

Nuclear Normalization: Rapprochement with a Nuclear Iran

By Kayvon Afshari

Introduction

On an almost daily basis, American pundits and government officials warn of the consequences of a nuclear-armed Islamic Republic of Iran and outline what the United States must do about it. Some argue for preventive action to fend off apocalypse, as President George W. Bush famously warned of a “Middle East under the shadow of a nuclear holocaust.”¹ Others temper this dystopia with reassurances that Iran, even with nuclear weapons, can be effectively contained and deterred from first strike. Neither scenario addresses the broader implications on US-Iran relations. In fact, Iran’s acquisition of nuclear weapons capability would have a stabilizing effect on US-Iran relations. The two states would move toward rapprochement because the benefits of normalization and the costs of non-normalization will become greater and more obvious to both sides.

In order to analyze the paths for dealing with Iran’s nuclear program and conclude that normalization is the only viable and indeed inevitable course the United States will pursue, one must understand Iran’s recent nuclear practices, its nuclear intentions, as well as its motivations. Iran is motivated by both its rising regional influence and a desire to acquire a deterrent in a hostile environment. With an understanding of its reasoning for breakout capability as well as its reactive weaponization decision, one can then analyze a preventive attack, a containment and deterrence strategy, and a normalization policy. This paper predicts that rapprochement will be the course pursued, as solving the underlying tension is the only sustainable antidote to neutralizing the nuclear issue.

¹ George Bush 2007 Speech to The American Legion, August 28, 2007.

1. Ambiguous Nuclear Practices

Iran's nuclear practices since 1987 can be broadly categorized by both disingenuousness with the non-proliferation community and a strategic adherence to the letter of the law, outlined in their obligations as a signatory of the Nuclear Non-Proliferation Treaty (NPT). The most concerning nuclear sites that Iran currently operates include an underground uranium enrichment facility at Natanz, which they claim could hold 50,000 centrifuges, another uranium enrichment site at Qom, as well as a heavy water reactor at Arak, capable of producing plutonium. Before these sites were publicly known in 2002, Alireza Jafarzadeh, an Iranian dissident closely associated with an organization the U.S. State Department claims is a front for the terrorist People's Mujahedin of Iran, blew the lid off two of the secret facilities at a speech in the U.S.

Although the nonproliferation community and the International Atomic Energy Agency (IAEA) were collectively caught off guard by this exposé of the sites at Natanz and Arak, Iran had no legal obligation to disclose the sites since fissile material had not yet been introduced. Article 42 of Iran's safeguards agreement as well as a secondary document known as the "subsidiary arrangement" obligate Iran only to disclose nuclear activities no later than 180 days prior to the introduction of nuclear material into a facility.² While the Natanz uranium enrichment facility and the Arak heavy water reactor raised legitimate concerns that Iran could indigenously enrich uranium to desired U235 purity levels, as well as reprocess spent fuel rods and separate plutonium for nuclear explosives material, they were still under construction without fissile material present when their existence was revealed. Similarly, the Qom enrichment facility, which was revealed in September 2009, was not technically in breach of Iran's NPT obligations as a non-nuclear weapons state for the same reasons.

² David Albright and Jacqueline Shire, "Nuclear Iran: Not Inevitable," *Institute for Science and International Security* (2009): 13.

Indeed this pattern of ambiguous practices technically within the confines of the NPT demonstrates the fundamental difficulty of regulating nuclear fuel cycle technology. The Treaty has always had a dual mandate, at once promoting nuclear technology in Article IV, as well as non-proliferation of nuclear weapons. The problem is that the technologies are essentially the same and that strict adherence to NPT rules does not necessarily preclude nuclear weapons capability. As famed nuclear strategist Albert Wohlsetter remarked in the 1970s, “without plainly violating their agreement,” states “can come within hours of a bomb.”³

1.1 Breakout Capability

The legal room for technological maneuvering on the civilian side of the nuclear fuel cycle leaves Iran in a rather advantageous position and is the basis for Iran’s intention: to attain and maintain an explicit breakout capability, described as a sufficient quantity of low enriched uranium (LEU) and the capability to quickly produce weapons-grade uranium for a nuclear weapon. According to David Albright, an expert on nuclear proliferation, Iran currently has sufficient stockpiles of LEU as well as centrifuge facilities for further enriching. However, those stockpiles have been sealed off with IAEA seals and along with regular inspections, this effectively means that any decision to weaponize would quickly be detected.⁴

Within this state of technological and legal limbo, Iran is able to accomplish several seemingly contradictory goals. Without an assembled nuclear weapon, it can still maintain goodwill in the developing world by claiming the West is discriminating against it. It can forestall any impending preventive strike by Israel or the United States, as the international community and even the American public would never accept a repeat of the preventive strike

³ Albert Wohlsetter, “Spreading the Bomb without Quite Breaking the Rules,” *Foreign Policy*, no. 25, (Winter 1976/1977): 301.

⁴ Albright and Shire, “Nuclear Iran: Not Inevitable,” 11.

against Iraq that was based on questionable WMD claims that turned out to be false.⁵ At the same time, its intentional ambiguity accords it some of the deterrent benefits of an actual weapon. By signaling that any first strike against Iran could be retaliated by a delayed nuclear second strike, Iran has acquired a nebulous non-weaponized deterrence.

According to Hooshang Amirahmadi, President of the American-Iranian Council and an interlocutor between the two governments, the key to understanding Iran's intention is that any decision to weaponize will be reactive, not proactive.⁶ That is to say, if Iran were to break open the IAEA seals and further enrich to 90% weapons-grade uranium for a bomb, they would be responding to regional circumstances and their own immediate threat perception. This paradigm is central when assessing the various policy options for dealing with the nuclear issue. It is also a direct result of Iran's primary nuclear motivation: to seek a deterrent in a historically and currently hostile environment.

1.2 Seeking Deterrence

It is no surprise that the Islamic Republic's first real desire for nuclear weapons took place during the tail end of an eight-year war of attrition, the Iran-Iraq War, which saw heavy casualties on both sides, Saddam Hussein's use of chemical and biological weapons, and an indecisive conclusion. The international community mostly sided with Iraq against Iran, despite the use of such nonconventional weapons, and Iran's accusations of war crimes at the United Nations lacked the support of most member states. In the nascent stage of the Islamic Republic, these experiences bred deep-seated feelings of isolation, self-reliance, and perceptions of hostility from the regional and international community. It was within this context that then-

⁵ Global Views 2010, "*Constrained Internationalism: Results of a 2010 National Survey of American Public Opinion*," (The Chicago Council on Global Affairs): 45.

⁶ Hooshang Amirahmadi (President of the American-Iranian Council), Interview by Kayvon Afshari, November 6, 2010.

President Rafsanjani said, “We should at least think about [weapons of mass destruction] for our own defense. Even if the use of such weapons is inhuman and illegal, the war has taught us that such laws are just drops of ink on paper.”⁷

The lessons of the Iran-Iraq war again manifested themselves during the Second Gulf War in 1990-1991, as well as the current Iraq War. While Iran was unable to defeat Iraq after eight years of costly war, the United States achieved a rapid victory in 1991, underscoring the vast military disparity in conventional power between Tehran and Washington. The takeaway lesson for Iran was that if you wish to confront the U.S., it would be wise to have nuclear weapons.⁸

Again in the initial phase of the 2003 Iraq War, Iran perceived an acute threat from the United States, this time much more real than that of 1991. After then-President George W. Bush labeled Iran as part of an “axis of evil” in 2002, the US invasion of Iraq initially saw great success and a quick toppling of Saddam’s regime, symbolized by the toppling of Saddam’s famous statue on April 9, 2003. With increased US military confidence in the region and coalition forces in both Iraq and Afghanistan, Iran rightly perceived that it might very well be the next target. Former Deputy Secretary of State Richard Armitage said that those enthusiastic for the invasion believed that an Iraq friendlier to the United States “would give us the ability, should we want to, to be able to pressure Iran from the use of military facilities in Iraq.”⁹

⁷ Douglas Frantz and Catherine Collins. *The Man from Pakistan: The True Story of the World’s Most Dangerous Nuclear Smuggler* (New York: Twelve, 2007), 176.

⁸ Shahram Chubin, *Iran’s Nuclear Ambitions*, (Washington: Carnegie Endowment for International Peace, 2006), 20.

⁹ Frontline: Showdown with Iran. Public Broadcasting System. Produced by Greg Barker. 2007.

1.3 Rising Regional Influence

After the initial successes of the war, the aftermath of the fall of Saddam Hussein's government left a political vacuum, which led to disintegration, spiraling violence, and a loss of full control by coalition forces. Gradually, the mood in Tehran shifted from one of fear to one of increasing confidence and Iran's secondary motivation for a nuclear weapons capability: rising regional influence. With two of Iran's rivals, the Taliban in Afghanistan and Saddam Hussein in Iraq, removed from power, and with US forces increasingly bogged down in a protracted conflict in Iraq, Iran emerged an unlikely winner. With strong sectarian and political ties to the emerging Shi'a government in Iraq, Shi'a minorities across the Arab Middle East, and Hezbollah in Lebanon, coupled with high oil prices, Iran experienced a rapid windfall of regional power. As a fallen empire whose history includes the glory days of the Achaemenid, Sassanian, and Safavid dynasties, modern Iran has continual aspirations as a regional hegemon that motivate its desire for an unambiguous ability to assemble a nuclear weapon. Not only does enrichment technology offer prestige on par with the most scientifically advanced state in the region and Iran's adversary, Israel, it also forces neighboring states to take the potentially grave threat of Iran more seriously as it tries to influence regional events from Iraq to Lebanon to the Gaza Strip.

This rising regional influence along with suspicious nuclear activity has caused great alarm for the Obama administration as it struggles to solve or contain the nuclear issue, all the while maintaining that all "options are on the table." The three paths for moving forward include a preventive strike, containment and deterrence, and rapprochement. Understanding Iran's nuclear practices, intentions, and motivations has important implications for determining which of these are better or worse than the others and which the United States will eventually pursue.

1.4 Preventive Strike

Because of proximity and enmity, the United States' closest ally and strategic partner in the region, Israel, perceives the consequences of a potentially nuclear-armed Iran as an existential threat. As a result, there is significant discussion within Israel as well as between Israel and the United States of taking preventive action, as Israel has done in the past by destroying Iraq's Osirak reactor in 1981 and Syria's nascent reactor in 2007.¹⁰ However, while Israel has continued to modernize its air force since the 1980s, the Iranian facilities are "a significantly more challenging target than Osirak."¹¹ Even though the Israeli Air Force (IAF) is capable of getting past the challenges of air rights by flying over other sovereign nations, several issues it will undoubtedly confront make success uncertain: refueling, Iran's air defense, as well as the difficulty of destroying an underground, fortified target at Natanz.¹²

Whether an Israeli air strike, with or without U.S. support, were to be successful or not, its consequences would be disastrous. Most importantly, given the paradigm of Iran's reactive weaponization decision, the one occurrence that would most passionately convince Iran's leaders to weaponize would be an Israeli military strike. Even if the strike were successful in destroying one or two of the centrifuge halls at Natanz, it would simply delay a nuclear-armed Iran while it would hasten the political resolve to assemble a weapon.

Any preventive attack would also solidify the Iranian government's support among extremely nationalistic Iranians, while it would break up the coalition that the United States has worked to achieve in supporting the sanctions regime. Indeed, all relevant UN resolutions have been crafted to avoid loopholes to claim legal authority to attack Iran because most of the nations

¹⁰ Jeffrey Goldberg, "The Point of No Return," *The Atlantic Monthly*, September 2010.

¹¹ Whitney Raas and Austin Long, "Osirak Redux? Assessing Israeli Capabilities to Destroy Iranian Nuclear Facilities," *International Security* Vol. 31, No. 4 (2007): 8.

¹² *Ibid*, 8.

supporting sanctions remain resolutely opposed to military action.¹³ Additionally, Iran has a vast arsenal of asymmetric retaliatory options from creating chaos in Iraq through Shi'a insurgent groups, to ratcheting up military support for attacks against Israel through proxies like Hezbollah and Hamas, to creating an international crisis and skyrocketing oil prices by attempting to close off shipping through the Strait of Hormuz.

1.5 Containment and Deterrence

Clearly, an Israeli preventive strike, with or without US support, is uncertain to be successful, extraordinarily destabilizing and potentially counterproductive to preventing Iran from acquiring a nuclear weapon. A less disastrous option is to focus on containment and deterrence. However, while Iran can be deterred, its regional influence cannot be contained. Under this scenario, the long-term consequence is the gradual decline of US regional power.

Although some have pointed to President Mahmoud Ahmadinejad's hyperbolic rhetoric, and suggested that trying to deter Iran would allow it to engage in a first strike against Israel, this is a myth. To make the point most callously, by doing so Iran would kill many Israeli Jews, but would also kill many of their Muslim neighbors as well as destroy the land they claim to be Muslim or Arab land. Additionally, Israel has a presumed second-strike capability and Iran has densely populated cities and industrial centers, which would ensure both retaliation to any first-strike as well as exposure of counter-value targets.

Another myth argued by those who believe in the failure of deterrence is that Iran would surreptitiously pass a nuclear weapon on to terrorists.¹⁴ First of all, if Iran were to assemble a nuclear weapon to be passed to a terrorist group, it would involve a great deal of sacrifice of time, money, resources and potential exposure. A fully assembled hypothetical nuclear weapon

¹³ Tony Karon, "Will the Elections Change Obama's Iran Policy?" *Time Magazine*, November 3, 2010.

¹⁴ Moshe Kantor, "The World With A Nuclear Iran." *The Wall Street Journal*, November 3, 2010.

would represent a great investment, one that the government would guard closely rather than pass on to a fringe group that didn't sacrifice in order to acquire it.¹⁵ Additionally, there would be an implicit assumption on the part of Western nations that Middle Eastern terrorists detonating a nuclear weapon would have received it from Iran; the emerging science of nuclear forensics offers the possibility of proving so.

While these myths indicate that Iran can be deterred, the fact that Arab states are more likely to bandwagon with a nuclear-capable Iran indicates that containment of regional influence will be less successful and will lead to the relative decline of US regional power. Oil-rich, strategically important Arab states like Saudi Arabia, Kuwait, Oman, Bahrain, Qatar, and the United Arab Emirates (UAE) see a shifting Middle Eastern balance of power and are already hedging their bets. Their leaders are keenly aware that, much like Great Britain's advisors and Royal Navy had to pack up and return home after decades of Middle East colonial conquests, the US role and patronage cannot be assumed to be indefinite. Iran has strong relations with expatriate Iranians living in Qatar, with the large Shi'a populations in Bahrain and Kuwait, with the government of Oman, improving relations with the House of Saud, and strong economic ties with the UAE.¹⁶ These states retain Iranian patronage and alignment as a viable option in case of an American exodus that could result from a struggling economic recovery and/or an overstretched military presence. Even Iraq's fledgling government, based on a constitution written with American advisors, appears to be closely aligned with Iran, as many of its current politicians lived in Iran while in exile.¹⁷ Turkey's, Qatar's and the UAE's continued role as

¹⁵ Hooman Majd (Iran expert and writer), Interview by Kayvon Afshari, November 6, 2010.

¹⁶ Afshin Molavi, *Iran and the Gulf States*. The United States Institute of Peace: The Iran Primer, 2011; Helen Chapin Metz, ed. *Persian Gulf States: A Country Study*. Washington: GPO for the Library of Congress, 1993.

¹⁷ Frontline: Showdown with Iran. Public Broadcasting System. Produced by Greg Barker. 2007

trading partners with Iran, despite this year's US-led Security Council sanctions, further indicates the failure of containing Iran as a *fait accompli*.¹⁸

2. Rapprochement with a Nuclear Capable Iran

Given the discrepancy between deterrence and containment, this option has thus far been undertaken by the United States with mixed results. While the diplomatic challenge is the most complex, rapprochement between the United States and Iran will occur because it is the only sustainable way to defuse the nuclear crisis and ensure that American regional interests are not adversely affected. As Iran continues to develop its centrifuge technology, construct a new enrichment facility at Qom, and test its missile technology, the American strategic calculus is moving toward a tipping point of normalization. Essentially, the costs of non-normalization as well as the benefits of normalization are becoming more pronounced and apparent as Iran continues to reduce the time and logistical hurdles between a weaponization decision and a weapon. Iran's increasing nuclear capability coupled with increasing tension is simply too destabilizing; reversing the tension is necessary to neutralize the destabilization. While this is neither a quick nor easy process, there are certain shared interests as well as policy tactics and strategies that Washington and Tehran should keep in mind as they approach any "P5 + 1" talks in the future. Iran experts Reza Marashi and Trita Parsi, also the founder of the National Iranian American Council, lay out some useful recommendations for how to go about the process.

First, the US should not let the fuel swap deal hold the negotiation process hostage.¹⁹ In October 2009, the Obama administration expressed interest in discussing a range of issues only after Iran agreed to a precondition of shipping out 1,200 kilograms of LEU in return for fuel rods

¹⁸ Paul Richter, "Turkey Rebuffs U.S. Pressure to Slash Trade with Iran." *Los Angeles Times*. October 21, 2010.

¹⁹ Trita Parsi and Reza Marashi, "Want to Defuse the Iran Crisis?" *Foreign Policy*. November 12, 2010.

to power the Tehran research reactor. They did not agree, and as a result, comprehensive diplomacy that could have reduced tension never took place, leaving the situation worse off.

A second smart tactic, laid out by the authors, is to seek help from states outside of the P5+1 framework. Since Iran's relationship with every one of these countries is strained, it is extremely difficult to negotiate in the requisite environment of deep-seated mistrust, suspicion and noncooperation. On the other hand, Turkish and Brazilian diplomats have spent more time engaged in diplomacy with Iran recently than the entire P5+1 combined.²⁰ The experience of working to hammer out a deal between November 2009 and May 2010 has fostered a great deal of trilateral trust that will be crucial for successful multilateral negotiations.

A third tactic they espouse is that negotiators must aim to talk to all the relevant power centers in Iran. Just as any deal with the United States must address the various concerns of institutions like the White House, the Pentagon, the Congress and the State Department, successful negotiations with Iran hinge upon talking directly to various stakeholders. By dealing with the Supreme Leader's office, the Majlis, the President, the Supreme National Security Council, as well as conservatives, reformists, and pragmatists, the P5+1 can reduce the risk that any one of these stakeholders spoil a deal because they were not a part of it. As the only permanent member of the Security Council without a direct channel to Iran, Washington is at a significant disadvantage in this sense; revising the "no contact" policy that prohibits US diplomats from interacting with their Iranian counterparts would be a wise first step.²¹

With these negotiating tactics at the upcoming talks, the United States should also keep in mind its broader strategy to engage Iran, reduce tension and ultimately convince Iran to confine its nuclear program to purely civilian purposes, as part of a normalization process.

²⁰ Ibid.

²¹ Ibid.

Understanding Iran's primary motivation for breakout capability, seeking a deterrent in a hostile environment, leads to the conclusion that reducing hostility would also reduce this motivation. In fact, the United States has recently taken some positive steps in this direction. Late last year, the State Department classified Jundullah, a Baluchi organization that claims to fight for the rights of Sunnis in Iran and that has killed Iranian officials and civilians, as a terrorist organization. This is a marked turnaround from previous US support for the group and encouragement to destabilize the government of Iran, according to a 2007 ABC News report.²² Similarly, suspected US support for the anti-Iranian Kurdish group, the Party for a Free Life in Kurdistan (PJAK), raises the level of perceived hostility and the motivation for non-weaponized deterrence.²³ Along with the \$18 million appropriated in 1995 for the Central Intelligence Agency to destabilize Iran, these covert actions may materialize the short-term success of subversion, but they do so at the expense of blocking normalization and a long-term resolution to the nuclear issue.²⁴

Additionally, while a resilient theocratic government that was born out of anti-American and anti-Western resentment is understandably difficult for the United States to stomach, calls for regime change are ultimately counterproductive, as they increase the hostility that is inconsistent with this broader strategy. Again, steps have been taken in this direction as well, as Senate Foreign Relations Committee Chairman John Kerry announced in 2009 that the US has abandoned calls for regime change in Iran.²⁵ While the US would naturally rather negotiate with a pro-American, secular, fully democratic Iranian government, this scenario can only emerge after normal relations with the US have been established. In fact, the experience of Latin

²² "The Secret War Against Iran," ABC News. April 3, 2007.

²³ Vanguard: "America's Secret War With Iran," currentTV. October 22, 2008; "Iran accuses US, Israel of supporting Kurdish rebels," YnetNews. October 28, 2007.

²⁴ Rob Grace, "Abandoning Sabotage in Iran," *Foreign Policy in Focus*. October 22, 2010.

²⁵ Viola Gienger, "Obama Abandons 'Regime Change,' Iran Must Respond, Kerry Says," Bloomberg, May 6, 2009.

America, Asia, Africa and Eastern Europe indicate that no nondemocratic state has ever made democratic transitions in the absence of diplomatic ties with the United States.²⁶ The reality is that normal relations with the US are a necessary but not sufficient condition for democratization, and our negotiating strategy should therefore focus on improving relations as a precursor to democracy, not the other way around.

Finally, rapprochement is consistent with US strategy because it can bolster the NPT regime and maintain a nonproliferation precedent. While the United States will not countenance an Iran with an assembled weapon, by developing normal relations it can convince Iran to stay within its civilian parameters and safeguards. This sends a message to other potential proliferators that the NPT and its implications are still intact.

Of course this US strategy of decreasing tension and rapprochement requires reciprocation and cooperation on the part of Iran, a more achievable goal than some officials in the US believe. In fact, in the aftermath of September 11th, the Iranians used their connections to the Northern Alliance in Afghanistan to cooperate and support the US invasion. Additionally, there have been previous agreements with Iranian compromises that have come close to resolving the nuclear issue, such as the Tehran and Paris agreements, both of which secured Iran's voluntary, albeit temporary, implementation of the Additional Protocol described below.

With this Holy Grail of normalization within arms length, the first trust-building step Iran must take is to reiterate that its regional intentions are non-aggressive and do not include attacking another state, which would help reduce Israeli trepidation. In fact, Grand Ayatollah Shirazi stated precisely this non-intention in May, pointing to Islam for guidance.²⁷ Additionally, Supreme Leader Khamenei issued a *fatwa* declaring nuclear weapons to be *haram*,

²⁶ Hooshang Amirahmadi, "In the Name of the Iranian People - Regime Change or Regime Reform?" *American Iranian Council*. March 22, 2006.

²⁷ "Iran will never attack any country: grand ayatollah," *Tehran Times*. May 1, 2010.

or forbidden, under Islam. However, because Shi'ism allows these fatwas to remain open to reinterpretation, more can be done on Iran's part to convince the international community that its regional aims are non-aggressive and that its nuclear program will stay within its civilian boundaries.

Beyond benign proclamations, Iran should take the concrete, trust-building step of resigning the Additional Protocol. Iran agreed to voluntarily implement the Additional Protocol under the terms of the 2004 Paris Agreement, only to suspend this voluntary implementation in 2006 after being referred to the Security Council. Essentially, this would turn IAEA inspectors from "accountants to detectives," with the ability to undertake spot inspections of nondeclared sites if they warrant suspicion. While this would not eliminate the possibility of secret nuclear weapons development, it makes pursuing such a program more costly and greatly increases the odds of being caught.²⁸ The offer of greater cooperation at the Bushehr nuclear reactor on the part of the Russians and other negotiating members could help incentivize Iran to compromise on the Additional Protocol.

The third step to moderate tensions is for Iran to rein in its military support to proxies like Hezbollah, Hamas and Islamic Jihad. Iran's primary motive in supporting these groups is to preoccupy and destabilize its enemy in order to avoid direct conflict.²⁹ Within the broader strategy of reducing tensions, if Iran is convinced that the US is not interested in regime change or using military facilities in Iraq to attack Iran, then it follows that Iran's primary motivation for funding asymmetric warfare will be lessened. The US can further nudge Iran toward this decision by continuing to work toward a lasting Middle East peace settlement, which would then

²⁸ Theodore Hirsch, "The IAEA Additional Protocol: What It Is and Why It Matters," *The Nonproliferation Review*. (Fall/Winter 2004): 143.

²⁹ Hooshang Amirahmadi (President of the American-Iranian Council) Interview by Kayvon Afshari, November 6, 2010.

lessen Iran's second proxy support motivation which is centered on standing up for the plight of the Palestinians.

With these conciliatory proclamations and intermediary concrete steps toward normal relations with the United States, the Islamic Republic of Iran also should keep in mind that its broader long-term interests are consistent with rapprochement as well. Even though Iran's rising regional influence as a nuclear capable state cannot be contained, it still has a deep incentive for striking a grand bargain. While its regional power relative to the US will not reach parity due to a vast military disparity, its power in absolute terms will be greater with normal relations than without. The US has built a wide, if tenuous, coalition that has left Iran diplomatically boxed-in. By most accounts, the recent sanctions regime is "biting," retarding Iran's economic growth.³⁰ As imports and exports are increasingly choked off with each round of sanctions, not only is the cost of doing business rising, but Iran's strategic calculus is moving toward a tipping point as well. Access to not only regional but also international capital and trade will become a higher priority than intransigence on the indigenous nuclear program.

Specifically, this scenario would open up Iran's vast oil and natural gas reserves to foreign oil companies and mutually beneficial business relationships, unlike the relationship with the Anglo-Iranian Oil Company (later British Petroleum), which Iranians saw as humiliating and neocolonial. Currently, Iran has vast fuel reserves and a limited refinery capacity.³¹ Companies like ExxonMobil and Royal Dutch Shell have that much-needed capacity to build refineries, market, ship and sell profitable fossil fuels.

³⁰ "Gates: Sanctions are Impacting Iran," CNN.com, November 8, 2010; "Iran's Rafsanjani chides Ahmadinejad over Sanctions," Reuters. September 14, 2010.

³¹ Iran Energy Data, Statistics, and Analysis. US Energy Information Administration. <http://www.eia.doe.gov/cabs/Iran/Oil.html> Accessed November 14, 2010.

Finally, compromise on the nuclear issue and normalization with the US are consistent with Iran's longer interests because both states would benefit from regional stability. Iraq has become an extremely unstable state and a battleground for a multitude of groups, including Iran and the US. As Iraq's government struggles to consolidate itself, there are competing pro-Iran and pro-US forces that are seemingly irreconcilable, resulting in the political stalemate. Rapprochement between Iran and the US would diminish this irreconcilability and help foster the political equilibrium that is Iraq's only sustainable solution to the instability.

Clearly, these confidence-building measures on Iran's part such as peaceful declarations and the reimplementation of the Additional Protocol, as well as curtailing support for anti-Iran groups and regime change on the part of the United States would do more than mitigate the nuclear issue. They would also benefit long-term interests of both states and help pave the way for rapprochement.

Conclusion

The biggest challenge to normalization for the Islamic Republic of Iran is ontological. The theocracy was born with deep anti-American, anti-Western feelings. Yet, Iran is a dynamic country with a young, urban, increasingly modern population, evidenced by the large postelection demonstrations and the Green Movement. There are also legitimate components of democracy within Iran's Islamic theocracy, along with elected officials and clerics who do not necessarily see Islamic governance and relations with the United States as mutually exclusive.

America's greatest challenge will be articulating and explaining this rapprochement to its key regional ally, Israel. The art of diplomacy will be to balance one country that has been closely allied for decades with another that had previously been an adversary. Yet Israel has

always pursued peace cautiously with its enemies. Israel stands to gain a great deal of security, its most pressing concern, if Iranian rapprochement is deftly achieved.

Still, Washington should not kid itself; successful diplomacy with Iran will be hard after thirty years of institutionalized hostilities. However, the Obama administration should also realize that time is not necessarily on its side. In fact, the US capability to strike a grand bargain on beneficial terms is greater today than it will be tomorrow or a year from now. As Iran's centrifuges continue to spin, the space for accommodation will continue to narrow. There could come a point in which Iran's mastery of enrichment, reprocessing, and weapons design becomes so entrenched and builds up its own constituencies so committed to an indigenous weapons capability, that negotiation on the nuclear issue will become effectively futile. The smartest strategy is nuclear normalization – to reduce tensions, cooperate on the civilian side of the nuclear fuel cycle with safeguards and work toward rapprochement.