

Pathway to Coexistence *A New U.S. Policy toward Iran*

THE NEW AMERICAN PRESIDENT, like each of his five predecessors over the past three decades, will be confronted quickly with the need to address profound U.S. concerns about Iran, including its nuclear ambitions, its involvement in terrorism and regional instability, and its repression of its own citizenry. Thanks to events of recent years, Tehran now has acquired the means to influence all of the region's security dilemmas, and it appears unlikely that any of the Arab world's crises, from the persistent instability in Iraq and Lebanon to security of the Persian Gulf, can be resolved without Iran's acquiescence or assistance.

The new administration may be tempted to take the easy way out by offering merely new rhetoric and modest refinements to the carrot-and-stick approach that has failed its five predecessors. This would be a mistake. Today, to deal effectively with a rising Iran, the United States must embark on a far deeper reevaluation of its strategy and launch a comprehensive diplomatic initiative to attempt to engage its most enduring Middle Eastern foe.

After a consideration of the range of possible policy options, including regime change, military strikes, containment, and engagement, this chapter outlines a model of engagement that acknowledges Iran's influence while seeking to constrain and redirect it. Specifically, this approach calls for

—Implementing multitrack, delinked negotiations on each of the most critical issues at stake: the restoration of diplomatic relationships, the nuclear issue, security in the Persian Gulf and Iraq, and broader regional issues.

—Appointing a special coordinator for Iran policy, situated within the Department of State, who would coordinate the diplomatic effort.

—Normalizing low-level diplomatic relations so that the U.S. government can gain familiarity with Iranian officials and achieve a better understanding of Iranian political dynamics. American officials are currently forbidden from direct contact with their Iranian counterparts, a stipulation that further degrades the already limited capacity of the U.S. government to interpret Iran.

—Treating the Iranian state as a unitary actor rather than endeavoring to play its contending factions against one another. Iran's internal partisan skirmishes often appear ripe for creative diplomacy, but any new approach to Iran must be grounded in the recognition that no movement on the core issues of interest to the United States will be possible without the approval of Iran's supreme leader.

—Identifying effective mediators who can serve to build bridges between the administration and the inner circles of the supreme leader and the president of Iran.

—Revamping the recently established U.S. democracy initiative to mitigate the perception of American interference by focusing on programs that encourage people-to-people exchanges.

—Understanding that the process of engaging Iran will be protracted, arduous, and subject to shifts in Iran's internal dynamics and regional context. To achieve and maintain momentum, the incoming administration will have to seize openings, manage crises, and navigate carefully through both the American domestic debate as well as the interests and concerns of U.S. allies.

The proposal calls for swift early steps by the new administration to exploit the brief but crucial window of opportunity during the "honeymoon" of a new presidency and before Iran's own presidential jockeying for elections in June 2009 is in full swing.

The new paradigm of relations does not preclude tension or even conflict. In considering cases of Iran's repaired relationships with other adversaries, it is clear that rapprochement was not a magic cure-all. For

the Islamic Republic, rapprochement may best be understood as a way station between conflict and normal relations. However, a new framework of relations can demonstrate to Tehran that responsibility and restraint offer greater benefits to it than does radicalism. The next president must appreciate that for the foreseeable future, Iran will remain a problem to be managed. We believe the approach detailed below provides the best option for dealing with the complexities and contradictions Iran will pose for the United States.

THE PAUCITY OF VIABLE ALTERNATIVES

Any fresh policy review will inevitably present the new president with an array of options that sounds strikingly familiar—regime change, military action, coercive and economic containment, or engagement. Washington has employed elements of each of these approaches over the past three decades, with little success. A review of each suggests that only the last option—engagement—offers a serious prospect of decisively altering the enduring antagonism between Tehran and Washington and enhancing the context for promoting and protecting American interests in the region.

Of all the possible avenues for U.S. policy, the most far-fetched is the notion that after a nearly thirty-year absence of diplomatic relations, the United States can somehow orchestrate a change in the Iranian leadership or the Islamic Republic's structure of power. Any effort to change the Iranian regime—by force, subversion, or a “velvet revolution”—offers no prospects of success, and, as the George W. Bush administration has found, even a passive embrace of the notion of regime change undermines both American diplomacy and the prospects for internal change in Iran.

On the surface, Iran seems to be a good candidate for revolutionary agitation, thanks to its disproportionately young population; restive ethnic minorities; an inefficient, distorted economy; and a regime mired in an obsolescent ideology, riven by factional feuds, and reliant on repression. But the Iranian regime retains enormous capacity for control over society and appears to be firmly entrenched in power for the foreseeable future. Despite long-term and widespread public dissatisfaction, the persistence of the Islamic Republic over three decades of considerable internal and external pressures should leave few illusions about its staying

power. The Islamic Republic is unpopular at home, but revolutionary change remains unlikely.

Within Iran, deep-seated popular frustration over deteriorating economic conditions and social and political restrictions has not evolved into an organized opposition. As such, there is no coherent challenge to the system. Iranians appear trapped by revolutionary fatigue and political cynicism, the products of their historical disappointments, first in the aftermath of the 1979 revolution and more recently by the failure of the Khatami-era reform movement. In addition, the specter of instability associated with recent political transitions to their east (Afghanistan) and west (Iraq) has only further dampened Iranians' interest in revolutionary risk taking.

Moreover, even if conditions within Iran were ripe for a democratic movement, any external promotion of it would prove counterproductive. The Islamic Republic suffers from a "conspiratorial interpretation of politics" that "permeates society, the mainstream as much as the fringe, and cuts through all sectors of the political spectrum."¹ Memories of the American-backed 1953 coup that unseated Iran's democratically elected prime minister have fostered an obsessive resentment of U.S. policy and a conviction, which manifests itself even within Iran's widely pro-American population, that Washington was the root of their country's problems. For this reason, American involvement is far more likely to impair rather than advance Iran's democratic potential.

The same dire caveats apply to any effort to use force to address the threat of Iran. The United States simply does not have a viable military option available that would advance American interests across the Middle East. A military conflict with Tehran would significantly harm American security objectives in the region and would be unlikely to provide an effective solution to the nuclear program. Having learned from Israel's preventive strike on the Iraqi nuclear reactor in 1981, Iranian leaders have hardened and dispersed their nuclear installations, and several important facilities that would likely constitute targets of any strike are located in Tehran or near other population centers. Moreover, the failures of American intelligence in Iraq and the limitations on intelligence gathering in Iran leave little reason for confidence that any U.S. air campaign could conclusively or permanently incapacitate Iran's program. Even more troubling is the underlying strategic dilemma: A successful

military strike will not end Iran's nuclear ambitions but instead strengthen and radicalize its leadership, likely propelling Tehran to rebuild its destroyed facilities and providing it with justification to be even less concerned about international law or opinion.

Whatever limited benefits would accrue to the United States by delaying Iran's capacity to cross the nuclear threshold for a handful of years would be offset by a wide range of negative consequences. A strike would galvanize Iran's nationalistic population and consolidate public support for an unpopular government and its nuclear ambitions. The regime's retaliatory reach, by both conventional and unconventional attacks, would be felt throughout the region, particularly by American allies such as Israel. The aftermath would almost surely doom any prospects for revitalizing the Arab-Israeli peace process or wresting a stable outcome from Iraq. The sole beneficiaries from a military conflict between Washington and Tehran would be Iranian hard-liners and the forces of radical anti-Americanism throughout the Islamic world. For this reason, many of America's closest regional partners have long viewed the consequences of an attack on Iran as more threatening than the alternative of a nuclear Iran. While they press Washington for more robust action against Iran, Persian Gulf leaders have also carefully cultivated relationships with Tehran and have consistently advocated publicly for a peaceful resolution to the nuclear dispute. Absent a more immediate Iranian provocation, there seems little evidence that Gulf states such as Qatar would readily provide the basing and support needed to undertake a sustained military campaign against Iran. Each of these caveats about the utility of military force in addressing Iran's nuclear ambitions would apply even more forcefully to the frequently discussed proposition of an Israeli strike on Iran.

In the absence of better options, Washington typically reverts to containment, the default American approach toward Tehran. American efforts to contain Iran are centered on the presumption that the systematic application of diplomatic pressure and economic sanctions can obstruct Tehran's nefarious designs and simultaneously transform Iran into a responsible and representative state. The most remarkable aspect of this conventional wisdom is its twenty-nine-year track record of failure. Containment has failed in each of its objectives: it has not isolated the Islamic Republic; it has not converted the regime to support regional

peace efforts; and it has not convinced it to forgo the nuclear option. The failure of this policy can be seen in the State Department's annual documentation of terrorism, *State Sponsors of Terrorism*. The report routinely lists Iran as the most active state sponsor of terrorism and warns of Iran's advancement toward nuclear weapons capability.

Containment is actually obsolete because Iran is no longer an expansionist power. Its revolutionary mandates died on the battlefields of Iraq, as Tehran's costly war with Baghdad in the 1980s forced its leadership to realize the limits of its power and the impracticalities of its ambitions. Iran retained its universalist rhetoric as the core of its revolutionary legitimacy, while adopting a more pragmatic and highly opportunistic foreign policy. As a result, Iran today is no longer a revisionist state challenging prevailing borders or a revolutionary regime insisting that local states emulate its model of governance. Rhetoric aside, the Islamic Republic is a medium-size power seeking regional preeminence—a conundrum not terribly conducive to containment.

Beyond inapplicability, the basic problem with continuing to try to “contain” Iran is that the tools of containment have proven wholly ineffective in mitigating America's fundamental grievances with Iranian policies. The approach relies on economic sanctions as the primary instrument for influencing Iran. No capital except Washington, however, has yet been willing to curtail much beyond the most ancillary trade and investment with Tehran. The recent United Nations measures, along with newly imposed U.S. restrictions on Iranian banks and measures by like-minded states to reduce export credits and other support for trade with Iran, have clearly inflicted additional costs and inconvenience on an Iranian economy already distorted by revolution, war, and persistent mismanagement. However, more powerful measures—such as recent proposals for an embargo on Iranian imports of refined fuel products, which could pose a real crisis for a country dependent on imports for at least 40 percent of its gasoline consumption—would require a level of multilateral support for punitive economic measures that far exceeds what has been previously forthcoming. Moreover, implementing any embargo on gasoline imports would entail considerable deployment of military force that could easily escalate into armed conflict.

Ultimately, as long as Iran continues to export oil and the price of oil remains above \$70 a barrel, the government will be cushioned by vast

revenues—which estimates put in the range of \$80 billion for Iran’s most recent fiscal year. Washington can make it more costly for Iran to do business, but until and unless the United States can persuade the rest of the international community, in particular Russia and China, to impose sanctions targeting Iran’s oil exports—a development that appears inconceivable at the current price or within the current political environment—the pressure will be insufficient to force Iranian capitulation on what its leadership perceives to be its vital interests.

In the past year, Iran’s nuclear infractions have allowed the Bush administration to score a number of procedural triumphs, as the UN Security Council has censured Tehran and urged suspension of its nuclear program. However, such symbolic successes do not imply an inclination among the great powers to impose strenuous sanctions on Iran. This is not a product of French pusillanimity or Russian cravenness, but because the other leading powers do not share Washington’s threat assessment and its sense of urgency. The conventional wisdom that Moscow and Beijing can be bullied, bribed, or cajoled into imposing strenuous sanctions on Iran disregards the manifestly clear reality that their posture toward Tehran is motivated not by greed or the inadequacies of the current U.S. administration, but by a broader strategic calculus about the immediacy of the Iranian threat and the relative utility of undermining American preeminence.

In addition to the limitations of sanctions, the prospects for effective containment are undermined by the regional context, which has shifted in ways that have profoundly benefited Iran. Although Iraq’s Shi’i political society is hardly homogeneous, the parties that have come to power boast enduring ties to Tehran. The new masters of Iraq may not be wholly owned subsidiaries of Iran, but they also have no desire to alienate the Islamic Republic at American behest. A fragile Iraqi state with simmering sectarian conflicts and a dysfunctional central government has forfeited its long-standing role as the bulwark against Iranian influence and guarantor against any single regional power’s dominating the critical Persian Gulf.

Regional changes have eroded both the willingness and capacity of Iran’s other neighbors to participate actively in containment. The Gulf states have historically sought to balance their relations with external powers with relations with their more populous and powerful northern

neighbors, Iraq and Iran. Their security alliances first with the United Kingdom and more recently the United States were intended to supplement, not substitute for, the practice of accommodating their northern rivals. Despite their deep misgivings about Iran, the Arab states of the Persian Gulf have made clear that they will not form the bulwark of an anti-Iranian coalition, even as they privately urge Washington to resolve the Iran problem without implicating or involving them directly. The chaos in Iraq has shattered their confidence in America's capabilities, and they are profoundly uninterested in jeopardizing their recent economic resurgence, which has been predicated on a trouble-free business environment and, in the case of Dubai, expatriated Iranian capital. Gulf leaders will coordinate closely with Washington and continue to host and support offshore naval forces and well-insulated bases. However, beyond this, the Gulf states will opt for accommodation rather than embracing any meaningful effort to isolate Iran. In today's Persian Gulf, there is more confidence in the limitations of Iranian ambitions than in the consequences of American intentions.

As Iran's politics have shifted in a more radical right-wing direction, the appeal of engagement—the final alternative—might seem to have diminished even to those who advocated it during the reform movement of the late 1990s. However, the best argument for engaging with Iran was never predicated on the relative palatability of America's potential interlocutors but on the seriousness of the differences and the importance of the U.S. interests at stake. The international reprobation aimed at President Mahmoud Ahmadinejad and his clique is well-earned, and yet it is ultimately an insufficient reason for rejecting the only possible option for dealing effectively with Tehran.

History suggests that engagement is an appropriate and—if undertaken judiciously—a potentially effective tool for addressing America's deep differences with Tehran. Beyond the inadequacies of the alternative policy options, engagement as a strategy has much to recommend it. In the past, the United States has succeeded in using engagement to manage adversarial relationships with opportunistic and intractable regional powers. In the late 1960s a strident China began to assert its power, confident that the American presence in its neighborhood was receding. The approach of President Richard Nixon and his national security adviser, Henry Kissinger, was to accept the reality of rising Chinese power. By

opening a new relationship with China, the Nixon administration obtained its twin objectives of gaining Beijing's assistance in Vietnam and stabilizing East Asia.

Much has changed in the Middle East in the past few years and a forward-thinking American policy needs to acknowledge certain unpalatable realities—namely, the ascendance of Iran as a regional power and the endurance of its revolutionary regime with its blend of authoritarianism and populism. An attempt to engage Iran must begin with a viable assessment of the scope of its ambitions and whether they can be accommodated by the United States. Despite its incendiary rhetoric, the Islamic Republic is not Nazi Germany, a state that had limitless ambitions and saw war as the most suitable means of realizing its objectives. Rather, Iran is an opportunistic power seeking to assert predominance in its immediate Gulf neighborhood and exploit openings to expand its influence. A viable model of engagement would acknowledge Iran as a rising power, and the purpose of talks would be to craft a framework for the regulation of its influence. The central premise of such a strategy would be a willingness to coexist with Iran's influence while seeking to restrain its excesses.

The relevant question then becomes: Would Iran be a willing negotiating partner? This remains uncertain. Developments in the Middle East and Iran's own internal convulsions have placed its government at a critical crossroads. Tehran today must move either toward coexistence or toward a more dangerous mode of confrontation. The enhancement of its influence and its emergence as the most powerful regional state in the Persian Gulf make it possible for Iran to contemplate finally coming to terms with the United States. Despite prevailing perceptions and its leadership's relentless sloganeering, Iran's policies are not immutable. In response to changing internal conditions and regional circumstances, Iranian foreign policy has evolved considerably over the years, and Tehran has hammered out stable if not always harmonious *détentes* with several other long-time adversaries (such as the United Kingdom and Saudi Arabia). This evolution of Iran's approach to the world continues even as its internal political context has regressed—an example is the unprecedented 2006 endorsement by Iran's supreme leader of dialogue with Washington, a position that only a few years before risked a prison term when voiced by dissidents.

Finally, every American president has endeavored to deal directly with Tehran. Even the administration of George W. Bush sought to engage Iran, with the notable and unfortunate exception of a crucial three-year period after the 2003 U.S. invasion of Iraq when it froze communication. It would therefore be consistent with past policy for the incoming administration to seek to advance the prospects for direct engagement with the Iranian leadership on the key issues of U.S. concern.

The next president will have a brief but crucial window of opportunity to set a new agenda for Iran. He should take advantage of this opportunity to recast the dynamic between the United States and the Islamic Republic with a bold new initiative intended to encourage greater responsibility and responsiveness from Iran.

THE TRACK RECORD OF ENGAGEMENT

Although the United States and Iran have not had formal diplomatic relations since 1980, that should not imply an absence of any contact. Indeed, Washington and Tehran have maintained links of varying proximity and reliability, albeit without ever generating enough traction to end tensions between the two states. In fact, until recently, America's long-standing position was premised on a willingness to deal directly with authoritative representatives of the Iranian government. Notwithstanding its preconditions for direct negotiations on the nuclear issue, the Bush administration used direct diplomacy on occasion, including opening a channel between the U.S. and Iranian ambassadors in Baghdad and sending a senior diplomat to engage in nuclear negotiations. At no time in the past twenty-seven years did the United States drop its demands for significant changes to Iranian behavior. However, Washington typically expressed those demands not as preconditions for dialogue but rather as requirements for any prospective improvement in relations.

Even during moments of greatest tension and frustration in the relationship, there has been an underlying American commitment to maintaining communications with Tehran. President Jimmy Carter did not close the Iranian Embassy in Washington until a full five months into the hostage crisis. The Reagan administration pressed for the revival of direct communications even in the wake of the political damage wrought by the Iran-contra arms sales. President George H. W. Bush appealed

publicly for talks with Tehran and went so far as to take a phone call from an impostor posing as Iran's president at the time, Ali Akbar Hashemi Rafsanjani. President Clinton attempted to open a private, back-channel dialogue with President Mohammad Khatami. Even President George W. Bush, who has denounced engagement with radicals as appeasement, sanctioned unconditional engagement with Iran for eighteen months following the 9/11 attacks, in what was the first sustained direct diplomacy between Washington and Tehran since the resolution of the hostage crisis.

Why then has engagement failed in the past? The answer largely lies with Iran's historic rejection of any dialogue with Washington without prior changes in U.S. policy. Ayatollah Ruhollah Khomeini's formulation—that "relations with America could be resumed if it 'behaves itself'" (*agar adam beshavad*)²—has been repeated over the years by senior Iranian officials from across the political spectrum. The particular preconditions typically sought by Tehran include the release of the remaining American-banked Iranian assets that were frozen by the United States after the 1979 embassy seizure, the lifting of American sanctions, and suspension of U.S. efforts to develop oil and gas transportation networks that bypass Iran.

Beginning in 2006, small cracks appeared in Iran's long-standing official aversion to direct talks with the United States. Ayatollah Ali Khamenei proclaimed in March 2006 that "there are no objections" to talks with Washington "if the Iranian officials think they can make the Americans clearly understand the issues pertaining to Iraq." He cautioned, however, that "we do not support the talks, if they provide a venue for the bullying, aggressive and deceptive side to impose its own views."³ His announcement marked the first time since the Iranian revolution that the entire Iranian political spectrum, at the highest level, publicly endorsed negotiations with the United States. While the Baghdad talks did not get under way until May 2007 and produced little substantive outcome, the Iranians sought to expand the dialogue to other issues, a move opposed by the Bush administration for fear of undermining its diplomacy on the nuclear issue. Still, despite the limited utility of talks and the hostile regional climate, Khamenei again reiterated his willingness to countenance direct talks with Washington as recently as July 2008.

Ironically, the shift in the Iranian position toward negotiations with the United States can be credited to the conservative reconsolidation of power in recent years and at least in part to Ahmadinejad himself, whose backing from the country's conservative elites, along with his firmly established radical credentials, provides far greater room for maneuver than either of his predecessors had. As a commentary in one of the few remaining reformist Iranian newspapers explained, "If the ice of hostility between Tehran and Washington is to be broken, the likelihood of it happening at the hands of a president named Ahmadinejad is much greater than other Iranian leaders and officials."⁴

Beyond the obstacle of Iranian historical reluctance to negotiate, which the regime now seems to have overcome, U.S. efforts to engage Iran have been undermined by three primary issues: U.S. inability to judge accurately the internal dynamics of Iranian politics; difficulty in establishing an appropriate channel for dialogue; and the ongoing challenge of finding an intermediary to shepherd the engagement.

For more than three decades, U.S. officials have had only the most limited direct contact with Iranians and almost no first-hand experience inside the Islamic Republic. As a result, each U.S. administration has misinterpreted the parameters for diplomacy within Iran. The Carter administration's relationship with Iran's moderate provisional government obscured its dearth of contacts with the new regime's real power base, which was virulently anti-American. Ronald Reagan's government went astray in the Iran-contra affair, which was premised on the illusion that U.S. arms sales to Iran would empower a moderate new regime in Tehran. For its part, the Clinton administration's focus on Iran's increasing support to regional militants resulted in a failure to take advantage of overtures by then-President Rafsanjani at the peak of his power, most notably the 1995 selection of an American firm to develop two offshore oil fields in the first such contract since the revolution.⁵

The most disastrous misreading of Iran's internal dynamics took place during the George W. Bush administration. Beginning in 2002, even as U.S. and Iranian diplomats were undertaking valuable cooperation on Afghanistan, Washington began focusing on empowering the Iranian people rather than dealing with the country's leaders. The administration eventually curtailed all diplomatic contact with the regime, including the successful channel on Afghanistan. The policy reflected the impact of the

administration's early successes in Iraq, which were seen as the death knell for the neighboring Iranian regime.⁶ The Bush administration's misapprehensions scuttled apparent momentum within the Iranian regime for new overtures toward Washington, including talk of parliamentary exchanges, endorsements by influential conservatives, and consideration of the appointment of a high-level government committee tasked with examining engagement.⁷ Fervent Bush administration calls for democratic change explicitly undermined its prospects, as well as the context for diplomacy; Khamenei declared in 2002 that "while the United States sets an official budget for anti-Iranian activities, it would be treason and stupidity to want to negotiate or talk with them."⁸ In the Iranian view, Washington merely pocketed Iranian cooperation on Afghanistan as part of its broader aim to eliminate the Islamic Republic.⁹

A second flaw in previous efforts to engage the Islamic Republic relates to the difficulty in determining the appropriate channel for dialogue with Iran. Attempting to leverage differences within the regime has fatally impaired U.S. attempts at engagement, particularly the overtures launched by the Clinton administration in response to the reform movement's ascendance. Washington tried to embrace and empower Khatami through an array of gestures that included specific policy changes, an attempt at direct presidential communication, and flattering rhetoric. Rather than strengthening the embattled reform movement, the overtures merely exacerbated the conspiratorial insecurity of regime stalwarts, who took every opportunity to undermine Khatami's limited authority and his prospects for a broader Iranian *détente*. The Clinton experience speaks clearly to the jeopardies involved with aligning U.S. policy with a specific faction or power broker in Iran; the perception of American favoritism taints the very forces the United States hopes to use as interlocutors.

Finally, one of the most obvious lessons from the disappointing track record of U.S.-Iranian engagement is the value of an effective intermediary. Absent the crucial role of the Algerians, the 1979–81 hostage crisis might have endured even longer and its resolution might not have produced a framework that both sides have largely adhered to for nearly three decades. Algeria's mediation enabled the requisite face-saving avoidance of direct bilateral commitments and overcame a critical confidence gap by providing a third-party guarantor for synchronized recip-

rocal concessions. Similarly, the dogged diplomacy and personal credibility of UN envoys succeeded in facilitating the delicate negotiations involved in freeing Western hostages held in Lebanon during the 1980s and 1990s.¹⁰ The converse holds equally true: mediators with insufficient understanding or incompatible interests of their own have compounded the inherent U.S.-Iranian dysfunctions. During the hostage crisis, erstwhile intermediaries of varying nationalities, competence, and motivation complicated Washington's efforts to decipher and deal with Iran; some misrepresented their standing, while others helped "validate the hostage taking and legitimize the captors' allegations."¹¹ Similarly, the Iran-contra debacle was driven in large part by misinformed Israeli intervention as well as by the self-interested efforts of a motley array of arms dealers and Iranian expatriates.¹²

A NEW WAY FORWARD

In dealing with the challenge of Iran, it is time not just for a policy shift but for a paradigm change. For too long, Washington has sought in vain to develop a persuasive array of incentives and disincentives in an effort to alter Iran's behavior. This incrementalism has produced little in the way of identifiable improvements in Iran's policies, its rhetoric, or any underlying commitment to a negotiating process with Washington. The timetable on the most pressing U.S. concerns—Iran's nuclear activities and its support for violence in Iraq—is simply too short to permit another American president to indulge in the illusion that he can succeed with small refinements to the carrot-and-stick approach that has failed his five predecessors. Washington needs to transform its approach to this enduring and urgent challenge by crafting a strategy that draws Tehran into a web of mutually reinforcing security and economic arrangements.

Given the complex domestic politics and interests at play on both sides, and the history of deep mistrust, reciprocal steps would inevitably run afoul of the myriad of obstacles that have become embedded in the relationship since 1979. Rather, progress can best be achieved by engaging with Iran in those limited arenas and on those discrete issues where interests overlap—such as Iraq, Afghanistan, and regional security arrangements—while generating multilateral consensus to maintain or

even intensify pressure on the key concerns of weapons of mass destruction and terrorism. Such a new approach must also incorporate a different and more nuanced array of tools, which would include using a smarter deployment of incentives alongside sanctions, and more closely coordinating American efforts with those of allies in Europe as well as Russia, China, Japan, and India to maximize U.S. leverage.

The central question in embarking on any new American diplomatic initiative concerns whether the Islamic Republic is ready to accept a new relationship with Washington, specifically one that would involve significant compromises on Iran's nuclear program and involvement with terrorist groups. Ultimately, this question is impossible to answer without testing the proposition. Although there have been innumerable missed opportunities and crossed signals from both sides, the United States has never managed to undertake a viable and sustainable diplomatic process. History demonstrates that Iranian leaders are fully capable of reversing core policies and embracing old enemies. Moreover, it is also clear that today's Iranian leaders are capable of selective, constructive dialogue with the United States and that they have cross-factional support for direct, authoritative dialogue with their American adversaries—a condition that did not exist for most of the past thirty years.

Beyond this key shift, though, Iran's domestic political environment is not particularly fortuitous at this time, and there are no guarantees of success. There is no hard evidence that Iranian leaders have ever been prepared, fully and authoritatively, to make fundamental concessions on the key areas of U.S. concern. Even more uncertain is whether Iran has had or will ever attain the level of policy coordination and institutional coherence that would enable any overarching agreement to be implemented successfully. However, the United States will only be able to gauge Iranian capacity through a direct and sustained effort at engagement.

The history and the current context should condition U.S. expectations and shape any prospective new American diplomacy. The duration of the negotiations required in analogous cases, such as Iran's rapprochements with Saudi Arabia and the United Kingdom and U.S. détente with Libya, suggests that the United States is many years away from a durable accord with Iran that settles mutual grievances and concerns, and even further away from any final resolution. An understanding of the obstacles and the effort required to surmount them should not deter diplo-

macy but rather spur a proportionate American bureaucratic and political investment in it. Within this strategy of engagement, the following are key tactical decisions the next president should consider.

Move Quickly

A key variable with respect to constructing a successful diplomatic initiative toward Tehran involves timing. Any new administration will inevitably undertake a thorough policy review, and as the chapter on nonproliferation policy notes, the urgency of the Iranian nuclear issue may be less immediate than an often overheated media debate would suggest. Iran remains at least several years away from crossing the nuclear threshold, which should give the new administration sufficient opportunity to consult with allies and formulate its diplomatic strategy. Significant delays in clearly articulating a new approach would be unfortunate, however. First, precedent indicates that the new president's opening posture and signals will have a disproportionate impact on his ability to deal effectively with Tehran. As both the Clinton and George W. Bush administrations experienced, revising or reversing Iran policy mid-course in an effective manner can be exceptionally difficult, both because of path dependencies inherent in American bureaucratic politics and because for Iranians, first impressions tend to be lasting ones. Whatever tone the new president adopts toward Iran at the beginning of his term will shape his options for the ensuing four years at least. The uniquely intractable nature of the Iranian challenge warrants an effort by the new administration to seize the limited prospect for progress that is most manifest in its earliest months.

Tehran has demonstrated a pattern of reaching out to new U.S. presidents, albeit not always in the most coherent fashion. For example, consider the 1980 hostage release, Rafsanjani's 1989 offer to help in Lebanon, and a variety of signals sent in 1993 and again in 2001–02. Iran is very likely to repeat this pattern in 2009, particularly because the advent of a new American administration precedes Iran's presidential elections by a mere five months, and the past two such ballots have featured considerable forward-leaning debate on the question of future rapprochement. Delay in formulating the U.S. approach could sacrifice this possible window of opportunity.

Some, such as *New York Times* columnist Thomas Friedman, argue that “talking with Iran today would be tantamount to appeasement . . . because the Bush team has so squandered U.S. power and credibility in the Middle East, and has failed to put in place any effective energy policy, that negotiating with Iran could only end up with us on the short end.” Friedman argues that “when you have leverage, talk. When you don’t have leverage, get some. Then talk.”¹³ This logic mirrors that of the Bush administration, which first embraced a chimerical notion of the regime’s vulnerability and later boxed itself into a corner by insisting that nothing could be achieved so long as the Iranians perceived momentum to be on their side.¹⁴

The quest for optimal leverage is a red herring. The ideal opportunity for dealing with Tehran will never come; the objective of American policy must be to create the grounds for progress with Iran even if the Iranian internal environment remains hostile or the regional context continues to present challenges. And though a new president will certainly experience a diplomatic honeymoon, it is highly unlikely that a new U.S. administration will be able to achieve newly effective leverage over Iran. Seemingly insatiable Asian demand for energy will maintain high oil prices and dissuade fence-sitters from more strenuous sanctions on Iran. Moreover, waiting until American leverage appears sufficient will inevitably only reverse the equation; even Iranian reformists were averse to negotiating when they perceived Washington to be “in a position of strength,” because “they are threatening us, and if we negotiate we will be in a weak situation.”¹⁵ Timing matters in negotiations, and the concern about the impact of regional dynamics is justifiable, but to avoid diplomatic interface because of a perceived power imbalance is effectively to consign the countries to permanent antagonism.

Others have highlighted Iran’s June 2009 presidential election as a rationale for deferring any initiative toward Tehran. Ahmadinejad is a profoundly problematic leader, and the prospect that U.S. diplomacy might inadvertently boost his standing is cause for concern. Tying any overture to the election results, however, risks the perception that the United States is linking an opening to a change in Iran’s leadership, a perception that will likely weaken any candidate that Washington might prefer. Any successor to Ahmadinejad will likely have very limited room for independent maneuver and would be quickly painted as an American

stooge if he were to embrace a new overture from Washington. In any case, despite widespread unhappiness with Iran's economic conditions, the prospect that Ahmadinejad could use the prerogatives of his position to manipulate another four-year mandate is not inconceivable. He enjoys the full-throated support of the supreme leader and the security bureaucracy and has cultivated a significant base of support outside the major cities through his provincial tours and giddy distribution of oil largesse. Since the real address for American diplomacy is the office of the supreme leader, Iran's presidential election should not dictate Washington's timetable.

Create a Framework for Negotiations

Devising an effective formula for engaging Tehran and maintaining momentum will be critical tasks for the incoming administration. The ultimate objective must be clearly understood by both sides from the outset: a comprehensive effort to address all the issues and produce a framework for eventual normalization of relations. Washington should develop the outlines of this process but incorporate sufficient latitude and time to integrate Iranian input and buy-in. The operational aspect of such diplomacy should entail four separate negotiating tracks—diplomatic relations, the nuclear issue, security in the Persian Gulf, and the broader regional issues, including the Arab-Israeli peace process. These tracks should be distinct and noncontingent, so that logjams in one arena would not preclude progress in another. Only a multifaceted process that tackles the broad host of issues at stake between the two governments will generate both the versatility and credibility to make real progress on the hardest issues. Indeed, as the Bush administration's diplomatic difficulties demonstrated, making progress on the most urgent issues is difficult if they are addressed in isolation. A broad effort to resolve the underlying political and strategic divergences between the United States and Iran will be essential for constructing a durable nuclear accord.

The first track should deal with a timetable for a resumed diplomatic relationship, outlining the reciprocal steps and obligations needed for incrementally phasing out U.S. sanctions and returning Iran's frozen assets. This track would likely move at the slowest pace, but its very existence would provide Tehran with both the presumption of reciprocity

and a demonstrable American commitment to diplomacy rather than regime change. This track would hold out the prospect of meaningful incentives for the regime that might facilitate productive discussions on more contentious issues, such as the broader regional questions and the peace process, and would likely enhance goodwill toward the United States among the general Iranian public. Since it would likely accomplish very little of actual substance in the near or medium term, this track should be constructed to provide both sides with a mechanism for communication as well as an opportunity for the perception of early achievement—for example, the drafting of a statement of principles to outline the shared objectives and govern the ongoing interaction between the two sides, along the lines of the Shanghai Communiqué that was issued by the United States and China in 1972 and that called for normalization of relations.

Discussions on the nuclear issue, the second track, should be opened by setting aside the failed proceduralism of the past two years, specifically the P5-plus-one package of incentives intended to draw Iran to the negotiating table as well as its corresponding precondition, suspension of uranium enrichment. This track should retain the existing multilateral approach involving the five permanent members of the UN Security Council, plus Germany, with the multilateral process providing an umbrella—like the North Korean case—for the integral bilateral exchanges between Washington and Tehran. Building on the Bush administration's implicit concession in authorizing a senior State Department official to join the July 2008 nuclear talks, the new president should indicate his administration's readiness to participate in multilateral nuclear talks without prior conditions but also remove any specific assurances to Tehran for its cooperation. Negotiators would have a clean slate to develop a fresh array of confidence-building measures and a rigorous inspection regime to ensure that Iran's nuclear program is not being diverted for military purposes. These negotiations cannot be open-ended, a format that would reward Iran's proclivity for opportunistic stalling; rather, a firm deadline should be set early on for arriving at an accord that satisfies both parties.

While the ultimate objective of this track must be a full and durable suspension of uranium enrichment, any serious U.S. negotiating strategy should incorporate contingency plans for moving beyond the prolonged

impasse of recent years over Iran's intransigence on the question of enrichment. Persuading the Islamic Republic to accede fully to the international community's demands and accept a long-term moratorium on enrichment activities represents the ideal outcome of any diplomatic initiative. Such an arrangement might involve incentives along the lines of those proffered in 2006 and again in 2008, sweetened by more credible measures to ensure Iranian access to fuel supplies for its civilian nuclear power plants. However, the experience of the international community since 2005 suggests that absent some dramatically negative shift in the strategic realities facing Iran's current leadership, predicating negotiations on achieving an enduring suspension will not succeed. Iranian officials maintain that their enrichment activities are consistent with the provisions of the Nuclear Non-Proliferation Treaty, although this argument is contested by much of the international community. Perhaps more important, Iran's ongoing enrichment is the objective reality in the continuing absence of negotiations. For this reason, U.S. negotiators—in cooperation with American allies—should develop a fallback position, as outlined in the chapter on nonproliferation, that permits a limited Iranian enrichment capability in exchange for rigorous safeguards, such as snap inspections, permanent presence of International Atomic Energy Agency personnel, and full transparency on its previous activities. Iran's motivations for its nuclear program may well be production of weapons; however, an exacting verification process backed by the authority of the international community can play a vital role in obstructing the ambitions of determined proliferators. This outcome would not represent an ideal conclusion to negotiations, but any interim steps that impede Iran's advancement toward nuclear self-sufficiency would represent a substantial short-term improvement over the unchecked progress that has transpired since its 2005 decision to end a voluntary suspension, pledged two years earlier as part of negotiations with Britain, France, and Germany, and resume enrichment.

On a third and separate track, negotiations should focus on Iran's immediate neighborhood—Iraq and the Persian Gulf. Since the toppling of Saddam Hussein, Washington has worked hard to limit Iran's influence in Iraq. Although Iran has been busy buttressing the fortunes of its Shi'i allies and arming their militias, beneath the veneer of recriminations and accusations the two powers actually share many common

interests. Tehran, like Washington, is interested in defusing the existing civil war and sustaining Iraq as a unitary state. Moreover, the clerical regime appreciates that the best means of realizing its objectives in Iraq is not through violence but through the democratic process, which will inevitably empower Iraq's Shi'i community. For Iran, a functioning and legitimate Iraqi state would be in a position to neutralize the insurgency, sap Baathists of their remaining power, and incorporate moderate Sunnis into an inclusive but Shi'ah-dominated governing order.

In dealing with Iran's actions inside Iraq, the new administration should recognize that long-standing personal, cultural, and religious ties give Tehran enormous capacity to influence the future of Iraq. Washington should endeavor to pressure and persuade Tehran to channel its power in a constructive direction. Key U.S. objectives in these discussions would include tempering the Shi'i push for regional autonomy, eliminating arms supplies to militias and insurgents, supporting efforts at political reconciliation, and reining in recalcitrant actors such as Moqtada al-Sadr. The new administration should also use a dialogue to maximize the benefits from those constructive elements of Iran's involvement in Iraq. As one of Iraq's largest trading partners, Iran could also play a useful role in funneling investment and building infrastructure in Iraq's historically underdeveloped Shi'i regions and cities, including Basra and Sadr City.

Although suspicions are deep on both sides, and Iran's responsibility for the death of American soldiers naturally invokes great sensitivity within the U.S. political context, surprisingly the Iraq track could provide an avenue for achieving small-scale progress relatively quickly. First, the evolving context—including both Iraq's internal political environment and changing regional dynamics—provides new incentives for Tehran to relinquish some of the more dangerous dimensions of its activities inside Iraq, particularly its involvement with militias and "special groups." Baghdad's recent assertiveness vis-à-vis Tehran as well as Washington represents a constructive step forward in achieving a competent central government empowered to act in Iraq's independent interests, and future provincial elections could reinforce this trend. New cooperation and assistance from the Arab Sunni world in the form of debt forgiveness and diplomatic presence may also influence Iran's shifting internal debate over its Iraq policy in a more positive direction.

In addition, the existence of many mutual interests could facilitate greater scope for satisfying both sides' needs than is commonly assumed. A range of largely peripheral issues within the Persian Gulf region, including naval protocols on smuggling and preventing incidents at sea, could offer opportunities to mitigate potential bilateral flash points while also serving as the building blocks for a broader regional dialogue on Gulf security some time in the future. Similarly, a serious effort to devise an acceptable framework for the permanent demobilization of the Iraqi-based Mujahideen-e Khalq—an Iranian opposition group considered a terrorist organization by the United States—could serve as a first step for securing Iranian cooperation on related issues, including the long-standing U.S. interest in obtaining access to Saad bin Laden and other senior al Qaeda leaders reputed to be under some form of house arrest in Iran.

The fourth and final track should deal with what is by far the most entrenched of Iran's problematic positions: its violent opposition to Israel and the Arab-Israeli peace process and its related support for regional and international terrorist networks. Iran's antagonism toward Israel is rooted in its revolutionary ideology and buttressed by the strategic influence that its antipathy produces within the region. Tehran has long perceived that the advantages it gains from such a posture are worth the price of U.S. sanctions and criticism. At a time when Hezbollah has emerged triumphant from its 2006 conflict with Israel and is a source of much popular acclaim in the Arab world, Iran's resolve is further stiffened. To change Iran's policy, Washington must alter that calculus by making clear that should Iran contemplate a constructive relationship with the United States, then its bellicosity toward Israel will lead to a potential loss of tangible benefits.

A careful look at Iran's international relations reveals that its attachment to terrorism is not necessarily immutable; its abandonment of terrorism in Europe and the Persian Gulf demonstrates the importance of incentives. The 1997 conviction of Iranian officials by a German court in the 1992 murders in Berlin of Kurdish dissidents led the European Union to impose restrictions on trade and to recall their emissaries from Tehran. Given the costs, the Islamic Republic quickly abandoned the practice of targeting exiled dissidents. In a similar vein, as a precondition for normalizing relations with Iran in the 1990s, Saudi Arabia and the Gulf states demanded Iran's cessation of support for radical elements within

these states. Once more, the strategic advantages of such a détente compelled Iran to pay the price. Both episodes reveal the value of diplomatic and economic inducements as a lever on Iran's behavior.

As the United States and Iran attempt to resolve their differences, self-interest and negotiating momentum can begin to move the theocratic state away from its reliance on terrorism and anti-Israeli demagoguery. It is unrealistic to expect that the Islamic Republic will ever reconcile formally with Israel or wholly abandon Hezbollah, but a persistent effort to engage Iran's leaders can persuade them of the utility of restraining their rhetoric and facilitating the evolution of their semiautonomous Lebanese proxy into a "normal" political party.

Appoint an Envoy

To coordinate this daunting diplomatic effort, marshal the internal bureaucratic resources needed, and ensure appropriate coordination with key allies, the incoming president should create a new locus of responsibility and authority through the appointment of a special envoy. Ideally, this envoy, the special coordinator for Iran policy, would be situated at the State Department operating under the authority and direction of the secretary of state. The justification for such a post is clear—Iran touches upon a range of vital U.S. interests that cannot be adequately managed on a part-time or an ad hoc basis.

The responsibility of the special coordinator during the prenegotiations period would be to shepherd the internal U.S. bureaucratic process, including a standing interagency policy coordination committee that would report to a regular principals meeting on Iran. In addition, the Iran coordinator would be responsible for developing an in-depth strategy for the negotiating process that would include mapping the players, positions, and possible Iranian actions and reactions. While the United States has long-standing and clearly enumerated concerns and objections to Iranian policies and conduct, Washington has never developed a negotiating strategy or even detailed positions on what it would seek at each interval of an extended dialogue with Tehran on any individual issue.

Once a dialogue is under way, the Iran coordinator would serve as the primary U.S. representative for each negotiating track, directing the process, setting priorities, managing agendas, and ensuring that the

diplomatic strategy is closely synchronized with relevant American initiatives in Iraq and on the peace process. The very establishment of the post should help to mitigate any tendency toward policy freelancing within the U.S. government, as well as provide an early signal to the Iranians that the new administration is serious about embarking upon a new approach. Should a diplomatic initiative categorically fail, the Iran coordinator would offer a focal point for alternative strategy development, particularly the mobilization of a tightly coordinated international campaign of economic pressure and sanctions.

Unilaterally “Normalize” Low-Level Diplomatic Relations

The absence of normal diplomatic contacts is a far greater impediment to policymaking than is generally understood or acknowledged. Without eyes and ears on the ground, the U.S. government is deprived of basic understandings that an embassy and its staff usually provide: the sense of political dynamics; the historical knowledge; the routine business that provides irreplaceable insights. Currently all American officials are prohibited from any direct contact with their Iranian counterparts except in narrowly defined, exceptional circumstances. As a result, relatively few U.S. diplomats have had any personal experience with or exposure to the official thinking of Iran. This is a grievous deficiency in our own diplomacy.

The George W. Bush administration began to mitigate some of these deficiencies with the establishment of a specially tasked Iran office within the State Department’s Bureau of Near Eastern Affairs, the creation of a dozen overseas listening posts, and an Iran-focused office based in Dubai where hundreds of thousands of Iranians live and do business. The administration also moved closer to reopening a U.S.-staffed interests section in Tehran. These efforts—a few new working-level posts—will not overcome the inadequacies inherent in a three-decade estrangement, however. Therefore the incoming administration should quickly request the establishment of a new U.S. presence post in Tehran, rebrand the Dubai office as a “shadow embassy” led by a senior diplomat, and authorize a much wider array of ordinary diplomatic contacts between the two countries, including permitting routine interaction between American diplomats and their Iranian counterparts.¹⁶ These channels

will give the United States additional avenues of information and communication, enabling the government to begin to get to know Iranian interlocutors who may one day be in positions of influence. The next administration should also initiate direct engagement with Iranian media outlets, particularly the state broadcasting network, and permit representatives of the Iranian media to report from Washington. While the imperfections of Iran's officially sanctioned news sources are myriad, they remain the primary source of information for most Iranians and thus an important outlet for U.S. policymakers.

Know the Address

As detailed above, previous attempts at engaging Iran were derailed by U.S. efforts to exploit factional divides within the regime. In the end, the historical track record makes clear that the only path toward resolving American differences with Tehran is one that deals directly with the ultimate power center—the supreme leader. This office does not hold a monopoly on authority but remains the crucial locus of decisionmaking, particularly on issues of ideological sensitivity, namely, those often of greatest concern to the United States. In 1981 it was Ayatollah Khomeini who finally relented and approved the release of the U.S. hostages, just as he was the one who later authorized the arms sales during Iran-contra and took public responsibility for the decision to accept a cease-fire in the 1980–88 war with Iraq. Despite the public rhetoric of then-president Rafsanjani, it appears to have been Khamenei who, once he had consolidated his authority as Khomeini's successor, forced Hezbollah to release Western hostages held in Lebanon during the 1980s and 1990s.¹⁷ Khamenei also bears responsibility for the factional stalemate and sabotage that obstructed progress during the uniquely fortuitous conditions of a reformist Iranian presidency and a receptive Clinton administration.

Understanding that Khamenei is the appropriate starting point for any American engagement clarifies the task but also underscores the challenges. Although Khamenei has condoned talks with Washington in recent years, his writings and public rhetoric since 1979 contain nothing that would suggest he harbors any positive sentiments toward Washington. Furthermore, his vast power base within Iran is little known or under-

stood outside the country. As a result, the U.S. government has no real capacity for influencing Iran's ultimate decisionmaker in a direct fashion. Still, by addressing the Iranian state as a unitary actor and by acknowledging Khamenei as its head of state, Washington may avoid some of the pitfalls that have undermined previous U.S. efforts at engagement.

Identify Credible, Effective Mediators

The role of a good international mediator will be critical to the incoming administration's attempts at engaging Iran. Although Khamenei and his inner circle should be the focal point for American efforts, any negotiating process with Tehran will also have to win the support of President Ahmadinejad and his inner circle. Both these groups are intensely distrustful of the United States, and neither has had meaningful direct exposure to Washington. In addition to addressing Khamenei, a new U.S. initiative will need to find a way to co-opt, contain, or circumvent Ahmadinejad's nefarious tendencies, unlikely to prove an easy task with a populist president who has surrounded himself with devoted, like-minded advisers who have little international experience.

Given our long estrangement, reaching out to these individuals and building trust will prove exceptionally difficult, and it is unlikely that most of the United States' traditional European partners will be substantially better equipped to assist. The president will have to seek out alternatives in the Islamic and developing worlds—India, Indonesia, Turkey, and South Africa may be potential candidates, as well as traditional Gulf interlocutors—that have had greater informal contacts with the insular elites of the Islamic Republic. The Russians may also be able to play a special role here, based on existing relationships with the old guard surrounding Khamenei. The United States might also use third parties as informal partners in a cooperative multilateral effort to help us interpret Iranian behavior and tactics as well as reinforce our messages with Tehran.

Retool Democracy Initiative

Any serious effort to initiate a new negotiating track with Tehran will have to reconsider some of the post-9/11 ideological verities, including

the issue of democracy promotion. It is understandable that the precedents of American assistance to fledgling movements in Georgia, Serbia, Ukraine, and other emerging democracies have prompted an interest in replicating these successes (even if there is a tendency to overstate the American role and to disregard subsequent regressions in several cases). However, policy measures must be judged on their utility, as well as their prospective damage to other priorities, and with respect to Iran it is clear that U.S. democracy programming is highly detrimental.

The incoming administration should understand that it will have almost no chance of making a positive impact on Iran's embattled civil society. After a thirty-year absence and with only the most hazy sense of the day-to-day dynamics of the Islamic Republic, Washington is unlikely to succeed in stirring up an opposition or orchestrating political mobilization from afar. Unlike Eastern Europe of the 1980s, Iran does not have a cohesive opposition movement willing to take direction and funding from the United States. Wasted resources is hardly the worst-case outcome here; the publicity surrounding American democracy programs in the region has already helped spark a crackdown on Iranian dissidents and activists, harming the very civil society the United States had hoped to support. Even among the most ardent opponents of the Islamic regime, accepting support from an external government remains taboo because it contravenes one of the enduring and still largely accepted tenets of the revolution—Iran's struggle for independence from the machinations of foreign powers.

The United States' misplaced idealism constrains not just Iranian democracy but U.S. diplomacy as well. Washington's rhetorical fulminations and its provision of aid to nonexistent democratic forces have paradoxically succeeded in convincing Iran's suspicious hard-liners that U.S. negotiations represent a ruse to undermine the regime. Thus any efforts by Iran's more moderate actors to engage the United States are perceived and portrayed as acceding to the "Great Satan's" subversive ploys. Washington needs to accept that Iran will change but only on its own terms and at its own pace. A more subtle strategy of attempting to integrate Iran into the global economy and international society would do far more to accelerate the process of democratic transformation than America's discursive diplomacy of calling for talks with a regime whose demise it pledges with regularity. The substantial funds that Congress

has appropriated under the Bush administration for democracy programming could be far more effective if directed toward depoliticized efforts to intensify people-to-people contacts through exchanges, scholarships, and programs that bring the world to Iran and Iran into the rest of the world. The new administration should shift this effort explicitly, and announce the change publicly, as a means of signaling to Iranians that regime change is no longer an implicit part of the American agenda.

This does not imply forsaking the United States' vocal commitment to criticizing Tehran's abuses of its citizens' rights. The United States can and should speak out in favor of greater social, political, and economic liberalization in Iran, and it should press vigorously against the regime's repression of dissidents, activists, and students.

Mitigate Surprises, Set Expectations, and Insulate the Process

For any diplomatic process to gain momentum, it will be critical to establish a realistic understanding of the challenge ahead—including the likelihood that any progress will be extremely protracted, erratic, and fragile. Negotiating with Iran will not be pleasant or easy, nor will it provide the most important potential payoffs quickly. Even during the heyday of the reform movement, Washington's concerted attempts to engage Tehran in a direct and ongoing dialogue found little success. Engagement can be a powerful tool for dealing with Iran, but the United States should not embark on this course with illusions about the simplicity of the task at hand. The new administration should strive to maintain realistic expectations of what negotiations with Iran will entail, and what is at stake, in both its internal deliberations and its dealings with Congress and the American public.

In other cases where the Iranians have managed to negotiate a *détente* with former adversaries—in particular, Britain and Saudi Arabia—one of the critical elements of the diplomatic process was the ability and willingness of Iran's adversaries to accept a considerable degree of ambiguity in Iran's undertakings and to provide significant scope for face-saving rhetoric and actions. Negotiations between the United States and Iran are unlikely to spark a wholesale transformation of the Islamic regime and its ideology, so the next president needs to consider what kind of strate-

gic bargain he is willing to accept, as previous presidents have done with a range of other states, including China and Pakistan.

History has shown that the region will not remain static as the United States strives to develop a viable mechanism for dialogue with Iran. Developments may realign Iranian interests in a more pragmatic fashion, as did the 1990 Iraqi invasion of Kuwait, the fall in oil prices thereafter, and the 9/11 attacks. It is equally likely, however, that destabilization in some related arena—Lebanon, Afghanistan, or the Arab-Israeli peace process, for example—could torpedo an incipient negotiating process. The next president's advisers need to plan in advance for these almost inevitable shocks. The new administration will also have to manage Israel's intensifying concerns carefully to ensure that the Israelis see no temptation or acquiescence to take independent military action, which would only generate an even more disastrous payoff than the downsides of a U.S. military attack. Maintaining or even expanding the already routine communication and cooperation between American and Israeli policymakers on Iran will be essential to ensuring a conducive international context for pursuing engagement.

Seen through the prism of our often overheated tendency to attribute all the region's woes to Tehran, American policy toward Iran is inevitably freighted with the burden of resolving a multitude of regional crises. The next administration needs to be clear in both its strategy and its communications that dealing with Iran will not provide an adequate substitute for a more sensible policy in other arenas. Iran has a malign influence over any effort to promote a lasting solution to the Arab-Israeli conflict, but in and of itself Tehran is not the principal roadblock to resolving that festering wound. The only effective way to curtail Iran's ability to inspire and support anti-Israeli sentiment and violence is to devote sufficient leadership to ensuring a settlement that provides security and dignity for both sides. For this and many other reasons, the peace process should be accorded a high priority by the incoming administration.

At the outset, the next president will have to take pains to "overcommunicate" in an attempt to bring the Iranians along as much as possible. This includes shifting his rhetoric to make it more appropriate to a policy intended to foster reconciliation. Washington cannot denounce Iran as an "outpost of tyranny" and then anticipate Iranian support for seri-

ous negotiations. Iran's leaders, as with all revolutionaries, insist that the international community not just recognize their interests but also legitimize their power. Such gestures are not unique to Iran's theocrats; consider, for example, decades of Soviet demands that the United States officially acknowledge postwar demarcations of Eastern Europe.

The incoming administration should dial back the propensity to depict Tehran as the nefarious mastermind of all the region's woes, which conflates discrete crises and sorely overstates Iran's influence as well as antagonizes its leadership. At the same time, after such a long estrangement, the United States will have to educate patiently our Iranian interlocutors about the realities of American political culture, including the autonomy of a Congress that will remain vocal on Iran policy. While the administration should continue voicing opposition to Iranian abuses of its citizens' rights, it will also have to accept the likely continuation or even intensification of Iran's problematic rhetoric.

CONCLUSION

As the next president enters office and considers how to deal with Tehran, he will face the same dilemmas as his predecessors did following the Iranian revolution—identifying Iranians who might constitute the most effective interlocutors for Washington; ascertaining the combination of pressure and persuasion that could move Tehran in a positive direction; and determining whether the Iranian leadership is capable of crafting and implementing a durable bargain with what its leaders still regard as the Great Satan. These three central uncertainties posed immediate relevance during the hostage crisis and have continued to frustrate U.S. policy for much of the subsequent three decades.

The unknowns persist for a variety of reasons, but ultimately they are the legacy of the lengthy estrangement and absence of direct contact or first-hand experience within Iran. Washington knows so little about the shape and nature of power in Iran today that State Department officials were forced to rely on a Google search to identify potential subjects for United Nations sanctions in 2006.¹⁸ Presence does not always imply pre-science, as the failure of Washington to anticipate the revolution itself might suggest, but American capacity to undertake effective policy toward Tehran must recognize the severe restrictions under which Wash-

ington operates, at least some of which are self-imposed. The only viable means for resolving these quandaries and enhancing our ability to influence Tehran is to deal directly with Iran itself.

NOTES

1. Ervand Abrahamian, *Khomeinism: Essays on the Islamic Republic* (London: I. B. Tauris & Co., 1993), 112.

2. R. K. Ramazani, *Revolutionary Iran: Challenge and Response in the Middle East* (Johns Hopkins University Press, 1986), 237.

3. Speech delivered by Ayatollah Ali Khamenei in Mashhad, March 21, 2006, broadcast by the Vision of the Islamic Republic of Iran Network 1.

4. Sadeq Zibakalam, "Ahmadinejad and Breaking the Taboo of Discussions with America," *Etemaad-e Melli*, July 19, 2008, p. 16 (www.roozna.com/Images/Pdf/16_29_4_1387.Pdf).

5. Washington perceived this as another Iranian ploy to undermine the American push for sanctions; from Rafsanjani's perspective, "this was a message to the United States that was not properly understood." Elaine Sciolino, "Iranian Leader Says U.S. Move on Oil Deal Wrecked Chance to Improve Ties," *New York Times*, May 16, 1995 (query.nytimes.com/gst/fullpage.html?res=990CE1DF1731F935A25756C0A963958260&scp=2&sq=rafsanjani+conoco&st=nyt).

6. This presumption that Iraqi democracy would have a positive ripple effect on its neighbors continued to hold sway with the Bush administration even as violence in Iraq escalated. In January 2006 Secretary of State Condoleezza Rice said that "I might note that the specter of Iraqis in exile in Iran—displaced people in Iran voting for a free election in Iraq from the territory of Iran and the specter of Afghans earlier than that voting from the territory of Iran for free elections in Afghanistan, there's a deep irony in that, that Iranians have got to take notice of. And the neighborhood is changing; it's changing quite dramatically. . . . And that, in the final analysis, has got to be threatening to an Iranian regime that relies on coercion and relies on control of its population, not on the consent of its population." On-the-Record Briefing by Secretary Rice, January 12, 2006 (www.state.gov/secretary/rm/2006/59083.htm).

7. "American Congress Replies to the Letter Sent by the Association of Veteran Majlis Deputies," *Iran*, June 27, 2001 (www.iran-newspaper.com/1380/800406/html/politic.htm#PoliticCol2). Conservative editor Taha Hashemi, who was closely associated with Ayatollah Khamenei, argued during the 2001 U.S. presidential campaign that Khamenei could be persuaded to support a new relationship: "If the scenario is planned and prepared wisely and he becomes confident that this relationship won't hurt our national pride and won't make the Islamic Republic passive, I believe he would not be far from accepting." See "'Islamic New Thinker' Sees Formula for Iran-U.S. Ties," Reuters, May 29, 2001.

8. "Ban on US Talks Revives Leftist-Rightist Tensions," *Agence France-Presse*, May 26, 2002.

9. "America has shown that it has always followed its own interests without taking the interests of the other side into consideration; and it has never been bound to the

mutual agreements,” complained Emad Afruq, then a conservative member of the Iranian parliament and one of Ahmadinejad’s most vocal critics. “We will not forget the story of Afghanistan, how the Americans misused our cooperation; and unfortunately, Afghanistan was turned into a bargaining chip.” “Investigation of the Issue of the Breaking Off of Relations between Iran and America: ‘America Is Not Bound to the Agreements,’” *Hezbollah*, April 15, 2007 (accessed through World News Connection).

10. As Warren Christopher has attested, “The Algerians served an indispensable function in interpreting two widely disparate cultures and reasoning processes to each other. . . . This unique role was possible because the Algerian diplomats involved had and kept the full confidence of both sides.” Similarly, the dogged diplomacy and personal credibility of both UN Secretary General Javier Perez de Cuellar and his special envoy Giandomenico Picco succeeded in facilitating the delicate negotiations involved with freeing Western hostages held in Lebanon during the 1980s and 1990s. Warren Christopher, “Introduction,” in *American Hostages in Iran: The Conduct of a Crisis*, edited by Christopher and others (Yale University Press, 1985), p. 9.

11. Mark Bowden, *Guests of the Ayatollah: The First Battle in America’s War with Militant Islam* (New York: Atlantic Monthly Press, 2006), p. 330.

12. To Israel’s enduring expectations of rapprochement, it is worthwhile to note then-Defense Minister Yitzhak Rabin’s words at a 1987 press conference: “Iran is Israel’s best friend and we do not intend to change our position in relation to Tehran, because Khomeini’s regime will not last forever.” Trita Parsi, *Treacherous Alliance: The Secret Dealings of Israel, Iran, and the United States* (Yale University Press, 2007), p. 128.

13. Thomas L. Friedman, “It’s All about Leverage,” *New York Times*, June 1, 2008 (www.nytimes.com/2008/06/01/opinion/01friedman.html?_r=1&scp=1&sq=iran&st=nyt&oref=slogin).

14. Secretary Rice brushed off congressional queries about dialogue with Iran over Iraq in January 2007, saying that approaching Tehran while neighboring Iraq was still in turmoil would be counterproductive. “[If] we go to the Iranians and as supplicants say to the Iranians, help us to secure Iraq, do we really believe that the Iranians are going to treat Iraq over here and not demand that we do something to alleviate the pressure that we’re now bringing on their nuclear program and their nuclear ambitions? I don’t think it’s going to happen” Secretary of State Condoleezza Rice, “Iraq: A New Way Forward,” Testimony before the House Foreign Affairs Committee, January 11, 2007 (www.state.gov/secretary/rm/2007/78640.htm).

15. Quote attributed to reformist Mohsen Armin, then a member of Iran’s parliament. “Majlis Discloses ‘Contacts’ with United States,” Agence France-Presse, March 14, 2002.

16. The sorry spectacle of our self-imposed limitations, which included rebuking a senior official for sitting across the podium from Iranian influence brokers and banning government employees from attending a public speech by a former Iranian president, should be a thing of the past. In February 2008 Zalmay Khalilzad, the U.S. ambassador to the United Nations, was reportedly reprimanded for appearing on a panel at the World Economic Forum in Davos with two senior Iranian officials, without having sought or received prior authorization to do so. “Rice Chastises Amba-

sador over Iran Talk,” Reuters, February 6, 2008. In 2006 the State Department announced internally that no U.S. government employees were permitted to attend a speech by former president Khatami at the National Cathedral in Washington.

17. Elaine Sciolino, “Tea in Tehran: How Hostage Deal Was Born,” *New York Times*, December 6, 1991, p. 1.

18. Dafna Linzer, “Seeking Iran Intelligence, U.S. Tries Google; Internet Search Yields Names Cited in U.N. Draft Resolution,” *Washington Post*, December 11, 2006, p. A1.

