

Working Paper

Will the Nuclear Agreement Change Iran? Not Today, but Maybe Tomorrow

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In a widely read opinion piece in the *Wall Street Journal* last week, the United Arab Emirates' ambassador to the United States Yousef al Otaiba expressed his country's regret that Iran – one year after the conclusion of the nuclear framework agreement – had not changed its behavior. “Don't be fooled,” argued the article's subhead, “The Iran we have long known – hostile, expansionist, violent – is alive and well.”¹

Looking at Iranian activity in the region since the deal was finalized last July, it is hard to argue with the facts behind Otaiba's core conclusion. Even as it has implemented the nuclear restrictions and reductions required of it in the agreement, Iran has advanced its long-range ballistic missile program, continued to support Syrian dictator Bashar al-Assad (both directly and through the terrorist group Hezbollah), continued to fund and arm their Houthi allies in Yemen, and maintained its hostile rhetoric and posture both toward its Gulf rivals in the region and toward the West and the United States. With access to more than \$50 billion in previously frozen funds and the restoration of its ability to sell oil on international markets, Iran is now arguably better positioned to extend its destabilizing influence throughout the region.

That said, it was never realistic to imagine – and even administration proponents of the nuclear deal did not argue – that implementing it would lead to immediate changes in Iranian behavior. Instead, they argued the Iran *nuclear* deal was just that – a narrow agreement focused on constraining Iran's potential nuclear weapons program by diplomatic means in the absence of better alternatives.² If it led to hoped-for changes in Iran's behavior – what President Obama called a “different path...of tolerance and peaceful resolution of conflict” – those changes would take place gradually and only over the longer term.³ With the main nuclear infrastructure restrictions in the nuclear deal in place for 10, 15, or 20 years, there was at least the possibility that by the time those constraints are lifted we would be dealing with a very different Iran.⁴

Could that actually happen? What are the prospects that Iran changes its domestic and foreign policy behavior over the longer term, and what should the United States and others do to promote such change? There are certainly no guarantees, not least given the determination of the clerical regime and its institutional supporters to do everything they can – if necessary by resorting to violent repression – in order to cling to power.

¹ Yousef al Otaiba, “One Year after the Iran Nuclear Deal,” *Wall Street Journal*, April 3, 2016, <http://www.wsj.com/articles/one-year-after-the-iran-nuclear-deal-1459721502>.

² According to Secretary of State John Kerry, the deal was “designed to address the nuclear issue alone, not to reform Iran's regime, or end its support for terrorism, or its contribution to sectarian violence in the Middle East.” *Iran Nuclear Agreement Review: Hearing Before the Senate Foreign Relations Committee*, United States Senate, 114th Cong. 3 (2015) (testimony of John Kerry, Secretary of State).

³ Barack Obama, “Statement by the President on Iran,” Washington, DC: The White House, Office of the Press Secretary, July 14, 2015, <https://www.whitehouse.gov/the-press-office/2015/07/14/statement-president-iran>.

⁴ Later that summer Obama discussed the possibility of change in Iran this way: “Is there the possibility that having begun conversations around this narrow issue that you start getting some broader discussions about Syria, for example, and the ability of all the parties involved to try to arrive at a political transition that keeps the country intact and does not further fuel the growth of ISIL and other terrorist organizations. I think that's possible. But I don't think it happens immediately.” Cited in Darlene Superville, “Obama Sees Chance for Improved U.S.-Iran Relations,” *Times of Israel*, August 9, 2015, <http://www.timesofisrael.com/obama-sees-chance-for-improved-relations-between-us-iran/>.

But there are at least some reasons to believe change in Iran is possible in the longer run. And given the realistic alternatives to the nuclear deal – temporarily setting back Iran’s nuclear program with a military strike, or continuing to isolate Iran as it advances an unrestricted nuclear program – it is worth exploring the prospects for bringing about political change over the lifetime of the deal. A firm but patient policy to rigorously enforce the nuclear deal, simultaneously contain Iran’s hegemonic regional ambitions, and explore the possibility of better relations with a different government in Tehran is the policy that makes sense for the United States.

One data point to keep in mind when considering the prospects for change in Iran is that every time the Iranian public is given the opportunity to express itself – in particular through elections, however limited and flawed, it seems to indicate a strong preference for more freedoms at home and more integration with the world.

As far back as 1997, Iranians rejected the favored regime candidates for President and voted for Mohammad Khatami on a platform of relative rapprochement with the West and a “dialogue of civilizations.” Twelve years later, in 2009, Iranians voted on mass for Mir Hossein Mousavi and the “Green Movement,” in an apparent rejection of incumbent President Mahmoud Ahmadinejad failed economic policies and confrontation with the West. The regime prevented Mousavi from taking power and crushed the protestors who supported him. Once again in 2013, the regime carefully limited the number of potential candidates for President, and again the public indicated its desire for change by supporting the candidate most closely associated with a new approach, Hassan Rouhani.

The most obvious conclusion was that the Iranian public was desperate for change and economic progress, and knew that it would only come about in the context of a deal on Iran’s nuclear program that would lift international sanctions. Rouhani was seen as the only candidate capable of bringing that about. And most recently, in 2016 elections to the Iranian parliament (Majlis) and Assembly of Experts (the group that will select the next Supreme Leader), Iranians appear to have voted far more for “moderates” than extremists, even though many moderates and reformists were prevented from running in those elections in the first place.⁵ While it is difficult to clearly gauge Iranian preferences given the tightly controlled nature of the elections and restrictions on polling and the press, anecdotal evidence and the polling that does exist also suggest that the public – and in particular the next generation – strongly favors more freedom and home and more engagement abroad.⁶ Especially if encouraged by Iran’s neighbors and the West by an openness to engagement with Iran, there is every reason to believe the Iranian public will continue to want to move in this direction.

There is also a sound theoretical and empirical basis for believing that the opening up of Iran’s economy, as a result of the lifting of sanctions after the nuclear deal, may contribute to long-term

⁵“Analysis: 2016 Iranian Parliamentary & Assembly of Experts Election Results,” Majlis Monitor, March 7, 2016, <https://majlismonitor.com/en/2016/03/analysis-2016-iranian-parliamentary-assembly-of-experts-election-results/>.

⁶ See Mohsen M. Milani, “Iranian Politics After the Deal: Why It Is Time for Optimism,” *Foreign Affairs*, July 15, 2015; and Stephen Kinzer, “The Iran Accord is Going to Change Everything,” PRI, October 27, 2015, <http://www.pri.org/stories/2015-10-27/iran-accord-going-change-everything>.

political change. As numerous scholars have pointed out, economic development, industrialization and modernization tends to “create a self-reinforcing process that transforms social life and political institutions, bringing rising mass participation in politics and – in the long run – making the establishment of democratic political institutions increasingly likely.”⁷

As we have seen in countries as diverse as South Korea, Chile, and Taiwan, industrialization and economic growth leads to the expansion of the middle class, rising educational levels, demands for more individual freedom, the rule of law, and greater international engagement. Scholars acknowledge, of course that there is nothing automatic about this process, especially when the country is ruled by an ideological, insecure regime that fears, with good reason, that democratization could threaten its very existence (and the privileges that come with its rule.) But it is equally true that the prospects for positive change are dramatically reduced if the autocracy in question is politically and economically isolated. The precedents of North Korea and Cuba hardly suggest that sanctions and isolation are the best ways to encourage democracy and regional cooperation – and in the case of North Korea they have also failed to prevent nuclear and ballistic missile proliferation.

More economic engagement with Iran admittedly comes at a cost – additional funds available to the Islamic regime to support terrorism and interfere in the region – and does not guarantee better behavior in the long run. But these policies are not particularly expensive and they have not been constrained by limited Iranian resources (witness Iranian regional policies in Syria, Yemen, Lebanon and Iraq even at the height of sanctions). Maintaining or increasing Iran’s isolation probably guarantees that those policies will continue.

In contrast, openness and dialogue with Iran may help diminish the deep insecurity and resentment felt not just by regime officials but by much of the population. While Americans and many in the region focus with good reason on Iran’s threat to its neighbors, Iranians themselves have a long list of fears and grievances – often purposefully manipulated by the regime – that date back at least to the 1953 overthrow of Iran’s democratically elected Prime Minister, Mohammad Mossadeq and his replacement by the highly repressive, U.S.-supported Shah Reza Pahlavi. After the 1979 Iranian Revolution, the United States imposed sanctions on Iran that eventually led to a full economic boycott and even “secondary” sanctions that punished other countries from investing in Iran, crippling the country’s economy. In the 1980s, the United States “tilted” toward Saddam Hussein’s Iraq in the Iran-Iraq war (started by Iraq’s invasion of Iran), a brutal war of attrition that led to at least hundreds of thousands of Iranian casualties. More recently, the United States, having branded Iran a member of the “axis of evil,” used its vast military power to overthrow the regimes to Iran’s West (Saddam Hussein’s Iraq) and East (the Taliban in Afghanistan) and maintained a significant military presence in both countries (as well as throughout the region) while debating the use of force and regime change in Iran.

Without in any way absolving Iran of the responsibility it bears for all these developments, it is not hard to understand these feelings of deep insecurity lead many Iranians to believe they need

⁷ See among others, Ronald Inglehart and Christian Welzel, “How Development Leads to Democracy: What We Know about Modernization,” *Foreign Affairs* (March/April 2009), pp. 33-48.

to develop strong military forces, including nuclear weapons and ballistic missiles to deter foreign intervention. These insecurities will not disappear overnight, whatever policies we pursue. But it is at least possible that the passage of time, the emergence of a new generation of Iranian leaders, and more engagement between Iran and its current adversaries could ultimately contribute to some sort of *modus vivendi* in the region.

Some precedents from other countries also reinforce the notion that 15 years – the length of time that the most essential restrictions on Iran’s nuclear program will last – is a long enough period to allow for considerable domestic changes to take place. (It is also, of course, a much longer period than the 2-3 years experts believe Iran would need to reconstitute its current nuclear program after a potential military strike.) Consider, for example, that in 1960 China was undergoing its “Cultural Revolution” and trying to spread communism throughout Asia – yet by the mid-1970s it had ceased its support for regional insurgencies, broken relations with its Soviet ally, and was pursuing rapprochement with the United States. In 1971, to take another example, the Soviet Union was undertaking a military buildup and deepening its influence over satellite states under the so-called “Brezhnev Doctrine.” By the mid-1980s, after a series of geriatric leaders had retired, a 55-year-old leader from a new generation had taken power, and within a few years was announcing massive troop withdrawals from Eastern Europe, negotiating major arms control agreements with the United States, and abandoning Communist clients around the world.

We do not know what Iran will look like in October 2030, fifteen years from the day the nuclear deal was officially implemented. But we can be fairly certain that the current Supreme Leader (now 75 years old) will no longer be in power and new generation of Iranians – perhaps less marked by the conflicts of the past – will be in charge. There seems to be at least the possibility that such a new leadership will have chosen that “different path” that President Obama referred to.

In the meantime, of course, the United States and its allies will need to hedge against the very real possibility, or even probability, that Iran will not evolve in this direction. This means that we will have to be extremely vigilant, enforce the nuclear deal, stand by our friends in the region, and counter Iran’s destabilizing activities. If in fifteen years Iran still supports terrorism, interferes with its neighbors, represses its population, seeks regional hegemony, and fails to reassure the world about its peaceful nuclear intentions, whoever is the U.S. President at that time will have to consider all his or her options to deal with Iran, including the re-imposition of sanctions or even the use of force. That outcome would be unwelcome, but the nuclear deal, by preventing Iran from getting nuclear weapons for at least the next 15 years, preserves all those options, and provides an opportunity to avoid having to implement them.

In the meantime, we can use the coming decade to explore the prospects for a different Iran and an improved bilateral relationship that would allow us to escape from what now seems to be a permanent, costly, and de-stabilizing confrontation. A transformed Iran would have enormous strategic, political and economic benefits – not just for the United States but for all its partners in the Middle East. History, theory, and some evidence from Iran today suggest that such a

development is at least possible. While hedging against the possibility that such an approach will fail, it seems reasonable to test the proposition.

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