Over the past thirty years, U.S. relations with the Islamic Republic of Iran have fluctuated between bad and very bad. The primary issue from the United States’ view has been Iran’s attempts to overturn the regional order in the Middle East through revolutionary activity. It has now been seven years since the revelations about Iran’s undeclared nuclear activities first surfaced. Since then, little discernible progress has been made in uncovering the full scope of Iran’s program and whether it includes a weapons program. Attempts since 2002 to roll back or at least slow Iran’s nuclear ambitions have proven fruitless, imparting a sense of urgency to the issue. Neither threats of punishment nor inducements have worked. Instead, threats unify Iranians behind an unloved regime while inducements threaten the regime’s foundations, which are built on hostility to the world, embattlement, and “resistance.” In addition, Iran fears the U.S./West’s friendship more than its enmity.

The dilemma today for the United States is that neither the military nor the diplomatic track appears likely to yield results soon. This dilemma is further accentuated since the June 12, 2009 elections highlighted the fractures in Iranian elite, as well as society, and the current regime’s sickening repression of the public. The elections also brought forth the regime’s newfound interest in at least tactically engaging the West, as in Geneva in October 2009. By engagement, the regime not only hopes to deflect external pressures, but also to gain a measure of legitimacy and to dishearten its political opponents.

Yet, contrary to conventional thinking, Iran’s nuclear policy has never been publicly debated and has never enjoyed a national consensus beyond the broad,
trite slogan of a “right to technology.” Divisions on the nuclear question exist and are in fact a surrogate for a broader question: how should Iran relate to the international community? Differences exist between those who seek a larger role for Iran in the international community as a normal state, accommodating international concerns, and those who wish to acquire a nuclear weapons capability to continue to confront the West, but with an “equalizer.”

There is a diplomatic conundrum in dealing with Iran. Fixing the nuclear issue, however urgent, is a stop-gap solution. Ultimately, concerns about Iran’s nuclear ambitions stem from an absence of trust. This is the product of Iran’s behavior over the past thirty years and the nature of the regime itself, characterized by opacity and subterfuge. Ironically, Tehran recognizes that the real issue is the regime itself. It argues that the West’s focus on the nuclear issue is merely an excuse—an opening wedge—to achieve regime change. This, they conclude, means that any substantive compromise or concession on their part will only lead to a series of escalating demands that will empty Iran of its revolutionary content—in other words, lead to regime change. The implication of this analysis is that everything is connected and that only a “grand bargain” can work. Yet, such a bargain without a change in the regime’s behavior cannot be feasible.

For the past thirty years, the United States has consistently ignored Iranian domestic politics, alternately denying the existence of (elusive) moderates or dismissing them as ineffectual. U.S. policies, assuming a monolithic Iran, have failed to utilize a natural Iranian constituency and on occasion have undermined that constituency’s critiques of Mahmood Ahmadinejad’s policies. While the Obama administration should at least sound out Tehran, it should be under no illusions about the tactical nature of Iran’s current response. Washington should bear in mind that there exist moderate Iranian nationalists who wish to normalize relations with the world on the basis of mutual respect. They are likely to be a more reliable interlocutor, creating a government more plural, responsible, open, tolerant, and trustworthy, and thus partners for a durable and comprehensive agreement. This implies a renewed emphasis by the United States on public diplomacy, informing the Iranian people of the continuing U.S. interest in the fate of democracy, standards of human rights, and establishment of the rule of law in Iran, as elsewhere.

**Foreign Policy and Domestic Politics**

The 1979 revolution in Iran was brought by a very diverse coalition of secularists and theocrats, the middle class, ideologues, pragmatists, Marxists, and
traditionalists. The only consensus among them was the need for change. In foreign policy, this was expressed as the need for Iran to be independent and to follow its own path: “neither East nor West.” Together with an expression of solidarity for the “oppressed” and sympathy for the non-aligned, these became the principles of Iran’s foreign policy. Iran’s revolutionary mission, often invoked and never defined, developed into an instrument that over time was manipulated by ruling elements to serve their own purposes. Those who differed, or sought a more settled policy, could be easily intimidated.

For self-proclaimed revolutionary regimes like Iran, foreign policy is an expression of its values and a validation of its struggle. Hence, there is an intimate connection between domestic legitimization and foreign policy conduct. Foreign policy and foreign threats are routinely invoked to control domestic politics. In the name of national security, critics can be marginalized, moderates denounced as traitors, and repression justified. Foreign policy, therefore, is at once an extension of domestic politics, an expression of the regime’s identity, and a barometer of its intentions.

Aware of these interconnections, Iran’s leaders have repeatedly sought to inject revolutionary content into policy once the regime’s legitimacy appeared to wane. The hostage crisis of 1979 and the Salman Rushdie fatwa of 1989 are two examples. As the regime has found itself unable to deliver in economic performance, it has increasingly resorted to “revolutionary duty” and “Islamic values” to shore it up. In the recent elections, the links between the two were clear. According to Ervand Abrahamian, an Iranian-American historian:

For Iranians, foreign relations were tied to domestic bread and butter questions. It was clear that there would not be jobs for the ever-increasing number of high school and college graduates unless the country’s vast gas and oil reserves were developed. It was equally clear that these reserves would not be developed unless relations with the West—and especially the U.S.—improved.2

Ahmadinejad’s opponents seek to stabilize the system, in contrast, by redefining and reorienting Iran through evolutionary change focusing on public accountability and a more open, normal interaction with a globalized world. For them, this is the path to renewing the legitimacy of the Iranian system that has eroded dangerously. The hard-liners in Iran see this approach as doubly dangerous, for ejecting “revolutionary values” risks losing control and power. Regime survival, equated with their primacy, depends upon embattlement. Legitimacy for them comes not from the citizenry, many of whom advocate accommodation, but from resistance.3 Advocates of moderation, therefore, threaten the control of the hard-liners and their definition of the regime.
Iran’s Nuclear Policy

Observers, particularly in Iran, like to depict Iran’s nuclear policy as a matter of national consensus.4 Foreigners have bought into this, adding that any differences are largely a matter of how policy is conducted, not about ultimate goals. Parallel reasoning is prevalent in Washington: there are no real moderates in Iran. Even if they exist, they are not in power, and even when in office (i.e., Mohammad Khatami, Iranian president from 1997–2005), they are either ineffectual or do not control security issues.

This analysis is faulty. There is a consensus that Iran has a right to peaceful nuclear technology.5 But Western intelligence attributes weapons activities and motives to current policy. Most Iranians also dislike the hectoring and arrogant tone adopted by the United States between 2003 and 2008. Nonetheless, differences in the elite exist not only on how diplomacy is conducted and what purposes nuclear energy is to serve, but also on the price to be paid for this program and its relation to other needs, including relations with the international community.

Washington should be under no illusions about the tactical nature of Iran’s current response.

While Iran’s leaders invoke a national consensus, there has never been an open debate on the subject. The public has not been consulted while the issue has been treated at the level of slogans. Attempts by some informed elite members to inject a sense of realism into policy has seen them harassed and imprisoned as foreign agents. Ahmadinejad’s Supreme National Security Council has issued instructions to the press on how to report the nuclear issue favorably, suggesting something less than a national consensus.6

It is also not correct to argue that there have been no differences between the nuclear policies of Khatami and Ahmadinejad. According to the 2007 National Intelligence Estimate (NIE), weapons-related activity stopped in 2003.7 At the time, Hassan Rowhani, the senior Iranian negotiator, entered into agreement with the European Union foreign ministers, known as the EU-3, and accepted to apply the Additional Protocol and suspend enrichment voluntarily. In doing so, he specifically invoked the need to keep good relations with the international community by reassuring it of Iran’s intentions.8 When the reformists came under fire for their nuclear policy, they were obliged to defend it in the idiom of Iranian politics, by claiming to defend Iran’s rights by stealth. After all, they could not afford to be less nationalist than their critics. Opportunists such as Ali
Larijani, who started to politicize the issue in 2004, did so by arguing that Iran’s acceptance of the Additional Protocol had been a unilateral concession.

Conservative criticism of the reformists’ alleged policy of “retreat” was taken to a new level by Ahmadinejad from 2005, who factionalized what has allegedly been a national policy, taking the subject to the provinces and depicting it in bumper stickers.9 As Iran resumed enrichment, limited the International Atomic Energy Agency’s (IAEA) inspectors’ activities, and threatened to withdraw from the Nuclear Non-Proliferation Treaty, the question went to the UN Security Council and a series of sanctions were passed in 2007. Ahmadinejad’s critics could not afford to be less nationalist, but neither could they deny that standing up to the United States had been a short cut to establishing nationalist credentials.

Consequently, rather than on his goals, Iranian critics focused on Ahmadinejad’s adventurous and gratuitously confrontational approach, which imposed unnecessary costs on Iran and threatened the very regime/system (nezam) itself. Ahmadinejad, for his part, depicted his critics as foreign agents, and likened the nuclear program to a “train without brakes.” As the issue became further heated in Iran, the U.S. government released the 2007 NIE in December, which reduced the credibility of any near-term military option, thus undermining and silencing Ahmadinejad’s critics. Confrontation seemed to work for Iran. It was not surprising then that Supreme Leader Ayatollah Ali Khamenei approved of Ahmadinejad’s nuclear policy and characterized that of his predecessors—which he had, of course, approved—as one of retreat and surrender in the spring of 2008.10

Despite the NIE and the Bush administration’s tendency to utter ineffectual threats, or draw “redlines,” which it could not enforce, or threaten to implement sanctions in the Security Council (that were watered down), Iranian conservatives were aided by the oil windfall of 2005–2008 and tacit support from Russia. Serious sanctions appeared remote as the enrichment program briskly advanced from 164 centrifuges in 2003 to some 8000 by mid-2009. Ahmadinejad positioned himself, with implicit approval from Khamenei, to use this policy success to consolidate the hold of the hard-liners in power and to eliminate the moderates’ politically.

Yet, a strange thing happened during the recent presidential election. All three candidates criticized Ahmadinejad’s foreign policy and distanced themselves from his nuclear policy. They either endorsed the idea of an international consortium for enrichment on Iranian soil (Mohsen Rezaee) or called for further negotiations with the EU (Mir Hossein Mousavi and Mehdi Karroubi). There was reportedly even a May 2009 proposal by pragmatists that Iran should accept a freeze on its enrichment, which was rejected.11 These proposals were more flexible than the Ahmadinejad ones that had also suggested a willingness to consider other
formulae more acceptable to the international community. All this must have shocked Khamenei, who had specifically endorsed his protégé’s policy. Popular opinion seemed to validate this criticism, indicating that the attempt to use the nuclear issue to strengthen hardliners had clearly backfired. There was reason to suppose that public opinion and the moderate elite did not see any inherent contradiction between Iran’s right to enrichment and the international community’s right to be reassured of its peaceful intent. This left the suspicion that hardliners were manipulating the issue for both a political and factional advantage.

The contested and fabricated elections and the harsh repression that followed it this past summer has made it clear that the current regime makes no distinction between those acting within and those opposing the system. This makes future criticism of policy inside the country more difficult, as the regime comes to resemble a typical Middle Eastern “security state,” quashing any criticism no matter how marginal or fundamental. At the same time, the regime’s priorities are clearly now to attend to the polarization of the elite and society, which has weakened and further discredited the regime domestically and internationally. Gone is the recent cocky tone, which had depicted Iran as an island of stability. The United States, however, is facing a similar situation as its power keeps declining due to a variety of reasons.

Ahmadinejad has insisted that his activist foreign policy will continue and is in fact necessary for his domestic policies to work. He will continue to challenge the international power structure and the rules of the international system. Iran’s initial reply to the P5+1 talks (which includes the five permanent members of the Security Council—China, France, Russia, the United Kingdom, and the United States—plus Germany) reflects this approach and dealt with generalities rather than the nuclear question, which officially remained “closed.” While this does not suggest much departure in policy, Iran’s weakened state gives it an incentive to engage the West tactically, if only to deflect the pressure for new sanctions.

The Geneva meeting in early October between Iran and the P5+1 was thus an indication of the regime’s realization of the need to respond both to acute domestic divisions and international pressure. The external pressure came from the discovery of its failure to declare a new enrichment site near Qom and from the United States’ carefully modulated but clear determination to focus on the nuclear question. Tehran’s decision to engage the P5+1 tactically was designed to alleviate these pressures by making limited, procedural concessions. In return,
Tehran expects to deflect sanctions and divert attentions away from its intensified domestic repression.

The regime is eager to isolate its domestic opponents in order to dishearten them and regain whatever legitimacy it imagined it possessed before the watershed events of June 2009. International talks, therefore, may be used as a screen to mask intensified domestic repression. Without making any substantive concessions, by dangling the possibility of improved cooperation with the IAEA or a limited freeze that does not alter its program or its objectives, Tehran may seek to accomplish these more important political goals. At home, it can brag that its hard-line approach made the West acknowledge Iran’s nuclear rights without it making any substantive concessions. Iran may, therefore, accept a temporary freeze, which would not alter the fundamentals of its nuclear program or its mastery of enrichment. Any enrichment on Iranian soil will always run the risk of an Iranian decision to “breakout” of the treaty and move toward weapons. What Iran will not accept, of course, is a rollback of its program.

**Engagement: the Response to Iran’s Nuclear Policy**

Where does this leave the West? On one hand, Iran is moving steadily toward a nuclear capability. On the other, the regime has shown its true and very ugly face in its treatment of its population, further complicating engagement. The U.S./Western policy has to deal with three issues: whether and on what terms to engage Iran; whether to resort to further sanctions if this proves fruitless; and finally, if an agreement is possible, to deal with the problem of trust, which necessarily will underlie any agreement.

The Obama administration’s decision to focus on engaging Iran on the nuclear question, brushing aside criticisms that it was providing a lifeline to a vicious, failing regime and selling out Iranian reformists, was courageous. It will be seen to have been a correct one if it gains serious concessions that result in neutralizing the threat of a nuclear Iran. For this to happen, the administration will need to block further enrichment and put in controls on any future Iranian nuclear activities. Iran, however, has shown no sign of being willing to accept either meaningful suspension or highly intrusive inspections. A decision to do so, and to recognize its responsibility to reassure the international community about its program, would entail a strategic shift that would go beyond the nuclear issue alone. More likely, Tehran hopes to buy time, reduce pressures for sanctions, and divert attention away from its increasingly authoritarian politics, all without making significant concessions.

Disclaimers notwithstanding, the decision to negotiate with Iran today inevitably confers a degree of recognition on the regime, which it will not be slow to exploit domestically. There is no gainsaying that the price of engaging Tehran today is selling
out the people who embody hope for change in Iran and are the United States’ natural interlocutors. Care needs to be exercised to ensure that any continued engagement with Tehran does not imply endorsement nor confer any form of legitimacy on the Iranian regime. It should rightly be conceived as a process, and not a goal, intended to encourage a change in behavior.\textsuperscript{16} Indeed, since meaningful change in behavior would require a change in the regime, engagement should be seen as a means of encouraging regime evolution which will eventually empower those elements in Iran most interested in mutually respectful relations. To this end, the United States should intensify its public diplomacy to communicate its goals and policies to the Iranian people, including any inducement packages offered and refused by the current regime. Emphasis on its concern for Iranian human rights should not be dropped or underplayed to mollify the regime. Indeed the regime’s efforts to block information should be countered by every technological means available.\textsuperscript{17}

Sanctions are controversial, but it is difficult to see how they can be discarded as they remain the only policy tool midway between the use of force and toothless protests. The U.S. rationale for sanctions imposed so far has been to impose a cost on Iran’s policies and to stimulate an internal Iranian debate and reconsideration of them. In the new context of a disunited Iran, this may be easier to do. To be sure, no one knows whether sanctions benefit the target by rallying support to it or weaken it as public anger is turned against it. Nor do we know who suffers, who evades its consequences, and who benefits from sanctions. It is very clear that sanctions can have more effect over time and cumulatively rather than in the short term. Also, states that are resourceful, or have friends or foreign exchange, can usually evade the full effect of sanctions, especially if they are not universally applied. That said, sanctions do have an effect on the margins, and to an extent, they highlight the sanctioned state’s unacceptable policies as well as its relative isolation, sending a message to its people about its government’s policies. Iranians have made it clear that they do not want pariah status and the current regime has to take the blame for it.

Finally, any agreement, however limited in scope and time, will depend in large measure on trust, even if intrusive inspections are included. Yet, as suggested at the outset, it is precisely the question of confidence that is lacking given the regime’s past behavior. In light of the falsified elections and aftermath, there are more reasons to be skeptical of the value of any agreement made with Tehran today.\textsuperscript{18} Indeed, the degree of assurance required now would entail the most intrusive form of inspections currently in existence anywhere. This, in itself, would be an argument for rejecting it in Tehran.
A different regime, more accountable and transparent, would be a more satisfactory interlocutor, more likely to be given the benefit of the doubt, and able to conclude a more durable agreement. One cannot choose one’s negotiating partner, but it is as well to recognize that the heart of the problem with Iran goes to the regime itself and especially those elements in it that resist its evolution toward normalization, a wish the majority of the Iranian people have supported. For them, hopes for a better future revolve around normalization. The events of 2009 have only underscored this yearning.

The United States will therefore need to balance its own concern to stop the nuclear clock in Iran with its broader objective of stabilizing the Middle East. Iranians in Iran will have to determine their own future, and recent events have shown that, while they seek independence, they also seek freedom, along with a government that they can hold accountable. This is consistent with U.S. values and very much in the interests of both countries. It would be advisable for the United States to keep this broader objective in mind while dealing with the nuclear issue.

Notes

5. WorldPublicOpinion Poll; Ballen and Doherty “The Iranian People Speak.”
6. An example is Hossein Mousavian, a former nuclear negotiator, who attempted to outline the dangers of having the issue referred to UN Security Council, and was subsequently harassed. For the press restrictions directive, see “Iranian Regime Instructs Press on How to Report on Nuclear Issue and Iraq,” MEMRI Special Dispatch, no. 1899 (Washington, D.C.: Middle East Media Research Institute, April 16, 2008), http://www.memri.org/bin/articles.cgi?Area=sd&ID=SP189908&Page=archives. Also note
how debate on policy has been inhibited. A prominent reformist commentator noted that it has become an untouchable issue: “It is forbidden to talk about nuclear policy—you cannot oppose it in any way.” See Anna Fifield “Iran’s Nuclear Ambition Rises Above Domestic Debate,” Financial Times, February 19, 2008, http://us.ft.com/ftgateway/superpage.ft?news_id=fto021920081219509066.

7. NIE, Iran: Nuclear Intentions and Capabilities.
12. For a recent discussion of this issue, see Farideh Farhi, “Ahmadinejad’s Nuclear Folly,” Middle East Report, no. 252 (Fall 2009), http://www.merip.org/mer/mer252/farhi.html.
13. This is a suspicion that is likely to have increased since June 2009. See Meir Javedanfar, “Iran’s Crisis Has Nuclear Fallout,” Guardian, July 19, 2009, http://www.guardian.co.uk/commentisfree/2009/jul/19/iran-nuclear-programme.
15. See Farhi, “Ahmadinejad’s Nuclear Folly.”
18. See, for example, the cartoonist Chappate, who depicted Ahmadinejad addressing two glum, bloodstained clerics by stating: “After the free and fair elections, let’s get back to our peaceful nuclear projects.” See International Herald Tribune, July 8, 2009, p. 7. President Nicolas Sarkozy noted: “It’s the same Iranian leaders who tell us that the nuclear program is peaceful who tell us that their elections were honest. Who can believe them?” See “Iran Rejected Internal Call for Nuclear Freeze, Diplomats Claim,” Global Security Newswire, August 27, 2009, http://gsn.nti.org/gsn/nw_20090827_7250.php.