is that Obama's election heralds a new chapter, an opportunity that the American establishment could exploit in order to normalise relations with Iran. As discussed above, the source of contention between the US and Iran is the product of a series of historical events. Over time past grievances have fostered a deep-seated atmosphere of mistrust between the two countries. Thus, in determining the causality of the prevailing hostility between Iran and the US, we can identify a temporal precedence. Rhetorical clashes and disputes between the two powers are the effect rather than the cause of the Iranian-American standoff. The cause of the long-standing tension between Washington and Tehran can be traced back to a series of fateful historical episodes that left an indelible imprint on the nature of Iran-US relations. Simply put, it is suspicion and lack of confidence between the two countries that is the basis of everyday clashes. In establishing this pattern of causality, we can identify a prescription: the mistrust that has accumulated over the past thirty years needs to be reversed. Thus, American policy needs to centre on confidence-building as opposed to the war mongering. President Ahmadinejad's letter was a step in the right direction; it can be interpreted as an icebreaker or an overture,

which ought to be reciprocated with a written exchange in order to pave the ground for a direct dialogue, followed by direct and unconditional negotiation.

In terms of policy, this approach translates into recognition of Iran's national and security interests. The US needs stop the habit of thinking about the Middle East as if it were 'America's backyard', denying the interests of other states, including Iran, in their own neighbourhood. This is one reason that Tehran befriended the whole range of Iraqi Shi'ite parties, adding potential complications to US military withdrawal in the Middle East. Iran has also built its influence in Syria, Lebanon and Gaza. Its patronage of the Lebanese Hezbollah helped develop a militia force that held its own against the Israeli military in 2006 and has faced down the Lebanese government since then. Its similar relationship with Hamas has brought about further complications in the Arab-Israeli conflict. Indeed, Iran is in a position to raise the temperature between Israel and its neighbours. Conversely, it is also in a position to help calm tension and open the way for solutions to be found.

As such, one of Obama's chief foreign policy concerns should be reorientation of America's Iran policy. As discussed above, restoration of ties might be possible through a sustained effort to build confidence. The US needs to redefine Iran's role in its own 'backyard' and to engage Iran productively; only then can the US realistically think about extricating itself from the Middle East. It is no secret that the political developments in post-Saddam's Iraq and Afghanistan have expanded Iran's political-security role. The US needs to factor in this reality into its strategic calculus. However, the prevailing mentality is that Iran's increased regional role contradicts US strategic goals, the interests of Arab allies, and the security of Israel. The US needs to understand that Iran's geostrategic position and proximity to regional crises along with its dynamic Shi'ite ideology and its cultural affinities with its neighbours are important 'soft power' tools that it does not possess. Another consideration is that power and politics in the region are interdependent: for example, the political-security issues in the Levant are linked with power-sharing conflicts in the Persian Gulf. Iran plays a key role in both regions, and thus, it cannot be sidelined. The United States must recognise that if Iran is properly engaged, it can be a valuable

partner in reconciling regional conflicts and in combating terrorism.

The US needs to redefine Iran's role in US regional policies and accept Iran's regional role commensurate with its sources of power. If the Obama administration is willing to do so, Iran should be interested in settling the Levant issues in exchange for accommodating Iran's role and key interests in the Persian Gulf and in Iraq. Iran should also realise that its role and influence in the region are not likely to be permanent. Thus, it is also a momentous opportunity for Iran to settle its own strategic issues with the US in the course of region's transformation. Iran does not want to become an international pariah, subject to sanctions and repeated threats. However, the US needs to acknowledge Iran, for what it is, a respectable member of the international community and the proud bearer of an ancient heritage. Iran readily asserts that it resents a 232-year-old 'upstart' telling it what to do. If Iran is to change its strategic outlook, Obama's foreign policy team needs to substantively revise its Iran strategy.

The road to improved US-Iranian relations will be rocky but the possible mutual benefit to both American and Iranian interests is evident. However, given three decades of compounded hostility, the results of any process of engagement will not be quick; the antagonism will not melt away in one fell sweep. The initial pace will likely be painfully slow, as each side ascertains whether the other truly has good intentions. The important fact is that Washington and Tehran share important overlapping interests on several issues of broad mutual interest, including Iraq, energy markets, Afghanistan, nuclear proliferation, the Arab-Israeli conflict, and terrorism. A good starting point is to initially concentrate efforts on areas of shared interest, such as Iraq and Afghanistan, rather than those of little or no common interest, such as the Israeli-Palestinian conflict and the nuclear issue. Constructive discussions in Baghdad and Kabul could have a positive spill-over effect on other issues and serve as an exercise in building confidence and goodwill between the two countries.

A 'grand bargain' requires comprehensive talks with Iran without preconditions with the goal of resolving bilateral differences; facilitating rather than impeding Iran's modernisation and integration into the

global economy; respecting Iran's national interests (including its right to nuclear energy); and supporting the Islamic Republic of Iran's place in the regional and international order. Instead of issuing threats and name-calling, the next US administration should project the dignity and poise of a superpower. This means an end to the threat of force and of regime change, and recognition of the Islamic Revolution of 1979.

Indeed, Obama's victory presents an opportunity for Washington to end three decades of hostility. Iran's growing strategic importance in the region means that it is high time to engage Iran. More than ever, Tehran is now an international actor that can profoundly undermine, or help advance, many of the America's most vital strategic objectives. Three decades of US policy toward Iran concentrating on diplomatic isolation, the threat of military confrontation, escalating economic pressure, and support for regime change have damaged the interests of the United States and its allies in the Middle East. It is clearly time for a fundamental change of course in the US approach toward Iran. As we noted above, the historical baggage in the Iran-US relationship dynamic is a continuing source of contention between the two countries; one that has bred mistrust and suspicion over three decades. This mistrust needs to be reversed, and only when this checkered past is erased can the Washington and Tehran devise a new strategic framework that meets both sides' strategic and national interests. Even if the United States and Iran commit to cooperating on selective strategic issues, they need to first focus on building trust and confidence. Genuine strategic rapprochement will only be possible in an atmosphere of trust and with a spirit of partnership. A grand bargain – or even a limited bargain – must focus on fostering bilateral confidence through concessions and overtures signaling that the wall of mistrust is being torn down brick by brick.



Instituto de Estudos Estratégicos e Internacionais
Largo de S. Sebastião, 8
1600-762 Lisboa
Telefone +351 21 030 67 00
Fax +351 21 759 39 83
Email ieei@ieei.pt