



# IRAN NUCLEAR AGREEMENT

The politics of attainability and the implications for Iran and the world

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Following a long and, at times, arduous process of negotiations that lasted almost two years, Iran and the P5+1/E3+3 powers (the United States, the United Kingdom, France, Russia, China, and Germany) have finally announced in Vienna a long-term, comprehensive agreement regarding the Iranian nuclear programme. The Iranian nuclear deal constitutes one of the most important post-Cold War diplomatic accords. Quite expectedly given its historical and geostrategic significance, the pact has already been the subject of a plethora of analyses and dissections, and is certain to remain a point of contention for years to come. This policy brief aims at exploring the various aspects of the deal, while shedding light on its technical details and its strategic, long-term implications. It finds the agreement to be a robust yet imperfect diplomatic compromise that nonetheless represents a concrete step in the right direction, both for Iran and the international community.

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#### Introduction

A future historian will certainly mark July 14<sup>th</sup> 2015 as a significant date. After a long and arduous negotiation process that was at times characterised by threats of war and confrontation, Iran and the P5+1/E3+3<sup>1</sup> powers (the United States, the United Kingdom, France, Russia, China, and Germany) announced in Vienna a comprehensive agreement regarding the Iranian nuclear programme. The Iranian nuclear deal constitutes one of the most important post-Cold War diplomatic accords. Given its historical and geostrategic significance, the pact has already been the subject to intense analysis, and is certain to remain a point of contention for years to come.

Building upon the 2003 interim deal in Geneva and the April 2015 framework agreement in Lausanne, the Joint Comprehensive Plan of Action (JCPOA), as the official title of the agreement unveiled in Vienna is, has the clear objective of curtailing what many have suspected to be an Iranian attempt to develop a nuclear weapon. The agreement, which largely meets the concerns of the West, includes a commitment by the Islamic Republic of Iran to have its nuclear programme verifiably limited and constrained. In exchange, the aforementioned powers have agreed to a gradual lifting of a series of nuclear-related sanctions that have for long plagued the Iranian economy and the lives of ordinary Iranian citizens. Furthermore, the international community will accept Iran's right to a verifiable civil nuclear programme aimed at peaceful purposes.

This agreement marks the end of an intense period of negotiations where, despite repeated political reassurances that a deal was within reach, there was no guarantee that this would ultimately be the case. This process has been particularly complex with several factors contributing to its success. In a rare show of consensus, the United Nations Security Council's five permanent members appeared united in their support of reaching a deal, forcing the Iranian delegation to view the negotiations as both legitimate and serious. The European Union (EU) and its High Representative (HR) Ms. Federica Mogherini also played a decisive role in making sure an accord would be inked. , The EU managed to successfully cultivate a level of trust that proved to be a conducive factor to the successful conclusion of the negotiations.

This policy brief aims at exploring the various aspects of the deal while shedding light on its various merits and imperfections. As a way of providing the necessary context for the ensuing analysis, it does so by first exploring the main tenets of the agreement, examining the diverse reactions that it produced, and analysing the particular significance of some of the main actors involved in the negotiation process. The next part is devoted to a careful examination of the deal's technical details, followed by an analysis of its immediate and long-term strategic implications. A final section summarises the arguments mentioned in the brief, concluding that the JCPOA is a robust yet imperfect diplomatic compromise that nonetheless represents a concrete step in the right direction, both for Iran and the international community.



# **General contours of the Joint Comprehensive Plan of Action**

Before proceeding to the actual analysis, it is first necessary to examine the main tenets of the agreement. This analysis does not seek to be exhaustive, as the complexities of the multi-page action plan and its attached annexes will take time to be fully understood, and even more time will be needed to see how the mechanisms and measures described on paper translate into reality on the ground. Nonetheless, as one of the most complex nuclear agreements ever made, JCPOA is an extremely detailed document delineating the range of restrictions to be placed on Iran's nuclear programme, the verification, inspection and monitoring mechanisms that will be introduced so as to safeguard that Iran does not defect from its obligations, and the process of gradual lifting of sanctions by the UN, the United States (US) and the EU that will be followed in this case.2

Commencing with its preamble, the agreement includes Iran's pledge that "under no circumstances" will it "ever seek, develop or acquire any nuclear weapons". This provision comes with an acknowledgement that Iran is allowed to "move forward with an exclusively peaceful, indigenous nuclear programme, in line with scientific and economic considerations, in accordance with the JCPOA, and with a view to building confidence and encouraging international cooperation." The remainder of the agreement, as well its five annexes, are dedicated to elaborating the specifics of how this pledge of non-development and non-acquisition of nuclear weapons will be developed, monitored and verified in the future, in addition to specifying what rewards Iran will reap in return.

#### **Uranium enrichment**

Under the nuclear accord, the Islamic Republic of Iran is committed to taking concrete steps towards curtailing its enrichment activity.

- Tehran is to reduce its installed centrifuges by two-thirds, operating 5.060 IR1 centrifuges. The remaining of its thousands of excess centrifuges will be dismantled and placed in a storage warehouse under IAEA monitoring and supervision.
- Tehran has also pledged to cap the level of uranium enrichment to 3,67% for 15 years, while also vastly reducing its stockpile of enriched uranium by approximately 97% to the level of up to 300kg. These commitments should guarantee that any quantity of enriched uranium will be insufficient for the production of a nuclear weapon.
- For 15 years, all uranium enrichment-related activity will be prohibited from taking place at the fortified underground facility of Fordow, which will be converted into a research and science facility, with no fissile material allowed at the site.
- The expectation from this restriction is that Iran's 'breakout' time the time required for the country to produce a nuclear bomb- will increase to at least a year, during the agreement's first 10 years, from its current 'breakout' period of only a few months.
- Another contentious issue that was addressed by the deal was the kind of research and development Iran can carry out into advanced centrifuges. Indeed, Iran has accepted specific limits on such R&D activities, which will be lifted sequentially according to a gradual plan.

# **Inspection and verification**

Iran has agreed to provide verifiable assurances that its nuclear activities are solely intended for peaceful purposes. In so doing, it has consented to granting international monitors the right to inspect all the components of its nuclear supply chain.

- Tehran will proceed to the implementation and ratification of the Additional Protocol of the International Atomic Energy Agency (IAEA), which provides the agency's inspectors with further, wide-ranging inspection powers, including access to all nuclear sites in the country.
- Achieving a compromise between the Americans' initial demand for inspections 'anytime, anywhere' and the Iranians' consistent refusal to comply with this demand, the nuclear



accord also gives IAEA inspectors the right to visit even suspicious, non-declared sites. Sites related to military activity can also be accessed, visited and inspected by the IAEA, but such visits are subject to an intricate process of request and approval. During this process, Iran has up to 24 days to comply with the requests.

 Finally, Iran agreed to a roadmap with the IAEA regarding all prior, potentially military dimensions to its nuclear programme. Pursuant to this roadmap, all outstanding issues vis-àvis these past activities (including questions around the Parchin top-secret facility) will have to be resolved in the coming months. The IAEA is expected to publish a comprehensive report on this matter by December 2015.

#### The heavy water reactor at Arak

Regarding the controversial issue of the heavy water reactor at Arak, Iran is obliged under the agreement to redesign and modify the plant and its reactor so that the quantity of plutonium produced (1kg per year) is also insufficient for the production of a nuclear weapon. The Arak site is to be placed under IAEA monitoring and Iran is prohibited from building additional heavy water plants for 15 years.

#### **Arms embargo**

This issue remained highly contentious during the deliberations, with the US requesting the ban to remain, while Iran wanting it lifted immediately. Russia and China played a decisive role in securing that the ban will not be permanent. As a consequence, the nuclear accord states that the UN conventional arms embargo will stay in place for a maximum of five years, whereas the ballistic missiles embargo will stay for a maximum of eight years.

#### Sanctions relief

Despite the desire of Iran for immediate sanctions relief upon signing the agreement, the agreement instead stipulates that this will take place beginning on 'Implementation Day', that is the day IAEA will provide a positive verification report regarding the implementation by Iran of a number of principal nuclear-related requirements. According to the JCPOA, on this day the EU and the UN will suspend or terminate an extensive list of nuclear-related sanctions, while the US has committed to ceasing the application of such sanctions. The expected timeline for this is six to nine months, but Iran is expected to benefit greatly from this, because the sanctions primarily affect the energy and financial sectors.

# Dispute resolution mechanism

A very complex dispute mechanism is foreseen within the agreement in order to arbitrate on cases where either Iran believes "that any or all of the E3/EU+3 were not meeting their commitments" under the JCPOA, or vice versa. The primary component of this mechanism is a Joint Commission for resolution of these matters that is to be set up. Tasked with addressing issues arising from the implementation of the agreement, this 8-member Joint Commission is comprised of representatives from Iran, the US, Britain, France, Germany, Russia, China and the EU.

- According to the Agreement, the Joint Commission has 15 days to resolve any issue of
  compliance brought to its attention, unless the period is consensually extended. Following
  this step, states have the opportunity to also refer the issue to the level of foreign ministers,
  who are also afforded 15 days to arrive at a resolution. States can also ask for a non-binding
  opinion on the issue from a special 3-person Advisory Board. If the situation remains
  unresolved, then the matter is returned to the Joint Commission for a final five days.
- Following that stage, "if the issue has still not been resolved to the satisfaction of the complaining participant, and if the complaining participant deems the issue to constitute significant non-performance, then that participant could treat the unresolved issue as



- grounds to cease performing its commitments under this JCPOA in whole or in part" and/or refer the issue to the UN Security Council.
- In such a case, and in the absence of unanimous consent amongst the five permanent members of the Security Council to continue the lifting of sanctions within 30 days, the nuclear accord stipulates a sanctions 'snapback' option, whereby any permanent member can unilaterally have UN sanctions against Tehran reinstated without the acquiescence of the others.

#### **Implementation Plan**

As explained in Annex V, the agreement is itself a dynamic text whose form and shape will evolve over time. In addition to the various deadlines of each of the agreement's provisions, the very laborious process of implementation is also subject to a detailed timeline, the main landmarks of which are mentioned below.

## Finalisation Day

As described in the agreement, finalisation day was the 14th of July, the date on which JCPOA was announced. Pursuant to the provision of the accord, the UN Security Council has already passed a resolution repealing all previous resolutions concerning Iran, endorsing the JCPOA and delineating which Iran-related sanctions will remain in place and for how long. In addition, the EU has also proceeded to endorsing this UN Security Council resolution. Deliberation between the IAEA and Iran will then commence, so as to complete all necessary arrangements provided for in the deal by Implementation Day.

# **Adoption Day**

Adoption day is described as the date 90 days after the endorsement of the JCPOA by the UN Security Council (or earlier if there is mutual consent of all JCPOA participants) at which time the JCPOA and the commitments in it come into effect.

#### Implementation Day

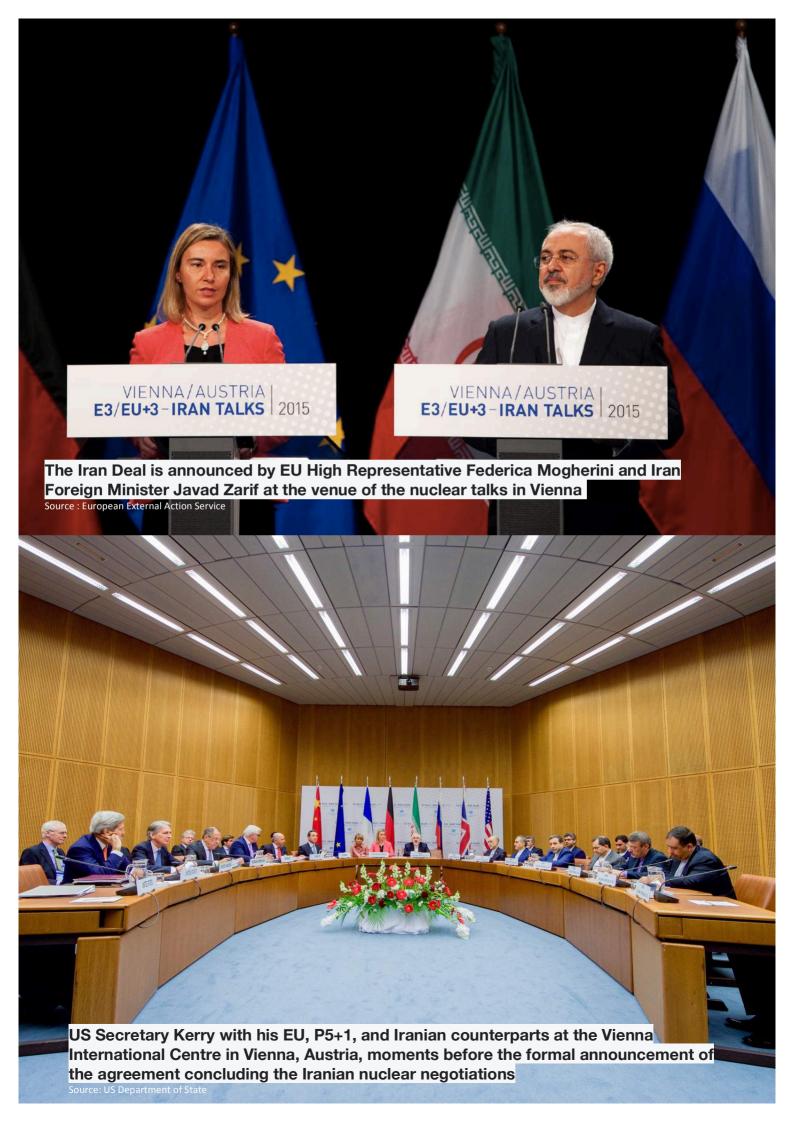
As mentioned above, Implementation Day is the day the IAEA will have verified that Tehran has fully complied with its nuclear-related requirements regarding the limits placed on its nuclear program. This is the day when an extensive list of sanctions by the EU, the US and the UN is expected to be suspended or terminated, should such a positive verification report by the IAEA be provided.

#### Transition Day

Transition Day will take place eight years from Adoption Day (or at an earlier date, if the IAEA director-general states that the IAEA has reached a conclusion that all nuclear material in Iran remains for peaceful activities). In such a case, the EU is expected to terminate any remaining sanctions, the US will terminate or modify remaining sanctions (including seeking necessary legislative changes), and Iran will ratify the Additional Protocol of the IAEA.

# **Termination Day**

Finally, Termination Day, which is expected to be 10 years from Adoption Day, is the date on which the UN Security Council resolution endorsing the JCPOA terminates according to its terms, provided that the provisions of previous resolutions have not been reinstated. As the agreement specifically mentions, "on UNSCR Termination Day, the provisions and measures imposed in that resolution would terminate and the UN Security Council would no longer be seized of the Iran nuclear issue."





# The challenges of domestic landscapes: US, Iran, Israel and Saudi Arabia

While the JCPOA has been widely endorsed and welcomed by all leaders participating in the Vienna negotiations, as well as by the UN secretary-general Ban Ki-Moon, state reactions to it varied widely. Immediately after the terms of the agreement were announced, both its technical minutiae and its overall substance were exhaustively parsed by political figures and nuclear experts alike, resulting in a diverse array of official responses based on national agendas, political calculations, geostrategic considerations, and personal perceptions.

#### Iran

In Iran, moderate conservatives and centrists perceived this agreement as a positive development. Hassan Rouhani, Iran's centrist President elected in 2013, argued that, following months of negotiations, the deal represents 'a new chapter to work towards growth and development' of his country, while stressing that it puts an end to 'wrong, unfair and inhumane' sanctions. The announcement of the agreement was received with optimism in Tehran. In the wake of the Vienna deal, large numbers of ordinary Iranian citizens took to the streets of the capital in celebration. Exhausted by years of economic hardship due to the crippling sanctions imposed on their country, many Iranians views this deal as a pragmatic necessity in order for the state of the Iranian economy and their lives to improve.

Iran's Supreme Leader, Ayatollah Ali Khamenei, whose stance is of great significance as he is the ultimate arbiter on most matters of state, offered his carefully worded remarks on the day after Ramadan ended. While containing praise for the deal, his speech did not include an all-out endorsement of the accord. In that speech, he also played into the usual rhetorical schemes of anti-Americanism and anti-Zionism, which have constituted a constant in Iranian politics since the 1979 Revolution, clearly targeting to woe the regime's anti-Western hard-liners that are adamant in their refusal of the deal. In what was also a nod to the complaints of those believing that the deal marks a shift in Iranian policy, Mr. Khamenei clarified in his speech in not too subtle terms that this agreement does not and will not herald a change in Iran's regional posture.

Following Ayatollah Khamenei's careful but supportive response to the deal, the vast majority of the hard-liner elements in the regime remained relatively quiet. Such a muted response can be also attributed to the fact that certain parts of this establishment stand to profit from the lifting of sanctions that will follow Tehran's verifiable compliance with the agreement. Nonetheless, President Rouhani faces a hostile conservative domestic political establishment that by and large openly decried the very idea of negotiations with Iran's 'Great Satan', the US. His political opponents, the more hard-line elements within the Iranian political system and society, viewed his negotiation policy as dangerously accommodationist and as having crossed too many red lines. Concerned with the regime's long-term viability, such forces view the agreement as a Trojan horse, fearing that even a gradual détente between the West and Iran would alter the country's domestic dynamics. As it will be explained further below, the outcome of this elite competition between pragmatists and hardliners will be one of the decisive factors in measuring the agreement's broader success in ameliorating the wider region's security.

#### **Unites States**

Similarly to Iran, reaction within the US also took on a distinct partisan tone, with Republicans expressing their deep resentment towards this deal. Despite the fact that total victory on either side during the negotiations was never a pragmatic eventuality, Republican leaders in the US Senate and the House of Representatives raced to condemn the deal and accuse President Obama of cutting too weak a deal with Iran. John Boehner, the House speaker, called the agreement "an alarming departure from the White House's initial goals", 4 while Senator McCain, a senior Republican figure and a Vietnam war veteran, pointedly warned that the Iran deal "not only paves Iran's path to



nuclear capability; it will further Iran's emergence as a dominant military power in the Middle East". These sentiments (albeit amplified due to election campaign politics) were also echoed in statements by a series of Republican presidential nominees. Jeb Bush, a 2016 contender for the Republican nomination, argued that this "is a dangerous, deeply flawed, and short sighted deal", while other candidates voiced similar concerns in their remarks. Quite on the contrary, the Democratic Party has been more supportive of the President's initiative. Hillary Clinton, the current frontrunner in the democratic presidential nomination process expressed her support for the deal, also promising to work towards mending faces with Israel on the issue.

Despite the concerns voiced by many, the prospects of the pact getting through the US Congress are quite high; the Congress has a 60-day window to approve or reject the deal, but the basic arithmetic in it makes the latter option close to impossible. If the pact were to be rejected by either the Senate or the House, President Obama has promised to veto that action. This will essentially lead to the approval of the deal, as the 2/3 majority required to override the presidential veto is unlikely to be found.

However, even if the agreement is approved, the domestic battle over it is not expected to cease as the division over the deal has been so fundamentally drawn on partisan lines. This final point is worth pondering given the need to implement and enforce the deal subsequently to its approval, a point which will undeniably necessitate constant attention, in particular with the 2016 presidential elections looming.

#### Israel

In the case of Israel, opposition to the deal has been vociferous. If other leaders saw this as a historic deal, Israeli Prime Minster Benyamin Netanyahu was quick to use many dismissive epithets to describe the deal, insisting that it represents a complete capitulation to the Iranian demands. Indeed, his consistently strident attacks against a deal with Iran culminated in him fiercely denouncing it as "a stunning historic mistake" and a "gamble with the collective fate of the world and a blow to Israel's security". 8

According to the argumentation of the Israeli government, any rhetorical guarantees that the deal will significantly increase Tehran's 'breakout' capacity are seriously misguided, as the agreement itself gives Tehran the means to acquire a nuclear weapon, "after adhering to the agreement for 10-15 years, or by violating it beforehand. In addition, [the deal] will pump billions of dollars to the Iranian terror and war machine, which threatens Israel and the entire world." <sup>9</sup>

Given the almost existential dimension that Israel attaches to the issue of the threat of a nuclear Iran and the value it gives to its own status as the only nuclear weapon state of the region (albeit an undeclared one), criticism against the deal was, perhaps unsurprisingly, bipartisan. The vast majority of political forces within Israel expressed their deep dissatisfaction with, if not outright condemnation of the deal, with Isaak Herzog, the leader of the opposition and head of the Zionist Union party, centring his criticism not on why Mr. Netanyahu does not support the deal, but on the Prime Minister 'failing to prevent' such a deal from becoming a reality.<sup>10</sup>

It is interesting to underline that these statements came despite reassurances offered by the US that the nuclear agreement with Iran "will not diminish [US] concerns regarding Iran's support for terrorism and threats toward Israel". <sup>11</sup> This partly explains why, since the announcement of the JCPOA, senior US administration figures have engaged in a diplomatic outreach to Israel, with the US defence secretary Ash Carter visiting Tel Aviv, in a clear effort to assuage Israeli wariness. In practical terms, what this charm initiative might entail is some sort of package offer to the Israeli government, consisting of measures to enhance the country's military capabilities in the region and to improve regional cooperation between Tel Aviv and Washington on all Iranian proxy war theatres. <sup>12</sup>



Mr. Netanyahu's implacable opposition to the deal, and his promise to lobby the US Congress in order to reject the deal, poses serious questions about whether the US efforts of persuasion could be effective. Nevertheless, despite the growing personal antipathy between him and President Obama and his view of the JCPOA as a fatal failure of judgement by the Americans, Mr. Netanyahu will have to eventually find ways of cooperating on this issue with the US, his country's most important international ally. Notwithstanding the difficulty in adapting to the reality of the deal, Israel will most likely then focus its attention to exposing Tehran's attempts at cheating during the implementation phase of the agreement.

#### Saudi Arabia

Although in less pronounced fashion, the Kingdom of Saudi Arabia also responded coldly to the deal's announcement. As America's closest allies in the Gulf Region, Riyadh officially expressed its content for seeing Iran agree on giving up its nuclear programme, but behind the diplomatically phrased acceptance of the agreement lurked serious objections to it.

Saudi uneasiness towards the nuclear agreement and enmity towards Iran is partly explained by history and emotion, partly by geopolitical and strategic considerations. Indeed, the historical roots of it can be traced to the deep ethnic divide between the two countries (Persian versus Arab). Exacerbating this trend, the deep sectarian divide between the Sunni Saudi Kingdom and Shia Iran, which can also be traced back decades, has resulted not only in intense ideological rivalry between the two countries, but in sustained regional competition as well.

Currently, both countries are actively involved in a proxy war in Yemen, fuelled by an increasingly dominant mentality of sectarian antagonism. Riyadh's other sources of concern vis-à-vis Iran include Tehran's continuing involvement in Syria and Lebanon, and its increasing influence in Iraq. Even the extremely serious threat of Daesh in the region that is equally felt by Iran and Saudi Arabia has not managed to alter the two countries' confrontational attitude and facilitate some form of limited cooperation between them. What is more, in this framework of intensifying sectarian antagonism, the Kingdom's new ruler, King Salman bin Abdulaziz Al Saud, has also exhibited a markedly different way of thinking and approach to his predecessor, assuming a much more active role in promoting the Sunni front and confronting Iran interests in the region.

Against this backdrop of zero-sum game mentality cultivated across sectarian fault-lines, it is not difficult to see how Iran's nuclear agreement does little to minimise the Saudi threat perception of Iran. One could argue that the agreement's announcement has actually exacerbated such a perception. Riyadh not only remains sceptical that this deal will stop Iran from eventually acquiring a nuclear weapon, but is also resolute in its belief that the lifting of sanctions will embolden Tehran's regional ambitions and therefore make it a more formidable regional competitor. In an official statement provided to the states news agency following the nuclear agreement's announcement, Riyadh warned that any economic gains Iran will make when the sanctions are lifted should be channelled to improving "the lives of Iranian people, rather than being used to cause turmoil in the region, a matter that will meet a decisive reaction from the nations of the region". <sup>13</sup>

Complementing this deeply rooted feeling of suspicion towards Iran that is also shared by other Gulf countries, there is also a profound concern regarding US continuing commitment to the security of the region. Prompted by Washington's expressed hope that the JCPOA will help normalise relations with Iran or rehabilitate the country in the region, the House of Saud views the nuclear accord agreement as potentially marking a shift in the US perception on what is the preferable regional order. In an effort to placate these concerns, and following up on his active support for the Saudi entanglement in Yemen, President Obama has personally argued that, in the wake of the Iran deal, he is "prepared to go further than any other administration's gone before in terms of providing them additional security assurances" 14. Yet, despite such oft-repeated US reassurances that the agreement does not represent a reappraisal of the US position on the region and that practical measures will be



taken to mitigate such fears, the feeling that this is not the case is becoming increasingly pervasive in Riyadh. This is certainly not lost on Washington, which will attempt to restore its reliability as a committed regional guarantor of security, in particular regarding Saudi Arabia. This could be done through speeding up the delivery of arms Riyadh has requested or could take other forms, but if the initial moves by the Obama administration are of any indication, the US intention here is clearly not only to recognise the legitimacy of the Saudi concerns, but also to actively address them in the immediate future.





# Cautiously stepping out of the rut of history: Presidents Rouhani and Obama

Following the announcement of the Iran agreement, the presidents of the two main actors in the negotiations, Iranian President Rouhani and US president Obama, who along their top negotiators, Foreign Minister Mohammad Javad Zarif<sup>15</sup> and Secretary of State John Kerry, showed considerable persistence in arriving at this agreement, both delivered speeches where they sounded victorious. Both treated the moment as historic, both hailed the conclusion of the negotiations as a political win for their country, both arrived at the conclusion that their national red lines were not crossed and that they did not yield to the opponent.

This contrasted imagery of both leaders essentially utilising the same rhetoric but from diametrically opposed vantage points demonstrates not only both presidents' conviction that this agreement was a personal vindication of sorts, but also the significance of both men and their administrations in elevating the chances of agreement and ultimately ensuring a successful outcome.

For an agreement that for years looked elusive, the fact that a text of such breath and specificity was copiously negotiated and agreed upon must have represented a deep realisation by the respective current administrations of both sides that the impasse between Washington and Tehran had to eventually end. Although coming from vastly different perspectives, this common realisation formed part of the impetus that reignited the nuclear negotiations, after several failed attempts in the past. The political ambitions and the personal characteristics of both leaders and their immediate circles were also contributing factors.

#### **President Rouhani**

More than a decade after his tenure as Secretary of the Supreme National Security Council of Iran, now President Rouhani had to withstand abundant amounts of internal criticism and scorn for even agreeing to negotiate with the Americans. In a country where 'Death to America' chants are regularly heard at public rallies, his strategic choice to engage directly with the US in trying to secure a deal proved right, perhaps illustrating the lessons he had learnt from his negotiations with the Europeans between 2003-2005. Having marketed himself as the candidate who could best promote the strategic economic interests of his country during the 2013 campaign, centrist Mr. Rouhani saw the this route - direct negotiations - as the only viable path towards securing an agreement.

The logic behind such a choice was clear enough. Crippled by years of unsuccessful populist economic policies, profligacy and corruption under his predecessor, President Mahmoud Ahmadinejad, and plagued by the imposition of extensive financial and other sanctions, the Iranian economy has been in a steep downward spiral. As a moderate political figure, Mr. Rouhani was quick to realise the need to insert an economic game-changer into the equation, so as to stop this trend. Despite the obvious risks involved, he viewed the adoption of a nuclear deal as the only way towards achieving sanctions relief in his country, which he rightly saw as a sine qua non for Iran to return to a path of growth and development.

As many analysts argue, this rationale was one of the primary reasons behind the shift in Ayatollah Khamanei's stance on the issue of nuclear negotiations (even in the face of painful compromises that would form part of such negotiations in order to secure a deal), when presented with the facts by President Rouhani in 2013. Other considerations that might explain Ayatollah Khamenei's subsequent acceptance of the general contours of such a deal is a series of domestic warning signs about the regime's authority and ultimately survival. The damaging effects of sanctions on the real economy, on the value of the national currency, the rial, and of course on the everyday lives of Iranian citizens, combined with increasing incidents of political dissent within the country that have been observed since 2009 in the aftermath of the election of Mr. Ahmadinjead as president, have



called into question the country's long-term stability and the regime's longevity in power. Primarily concerned with self-preservation, this did not go unnoticed on Mr. Khamenei, who saw the value in striking a nuclear accord.

Against this tableau of circumstances, and pressed by the very delicate balance he had to follow within Iran's opaque political system, President Rouhani must have also seen the nuclear deal as a the most opportune course of action for his own standing. One could even go as far as saying that the Iran deal was nothing short of a necessity for him; his own political *raison d'être* relied heavily on the successful outcome of the negotiations, having been elected on a platform of working to remove the sanctions. In this sense, Mr. Rouhani saw the deal as a way of guaranteeing his own political future, banking on the hopes of Iranians desperate after years of economic hardship, ahead of the Parliamentary elections in February 2016.

Despite the areas where Iran had to make serious concessions, Mr. Rouhani can now sell the agreement as a contributing factor to returning to economic normalcy, breathing new life into Iran's economy. The relief from economic sanctions that comes hand in hand with the JCPOA, and the popular support that such relief would create, has the potential to solidify Mr. Rouhani's position, in particular against the regime's hard-liners. Ultimately, this could empower him to pursue his intended agenda of domestic reforms of re-energising the Iranian economy and de-securitising the Iranian society, but also allow him to assume his preferred, more moderate stance in the foreign-policy arena.

#### **President Obama**

Certainly no less conscious of legacy, but freed from the prospect from re-election, there is no denying that the pact constitutes a gamble for Mr. Obama, one he has signalled his a priori willingness to shoulder the reputational risks for. This gamble comprises not only his willingness to engage with Iran and hope that the dialogue that commenced with the deliberations will encourage political reform domestically. It primarily refers to the simple realisation that, moving past the announcement of the deal, a lot of US political and diplomatic capital will be spent on implementing and verifying the deal in the closing stages of his Presidency, but the moment in time when the deal's real consequences will have to be managed by an American President, Mr. Obama will most likely have left the Oval Office. Indeed, his time as 'enforcer-in-chief' of the agreement is quite limited, but his legacy will be on the line for years to come.

In terms of Presidential scope and significance, if his Republican detractors liken this bold decision by President Obama as reminiscent of Neville Chamberlain, many analysts compare it to President Richard Nixon's trip to China in the 1970s. Obama, in his closing stages of his Presidency, clearly sought to give further historical gravitas to his long-standing belief that diplomacy trumps force. In a marked departure from President George W. Bush's view of Iran being a member of an 'axis of evil', <sup>16</sup> Mr. Obama saw in the necessity of signing this agreement the opportunity to give further credence to his vision of a US foreign policy with a renewed reliance on diplomacy. Making true to his promise given during his 2009 inauguration speech to 'extend a hand' to those 'willing to unclench [their] fist', <sup>17</sup> he did away with the taboo of direct negotiations with ideological rivals of the US, and approached the Iranian side despite the seemingly insurmountable impasse that the two countries have for decades found themselves enmeshed in. <sup>18</sup> In making it a foreign policy priority, he ensured that he was willing to take the gamble that comes part and parcel with the deal, and in so doing, he offered a personal game-changer in the equation ultimately providing his personal foreign policy legacy as leverage.



EU High Representative Mogherini Posing for a Group Photo With E.U., P5+1, and Iranian Officials Before the Final Plenary of Iran Nuclear Negotiations in Austria

Source : US Department of State



# A nuclear balance-sheet: Assessing the agreement's technical details

The JCPOA might have attracted considerable praise and support not least by the participating parties, but a plethora of non-political critical analyses has already been written on it criticizing many of its provisions and clauses.

#### **Technical criticisms**

Although this is by no means an exhaustive list, disagreement with the deal on a technical basis seems to be encapsulated in four general categories: first, the charge that the agreement does not provide a definitive answer to the prospect of Iran acquiring a nuclear weapon within the deal's lifetime; second, that the agreement has a fairly limited lifetime, since a majority of its restrictions expire after 10 or 15 tears, allowing Tehran's 'breakout' time at that point to be close to zero; third, that the verification and monitoring procedures envisaged in the agreement are insufficiently robust and functional, given that they cannot happen 'anytime, anywhere'; fourth, that the 'snapback' mechanism included in the deal is too cumbersome, and therefore inapplicable. And although it might be too soon to fully assess the technical merits and flaws of the agreement, it is still possible to examine whether, on balance, the flaws put forward by either one of these four lines of criticism outweigh the nuclear agreement's positive elements.

Starting with the first criticism that the accord is not the panacea to all nuclear-related concerns surrounding Iran, it is worth pointing out that the accord does place serious restrictions on the country's nuclear programme. It does so both in substance and in tone, by being lengthy, overly technical and specific, perhaps to the point of being potentially convoluted. Commencing with the Iranian pledge of non-acquisition and non-development of nuclear weapons, the agreement then fleshes out a comprehensive framework that succeeds in no insignificant part in blocking the pathways that the country would have towards cheating, and then adds a carefully designed timeline of incentives and deterrents to ensure this. The number of centrifuges Iran can use is drastically cut; the underground Fordow facility will be transformed into a research facility, with no fissile material allowed at the site; the Arak heavy water plant will be reengineered accordingly so as to block the production of weapons-grade plutonium; Tehran is allowed under the agreement to begin the deployment of advanced technology centrifuges after the first 10 years from adoption day, but the cap of 300kg for its low-enriched uranium stockpile will be in place for 15 years.

Beyond that point, it is indeed true that Tehran will not be restricted by the agreement's limitations so it will be to develop much larger-scale enrichment (hence potentially enjoying a much shorter 'breakout' time). However, such a reading overlooks *inter alia* all the additional obligations Iran will have resumed by that time under the IAEA Additional Protocol, which are permanent and which ensure that any, potentially expanded, future enrichment activity will be a much more transparent affair compared to now. For a flagship programme that for long encapsulated the regime's defiant and uncompromising stance and its determination to refuse to capitulate, the concessions offered in the agreement's provisions by Iran go way past its leadership's previously expressed lines. Taken together and if combined with meticulous implementation, these provisions form a sound basis to severely curtail Iran's nuclear weapon capacity for the next 10 to 15 years, and offer greater reassurances for what lies beyond than in the past.

Moreover, the agreement's provisions also establish an incredibly detailed and robust apparatus of early warning, verification and monitoring of compliance, as well as of dispute resolution. The critics remain unconvinced; for them, the absence of 'anytime, anywhere' inspections, the fact that they view the agreement snapback mechanism too complex to the point of inapplicability, and the long period international inspectors would need to receive official approval in order to inspect installations that are under suspicion, all suggest that the agreement lacks the level of verifiability and intrusion required to ensure proper compliance.



However, contrary to the deal's critics, it is worth underlining that 'anywhere, anytime' visits might not be possible, but access to undeclared and suspicious sites can be granted if the prescribed procedure through the Joint Commission is followed (and there is a built-in majority from a Western perspective in that Commission, in cases that even China and Russia side with the Tehran). Any such refusal to abide by the Commission's decision by Iran will be considered a clear violation of the terms of the agreement.

Making sure that any such violation is not a desirable scenario for Iran, it is also as if the agreement is written in a way that rests on the implicit expectation that Iran would be tempted to violate agreed terms, and therefore makes non-compliance too costly to even attempt. Indeed, as it has been variously noted, this is not an agreement based on trust: the deal's mechanisms and procedures guarding against cheating were hammered out to be as vigorous as possible, precisely because of this mistrust. It is for this reason that the lifting of sanctions will take place at intervals, subject to Tehran's full implementation with the agreement's requirements. It is also due to this that the sanctions 'snapback' option included in the agreement is designed to be able to be unilaterally invoked should all other mediation measures fail.

All in all then, several JCPOA's clauses have a double effect: they make any covert attempts to produce weapons-grade material extremely difficult to operationalise, and they render the overall possibility of non-compliance an extremely ugly scenario for Tehran due to the risks involved. For a state that is well reputed on shaping its policies through meticulous cost-benefit analyses of all options on the table, the accord simply make compliance almost a necessity for Iran, as any other option would be unreasonably costly and unattractive for the country. In this calculus, there would few appreciable gains Tehran would stand to make in a case where it would renege on its commitments under the agreement, not least because of the sanctions that would be instantly reinstated, and the regional pushback and arms race this act would cause.

All the aforementioned observations are of course not to suggest that the Vienna agreement is perfect. It is indeed an imperfect agreement, product of an imperfect compromise. As with any other agreement that has been diplomatically agreed upon, it poses downside risks and has grey areas that require clarification. What is more, much of the agreement's text's success (or lack thereof) will be judged during the phase of implementation, and this is where the attention should rightly focus now that the terms of the agreement have been set. Nonetheless, judged upon technical terms, and while the minutiae of the deal will be heavily scrutinised both in theory and in practice in the future, the positive aspects of the agreement seem, on balance, to outweigh its various sticking points.

# The map of alternatives

A final question to be asked in assessing this accord on a technical basis is what are the alternatives to the JCPOA. Implicit in the argumentation among the agreement's detractors that 'no deal is better than a bad deal' is the deep-seated belief that other, more effective ways exist to secure a non-nuclear Iran. This argumentation takes the form of three different alternatives to the course of action followed that culminated in the Vienna agreement, which will be analysed below.

# The Status Quo alternative

The first such alternative is the one of having maintained the status quo of negotiations within a framework of sanctions. Under this status quo, negotiations would have continued on an openended basis, until Iran would have been eager to accept far more intrusive measures as part of a hypothetical better deal in the future. Part of the argumentation of some of the agreement's fiercest critics, the logic behind this alternative is nevertheless purely speculative, since the agreement text now forms part of the political reality. However, this hypothetical alternative is worth pondering, because it poses the ultimate question: were sanctions left in place for a longer period of time, would a better deal be possible?



Despite its merits, this criticism is misguided because it rests on three highly arguably contentions. Firstly, it assumes that a better agreement would have been possible, on the presupposition that Iran would have yielded to any demands asked if the sanctions were allowed to last.

In so doing, this assumption conveniently overemphasizes the effect sanctions have had on the country. Indeed, sanctions might have hurt Iran, but not to the point where Tehran was forced to curtail its nuclear programme. The recently exhibited unilateral nuclear self-restraint on the part of Iran was only possible because negotiations were in place where the end-point of an agreement (with attached benefits despite considerable concessions) looked feasible. It follows that resuming the negotiations indefinitely with no clear end in sight regarding when Iran would reap those benefits (primarily the lifting of sanctions) would exacerbate the dynamics of the negotiations. Under continuing pressure, the Iranian regime would most likely become less prone to exhibit the aforementioned self-restraint and therefore less flexible to compromise. It follows that those opponents of the deal cannot have it both ways; they cannot attack the deal suggesting that Tehran will undoubtedly violate the JCPOA's terms even with lifting of sanctions and consider it certain that Iran would not violate its hitherto nuclear self-restraint without relief from sanctions.

Secondly, this criticism completely obfuscates the domestic dynamics in Iran. Objectors to the deal have for long argued that if sanctions were allowed to continue to bite, Tehran would have agreed to a much more overreaching set of concessions, such as the 'anytime, anywhere' inspections that they deem as the only robust verification method of compliance. Despite how long the negotiations would have been if sanctions were kept in place, it is far from realistic to expect that such impossible demands would have been met by the Iranians, regardless of the continuation of sanctions. For it is one thing to believe that sanctions have brought Iran to the negotiating table to discuss the Vienna agreement, but it is altogether different to suggest that their continuation would have made any agreement far better.

If anything, the extremely lengthy process of negotiations over the JCPOA shows that this text represents the realistic maximum, both in terms of specificity and in terms of concessions that could be asked from Tehran. If negotiations under sanctions had lasted longer, perhaps aspects of the agreement might have been marginally better, but the point of criticism here is not about marginal enhancements. Indeed, critics of this kind appear to have a premeditated aversion for any agreement that does not entail total capitulation on the part of Iran. But, for a country as sophisticated and determined as Iran, the assumption that a bit more tightening of the screws would have induced a total surrender scenario along the lines of the Japanese surrender at the end of World War II is clearly not feasible. Ayatollah Khamenei and the Iranian regime would have never agreed to such terms, no matter how high the pressure. In this sense, such an asymmetrical agreement could not have been crafted, at least not through diplomatic negotiations.

The third false assumption upon which this alternative rests is the sustainability of the sanctions regime. Indeed, even if, for the sale of the argument, we suppose that Iran would have in fact accepted far more intrusive measures as part of a hypothetical better deal, there is no guarantee that the sanctions regime as it is currently set up would have lasted long enough for such an outcome to be possible. By suggesting so, notwithstanding the unattainability of the ideal of extracting additional concession from Tehran, proponents of the status quo alternative both misconstrue the very logic of sanctions and fail to see the very reason why the sanctions vis-à-vis Iran has been so successful.

Key to this success has clearly been their concerted international backing. Indeed, the sanctions regime, which is in no insignificant part the reason behind Iran's willingness to compromise, only worked because it was a combined international effort. US sanctions alone would have not had the desired outcome of bringing Iran to the negotiation table and having agreed to temper its nuclear ambitions were they not combined with those of other countries. An open-ended continuation of negotiations under a regime of sanctions, until Iran would be willing to surrender totally, would have



diminished the patience of countries like Russia, upon which the effectiveness of sanctions also depends, to continue pursuing this objective. Ultimately, holding this coalition together longer and on the basis of more stringent terms would have been a near impossibility, resulting in a weaker and frayed sanctions regime. And in the absence of a robust sanctions regime, Tehran would have found it much easier to exploit internal rifts within the P5+1 front, and gain considerable leverage in any future negotiations. In such a case, there would be virtually no guarantees that any new negotiations would in fact produce better terms than those of the Vienna agreement.

# The alternative of abandoning the deal in to achieve a better one

The second alternative to the JCPOA, as proposed by its critics, is highly complementary to the first one, but its point of reference is in the future. Critics here suggest that the JCPOA might have been signed, but there is still time to 'walk away' from it and come up with a better deal. This alternative is the preferred one for the vast majority of Republican Congressional leaders and members, as well as of Israeli Prime Minister Netanyahu. In addition to all the arguments offered above about the implausibility of a better deal, this alternative makes it necessary to examine what would be the consequences should the JCPOA were to collapse before adoption day, primarily through its rejection at the US Congress.

Even a quick perusal of the facts on the ground can easily indicate that the risks involved in this course of action are extremely high, and certainly outweigh any downside risks posed by the Vienna agreement. As with the previous alternative of maintaining the status quo, were the US to veto the deal, the international support that formed the core of success of the existing sanctions would collapse, and the US would be exposed as the irresponsible partner around the table. In such a case, it would be almost impossible to expect a far tougher sanctions regime; on the contrary, the most likely scenario would be for the international coalition that supported the existed sanctions to unravel and for the sanctions regime itself to also collapse. This would also have a huge symbolic cost on Iran itself, in that it would most likely strengthen the regime's hard-liners and make the country more determined to accelerate its sprint for nuclear weapons.

A collapse of the deal would also allow Tehran to reap a huge propaganda win, which would in turn spur it to continue with its nuclear programme undeterred. Under such a scenario, Washington would find it much harder to restore the sprawling coalition that formed the basis of both the sanctions regime and the negotiating process. Indeed, there is a certain degree of intentional *naïveté* implicit in the argumentation that states like China or Russia would be willing to consent to rejoining this coalition, were the US to rescind its agreement for the deal and ask instead for more intrusive sanctions. This would diminish the US standing not only vis-à-vis Iran and the most sceptical members of the agreement within the P5+1, that is Russia and China, but also the EU, which has invested vastly in achieving an agreement. It would then require a great deal of mental gymnastics to see how such an alternative would be better than the agree terms of the JCPOA.

#### The War alternative

The third and final alternative to the JCPOA framework is pre-emptive military action. This is evidently a last resort option, but in the absence of a diplomatic settlement if the deal is rejected by Congress and with all the unintended consequences of such a scenario analysed above both for Iran's nuclear ambitions and for the status of the sanctions regime, the likeness of such an option materialising would obviously increase. Ahead of the deal's vote in Congress, the Obama administration has multiply warned that this option is an all too real alternative to the diplomatic solution of the JCPOA, but one does not even need to buy into its efforts to sell the accord in Congress through such a Manichean dilemma to understand that this option is not desirable.

Pursuing such an option, either by necessity or by choice, would place a very bright spotlight not on the actions of Tehran but those of Washington. The US could be potentially joined in enforcing such



an option by some of its allies like Israel, but the international and operational consequences it would then face would be nothing short of detrimental. Following the imbroglio of the Iraq War, the US would find itself involved in an extremely costly undertaking against a far more formidable opponent, with no end in sight as to when such an involvement could be terminated. In addition to the human fatalities and the financial cost involved in such an undertaking, this alternative of military action would not even guarantee setting back Iran's nuclear programme as much as the JCPOA does. Iran would rightly be presented as the victim in such a scenario, eliciting sympathy from the majority of the international community, and the limitations imposed on its nuclear programme foreseen in the Vienna accord would be long gone. Under these circumstances, Tehran's nuclear capacity and infrastructure might be degraded in the short-term, but there would be nothing to then force Iran not to rebuild and sprint towards a nuclear weapon.

Despite its resonance in the minds of critics who would prefer the inexact risks involved in this alternative of pre-emptive military action to the far more manageable risks involved in the JCPOA, it has been shown that this alternative would have deleterious implications for Iran's non-nuclearisation efforts and for the wider region's security and stability. Cutting through the political histrionics, it is very difficult to see how such an eventuality would be a better option that the one presented by the JCPOA, both for US, its allies, Iran and the international community.

With this third alternative of war also having dire consequences, objections to the JCPOA on the basis that a better alternative arrangement would have been attainable can be put to rest. This is of course not to suggest that the agreement is a risk-free one, as it contains many grey areas, it being the product of a diplomatic process that by default necessitated compromises. It is rather to underline that all the alternatives to the JCPOA entail options that are demonstrably worse on the vast majority of points on which the nuclear pact has been attacked. Despite its imperfections, and if judged on the basis of its stated objective, that is preventing nuclear proliferation and having Tehran verifiably comply to this, then the overall assessment of the Vienna deal has to be positive.

# A strategic reading: Addressing the agreement's geopolitical short- to medium-term implications

A second, equally important family of critiques against the JCPOA centres less on the nuclear deal's technical details, and focuses more on its strategic implications for the region. From such a point of view, concerns are voiced considering the very little that this agreement does in terms of curbing Iran's regional ambitions and reach, adding in the fact that the lifting of sanctions will eventually give the means to Tehran to much more actively pursue its aggressive regional politics.

The rationale behind this line of criticism is that, for all its supposed checks and controls, the JCPOA allows Iran to greatly benefit from the lifting of the sanctions. According to reports, Iran stands to reap a windfall gain when the sanctions are fully lifted, whereby approximately \$100 billion of frozen assets are released to it under the nuclear deal. Through this development, critics warn, the JCPOA not only benefits Iran financially, but also emboldens its geopolitical ambitions in the region. Never lacking the incentive to do so, Iran will now also have the practical means and international legitimacy to rebuild its regional power status and challenge more energetically the Western interests in the region. What is particularly worrisome to the agreement's opponents is the possibility that Iran would utilise this greater access to resources to bolster its support to its traditional militant and political proxies in the region, such as Lebanon's Hezbollah, Yemen's Houthi rebel combatants, Iraqi Shiite militias, and above all President Bashar al-Assad's regime in Syria, further inflaming an already extremely volatile region.

Starting with the premise that a scenario where Iran possesses a nuclear weapon is a much more dangerous one for the regional order than the opposite, it worth repeating that the agreement sends most of Iran's nuclear programme into the deep freeze, and other parts of it into regression. As explained above, any other alternatives to the JCPOA are far less appealing vis-à-vis the stated goal of

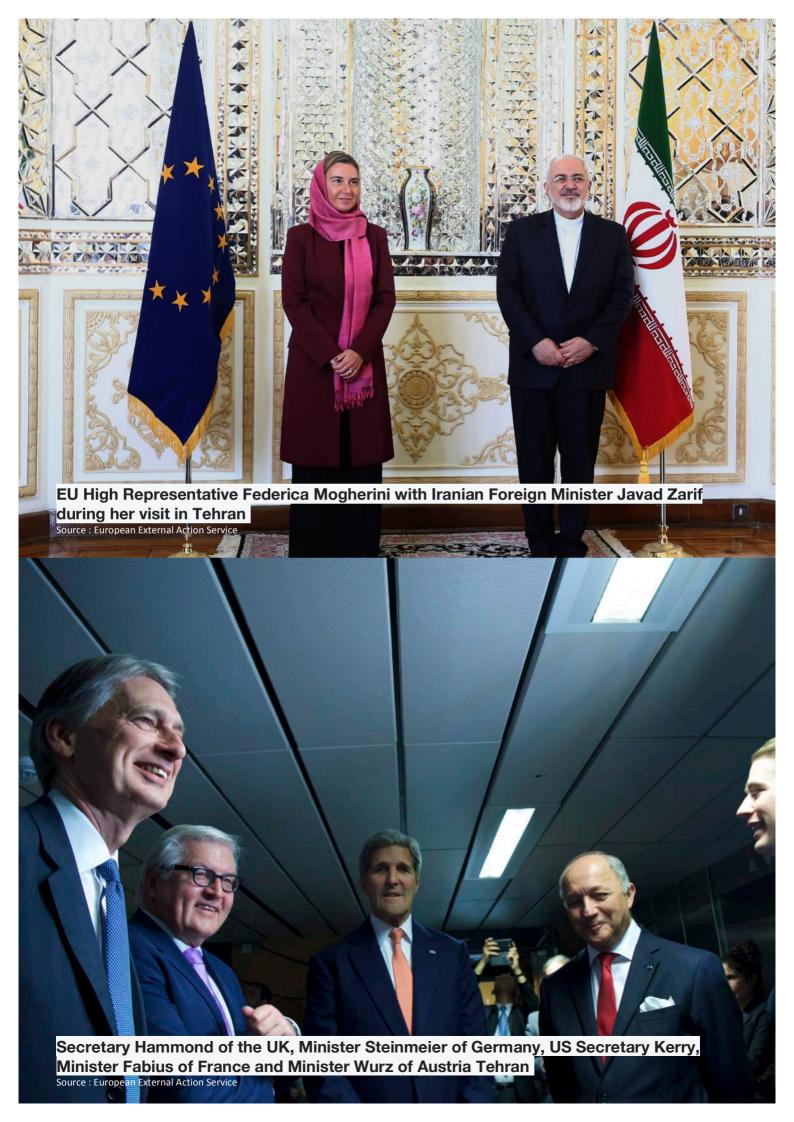


securing Tehran's non-acquisition of a nuclear weapon. This is not only because of these alternatives' lack of effectiveness in achieving such a goal (as in the case of continuing with the sanctions), but also due to their vast cost and negative repercussions for the wider region's stability (as in the case of war). Contrary to the critics of the JCPOA, it is particularly difficult to see how either one of these options would result in a more stable and secure regional order.

But focusing back onto the more nuanced critique that the agreement will provide Iran with a huge boost, as it will encourage its regional ambitions and feed the appetite of its hard-line elements to reengage more actively in their unpredictable, potentially hostile behaviour of the past, it is crucial to underline that the country's involvement in many theatres of regional conflict did not significantly abate during the nuclear sanctions period. Taking advantage of the power vacuum in Baghdad following the 2003 Iraq war, Tehran vastly increased its influence in the country; it continues to be the primary supporter of the Assad regime and Hezbollah and it has recently co-opted the Houthi rebels in Yemen. In this sense, the sanctions imposed on the country might have indeed forced the Iranian government to seek a nuclear compromise, but they did not prevent the country from continuing to buttress and shield its regional allies.

Furthermore, as reports suggest and as President Rouhani has repeatedly suggested, Iran would channel the largest part of funds it will gain access to -should it be found to be in compliance with the agreement's requirements- back to the ailing Iranian economy and towards improving the lives of the Iranian population. Even if a small portion of these funds does get appropriated to boosting Iran's support towards its allies, the risk of this having a serious destabilising effect for the region is not particularly high. The reason is simple. In a region where resources are only a part of the broader geostrategic equation (and not necessarily the most significant part, as exhibited by the US involvement in the Iraq war), Washington is cognisant of this risk and has variously signalled its intention to mitigate it by bolstering its own allies.

Yet, even if this were not to happen, these allies stand in a far superior position to Tehran in qualitative military terms: Israel has a considerable edge in terms of technological, nuclear and conventional military capabilities, <sup>19</sup> while Saudi Arabia has considerably outspent Iran in defence expenditures over the past two decades, reaching an almost seven to one ratio in 2014. <sup>20</sup> In this framework of reference, it is therefore quite difficult to see how critics of this kind can be vindicated in their prediction that the JCPOA will have negative strategic implications for the region. On the contrary, as it will be exhibited below, it is more likely than not that the nuclear agreement will result in positive developments.





# The road ahead: Acknowledging the obstacles, analysing the opportunities

Having examined the Vienna agreement in purely technical and short to medium-term strategic terms, it is also necessary to analyse its less tangible consequences for the politics of the region. This 'intangibility' refers to the less certain yet perhaps more rewarding, long-term opportunities that this agreements presents, as well as the obstacles that would be involved in this process. This analysis is necessary for the principal reason that all signatories of the accord agree that the deal has a very narrow nuclear-focus, but they also all believe that its potential goes far beyond this narrow focus or its immediate implications. Such an analysis is, therefore, crucial in order to more substantively approximate the agreement's merits, and will be done in two parts, one focusing on Iran and one on the international community.

#### A less isolated Iran

Perhaps unsurprisingly, the deep divide in estimates that exists between the agreement's supporters and naysayers that has been evident above also exists when assessing the agreement from this viewpoint; the former expressing their expectation that the JCPOA will have normalising effects on Iran, by virtue of strengthening those elements in the country placed towards the moderate/reformist end of the spectrum; the latter opposing this very idea as nothing but unrealistic.

However intuitive it might be to support this argumentation of the deal's supporters, it is worth pointing out that the scenario that they so passionately describe is not unfeasible, but will at best be a distant one. The recent heated argument between foreign minister Zarif and Mahdi Kouchakzadeh, a hard-line member of the Iranian parliament, illustrates that the nuclear pact could very well increase political tensions within Iran. In this turf war that is expected to take place as the agreement enters the implementation phase, one can see Mr. Rouhani receiving a boost in popular support, but that does not necessarily mean that his centrist camp will ultimately be strengthened in the long run. Based on the realisation that Ayatollah Khamenei and the conservative camp remain the primary locus of institutional power and are set to retain their control in the domestic military and security environment, one could instead see the opposite scenario materialising, that of hard-liners eventually getting stronger.

This could also very well mean that, freed for its most binding sanctions constraints, Iran might engage in some more aggressive regional behaviour, so as to flex its muscles and show that it has not grown soft and weak. And since the most important sanctions are to be lifted in the beginning of next year, domestically, the country's hard-liners will most likely try to exploit the slow pace of sanctions lifting for an edge in the upcoming parliamentary elections. Ultimately, there is the additional risk that the hard-line elements (especially the Revolutionary Guard Council) will employ the financial and symbolic benefits of the accord to tighten the regime's grip on the Iranian population, and in particular, the more moderate younger generations of the country, which are patently well past their revolutionary zeal.

Having said that, and regardless of these short or medium-term reactions and consequences vis-à-vis the Iranian regime getting stronger both internally and externally, the agreement will invariably make the country more open, or rather less opaque. It is therein that the core of the argument of those who maintain that the agreement will have a positive effect on the country makes more sense. Unlike North Korea that chose isolation by cheating on its nuclear agreement as a guarantor for the regime's survival, Iran made the conscious choice to accept the relative concessions that come part and parcel with the agreement, so as to stop being an international pariah. In the traditionally utilitarian Iranian calculus of regime sustainability and power, the fact that such an agreement was signed demonstrates Ayatollah Khamenei's decision that the cost of continuing to be in international isolation was vastly outweighed by the cost of agreeing to the concessions included in the agreement.



In this sense, the agreement's real added value for the domestic Iranian's landscape lies predominantly on the positive long-term changes it could effect not on the immediate political situation, but on the mind-set and mentality of the Iranian society. In this less isolated Iran, trade, business and investment will now find it easier to penetrate Iran despite the country's rigid and antiquated economic system. If backed up by sustained regional and bilateral diplomacy on the part of the international community, it would not be impossible to see this development having a positive, long-term transformational effect, first on the country's domestic societal dynamics, and perhaps at a later stage on the way Iran interacts with the world.

Building upon the potential of a more accessible Iranian economy and of a less isolated Iran that this accord brings with it, one can then not underestimate the value this could also have on Iran's political scene. Not least by means of showing to the Iranian society that a less adversarial stance can facilitate beneficial outcomes, the JCPOA could *perhaps* strengthen the hand of the moderate elements within Iran and focus on bringing much-required domestic reforms. However, based on the obstacles described above, even if this does not take place per se, the agreement has the added potential of shifting (if only ever so slightly in the short-term) the *overall* domestic political discourse and praxis in Iran towards a less hard-line, less isolationist stance. Even seeing this through the eyes of Ayatollah Khamenei as more of a Den Xiaoping moment and less as a Mikhail Gorbachev one, the dynamics of this are more likely than not to result in small, incremental steps towards a positive direction in the future.

Evidently, such an outcome is good politics for the international community as well. It therefore merits sustained yet delicate diplomatic efforts; even if such a scenario is not certain, and at best, a distant one, a more moderate Iran would not only be a more constructive interlocutor to the West, but also more effective to mitigate fears about future enrichment. It could also act to mute the most negative aspects of the country's growing, often troubling regional role. This dimension is certainly not lost on the US and the EU's backing of the agreement, and it partially explains the agreement requirements' lack of an open-end nature; even if the majority of them are set to expire in 10-15 years, the hope is they will be rendered unnecessary by that time.

# An opening for the international community

It follows that the real, long-term potential of this agreement for the international community, and the West in particular, lies precisely in this final point. As such, any assessment of the agreement that is devoid of taking this into account can be considered incomplete.

Notwithstanding its provisions' technical and strategic value, it follows that the JCPOA in a way represents a realisation by the West that the only sustainable way of achieving positive change in Iran is not through an unending framework of pressure, sanctions, and war threats. It is rather through finding a way of putting the nuclear issue aside; and the deal provides precisely the conditions for Iran and the West to go past and beyond the nuclear issue. In this sense, the agreement constitutes an opening, in order for the international community and Iran to explore the potential of re-establishing their relationship not across the lines of enmity and confrontation. This will certainly not be easy. Despite talk that the deal will ultimately pave the way for a greater degree of cooperation, primarily the US and Iran face many hurdles in repairing ties, mending fences and soothing old grudges. In this sense, if this is to materialise, it will be at best a gradual and time-consuming affair, with many obstacles still in place risking to delay or derail at every turn this process of putting decades of acrimony and deeply institutionalised mistrust aside.

Of course the point here is not that the nuclear accord will invariably lead to such an endpoint, it is merely to underline the potential. Indeed, one does need to buy into either the pessimistic or the optimistic readings of the deal to realise that the agreement does create an opening of sorts. Whether the actors involved will take advantage of this opening remains to be seen. As it is rightly pointed out, it takes two to tango, and the tango to be danced here will be excruciatingly slow, if not



uncomfortable to watch. But after years of frustration, confrontation and mistrust, a significant window of opportunity has finally appeared, a diplomatic opening carrying a great deal of potential.

# The next diplomatic frontier: Need for a more comprehensive strategy

This opening places a heavy responsibility on both sides on how to move forward. For, it is perfectly sensible to feel frustrated by the status quo and want to move on, but it is an altogether different thing to come up with a pragmatic, sensible plan on how that tomorrow will look like. Not least because of the importance and rarity of the moment that we are presented with, the EU and the US must now use this opportunity and flesh out a more comprehensive stance and a more meaningful agenda towards Tehran.

The need for such a strategy is based not solely on symbolism, but also on a purely interest-based calculus. As alluded to earlier, the current reality in the Middle East, with the increasing dominance of zero-sum games of sectarian regional politics, necessitates the potential of exploring ways of concerted action at least in the areas that security interests overlap. Indeed, the logic behind delivering this more comprehensive strategy becomes readily apparent when one considers the plethora of regional challenges that exists and the subsequent potential for creating a sustainable regional security architecture that answers to the realities of today and tomorrow.

In this effort to design and implement a wider agenda with Iran vis-à-vis bilateral and regional issues, the EU and the US are aided by the simple fact that the enormity of diplomatic capital, bandwidth and energy that has up until now been rechannelled almost exclusively towards securing a deal, is now freed. The past obsessive focus on securing a nuclear deal will now be gone, and the West will now be afforded the luxury of looking at the bigger picture and spending diplomatic capital on the broader questions concerning Iran's role in the region. Of course, part of this newfound room for manoeuvre will have to be rechanneled back to ensuring the agreement's lengthy implementation, but parts of it will now be open to shifting from a strategy of containment to a strategy of engagement. The primary historic precedent that suggests that this is possible is none other of the relations between Moscow and Washington and the Cold War arms agreements.

#### The United States

The rhetoric employed by the US in the subsequent days to the announcement of the agreement tends to follow this narrative, carefully tiptoeing on the thin line between sounding too cautious and too optimistic. In a way, the agreement provided the political cover for pursuing a more ambitious bilateral agenda, focused at first on defusing regional tensions that Iran is involved in. In the absence of the JCPOA, the Obama administration (or any other administration for that matter) would have never even imagined to do so.

Yet, while President Obama hailed the agreement as a historic shift in the traditionally hostile U.S.-Iranian relations, and Secretary Kerry saw room for widening the agenda with the country, they both recognised the deep difficulties in doing so. During the delicate post-Vienna transition, the White House and the State department will have to take into consideration the aforementioned concerns of US allies in the region, such as Saudi Arabia, which might just prove too delicate a line to follow. Nonetheless, the fact that the historic nuclear deal is signed, and assuming that it will not be rejected in the US Congress, opens the door for more direct relations between Washington and Tehran.

# The European Union

The necessity for closer and wider cooperation with Tehran has also not been lost on the EU side, despite the Union's past internal differences among member-states as to the right degree of engagement and containment. Allowing the transition from an almost exclusively nuclear focus to non-nuclear issues, the Vienna agreement frees Europe to widen and deepen the range of issues it



can realistically engage with Iran, primarily on regional security but also on other, less *haute politique* issues, such as trade and cultural cooperation.

Only a fortnight after the agreement was signed, EU HR Ms. Federica Mogherini travelled to Tehran signalling the intention of the EU to act in an according manner. Ms. Mogherini's visit has been and is expected to be followed by a barrage of visits by series of other European dignitaries and foreign ministers. In her efforts, the High Representative is buoyed by the recent Council of the EU decision, which tasked her with exploring "ways in which the EU could actively promote a more cooperative regional framework". As such, the EU now has the opportunity to the instigator of a regional dialogue that addresses all security issues of the region and that —perhaps more importantly-includes all the regional actors.

In terms of policy prescriptions and given the tightly intertwined nature of Middle East politics and conflicts, a very crucial component of this more comprehensive strategy by the EU should be an active effort to bring about a relative rapprochement in the relations between Iran and Saudi Arabia, in an effort to decrease the rampant Sunni-Shia regional sectarianism of the past few years (and the zero-sum mentality that comes with it). The EU can build upon the confidence-building exercise of the JCPOA negotiations and take the next step by facilitating the development of a diplomatic track between the two countries. This track does not need to be official or indeed direct, but the EU can utilise its 'honest broker' reputation to enable such a process and make sure the nuclear agreement has a truly lasting effect on regional peace and security.

Evidently, any sort of sensible détente between Iran and Saudi Arabia will be an extremely timely affair, and the aforementioned concerns that were raised in Riyadh after the JCPOA's signing will likely have the opposite effect, that of deterioration, in the short term. Nonetheless, sustained diplomatic efforts by the EU (either collectively through Ms. Mogherini or bilaterally via diplomatic efforts of individual EU member states) could facilitate a much-required serious dialogue regarding all bilateral and regional areas of confrontation Iran and Saudi Arabia find themselves enmeshed in; Syria, Iraq, Yemen being the most illustrative examples of this. Despite the very ambitious character of such an initiative and the limited leverage the EU (admittedly) has in the region, the Union can be aided in this effort by having far lighter historical baggage than the US. As with the signing of the nuclear agreement that for long looked like a remote scenario, if political will is combined with long-term diplomatic prioritising and strategising, the outcome of this can also be greatly beneficial.



# Conclusion: A fair quid pro quo or a historic mistake?

It would not be an overstatement to suggest that the only undoubted fact about the nuclear deal signed in Vienna only weeks ago is that it is historic. Beyond that, much ink has been spilt attaching positive or pejorative terms to this 'historic' characterisation from the agreement's backers or opponents respectively. This heated, only superficially technical but primarily political debate is set to continue both within the US and Iran and across the international community, as the details of the deal are tested in reality and its minutia continue to be exhaustively dissected, analysed, and implemented on the ground.

Whatever the deal is, however, it is also a very clear win for diplomacy. For a taboo issue that for long dogged the relations between Iran and the West, the international community managed to secure a deal that takes one of the many thorny issues of a volatile region riven with armed conflicts, sectarian strife and geopolitical rivalries, out of the equation. In an area where the threat of war is the default negotiating position, the deal, as the culmination of protracted diplomatic negotiations, serves to underline the value of diplomatic means over force, even in a case where the impasse could not have been more intractable.

Nonetheless, the critics argue that the agreement does not effectively stop Tehran from acquiring a nuclear weapon and that it presages an ascendant regional Iranian power liberated from the constraints of the sanctions and free to push its nefarious regional agenda, much like a tiger released from its cage. On the other side of the fence, supporters of the agreement are adamant that the agreement stops all pathways of Iran towards a nuclear weapon, while it also paves the way for normalisation of relations between the West and the country.

As it has been hopefully shown above, the agreement attains neither of these extremes, but succeeds in representing a positive step forward for Iran, the wider region and the world. It severely curtails Iran's capacity to develop nuclear weapons, it encompasses one of the most intrusive monitoring regimes ever designed, it constitutes the best of the existing alternatives as to how to achieve this goal, and finally it is not likely to have the negative regional repercussions its critics are suggesting. On the contrary, it creates the necessary conditions (whether these conditions are also sufficient remains to be seen), for a less thawed relationship between the Islamic Republic and the international community, which if utilised wisely, can create an appreciably safer framework of regional security. Neither sudden, nor dramatic, but incremental at best, this process encompasses the agreement's greatest long-term potential.

Yet, arguing that this agreement is a positive development does not automatically mean that one turns a blind eye to its many flaws, as indeed, there are many grey areas within it that do not guarantee a sure-fire success. Nor it means that this agreement places a guaranteed end to Iran's nuclear ambitions or provides a holistic answer to all regional issues where Iran is involved. Uncertainty and risks are inherent in any international agreement, and this one is no different. As mentioned above, much will depend on the way the agreement is interpreted and implemented, and on the balance of power in the internal elite competition between Iran's hard-liners and the pragmatist, amongst many other factors. But the point that has been made here is that, on balance, the overall assessment of the deal, both on technical and strategic merit, entails that the JCPOA cannot but be considered as a positive, advantageous step in the right direction.

Politics and negotiations are often described as the ultimate exercise in the art of the attainable. Itself being an illustrative example of the politics of attainability, perhaps the greatest signal that the Vienna agreement will prove to be a successful one is the fact that neither Iran nor the international community considers it a perfect one.



# **Endnotes**

All references to parts of the JCPOA within the policy brief are from the same source (accessed 31 July 2015)

http://www.ft.com/intl/cms/s/0/271a104c-296b-11e5-8613-e7aedbb7bdb7.html#axzz3hjhVA9A5 (accessed 18 July 2015)

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<sup>10</sup> 'Ending speculation, Herzog says he won't 'crawl' into coalition', The Times of Israel, 19 July 2015, http://www.timesofisrael.com/ending-speculation-herzog-says-he-wont-crawl-into-coalition/ (accessed 20 July 2015)

<sup>11</sup> The White House, Readout of the President's Call with Prime Minister Benjamin Netanyahu of Israel https://www.whitehouse.gov/the-press-office/2015/07/14/readout-president%E2%80%99s-call-prime-ministerbenjamin-netanyahu-israel (accessed 19 July 2015)

12 'Israel Rejects Obama's Olive Branch, for Now', Bloomberg View, 30 July 2015,

http://www.bloombergview.com/articles/2015-07-30/israel-rejects-obama-s-olive-branch-for-now (accessed 30 July

<sup>13</sup> 'In Arab world, worries that deal will boost Iran's power', AP, 15 July 2015

http://bigstory.ap.org/article/cb0a2c106b8a4101ab7de22fc1c4038e/arab-world-worries-deal-will-boost-irans-power (accessed 27 July 2015)

<sup>14</sup> Thomas L. Friedman, 'Obama Makes His Case on Iran Nuclear Deal', *The New York Times*, July 14 2015, http://mobile.nytimes.com/2015/07/15/opinion/thomas-friedman-obama-makes-his-case-on-iran-nucleardeal.html?\_r=0 (accessed 21 July 2015)

15 It is also worth noting that Mr. Zarif was also involved in another historic diplomatic agreement, the UN Security Council resolution 598, adopted unanimously in 1987, calling for an immediate ceasefire between Iran and Iraq.

<sup>16</sup> The White House Archives, President Delivers State of the Union Address, 29 January 2002 http://georgewbush-

whitehouse.archives.gov/news/releases/2002/01/20020129-11.html (accessed 24 July 2015)

Address by Barack Obama, 2009, http://www.inaugural.senate.gov/swearing-in/address/address-by-barack-

obama-2009 (accessed 24 July 2015)

18 This is also illustrated by the recent agreement to officially restore full diplomatic relations with Cuba for the first time since 1961.

<sup>19</sup> 'Making the world a bit safer', *The Economist*, 18 July 2015, <a href="http://www.economist.com/news/briefing/21657820-">http://www.economist.com/news/briefing/21657820-</a> imperfect-deal-better-alternatives-making-world-bit-safer (accessed 19 July 2015)

<sup>20</sup> Anthony H. Cordesman with the assistance of Michael Peacock, 'Military Spending and Arms Sales in the Gulf', Center for Strategic and International Studies, 28 April 2015, http://csis.org/files/publication/150428 military spending.pdf (accessed 27 July 2015)

<sup>21</sup> 'Video secretly filmed inside Iranian parliament exposes divisions over nuclear talks', *The Telegraph*, 27 May 2015, http://www.telegraph.co.uk/news/worldnews/middleeast/iran/11632180/Washington-Post-journalist-goes-on-trialin-secret-Iranian-court.html (accessed 27 July 2015)

<sup>22</sup> 'Council conclusions on the agreement on Iran's nuclear programme', Council of the EU, 20 July 2015, http://www.consilium.europa.eu/press-releases-pdf/2015/7/40802201050 en.pdf (accessed 27 July 2015)

<sup>&</sup>lt;sup>1</sup> P5+1 refers to the United Nations Security five permanent members plus Germany, whereas the E3+3 refers to the same grouping of states (EU-3 plus Russia, China, and the United States) but is more commonly used within the European Union.

<sup>&</sup>lt;sup>2</sup> The full text of the Joint Comprehensive Action Plan, including its five annexes, can be found here: http://eeas.europa.eu/statements-eeas/2015/150714 01 en.htm

<sup>&</sup>lt;sup>3</sup> 'Iran agrees breakthrough nuclear deal', *The Financial Times*, 14 July 2015,

<sup>&</sup>lt;sup>4</sup> Speaker Boehner Statement on Iran Nuclear Talks

<sup>&</sup>lt;sup>5</sup> Senator John McCain on twitter https://twitter.com/SenJohnMcCain/status/626398307615641600 (accessed 29 July 2015)

<sup>&</sup>lt;sup>6</sup> Jeb Bush on the Obama Administration's Nuclear Deal with Iran

<sup>&</sup>lt;sup>8</sup> 'Netanyahu: Iran Nuclear Deal Makes World Much More Dangerous, Israel Not Bound by It', Haaretz, 14 July 2015, http://www.haaretz.com/beta/1.665821 (accessed 15 July 2015)

<sup>&</sup>lt;sup>9</sup> 'Netanyahu Tells Obama Iran Deal Threatens Israel's Security', *Haaretz*, 14 July 2015, http://www.haaretz.com/news/diplomacy-defense/1.666028 (accessed 15 July 2015)