

# UNITED STATES INSTITUTE OF PEACE WORKING PAPER

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## **US-Iranian Engagement**

*Toward A Grand Agenda?*

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## About This Report

On February 23, 2009, the United States Institute of Peace (USIP), together with the United Nations Association-USA and the Rockefellers Brothers Fund, organized a roundtable discussion among top Middle East experts and former United States Government officials. Held at the Woodrow Wilson Center for International Scholars, the meeting focused on prospects for creating a diplomatic framework through which the United States and Iran might forge and sustain a strategic engagement initiative. This Working Paper highlights the main contours of this debate, while pointing to diplomatic strategies and steps that the Obama administration might take to overcome obstacles obstructing US-Iranian rapprochement.

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## US-IRANIAN ENGAGEMENT: TOWARD A GRAND AGENDA?

### INTRODUCTION

On February 23, 2009, the Center for Conflict Analysis and Prevention of the United States Institute of Peace (USIP), together with the United Nations Association-USA and the Rockefeller Brothers Fund, held a roundtable discussion among top Middle East experts and former United States Government officials. Held at the Woodrow Wilson Center for International Scholars, the meeting's purpose was to discuss prospects for creating a diplomatic framework through which the United States and the Islamic Republic of Iran can address issues of common concern in the Middle East and South Asia, and in so doing, advance an engagement dynamic that might eventually open the doors for rapprochement between the two countries.

Drawing on the strategy proposed by conference participants William Luers, Thomas Pickering and James Walsh in their March 2008 and February 2009 articles in the *New York Review of Books* (NYRB),<sup>1</sup> meeting participants debated one of the central proposals set out in the February NYRB article, namely that *Washington should pursue a multi-faceted engagement strategy that is pragmatically linked, but not formally subordinated, to a resolution of the nuclear question.* While recognizing that ending the US-Iranian Cold War will ultimately require solving this critical issue, the participants discussed ways in which US and Iranian participation in multilateral discussions over Iraq and Afghanistan might spawn a confidence building dynamic that in turn could facilitate creative and effective solutions to the nuclear issue. The fundamental goal would not be a quest for the Holy Grail of a fully linked “grand bargain.” Rather, it would be the promotion of a “**Grand Agenda**” by which a series of separate—yet implicitly

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<sup>1</sup> William Luers, Thomas R. Pickering, Jim Walsh, “A Solution for the US-Iran Nuclear Standoff,” *The New York Review of Books*, Vol. 5, No. 4 (March 20, 2008), <<http://www.nybooks.com/articles/21112>> Last Visited: May 14, 2009 , and “How to Deal With Iran,” *The New York Review of Books*, Vol. 56, No. 2 (February 12, 2009) <<http://www.nybooks.com/articles/22271>> Last Visited: May 14, 2009

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related—discussions would promote a more comprehensive and integrated solution to the Iran-US standoff.

The potential for such a multifaceted diplomatic strategy was raised first in the *Iraq Study Group Report*.<sup>2</sup> Co-chaired by former US Representative Lee Hamilton and former Secretary of State James Baker, this report (which was supported and co-published by USIP), argued that the reintegration of Iraq into the Middle East would require a US engagement—*without preconditions*—of Iran. Three years later, it appears that this proposal, along with many related ideas outlined in the *NYRB* articles, have a strong echo in the Obama Administration’s strategy. President Obama’s March 2009 “Nowruz Message” to Iran, plans for US-Iranian discussions of Afghanistan, and even more so, the recent decision of the administration to join “P-5 plus 1” talks with Iran on nuclear issues, all suggest the potential for a sea change in US-Iranian relations.

Yet that sea remains choppy and even perilous. The very effort to normalize US-Iranian relations faces huge political and diplomatic hurdles. Israel and many Arab states fear that normalization would enhance Iranian geo-strategic influence and thus undermine their security. Moreover, there are significant domestic constituencies that oppose reconciliation. Some of Israel’s supporters in Washington—as well as many US-based advocates of non-proliferation—worry that Tehran will violate any deal over the nuclear issue that allows for enrichment on Iranian soil. In Tehran, ideological hardliners—including quite possibly, the Supreme Leader himself—oppose any normalization of relations because they view opposition to the US as a central ideological foundation for the Islamic Republic’s very existence. Finally, it is far from clear that Iranian-US bilateral discussions of Iraq or Afghanistan will have a positive effect. Indeed, differences over the future of both countries might exacerbate rather than dampen the US-Iranian conflict.

Many of these problems were energetically discussed during the USIP-UNA/USA-RBF meeting. This Working Paper highlights the main contours of this debate, while pointing to diplomatic strategies and steps that the Obama administration might take to overcome obstacles obstructing US-Iranian rapprochement.

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<sup>2</sup> [http://www.usip.org/isg/iraq\\_study\\_group\\_report/report/1206/index.html](http://www.usip.org/isg/iraq_study_group_report/report/1206/index.html)

## **IRAN AND THE REGION: AFGHANISTAN AND IRAQ**

At the outset of the meeting there was widespread agreement that US Iranian policy has not only failed: it has in some ways exacerbated the security challenges facing Washington and its Middle East allies. Tehran's geo-strategic leverage in Iraq and the wider region has increased, even as the oil glut has exacerbated the country's already serious economic crisis. Multilateral and unilateral sanctions have added to Iran's economic woes, but they have failed to elicit any change in behavior or negotiating stance from Tehran. Indeed, Iran has made considerable progress in its efforts to enrich uranium. What is more, the "stove pipe approach" by which the US tried to isolate and address Middle East challenges separately, has not enhanced Washington's capacity to encourage a more accommodating Iranian approach on enrichment, the Arab-Israeli conflict, or Iranian support for allies in Palestine, Lebanon or Iraq.

The challenge for the US and its Western allies is to forge a middle range strategy that does not hinge on an ambitious—and politically contentious—quest for a "grand bargain," but one that is not reduced to a myriad of disjointed tactical exercises that emphasize process over strategy. Instead, Washington should focus on engaging Iran in a simultaneous series of regional and functional negotiations that, while not linked formally to any wider outcome, would highlight areas of common US-Iranian interest, thus creating a confidence building dynamic that might advance negotiations over the nuclear issue. The objective should be a strategically informed, if process-oriented, "Grand Agenda."

Participants provided examples of areas of common interests. In Iraq, both the US and Iran have a strong stake in Iraq's political, territorial, economic and constitutional integrity. Neither country wants to see Iraq sink back into civil war, and for this reason, Tehran and Washington have an interest in promoting stable power-sharing arrangements, particularly between Shi'ites and Sunnis. Indeed, given Iran's close working relationship with Iraqi Shi'ite parties such as the Supreme Council for the Islamic Revolution in Iraq (SCIRI), it is hard to imagine any process of domestic political reform on the one side, or regional integration of Iran on the other, that does not involve some level of cooperation between Iran and the US.

In Afghanistan, both countries are threatened by a resurgence of the Taliban, while Tehran and Washington also have a shared interest in supporting political reforms that



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give the central government more credibility and authority. What is more, the escalation of the drug trade since the fall of the Taliban offers an immediate zone for cooperation between the two countries. In Pakistan, the prospect of territorial fragmentation stemming from the increasing power of the Taliban—particularly in border areas such as the FATA region—presents both short- and long-term security threats to the entirety of South Asia. Given Pakistan’s access to nuclear weapons, the prospect of a failed state in Pakistan is as troubling for Tehran as it is for Washington. Furthermore, it was suggested that the US must also realize a new strategic approach that recognizes common interests in tertiary issues on the US-Iran agenda such as the dispute between Russia and Georgia. In this case, the actions of the former provoked concerns in Tehran, suggesting avenues of interest convergence between Washington and Tehran.

That said, participants also acknowledged that while we may agree with Iran on what “ought to happen” in some arenas of the Middle East and South Asia, that does not mean that Iran will automatically be willing to support talks with Washington. Iranians believe that challenges from the US come on multiple fronts, and thus they worry that being drawn into talks on one front might only expose them to other US threats or challenges. Moreover, while Washington and Tehran share some interests in Iraq or Afghanistan, there is ample room for conflict and/or misunderstanding in both arenas. For example, despite their shared interest in advancing political stability in Iraq, Iran wants an Iraq that is open to its economic and political influence, especially in the south, and thus favors a weaker central government and more independence for the provinces. The US, by contrast, wants a strong Iraqi central government that can resist efforts by Iran to influence its Iraqi Shi’ite allies. Similarly, Iranians are not keen to see Washington engage elements of the Taliban, as they fear that such talks might lead to the creation of a government controlled by their long standing enemy. It is also far from clear how Tehran will respond to an increased US troop presence, particularly in the border area of Iran and Afghanistan.

Given such concerns, and given the significant ideological and bureaucratic obstacles that Iranian advocates of engagement confront, several participants suggested that absent a sense of how arena-specific US-Iranian talks will affect Iran’s security and geo-strategic interests, Tehran will have little incentive to engage with Washington. Therefore, it was argued, the engagement process has to unfold around—or be inspired

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by — some kind of *strategic logic or vision* that is sufficiently clear or robust to give Tehran and Washington an incentive (and political cover) to pursue engagement over specific arenas such as Iraq or Afghanistan/Pakistan.

American policy makers can pragmatically promote the emergence of such a strategic vision by taking several closely related initiatives, including (but not limited) to the following:

- The US could pursue *simultaneous talks* with Tehran on a range of country specific and functional issues. This approach would signal that Washington does not see talks as a tactical device, but rather as instruments to advance a wider process of strategic engagement. Moreover, by implying recognition of the legitimacy of the Islamic Republic and its leadership, a dynamic of formally separate—if implicitly corresponding—discussions would reduce the domestic political risks that US-Iranian engagement carries for Iranian leaders.
- US leaders could enhance the strategic meaning behind such talks by ceasing to use lectures, threats and intimidation and replacing antagonistic discourse with language that is firm, direct and at the same time respectful. In the Iranian cultural context, terms such as “carrots and sticks” are understood to apply to donkeys, rather than countries or leaders. Treating Iran as a normal country could reinforce Iran’s more pragmatic hardliners, many of whom see engagement as conducive—rather than antagonistic—to Iranian security interests.
- The strategic logic of multiple discussion arenas could be further enhanced by raising the prospect of creating new, formal multilateral umbrellas for regional consultation on the future of Afghanistan, Pakistan or Iraq. Organized under the aegis of the United Nations (UN), such umbrellas could signal the beginning of a dynamic by which Iran is drawn into the establishment of permanent multilateral security mechanisms. Such mechanisms could also provide a means to address Israeli and Arab fears about growing Iranian influence (see below).
- American policy makers should address any and all efforts to advance a multi-arena engagement approach to the most important and relevant Iranian decisions makers, i.e. the Supreme Leader, the President and the Foreign Minister. Addressing this triad will reinforce the signal that Washington recognizes the authority of the Iranian government and is ready to discuss or negotiate all issues with relevant Iranian leaders regardless of who occupies a particular post.

While the prospects of a strategically oriented multi-arena approach would hopefully find a positive echo in Tehran, several participants warned against underestimating internal opposition to engagement in Iran. Indeed, a more strategically informed

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engagement strategy could *provoke* opposition—and even diplomatic sabotage—from those Iranian hardliners who believe that any opening to Washington violates the “sacred” principles of the Islamic Revolution itself. If, as it turns out, Supreme Leader Ayatollah Ali Khamane’i counts himself among the rejectionists, a more strategically oriented engagement may lead him to assail or halt talks. While this is a risk, other participants argued that one of the goals of strategically oriented engagement is to set out incentives that give more pragmatic hardliners political cover to step up to the diplomatic plate. Hopefully, once the diplomatic ball gets rolling and those incentives become more substantive, the political leverage of the former will increase, thus limiting the capacity of the rejectionists to interfere. If, on the other hand, the rejectionists prevail, at least the US would have demonstrated to its Western allies that it had gone the extra mile, and in this way, increase the prospects for sustaining a united US-European position on vital issues, not least of which is the proliferation question (see below).

One way to encourage a wider Iranian pro-engagement coalition is to highlight the economic benefits that could accrue to Tehran with normalization of relations with Washington and Europe. One participant argued that there are several Iranian institutional players who, while occupying a subordinate position in the political system, might push behind the scenes for an engagement strategy that would benefit their institutions. These players include the National Iranian Oil Company (NIOC), which is eager to acquire Western technology and investment, and whose chief spokesman—Iran’s oil minister—is associated with pragmatic forces in the business community. Indeed, for the NIOC, and other Iranian actors, joint efforts by the US and Iran to stabilize the Iraqi and Afghan arenas would open up prospects for renewing pipeline projects and other related initiatives.

## **IRAN’S NUCLEAR PROGRAM**

While it is widely agreed that the previous administration’s approach to Iran had failed to prevent Tehran from pursuing enrichment, most of the participants at the meeting affirmed that a robust regime of multilateral sanctions should continue to play a critical role in US diplomacy. To reap the leverage that sanctions could provide, however, Washington must also offer Tehran credible and realistic incentives. Engagement on Iraq and Afghanistan-Pakistan might provide Iran with some of those incentives,

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particularly if talks on both these two fronts were underscored by a strategic logic that pointed to a new and transformed US-Iranian relationship. But if confidence building measures and incentives flowing from engagement on Iraq and Afghanistan are to have any hope of facilitating strategic engagement between Iran and the U.S., Washington must muster the political will to envision compromises over the nuclear issue. This is the third and vital piece of any Grand Agenda.

For this purpose, several meeting participants argued that Washington and its Western allies should reconsider the feasibility and utility of trying to impose a “zero enrichment” solution on Tehran. If the zero enrichment strategy is to have any hopes of success, they argued, three questions must be asked:

- Will a more enhanced sanctions regime compel Iranian compliance?
- Is it likely that Iran will scrap centrifuges at some cost?
- Will Russia and China support further sanctions against Iran?

Since the probabilities of a “yes” answer for each of these critical questions are remote, several participants made the case that the US needs a credible and effective ‘non-zero-centrifuge’ enrichment alternative. More specifically, it was argued that Washington should propose transferring the Iranian nuclear program to a multinationally owned enrichment project run by staff that would include Iranian specialists, and that would pursue enrichment strictly according to International Atomic Energy Agency (IAEA) safeguards. Such an arrangement, meeting participants argued, would not only provide sufficient transparency to deter Iran from pursuing a nuclear weapons program; it would increase the chances of early, definitive detection of clandestine nuclear activity and thereby reduce the likelihood of preemptive, unilateral responses from others that carry, at best, uncertain prospects for success.

Still, participants recognized that such a proposal would face many hurdles and difficulties. Always sensitive to issues of sovereignty, the Islamic Republic might be very uncomfortable with the idea of nationals of other countries monitoring their energy production. Pointing to its rights as a signatory the Non-Proliferation Treaty (NPT), some meeting participants argued that Tehran might be justified in arguing that any multilateral supervision program would constitute a form of international discrimination. Others disagreed, noting that even Iranian President Mahmoud Ahmadinejad has spoken “in

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favor of a consortium.” Yet even if Iran were ready to accept such an arrangement, it might encounter resistance from non-proliferation advocates in the US and Europe, who have argued that “special deals” undermine the very logic of NPT. Indeed, as one participant noted, since a “non-zero enrichment alternative” assumes that European states would play a major role in managing and even operating enrichment on Iranian soil, Washington might find that its Western allies are not keen to undertake this difficult and potentially dangerous role.

Finally, and perhaps most significantly, conference participants pointed out there is no guarantee that a multilateral monitoring program would be successful in preventing clandestine activities in other locations. Having signed but repeatedly refused to have the Iranian parliament or Majles ratify the International Atomic Energy Agency’s “Additional Protocols” (which call for intrusive inspections)<sup>3</sup>, it is likely that Iran will either resist US-Western proposals for a more extensive system of foreign control and supervision, or it will accede to such a proposal while taking the necessary steps to create an alternative, clandestine enrichment program. This very prospect will discourage Western states from undertaking a major role in running a multilateral enrichment program.

While acknowledging drawbacks and difficulties, several participants suggested that a strong technical as well as political argument can be made in favor of a multinational enrichment approach. To being with, it was suggested that Article IV of the NPT “neither favors not disfavors international versus national enrichment programs. Indeed, countries have special deals with each other all the time.” Echoing this point, it was argued that Washington might lower the political risk of compromise for Iranian leaders by highlighting recent developments that suggest that Western countries are considering multinational management of enrichment facilities. For example, Brazil and Argentina are currently discussing the possibility of establishing a cooperative enrichment program whereby the latter produces slightly enriched uranium and ships it to the former. Moreover, Areva, a French state-owned firm, is building a new enrichment facility in the US. Areva—which runs an enrichment plant in France that is partly funded by Japanese investors—is using technology in the US that will be “black boxed” so that Americans

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<sup>3</sup> See IAEA “Safeguards and Verification,”  
[http://www.iaea.org/OurWork/SV/Safeguards/sg\\_protocol.html](http://www.iaea.org/OurWork/SV/Safeguards/sg_protocol.html)

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have no access to it.<sup>4</sup> That such an arrangement is acceptable to the US suggests that Iran would not be bowing to a discriminatory solution targeted at only one country. Rather, it would join other countries—including Tehran’s most powerful adversary—in the effort to find innovative solutions to the growing problem of nuclear weapons proliferation.

At the end of the day, the most persuasive argument for advancing “non-zero enrichment” may rest on answering this fundamental question: does the US—with the full backing of the Security Council—have a reasonable hope of using diplomatic means to compel Iran to abandon enrichment? If it does not, several participants suggested, then a multinationally owned enrichment project might be the best and only non-military alternative. Putting it on the negotiating table at least puts the ball back in Iran’s court. If Tehran spurns such an offer, Washington will be in a very good position to gain the support of the Security Council for more aggressive sanctions or other initiatives.

Could those other initiatives include the use of force? It is certainly not necessary, some participants argued, for Washington to constantly reiterate that “all options are on the table.” Tehran knows this, and thus a ritualistic repetition of this threat is unnecessary and could be counterproductive. But the bigger issue is whether force will produce the desired results? Air strikes might hinder Iran’s initiatives, but as its program is spread around so many sites, there is no guarantee of success. Moreover, what would be the cost for US interests? Several meeting participants argued that a “military strike will guarantee that Iran becomes a nuclear weapons state, bringing about the very thing we seek to prevent.” Moreover, throughout the Middle East and far beyond, air strikes would mobilize Shi’ite paramilitary forces against US and Israel. This development would in turn vastly complicate US hopes of finding a peaceful path for promoting domestic reconciliation in Iraq, and what is more, for advancing Iraq’s reintegration into the region. Having partially hitched its horse to democratically elected Shi’ite parties that have close working relationships with Tehran, the Obama administration must be careful not to take measures that would upset the fragile regional apple cart that it inherited from the previous administration. It is precisely these dangers and constraints that call for a “Grand Agenda” strategy. This approach must be sensitive to, and the same time build

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<sup>4</sup> [http://www.aveva.com/servlet/vdg\\_eagle\\_rock\\_07\\_01\\_2009-c-AroundUs-cid-1230027582322-p-1028798801061-en.html](http://www.aveva.com/servlet/vdg_eagle_rock_07_01_2009-c-AroundUs-cid-1230027582322-p-1028798801061-en.html)

on, an evolving regional order that has paradoxically spawned overlapping interests between Washington and Tehran.

## **DOMESTIC AND REGIONAL CONSTRAINTS**

One of the many challenges facing the US is to view Iran's nuclear program through the wider lens of Iranian domestic politics. Conference participants noted that support for pursuing an independent nuclear fuel cycle in Iran is widespread, cutting across all ideological and political divides. Indeed, support for this program dates back to the period of the Shah, when Iran's US-supported leaders envisioned the creation of 22 power plants.

This quest for nuclear energy has always been framed in both symbolic and practical terms. Participants also noted that Iranian elites see their nuclear program as a broad research and development effort, one of whose concrete goals is to lighten the political and economic burdens placed on Iran's domestic oil and gas industry. At the same time, the quest for nuclear energy is driven by a Iranian nationalist sentiment that transcends Islamist-secular and elite-mass divides. As one participant noted, even if the most reliable studies coming from organizations such as the James A. Baker Institute For Public Policy's Energy Forum demonstrate that Iran's current nuclear energy program cannot possibly make the contribution to the country's overall economic development that some Iranians envision, given the degree of national pride invested in this initiative, Washington and its Western allies will make little progress lecturing Iran about the impracticality of their nuclear program. Instead, Western leaders should take a positive tone by emphasizing how economic and political reintegration into the region and the global international system could assist Iran in modernizing its overall energy infrastructure. Through the mechanism and arenas central to a "Grand Agenda," Washington and its allies could demonstrate that reintegration—rather than isolation—provides the most effective path to assuring Iran's national independence at home, and respect abroad.

Whether this message and the diplomatic initiative that would accompany it can provide the political cover and leverage to Iranian leaders who favor compromise remains to be seen. As President Ahmadinejad has lost public standing for not taking advantage of once-sky-high oil prices to help insulate Iran in tougher times, there appears to be growing support within Iran's more pragmatic hard-line contingent for

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taking a closer look at American proposals. Even the Iranian president, one meeting participant noted, seems not averse to engaging Washington. With presidential elections coming in June 2009, Ahmadinejad is trying to portray himself as a stalwart defender of Iranian national interests who might very well negotiate “the deal” with Washington. Ultimately, however, one key question—perhaps the key question—is whether the supreme leader would countenance any arrangement that would include a formal normalization of relations with the US. Given the enduring and central importance of anti-Americanism in the founding ideology of the Islamic Republic, even those Iranian leaders who can boast of their impeccable “revolutionary” credentials may find themselves isolated if they are seen as moving precipitously in ways that might be perceived as undermining Iranian interests.

In light of the domestic political minefield that Iranian leaders must navigate, several participants warned against any effort to “game” Iranian politics by supporting—or opposing—this or that Iranian leader. Instead of an approach built around—or in opposition—to personalities, Washington should address its initiatives to all relevant institutional players—i.e. the supreme leader, the president and the foreign minister. President Obama’s Nowruz message embodied this logic, and yet it also spoke to the Iranian “people,” thus suggesting that Washington respects Iranian national sovereignty, the legitimacy of its government, and the voice of its citizens.

While tensions and divisions within the Iranian political system will continue to challenge any new American initiatives, so too will Washington’s domestic politics. Conference participants noted that while Israel’s supporters are largely favorable to engaging Iran, some oppose any proposal for multinational enrichment on Iranian soil. Similarly, having quietly indicated their concerns to the administration as well, Arab states may take a more public profile once the US bottom line becomes clear.

Finally—and perhaps most importantly in terms of Washington’s domestic politics—non-proliferation advocates both inside and outside the US government might also raise questions about any approach that does not seek zero-enrichment as its ultimate goal. Indeed, as one participant noted, “to date, it appears that concerns about the nuclear program are indeed the strategic priority for the Obama administration, and a strong team of proliferation experts committed to strengthening the global governance of nuclear weapons will be important players in US deliberations on Iran.” Given the



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influence that these players wield, as well as the administration's wider focus on non-proliferation, US officials must demonstrate that a more normal relationship with Tehran will provide the most effective means of managing the nuclear issue.

Beyond these looming domestic constraints in Iran and the US, the Obama administration will have to advance its diplomatic opening to Iran in the tricky context of an escalating conflict between Iran and the Sunni Arab world. Exacerbated by Shi'ite-Sunni tensions in Iraq, Lebanon, Bahrain, Kuwait and Saudi Arabia, the conflict between the Islamic Republic and Sunni Arab states has heightened the risk that many Arab leaders see in a possible US-Iranian détente. As one conference participant noted, Saudi leaders "accept engagement but do not want to see a US-Iranian marriage." Indeed, if the latter emerges as a real prospect, Arab states might decide that they have no choice but to seek their own nuclear deterrent against Iran. Depending on the outcome of US-Iranian engagement, the region might (or might not) see the beginning of a nuclear arms race.

While such a possibility cannot be dismissed, several participants argued that the probability for such an arms race is low and is likely to remain remote. Israel's sizeable—if unacknowledged—nuclear arsenal has not induced even one Arab state to pursue a nuclear deterrent despite the many wars between Israel and its Arab neighbors. Given the tremendous start-up costs, not to mention the threat that any Arab effort to go nuclear would represent for Israel, it is extremely unlikely that Arab leaders will have the desire or capacity to respond to Tehran by pursuing nuclear weapons. Thus, it was argued, despite the attendant risks, a non-zero enrichment strategy that is supervised by the international community—and that is secured in the context of a wider strategy that pulls Iran into regional security discussions—will probably be accepted by Arab states.

Would such a deal be acceptable to Israel? Fearing that Iran is getting close to the capacity to make and even launch a long range nuclear weapon, Israel has already signaled Washington that from its perspective, the "clock is ticking." The obvious problem for the administration—as several participants noted—is that Washington's negotiating leverage could be undercut if Tehran believes the US is negotiating under pressure. Thus it is imperative for Washington to signal that while it will not let talks with Iran go indefinitely, neither will it put unreasonable or counterproductive time limits on its opening to Iran. Indeed, given that many well informed experts believe that Iran has

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several years to go before it can build and deliver even one or two nuclear weapons, some participants held that it would be folly for Washington to let a combination of haste and pressure rule out the possibility of negotiating an effective arrangement with Tehran.

## **CONCLUSION: NEXT STEPS AND GUIDING PRINCIPLES**

In light of the manifold domestic, regional and global constraints and challenges, the administration might be tempted to focus on tactics and process, rather than on clearly articulating its overall strategic objectives—particularly as these goals relate to the enrichment question. Several conference participants raised the prospect that some opponents of any fundamental strategic break with the previous administration’s Iran approach assume that a reconfigured policy—one that insists on zero-enrichment—will eventually fail, thus setting the stage for much more punitive sanctions and/or an Israeli attack. Several meeting participants expressed concern over both this prospect and the tactical maneuvering that may be designed to produce it. Enhanced sanctions, they argue, are very unlikely to produce the desired result, and an Israeli air attack could lead to incalculable instability through the Middle East and beyond. But since Iranian nuclear proliferation would also generate enormous instability in the region, the key challenge for the administration may be to muster the political will and vision to pursue an imperfect—rather than unworkable or counterproductive—strategy.

*Sustaining* this initiative may prove the most difficult challenge. From the outset, participants argued, US foreign policy makers from the top down must clarify that the opening to Iran will not be easy, and that it will entail a prolonged period of multiple discussions and formal and informal negotiations, of starts and stops, before we might have clear signs of progress. In this sense, it may be useful to point to other sea changes in US foreign policy such as President Richard Nixon’s opening to China. As one participant noted, while the 1972 “Shanghai Communiqué” was a diplomatic breakthrough, it took seven years to bear fruit. What is more, while the shared challenge of the Soviet Union brought China and the US to the negotiating table, only time will tell if Afghanistan or Iraq can provide an equally strong impetus for US-Iranian cooperation.

While making this case for patience, the US must also provide its allies in the Middle East with clear-cut and substantive assurances that Washington will not forge any agreement with Tehran that will undermine the security of Israel or the Arab states.

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Increased military assistance may be a necessary part of such assurances, but so will a redoubled effort by Washington to advance a comprehensive resolution of the Arab-Israeli conflict. Given the strong belief of Arab leaders that the persistence of this conflict has reinforced Iranian leverage, actions on this front will help bolster Arab support for the administration's opening to Iran.

In approaching Iran, meeting participants argued that US diplomacy must express a clear administration consensus as to the strategic direction and purpose of US-Iranian talks. After years of bureaucratic infighting, it is essential that our official policy makers speak with one voice. Moreover, that voice can and should be clear, stern and yet respectful. Reiterating a point made at the outset of the meeting, one participant argued that the language of threats, or references to “carrots and sticks”—which suggests to Iranian leaders that they are being treated as donkeys—will only strengthen hard-line opponents of dialogue in Tehran. Instead, Washington should adopt a businesslike and direct tone. Our message should emphasize the need for—and benefits that could accrue from—real reciprocity, and from a dynamic of give and take between Tehran and Washington.

For these purposes, it was further argued, there must not be any surprises. The US must use existing diplomatic channels to communicate to Iran when we are about to make a major policy statement on Afghanistan, Pakistan, Iraq, or on the nuclear issue. Itself a reflection of mutual respect, this method will provide the Iranian system with reasonable time to formulate a productive response. Similarly, it was suggested that the US and Iran create a procedure whereby military commanders in the Gulf can communicate in the event of unforeseen confrontations or misread signals between US and Iranian forces. An agreed upon procedure would help deter efforts by hard-liners, particularly in the Revolutionary Guards, who might try—quite literally—to muddy the diplomatic waters by seeking confrontation with US forces in the Gulf. The very prospect of consultation between US and Iranian officers could provide an additional arena of diplomatic action that would advance the strategic logic behind a “Grand Agenda” strategy.

Conference participants agreed that the above initiatives must begin prior to the June 2009 presidential elections, so it is clear that Washington is not playing favorites. Even a somewhat tepid or qualified positive response from Iranian leaders to the US initiative

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will make it easier for the current Iranian president—or his successor—to support a détente between Washington and Tehran.

For the above strategy to have any hopes of success, it must be pursued through *both* multilateral and bilateral channels. The UN, along with the IAEA, will continue to provide the essential forum for any discussions of Iran’s enrichment programs. What is more, the administration should look to the UN to provide a crucial umbrella for multilateral consultations regarding the future of Iraq or Afghanistan. Similarly, Washington must coordinate its engagement strategy with its European allies. Given the role that Europe plays in the “P-5 plus 1” talks, and considering the importance that Europe attaches to consulting Tehran on Afghanistan and Pakistan, US-EU coordination should come fairly easily. Nevertheless, Washington will want to address a range of European concerns, not least of which may be proposals for multilateral supervision of enrichment on Iranian soil. At the end of the day, it is essential that the US and EU signal common resolve to sustain a strategy that holds out symbolic and tangible benefits for Tehran.

Finally, if the US wants to imbue the above multilateral initiatives with sufficient strategic meaning to attract a positive and sustained response from Iran, Washington must be prepared to engage Tehran directly and bilaterally. When the prospects for an authoritative Iranian interlocutor begin to emerge, the US should also signal its readiness to shift from lower-level bilateral discussions to higher level diplomatic exchanges between representatives of the US and Iranian governments.

The above initiatives are sure to encounter numerous obstacles, starts and stops. However, if after pursuing a serious engagement strategy the US finds that Iran’s leaders have neither the capacity nor the will to reciprocate, Washington and its allies will be well positioned to gain the support of the international community for other measures. In the meantime, however, a serious, sustained and strategically defined multi-arena engagement with Tehran—one that is neither beholden to unreasonable deadlines nor totally open-ended—holds a far better promise than either the prospect of a prolonged Cold War, or the black hole of military escalation and confrontation.

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