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# WHAT LOSING THE IRAN DEAL Could Mean for the Region

If President Joe Biden is seeking to restore sustainable peace and security in the region, he has to start with reviving the JCPOA

By Seyed Hossein Mousavian

I ran's nuclear crisis has been at the center of Middle East and international politics for the past two decades and continues to impact the dynamics of regional and international politics. However, the current phase of the crisis surfaced a little over a decade ago, when Iran and the P5+1 (the five permanent members of the United Nations Security Council—China, France, Russia, the United Kingdom, the United States—plus Germany) signed the Joint Comprehensive Plan of Action (JCPOA) in 2015, which was endorsed by UN Security Council Resolution 2231. While the Iranians fully held to their side of the deal, the United States later withdrew under the Trump administration, and the European Union subsequently failed to fulfill its responsibilities under the agreement. The upshot of the U.S. withdrawal and European complacency was a revival of sanctions at a pace and intensity unprecedented over the past forty years.

The JCPOA, and its abandonment, has altered the geopolitics of the Middle East. The deal would have laid the foundation for a nuclear-weapons-free world because of the strong regime of inspection that was put in place to make sure Iran complied with the laws and regulations of the Non-Proliferation Treaty (NPT). By withdrawing from the JCPOA, the Trump administration dashed all prospects of a resolution of tensions between Iran and the United States. Just as its abrogation led to more insecurity on the international stage, its revival can lead to more peace and security, both in the Middle East and across the world.

#### The Nuclear Crisis: A Brief History

As part of U.S. President Dwight Eisenhower's Atoms for Peace program, Iran began its nuclear program under Mohamed Reza Shah's rule in 1957. Soon after the United States and Iran agreed to a civilian nuclear cooperation arrangement—known as "Cooperation Concerning Civil Uses of Atoms"—the



Shah established the Tehran Nuclear Research Center (TNRC) under U.S. supervision. He then began to negotiate with and press the United States to provide Iran with nuclear technology and materials until his downfall in the 1979 Revolution.  $\Delta$  European and Iranian diplomats wait for the start of talks on reviving the 2015 Iran nuclear deal in Vienna, Austria June 20, 2021. *Reuters* 

The revolution changed the trajectory of the country's nuclear program. Iran, which was seriously pursuing nuclear technology, decided to curb these ambitions. Failing to honor their commitments based on the deal that the Iranian government had with the West during the Shah's rule, the United States and other Western countries including Germany withdrew from their agreements. Germany stopped supplying fuel rods to the Tehran Research Reactor and reneged on its contract to build a nuclear power plant in the southern city of Bushehr, while France canceled an agreement with Iran signed in 1973 to enrich its uranium. At the time, Iran had no plans to pursue uranium-enrichment or heavy water activities on its own soil.

The double-standard policy of the United States and its Western allies forced Iran to proceed with efforts to develop its own nuclear capacities. After the revolution, the United States turned its back on Iran, now no longer considered a Washington ally. As a result, Iran failed to acquire the fuel necessary to power facilities. Moreover, the United States and its Western allies supported the late Iraqi President Saddam Hussein in his 1980 invasion of Iran. This greatly impacted Iran's security calculations; Tehran saw how the Western world had no hesitation in supplying Saddam with chemical weapons while Iran struggled to access conventional weaponry.

Iran's nuclear program truly came to the fore in the summer of 2003, when the International Atomic Energy Agency (IAEA) issued a report revealing that the country had obtained enrichment capability but still remained compliant with the NPT. A few months later, however, another report was released that noted trace amounts of high-enriched uranium at the Natanz nuclear power plant. As a result, the IAEA Board of Governors passed a resolution demanding that Iran suspend enrichment and all related activities for an indefinite period, as well as implement the Additional Protocol to its safeguards agreement. The Additional Protocol entailed the highest level of transparency measures ever devised by the agency. In October 2003, Iran's Supreme Leader, Ayatollah Ali Khamenei, decreed his fatwa prohibiting the production and use of all weapons of mass destruction, including nuclear weapons. To be sure, Iran, both before and after the 1979 Revolution, supported the initiative to establish a Nuclear-Weapons-Free Zone (NWFZ) in the region. That is to say, both the late Shah and the current Ayatollah expressed strong opposition to the development of nuclear weapons.

It is important to note that NPT member states are allowed to acquire nuclear capabilities for peaceful purposes. Iran is no exception. Since 2003, there have been numerous rounds of negotiations to resolve Iran's nuclear crisis. On October 21, 2003, Iran and a number of European countries signed the Tehran Declaration through which it voluntarily agreed to halve its introduction of gas into centrifuges and to implement the Additional Protocol. In return, the Europeans agreed to recognize Iran's legitimate right to peaceful nuclear technology, remove the nuclear file from the IAEA's board agenda, and expand political and economic relations with the country. The Iran–EU3 (France, Germany, and the UK) negotiations lasted through 2005. Despite various proposals submitted by Hassan Rouhani, Iran's lead negotiator at the time, the negotiations did not lead to a lasting and sustainable resolution to the crisis.

In 2005, Iran made an offer to the EU3 and was prepared to limit enrichment to 5 percent and export all low-enriched uranium beyond domestic needs or convert it into fuel rods, among other things. The main purpose of the proposal was to ensure that Iran's civil enrichment program could not be weaponized while also recognizing its right to enrichment under the NPT.

In exchange for these commitments, the IAEA would view Iran's nuclear activities with a more neutral eye and the European Union would pursue broader

political, economic, and security cooperation with Tehran, which would include ending trade and economic sanctions. However, although England, France, and Germany favored the offer, the George W. Bush administration spurned it and insisted on its maximalist demand of "zero enrichment" in Iran.

The failure of the nuclear talks, despite Iran's attempts to operate exclusively for peaceful purposes, gave rise to right-wing populism in Iran represented by former President Mahmoud Ahmadinejad. Indeed, most analysts believe that the breakdown in the 2003–2005 nuclear negotiations during former President Mohammad Khatami's tenure contributed to Ahmadinejad's victory in Iran's June 2005 presidential election.

Once Ahmadinejad was in office, Iran restarted its uranium conversion facilities in Isfahan, and on September 24, 2005, the IAEA board of governors found Iran to be in noncompliance with its safeguards agreement. On January 10, 2006, Iran resumed enrichment activities at its Natanz plant, and on February 4, the IAEA voted to refer the file to the UN Security Council. Between 2006 and 2009, the United Nations Security Council passed resolutions 1696, 1737, 1803, and 1835, imposing sanctions while demanding full suspension of enrichment and heavy water activities in Iran. In October 2009, a meeting was held between Iran, Germany, and the UN Security Council (UNSC) permanent representative in Geneva to discuss the possible transfer of Iran's stockpile of low-enriched uranium out of the country in exchange for reactor fuel for the Tehran Research Reactor. As part of the swap negotiations, Iran's lead nuclear negotiator, Saeed Jalili, and U.S. Under Secretary of State William Burns, held the highest level of direct talks in thirty years. In the end, this round of negotiations also failed, though at a later stage, Brazil and Turkev intervened to mediate the process.

On May 17, 2010, an agreement was reached to transfer 1,200 kilograms of Iranian low-enriched uranium to Turkey, in return for which Iran would receive the 20 percent enriched uranium fuel required for operating the Tehran Research Reactor. However, U.S. and European officials rejected the deal. Instead, the UNSC immediately passed Resolution 1929, which included an arms embargo and tightened restrictions on financial and shipping enterprises. During Barack Obama's first term in office, Iranian nuclear facilities came under cyberattacks and several of its nuclear scientists were assassinated. According to media reports, the cyberattacks were jointly operated by the United States and Israel and the assassinations were carried out by Israel. Tehran's overtures seeking a mutually acceptable deal went nowhere, primarily because the United States maintained that there should not be even a single centrifuge in Iran. The United States' total denial of Iran's right to enrichment and its blocking of efforts to have fuel rods for its reactor sent clear signals that the United States was not interested in resolving the nuclear issue. During his visit to New York for the UN General Assembly in 2011, Ahmadinejad announced that Iran had mastered 20 percent enrichment and was stockpiling 20 percent enriched uranium, but he proposed ceasing its 20 percent enrichment in exchange for Western-provided fuel rods for the Tehran Research Reactor. Moreover, as a show of goodwill toward the United States, Ahmadinejad announced the release of two Americans imprisoned in Iran under suspicion of espionage. The United States turned down Iran's offers, which some analysts believe was done as a pretext to intensify economic sanctions.

In Fall 2011, the United States and the EU imposed an oil embargo on Iran, sanctioned its central bank, and introduced two UN resolutions condemning its record on human rights and terrorism. At the same time, IAEA Director General Yukiya Amano publicly expressed that the IAEA "remains unable to confirm that all nuclear material is in peaceful activities".

On August 3, 2013, President Hassan Rouhani took office in Tehran. His moderate stance on foreign policy allowed him to succeed in pushing for a deal. As noted already, under its terms and conditions, Iran agreed to limit much of its nuclear program and open its facilities to the highest transparency measures ever accepted by a sovereign state in exchange for sanctions relief. It must be noted that the JCPOA was achieved because President Obama changed the U.S. policy from "Zero Enrichment" to "Zero Nuclear Bomb" in Iran.

## The Impact of JCPOA on the Region's Geopolitics

The policies that the West has implemented toward Iran—particularly as regards its nuclear program and the JCPOA—have had serious consequences for the geopolitics of the region. The following is a list of fourteen such consequences.

First, shortly after the 1979 Revolution, Iran decided to forgo all ambitious nuclear projects, including a U.S.-devised plan to build twenty nuclear plants. Iran had no choice but to maintain the Tehran Research Reactor built by the United States in 1967, simply because it needed to produce isotopes for medical purposes and cancer treatment. Indeed, Iran had no plan to develop any domestic enrichment plant or heavy water on its land, but was forced to after many failed attempts at importing the necessary resources from Western countries. Indeed, regional geopolitics would have been very different if the United States and its Western allies had welcomed the policy of providing fuel for Iran's nuclear program. Iran would have continued to receive its nuclear fuels from the United States without having to develop its own capabilities.

Second, when negotiations between Iran and the EU3 began in 2003, both parties were in a position to hammer out a deal, but the United States stood in the way of reaching an agreement. Jack Straw, the then-UK foreign minister, testified to this:

"All of us accepted Iran's right to a civil nuclear program. I personally accepted Iran's right to run some centrifuges for its low enrichment program. We gained the interim agreement in October 2003 that was agreed in Tehran, and we had two more agreements in Paris and Brussels. But we were very close to final agreement; and when I saw Dr. Zarif at the beginning of 2014, on a Parliamentary delegation, he acknowledged that what stopped the deal in 2005 was not about centrifuges; it was our inability to get agreement from the Americans for concessions like aircraft spare parts."

Hence, an agreement back in early 2000s would have fundamentally shaped the region differently if the United States had agreed to a nuclear deal in 2005 rather than 2015. Such an agreement would have primarily impacted the course of the Iranian presidential election in 2005. The election of the conservative Ahmadinejad, at least in part, was a response to President Bush's hostile policies against Iran despite President's Khatami's earlier rapprochement policy with the West. Moreover, the region's 2011 uprisings and their aftermath in Yemen, Syria, and the rise of ISIS could have been averted were it not for the previous failures in Iran's relations with the West.

Third, by mobilizing international attention, often through providing misinformation on Iran's nuclear program, Israel distorted the realities of non-

proliferation in the Middle East. Despite its rhetoric against Iran, Israel is the only state in the Middle East region that possesses nuclear weapons, is not a member of the NPT, and holds an estimated volume of 80 and 400 nuclear warheads. Iran, on the other hand, is a member of the NPT, does not possess a single nuclear weapon, and has accepted the world's most intrusive regime of inspection concerning nuclear-related activities. This has

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significantly delayed the process of establishing a nuclear-weapons-free zone in the Middle East, which was formally introduced by Iran and Egypt in 1974.

Fourth, since the collapse of JCPOA, concerns over nuclear competition in the Middle East have intensified. For instance, when the JCPOA restrictions were in place, the United States predicted in 2015 that it would take Iran twelve months to produce enough nuclear fuel for a bomb should it decide to abandon the deal and seek a workable weapon. Today, that estimate has shrunk to about one month as Tehran has installed more advanced centrifuges in its nuclear centers, enriched uranium of a far higher grade than allowed under the original nuclear pact, and restricted international inspectors' access to Iranian nuclear facilities. Iran has thus achieved enrichment and heavy water capabilities, posing a new challenge to Israel's nuclear monopoly in the Middle East. Now other countries such as Saudi Arabia, Egypt, the United Arab Emirates (UAE), and Turkey are seeking to increase their nuclear power capabilities.

Fifth, by propagating the idea that Iran is a threat, Israel has aligned itself with countries such as Saudi Arabia and the UAE, among others. On August 13, 2020, UAE Minister of State for Foreign Affairs Anwar Gargash announced an agreement to normalize relations with Israel, saying that his country wanted to deal with the threats facing the two-state solution, specifically annexation of the Palestinian territories. "This new architecture—the shared capabilities we are building—intimidates and deters our common enemies, first and foremost Iran and its proxies," Israeli Foreign Minister Yair Lapid said. Hence, an alliance of four countries—the United States (the Trump administration), Israel (Natanyahu's government), Saudi Arabia (Crown Prince Mohammad Bin Salman) and the United Arab Emirates (President Mohammed bin Zayed)—emerged against Iran.

Sixth, the long-lasting conflict in the Middle East—the illegal occupation of Palestinian territories—was completely pushed to the margins. Trump went on to formally recognize Jerusalem as the capital of Israel, reversing nearly seven decades of a failed American foreign policy and moving the United States Embassy from Tel Aviv to Jerusalem. "Today we finally acknowledge the obvious: that Jerusalem is Israel's capital," Trump thundered from the White House.

Seventh, the effects of U.S. withdrawal from the deal in May 2018 were detrimental to ordinary Iranian civilians. After the United States enforced unilateral sanctions, the European Union was unable to resist U.S. pressure. The complex set of unilateral sanctions against Iran, compounded by zero-risk policies by European businesses and financial institutions, worsened existing humanitarian and economic challenges and negatively affected the lives of the people, in particular low-income and working-class Iranians. Accessing certain types of medicine has been particularly challenging.

Eighth, Iran negotiated and signed the world's most comprehensive nuclear deal with the West—particularly the United States—but was not able to bear the fruit of this agreement by expanding its trade and economic ties with the United States. As a result, Iran was forced to resort to seriously expanding its ties with China and Russia with a sweeping long-term political, economic, and security agreement known as the Iran–China 25-year Cooperation Program, which would facilitate hundreds of billions of dollars of investments in the Iranian economy. State managers in Tehran simply view the agreements with the major powers in the East as a necessary means of combating U.S. hegemony and hostility. Iran's new policy of pivoting to the East has gained all the more credibility among Iranian officials after the United States' ill-advised move to renege on the JCPOA.

Ninth, due to Trump's withdrawal from the deal, Iran has actually become a nuclear threshold state. Under the terms of the 2015 agreement, Iran was permitted to stockpile up to 300 kilograms of low-enriched uranium and operate just over 5,000 1st-generation centrifuges at the Natanz Fuel Enrichment Plant. Iran did not enrich to more than a 3.67 percent concentration of uranium. Indeed, since the U.S. withdrawal from the nuclear pact, Iran has been steadily enriching uranium at higher levels. In July 2019, Iran began enriching up to 5 percent, and then to 20 percent in January 2021 and 60 percent in April 2021. Hence, withdrawal from the JCPOA significantly accelerated Iran's enrichment program, and this will surely have huge impacts on regional diplomacy and geopolitics.

Tenth, the JCPOA had provided an opportunity for Iran and the United States to hold direct talks at the ministerial level for the first time since the 1979

Iranian Revolution. Indeed, the highest executive powers in both Iran and the United States directly communicated with each other in a phone conversation. Obama reiterated that the nuclear deal prevents the most serious threat from happening, which is Iran obtaining a nuclear weapon. Thus, negotiations between 2013 and 2015 demonstrated that agreement between the United States and Iran is in fact possible, and that such a challenging issue can be

After Trump's withdrawal from the JCPOA, Khamenei declined the Trump administration's offer for unconditional talks, reiterating that "the U.S. withdrawal from the 2015 nuclear deal was clear proof that Washington cannot be trusted".

negotiated and agreed upon. By withdrawing from the deal, the United States destroyed the trust it had built with Iran. After Trump's withdrawal from the JCPOA, Khamenei declined the Trump administration's offer for unconditional talks, reiterating that "the U.S. withdrawal from the 2015 nuclear deal was clear proof that Washington cannot be trusted". That's why Iran has only agreed to negotiate with the United States through an EU mediator in an attempt to revive the nuclear deal. The deepened Washington–Tehran mistrust has led to more bilateral, regional, and international animosities.

Eleventh, Khamenei announced Iran's official strategy of "No War, No Peace with the United States" after Trump's withdrawal from the JCPOA. Even if Iran chooses to negotiate on regional issues to resolve their differences, it is not certain whether the United States will abide by any agreement reached. But if the United States commits itself to its international obligations and other potential major agreements that would bear on regional geopolitics—such as terrorism and extremism as well as issues related to the long-term security of the Persian Gulf—such agreements could lead to the betterment of many issues of concern for both countries.

Twelfth, the JCPOA provided the ground for regionalization of the most comprehensive inspection regime to prevent the proliferation of nuclear weapons. This is a tremendous step toward denuclearization of the Middle East. Amid heightened tensions in the region, Iran presented its Hormuz Peace Endeavor (HOPE) plan—the first concerted effort to ensure that the Persian Gulf remained free of nuclear weapons—at the September 2019 UN General Assembly. Iran's invitation for all Persian Gulf littoral states—namely, Bahrain, Iraq, Saudi Arabia, Oman, and the United Arab Emirates—to join HOPE elucidated a series of objectives and principles as well as a concrete roadmap for peace and security in the Middle East. HOPE was inspired by the JCPOA, and aimed at building a nuclear-weapons-free zone in the Middle East. Had Trump not withdrawn from the JCPOA, HOPE would likely not have been agreed upon.

Thirteenth, Israel's opposition to the deal from the start is likely to spill over into a regional war. Netanyahu, for example, pushed Trump to withdraw from the JCPOA, impose a "maximum pressure" policy, designate the Iranian Revolutionary Guards Corps as a terrorist organization, assassinate Iranian nuclear scientists, and sabotage the country's nuclear facilities, including through cyber-attacks. The Israelis also encouraged the United States to assassinate Islamic Revolutionary Guard Corps General Qasem Soleimani, who was killed in Baghdad on January 3, 2020.

As part of a greater alliance to confront Iran covertly, Israel and the United States established the Abraham Accord, which could ultimately expand into all-out war. The years-long Arab–Israeli conflict is now being converted into an Arab–Iranian conflict.

Fourteenth, the nuclear deal would have ensured a safer world had it been

In the absence of the JCPOA's revival, the world should live with Iran as a new nuclear threshold state, which would have a dramatic impact on geopolitics and the balance of power in the region. concluded. A recent UN report confirmed that Iran has enough uranium to produce nuclear weapons. As a result of Israel's pressure for Trump to withdraw from the JCPOA, Iran's stock of 60-percent-enriched uranium is now estimated to be 55.6 kg, allowing it to produce enough material for a bomb if it decides to. In the absence of the JCPOA's revival, the world should live with Iran as a new nuclear threshold state, which would have a dramatic

impact on geopolitics and the balance of power in the region.

This list of consequences of Trump's withdrawal from the JCPOA is not exhaustive. One could go on. For example, Mohammad Bin Salman has vowed that "if Iran developed a nuclear bomb, we would do the same". The JCPOA provided a perfect opportunity for the IAEA to contain the proliferation of nuclear weapons in the region while simultaneously monitoring Iran's nuclear activities, but the United States simply decided not to take advantage of such an opportunity.

#### The Only Path Forward

No sustainable peace can be achieved without Iran's participation in a regional agreement. It has been fallaciously argued that a joint agreement normalizing Arab–Israeli relations may help stabilize the region, but the reality proves otherwise as tensions in the Middle East show no signs of subsiding anytime soon. If President Joe Biden is seeking to restore sustainable peace and security in the region, he has to start with reviving the JCPOA as a stepping stone.

In the absence of the JCPOA, Iran will still remain a member of the NPT. But the absence of the JCPOA also means that Iran would withdraw from the Additional Protocol and Subsidiary Arrangement. Iran's potential withdrawal from the NPT would limit the IAEA's ability to provide technical verifications since its access to Iran's facilities will be severely curtailed. Moreover, Iran will also disregard all of the limits imposed within the JCPOA such as limited stockpiling and enrichment below 5 percent. In effect, the absence of the JCPOA could translate into Iran's ability to enrich uranium up to 90 percent, which is the breakout level and a step to producing a nuclear bomb.

It is important to note that according to the NPT, short of a nuclear bomb, all the above activities are legitimate. Still, the European Union has the snapback at its disposal. If the EU uses the snapback procedure and refers the Iranian nuclear file to the UNSC in order to reinstate sanctions, Iran will likely withdraw from the NPT. And in the event of potential U.S. or Israeli military attacks, Iran will likely start building a nuclear bomb.

To avoid all these potentially disastrous outcomes, there remains a safer and less costly option through the JCPOA. That is, if the United States provides assurances that it will not withdraw from the JCPOA again if it is reinstated. Indeed, a bipartisan congressional legislation can provide such an assurance. Reviving the JCPOA would prevent future conflicts in the region.  $\mathbb{R}$