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Reports

The Diplomatic Dilemma: What Does Trump Have up His Sleeves for Iran?

** Trita Parsi*





Trump Iran [Getty]

Donald Trump's non-existent foreign policy experience has succeeded in one aspect: It is very difficult to predict his next moves or assess his real objectives. Threats of war with North Korea, for instance, suddenly shifted to an over-eager desire for a hastily assembled summit and public photo-op. Similarly, after breaching the Iran nuclear deal, Trump took analysts by surprise and declared his willingness to sit down with Iran's leaders - without preconditions. But, is he sincere about diplomacy? And even if he is, does he have the capacity to pivot to engagement mindful of the opposition from his closest advisors, his regional allies and Iran's hardliners alike? And even if he gets to the negotiating table, is he willing to accept the cost of a compromise, mindful of the fact that no new deal can be struck unless the United States also makes concessions – just as it did in the 2015 Nuclear Deal. The answer appears to be no. The cards are stacked against diplomacy and rather than engagement, Trump is more likely to soon gravitate towards a much more confrontational and destructive policy.

Is Trump Sincere about Diplomacy?

It is difficult to assess the sincerity in Trump's offer of diplomacy. On the one hand, it has not been a one-time event. According to a member of Iranian President Hassan Rouhani's cabinet, Trump has made no less than eight requests to meet with Rouhani. (1) And unlike Trump's public offer of unconditional talks, these requests were made in private, suggesting a different

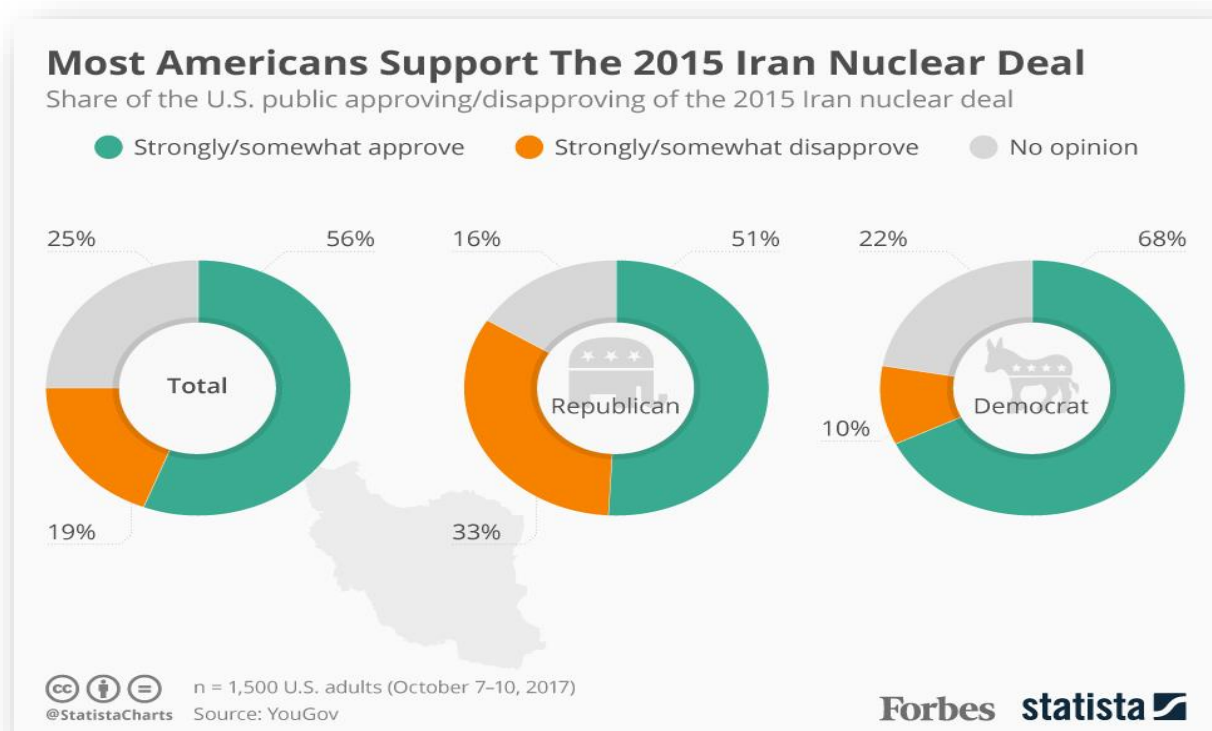
level of sincerity compared to Trump's public comments that can come across as publicity stunts. (2)

Moreover, the shuttle diplomacy of the Omani foreign minister between Washington and Tehran may suggest that Trump has decided to enlist the facilitation of Muscat. Such a move would also suggest a degree of sincerity on the part of Trump mindful of Oman's pivotal role in winning the release of American prisoners in Iran as well as providing a secret channel between Washington and Tehran that laid the groundwork for the 2015 nuclear deal. (3)

On the other hand, little of Trump's conduct and actions thus far suggest that his idea of diplomacy is anything but a facade to establish the terms of Iran's capitulation. Even before Trump breached the nuclear deal in May 2018, he was violating it by actively discouraging international companies from trading with or investing in Iran - trade and investment that had become legal as a result of the deal. He openly spoke about crushing the Iranian economy, threatening it will "suffer consequences the likes of which few throughout history have ever suffered before," while parroting Israeli and Saudi talking points that blames Iran for all of the ills and problems in the Middle East. (4)

Even when the ISIS terrorist organization attacked Tehran and killed dozens of innocent people, the Trump White House issued a statement blaming Iran for the attack while letting ISIS off the hook. "We underscore that states that sponsor terrorism risk falling victim to the evil they promote," the White House said. (5)

Moreover, while Trump prides himself in breaking all the norms and rules and not following the strategy of his predecessors, he is nevertheless relying on the idea that he can pressure Iran into capitulation. His assessment, which mimics that of Israeli Prime Minister Benjamin Netanyahu, reads that Obama's mistake was that he went to the negotiating table too soon. Had he let the sanctions remain in place just a few more months, the Iranian economy would have collapsed.



Most Americans support the 2015 Iran Deal [Statista]

But, this is a fundamental misread of what actually transpired at the time. While Barack Obama's sanctions regime caused Iran's GDP to contract more than 35% between 2012 and 2015, the Iranians had leverage of their own which they used to counter-pressure the United States with. Tehran doubled down on its nuclear program and aggressively moved ever closer to a nuclear weapon's option. Just as sanctions squeezed Tehran, more centrifuges squeezed Washington. By January 2013, President Obama realized that Iran was outpacing the US. The bite of sanctions was waning while Iran still had plenty of room to continue expanding its centrifuge program. If nothing else changed, the United States would soon only be faced with two options: Either accept Iran as a de-facto nuclear power or go to war. (6)

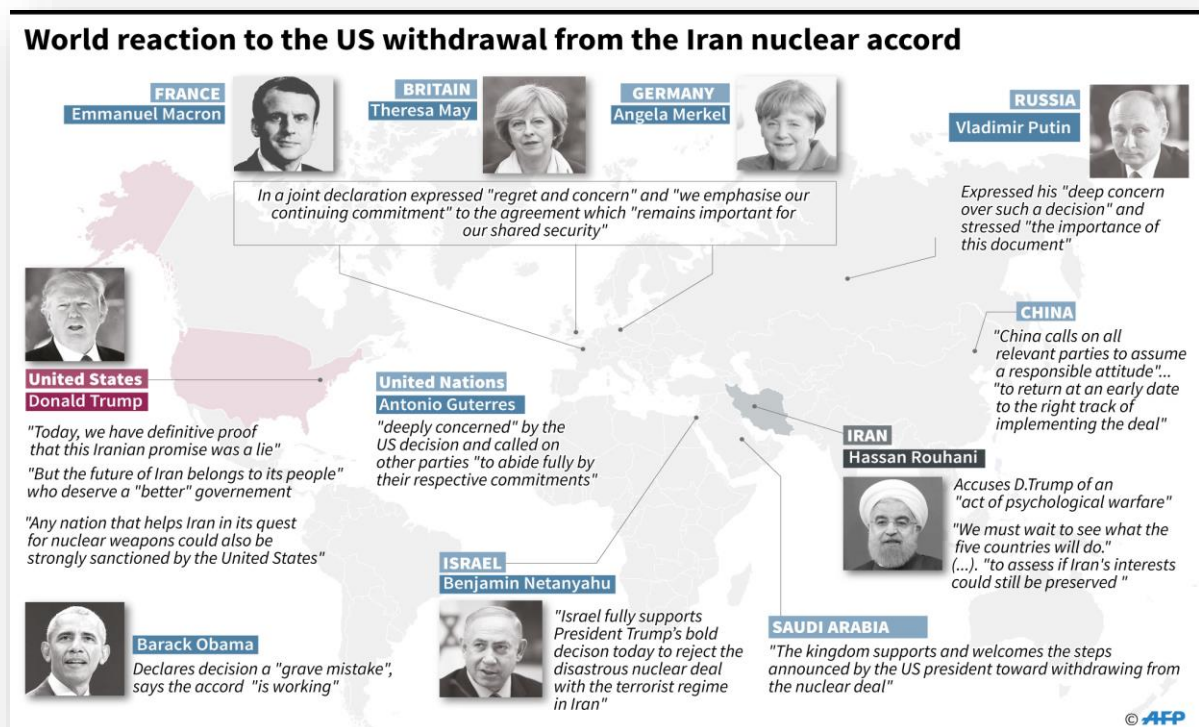
It was as a result of this - the failure of the sanctions strategy - that Obama changed his game plan and secretly made a major concession to Iran; that is, agreeing to Tehran retaining uranium enrichment on its own soil. It was this concession, and not the sanctions pressure, that broke the deadlock and elicited Iranian flexibility. Had Obama stuck to mere pressure, the US would likely have ended up in war with Iran.

Either Trump is blind to these lessons from the past, which is very plausible, or he is deliberately pursuing a policy that he knows is more likely to end in confrontation than Iranian capitulation.

Can Trump Pivot to Diplomacy?

Even if Trump genuinely seeks diplomacy and his belligerent strategy thus far has been colored by his inexperience and miscalculations, there are legitimate question marks about his capacity to make such a pivot to diplomacy. Compared North Korea, shifting to negotiations with Iran is likely a far heavier lift.

Iran is not North Korea geopolitically. America's allies and competitors in Asia all fear a US-North Korean war and actively support a diplomatic resolution to the crisis. This is hardly surprising mindful of the devastation a nuclear war would bring about. Indeed, much of the credit for Trump's pivot to diplomacy must be given to the South Korean President, whose maneuvering in the background made negotiations possible. (The Trump administration's narrative - which claims that Trump's sanctions escalation and threats of "fire and fury" forced Kim Jong Un to negotiate - is eerily reminiscent of the Obama administration's claims that "sanctions brought Iran to the table" while leaving out Obama's enrichment concession in the secret talks).



America's Middle East Allies Oppose Diplomacy

America's allies in the Middle East have no such appetite for diplomacy. On the contrary, Israel, Saudi Arabia and the United Arab Emirates have long opposed US-Iran negotiations and have on many occasions effectively put sticks in the wheel of diplomacy. And while their influence in Washington always has been impressive, it has arguably never been as high as it is now under the Trump administration.

Israeli Prime Minister Benjamin Netanyahu has publicly taken credit for convincing Trump to leave the Iran deal. (7) Trump has broken with all past American administration's by moving the US embassy from Tel Aviv to Jerusalem. He has further placated Netanyahu by giving up any pretense that the US is seeking a two-state solution to the Israeli-Palestinian conflict, and has even cut more than \$200 million in bilateral U.S. assistance to the Palestinian authority. (8) Trump has all but accepted and endorsed Israel's annexation of Palestinian land.

Saudi Arabia and the United Arab Emirates, in turn, have, for years, spent billions buying influence in Washington. (9) Yet, Trump's deference to the dictatorship in Riyadh is unprecedented. As veteran foreign policy hand Aaron David Miller put it on Twitter, "Never in 25 years through 5 Administrations have I seen a US president so blatantly sucking up to Saudi Arabia." (10)

Trump has sought to increase arms sales to Riyadh, has ramped up support for Saudi Arabia's devastating war in Yemen - which has caused the 'worst humanitarian crisis in the world' according to the EU - and exerted no serious pressure on Riyadh to cease its attacks on civilians. (11)

A telling example is the Trump administration's reaction to the Saudi attack that killed 40 Yemeni children in a school bus in August 2017. The bombs Saudi Arabia used - a precision-guided MK 84 - was provided by the United States. The sale of this specific munition had been banned by the Obama administration after it was used to target a Yemeni market that left 97 killed. But Trump overturned the ban. (12) When asked whether it was a US provided bomb that had killed the 40 Yemeni school boys, a White House official callously responded: "Well, what difference does that make?" (13)

Mindful of these countries' influence in Washington and the Trump administration's deference to them, their ability to sabotage any attempt by Trump to pivot to diplomacy with Iran should not be discounted. For all practical purposes, they may hold a veto on Trump's Iran policy.

Trump's Inner Circle Opposes Diplomacy

If Trump genuinely seeks diplomacy with Iran, he does not just have to worry about getting sabotaged by his Middle East allies. The "adults in the room", who sought to prevent Trump from leaving the nuclear deal, have been replaced by fervent opponents of any effort to talk to the rulers in Iran or to reach a compromise with them. These ideological hawks, such as National Security Adviser John Bolton and Secretary of State Mike Pompeo, or outside advisors such as uber-hawk Tom Cotton, have a long-track record of advocating confrontation with Iran.

Cotton, of course, was the rookie Senator who in authored the unprecedented letter in the midst of the Iran nuclear talks, telling the leaders of Iran not to trust the President of the United States. Mike Pompeo is the energetic Secretary of State who denies seeking regime change in Iran, but who regularly sends Iranians unmistakable messages over Twitter encouraging them to revolt against the theocracy in Tehran. Two US State Department officials admitted to Reuters that their policy is to foment unrest in Iran. (14) As congressman from the state of Kansas, Pompeo quipped that bombing Iran would only take 2,000 fighter jet attacks, which he said "is not an insurmountable task for the coalition forces." (15)

Bolton, in turn, is not only a regular feature at the Iranian terrorist organization the Mujahedin-e Khalq's flamboyant gatherings in Paris, he has for decades called for both regime change in Iran and for the country to be bombed. At the height of the nuclear negotiations, he penned an op-ed in the New York Times titled "To Stop an Iranian Bomb, Bomb Iran." (16)

These advisers will likely egg on Trump to escalate tensions further, sabotage any efforts to pivot to diplomacy while also taking escalatory steps aimed at locking in the policy and preemptively prevent Trump from shifting to talks.(17)

US SANCTIONS AGAINST IRAN

First phase

Starting August 7, Iran stands to lose the following business transactions because of the re-imposition of US sanctions.

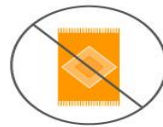


\$39.5 bn
230 AEROPLANES

\$20bn contract to sell **110 Boeing planes** to Iran Air and Aseman Airlines cancelled.

\$19bn contract to sell **100 Airbus planes** to Iran cancelled; **only 3 planes** delivered to Iran Air.

\$536 million contract to sell **20 ATR planes** to Iran Air cancelled; **13 planes** delivered as of August 5.



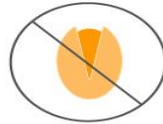
\$424 m

5,400 TONNES OF CARPETS EXPORTED

Fiscal year 2017

Iran's hand-woven carpet industry **controls 30 percent** of the **global market** and **employs an estimated 2 million Iranians**.

The **US** is the **biggest market** for Iranian carpets.



\$852 m

96,000 TONNES OF PISTACHIO EXPORT

March 2017 to December 2017

US and Iran are the **main competitors in pistachio production with 85 percent** of the annual world market.

China is the **biggest buyer** of Iranian pistachios in 2016.



\$1.37 m

557KG CAVIAR

First shipment of caviar to the US in **25 years**, **weighing 10kg** and **worth \$13,000**, took place after sanctions were lifted in 2016-2017.



64.5 tonnes

GOLD

Fiscal year 2017

Trading of gold and other precious metals with Iran is prohibited. In the past, gold was used as payment to buy Iranian oil to circumvent banking sanctions.



1.6 million

CARS SOLD IN IRAN

Fiscal year 2017

Iran was the **12th-biggest car market in 2017** and had **18 percent growth** in sales.

French company, PSA, maker of Peugeot, said it will stop its operation in Iran. PSA controls an estimated 34 percent of Iran's automotive market.



*Fiscal year 2017 (March 2017-March 2018)

Source: OPEC, Financial Tribune, Forbes, Bloomberg

@AJLabs ALJAZEERA



First phase of Iran Sanctions [Aljazeera]

Iran - unlike North Korea - Has Politics

It is not just Trump's advisors or his Middle East allies that constitute obstacles to diplomacy. Iran itself - and its fractured politics - is the graveyard of many diplomatic endeavors. Here lies another key difference with North Korea: While Iran is far from a liberal democracy, neither is it a one-man dictatorship. Compared to Kim Jong Un, Supreme Leader Ayatollah Ali Khamenei -- the most powerful man in Iran -- is far less supreme.

Kim Jong Un has the political maneuverability to dramatically shift policy from testing nuclear weapons to sitting down with the man who hurled insults at him -- without facing any domestic political consequences. No Iranian leader enjoys such luxuries.

Iran has a complex political system where power is dispersed and not controlled by any single person or institute. Iran's Supreme Leader cannot act alone without taking into account both

public and elite opinion. This makes any dramatic policy shift -- certainly one involving diplomacy with the United States -- extremely difficult.

Ayatollah Khamenei has already ruled out any talks with Trump under these circumstances, and even gone as far as admitting that he made a mistake agreeing to the nuclear negotiations with Obama in the first place. (18) President Hassan Rouhani has already paid a political price for having been so "naive" as to negotiate with the "untrustworthy" Americans. (19) Khamenei's verdict, in turn, has further eliminated any political space in Tehran to engage with Trump. If it was a mistake talking to Obama, no politician in Iran with promising prospects will be on the forefront of the "Let's talk to Trump" movement anytime soon. In fact, the revelation by Rouhani's advisor that Trump had sought talks with Iran was likely a calculated move to demonstrate Iran's hardliners that Rouhani has had numerous opportunities to engage with Trump but has consistently rejected them.

All of this paints a sobering picture: Even if Trump genuinely seeks engagement with Iran - which is still far from certain - he is nevertheless embarking on a path of escalation without having the exit ramps he had with North Korea. His ability to successfully pivot to diplomacy is very limited - regardless of how genuine his desire may be.

[Video] Foreign Minister Mohammad Javad Zarif on U.S.-Iran Relations
<https://www.youtube.com/watch?v=jrepB5lWX0Y>

What If Trump Gets His Way?

Still, the chances of Trump both being genuine and overcoming opposition to diplomacy from both his allies, his inner circle and hardliners in Tehran cannot be completely dismissed. Assuming this happens, what will be his goal with diplomacy?

If Trump is seeking Iran's complete capitulation, he will likely be in for a big surprise. Undoubtedly, the Iranian economy is hurting and unrest in Iran has weakened the government. But there are still no signs of panic inside the regime. On the contrary, their strategy appears to be to wait out the Trump presidency, calculating that he will be a one term president and that if the Democrats take over the House of Representatives in November, Trump will be significantly weakened during his last two years in office as he will be consumed by defending himself against investigations and potentially even impeachment

proceedings. Indeed, following the guilty plea of Trump's former lawyer Michael Cohen, the Trump administration may be on shakier ground than the regime in Iran. (20)

Moreover, while Iran has been weakened by the economic crisis, its regional position is arguably stronger today than it was in 2013. While Trump has leverage over Iran economically, Tehran has leverage over Washington in Syria, Iraq, Lebanon and arguably also in Yemen.

Trump may prove a mouse at the negotiations as well - his performance with Kim Jong Un has certainly not impressed - giving credence to the speculation that his only objective is to clinch a deal with his own name on it; the details be damned. In that sense, Tehran may be missing a valuable opportunity to strike a more favorable deal - one in which Trump, for instance, also would lift primary US sanctions on Iran. Obama's nuclear deal only lifted secondary sanctions (sanctions the U.S. imposed on other countries trading with Iran) without touching sanctions keeping American companies from entering the Iranian market. Lifting the primary sanctions would dramatically change Iran's ability to attract foreign investments and to use the international financial system.

Trump and Iran

US President Donald Trump's notable statements on Tehran this year

January 3, 2018
Twitter

"Such respect for the people of Iran as they try to take back their corrupt government. You'll see great support from the United States at the appropriate time!"

January 12
Statement on the 2015 nuclear deal

"...either fix the deal's disastrous flaws, or the United States will withdraw."

May 8
Statement

"The Iran deal is defective..."
"I am announcing today that the United States will withdraw from the Iran nuclear deal."

July 22
Rouhani statement

Iranian President Hassan Rouhani warns Trump not to "play with the lion's tail"

July 22
Twitter reply

"NEVER, EVER THREATEN THE UNITED STATES AGAIN OR YOU WILL SUFFER CONSEQUENCES THE LIKES OF WHICH FEW THROUGHOUT HISTORY HAVE EVER SUFFERED BEFORE."

July 30
Statement

"I would meet with Iran if they wanted to meet... No preconditions."



Trump and Iran [AFP]

The Military Imbalance between Iran and America's allies

On the other hand, if Trump tries to drive a hard bargain and achieve some of the objectives floated by his regional allies - such as stopping Iran's missile program and "rolling back" Iran's regional influence - he will find it easier said than done. As long as the United States sells billions of dollars worth of advanced weaponry to Saudi Arabia, Israel and the U.A.E., Tehran is not likely to accept any curbs to its missile defense. Particularly mindful of the fact that both Riyadh and Abu Dhabi already outspend Iran on weaponry by a factor of five and two, respectively, despite having far smaller populations. (21)

In many ways, the military gap between Iran and its regional rivals grew as a result of the nuclear deal. By restricting its nuclear program, Tehran cut back its defense capabilities. But, the Saudis and the Emiratis did not reciprocate. Instead, they expanded their arms spending, intensifying Iran's sense of vulnerability. For Trump to expect that he can exacerbate this

imbalance further by selling more arms to Riyadh and Abu Dhabi while Iran curbs its missile program is pure fantasy.

Nor should he expect any progress in rolling back Iran's influence in Syria, Iraq and the Levant while Washington continues to help Saudi Arabia starve the people of Yemen, turns a blind eye to the Saudi Crown Prince kidnapping the Lebanese Prime Minister and Saudi Arabia's financing the spread of extreme Salafism (the ideology of al Qaeda and ISIS). If Trump wants a smaller Iranian missile program, he has to be ready to sell less arms to the Saudis and Emiratis, be less deferential to the Israelis and stop blaming all of the region's problems on Iran.

Since arms sales to the Persian Gulf monarchies are too lucrative and since deference to Israel is too politically profitable, there are likely no plausible deals that Trump will find attractive (unless he is indifferent to the substance of the deal). As a result, the most likely scenario is that even if Trump is genuine about diplomacy and even if he overcomes domestic and foreign obstacles to a deal, he won't succeed in clinching a deal since what the Iranians will be asking of Trump is too costly for him to give up.

If No Deal, Then What?

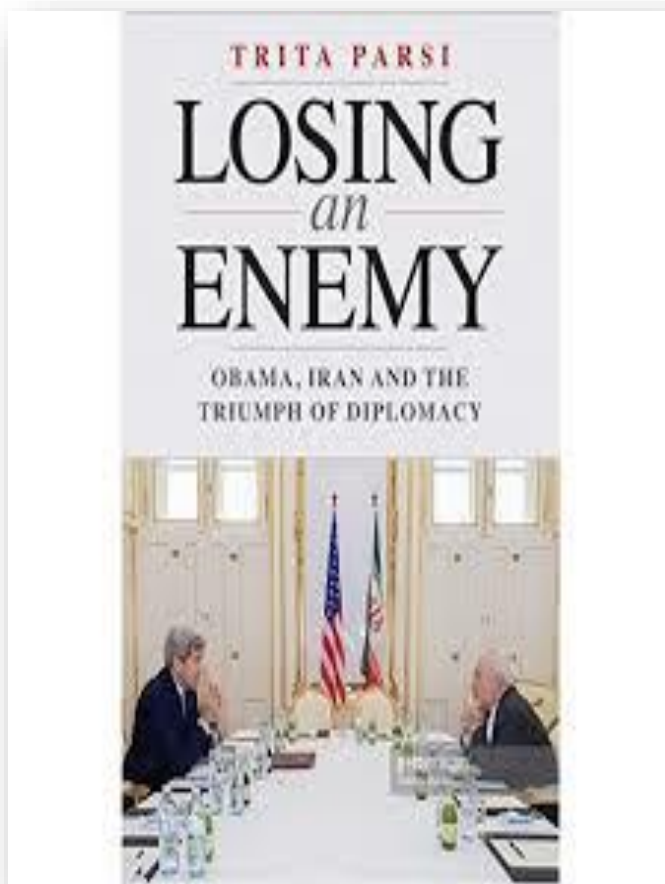
When all factors are considered, diplomacy with Iran under Trump appears unlikely, and a new nuclear deal even more implausible. At the same time, to the extent Trump remains in control over the policy, he will likely steer it away from outright confrontation with Iran or regime change because of the costs associated with these policies. Despite Trump's chest thumping, he does not seem to have the appetite for a major war in the Middle East. But, with unrelenting pressure from Saudi Arabia and Israel to reverse Iran's rise in power and reestablish a balance in the region more favorable to America's regional allies, an option Trump gravitate towards is a policy of regime collapse.

Under this policy, the United States will foment unrest in Iran, destabilize it and seek the collapse of its regime. But unlike a regime change policy, the US will not take responsibility to set up a new regime in Tehran - and will also avoid the costs of such a policy, including the cost of occupying Iran.

A destabilized and chaotic Iran would force the country to consume its resources internally and prevent it from projecting power in the region. This would reverse Iran's rise and shift the balance of power in favor of Israel, Saudi Arabia and the UAE - at a fraction of the cost associated with war or regime change.

An audit of the Middle East over the past two decades show that Iraq, Libya and Syria have - as a result of wars and instability - been removed from the region's geopolitical chessboard as important players. Today, they fundamentally lack the ability to pose a deliberate and significant challenge to any of their past rivals. Regime collapse in Iran would make Iran equally impotent, this argument goes.

Instability in Iran will of course not be contained to just Iran. If this analysis proves correct, Trump's policy will destabilize the Middle East and beyond, spark new refugee flows, and set back the prospects of democracy in Iran with at least one generation - despite his offer of talks.



Parsi's book

About the Author



Trita Parsi

Author of "[Losing an Enemy - Obama, Iran and the Triumph of Diplomacy](#)" and former President of the National Iranian American Council.

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