

COUNCIL *on* FOREIGN RELATIONS

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“Sanctions: Strategy, Implementation and Enforcement”

As diplomacy reclaims its place in the Iran’s nuclear drama, little attention is being paid to a series of contradictions that are likely to complicate Tehran’s path to a settlement. The objectives of the United States are seamless and obvious: a series of confidence-building measures yielding a durable arms control agreement. Ali Khamenei’s path, however, is beset by a litany of incongruities. For long, Iran’s Supreme Leader perceived that he could advance his nuclear program at a tolerable cost to his economy. Today, he stands at crossroads of conflicting ambitions. On the one hand, Khamenei needs America as an enemy and a robust nuclear infrastructure to legitimize his rule. Yet, such convenient enmities only further erode his economy and potentially threaten his hold on power. The fate of Washington’s latest diplomatic gambit rests on Khamenei’s willingness to untangle these contradictions.

Useful Adversary

More than thirty years after Ayatollah Khomeini came to power—and two decades after his passing—the Islamic Republic remains an outlier in international relations. Unlike other non-Western, revolutionary regimes that, over time, eschewed a rigidly ideological approach to foreign policy and accepted the fundamental legitimacy of the international system, Iran’s leaders today remain largely committed to upholding Khomeini’s worldview. The founder of the revolution’s international vision had to have an antagonist, a foil to define itself against. A

caricatured concept of the West soon became the central pillar of his Islamist imagination. The Western powers were rapacious imperialists determined to exploit Iran's wealth for their self-aggrandizement. The Islamic themes were not far behind, as the West was also seeking to subjugate Muslims and impose its cultural template in the name of modernity. In a sense, for Khomeini the Shah was a mere tool of a larger Western conspiracy to plunder and abuse the Muslim world. One of the principal purposes of the Islamic Revolution was to expose the manner in which the West sustained its exploitive presence through local proxies. Disunity among Muslims, the autocracies populating the region, the failure of the clerical class to assume the mantle of the opposition, and the young people's attraction to alien ideologies were all somehow byproducts of a Western plot to sustain its dominance over Islam's realm.

The resilience of Iran's Islamist ideology as a guide for successive generations of policymakers is striking. One cannot argue that the present-day foreign policy of China is being structured according to Mao's thought, nor is Ho Chi Minh the guiding light behind Vietnam's efforts to integrate into a larger Asian community of nations. Iran's leadership, however, continues to implement policies derived, in part, from Khomeini's ideological vision—even when such policies are detrimental to other stated national interests of the country; even when such policies are rejected by a sizeable portion of the ruling elite.

As a recalcitrant revolutionary, Khamenei has long pursued a confrontational foreign policy as a means of reinforcing his regime's ideological identity. What Western observers often miss about the Islamic Republic is that its leaders may rationally adopt self-defeating policies abroad in order to buttress a certain ideological character at home. The theocratic state needs an American enemy and some degree of estrangement from the international community as a means of sanctioning its hegemony of power. Enemies lurking abroad, hatching imaginary plots makes it easier for Khamenei to justify his revolutionary verities. In contemplating his moves, Khamenei has to calibrate how transacting an agreement with nefarious Westerners impacts his need for useful enemies.

In many ways, China's experience encapsulates the paradigm of the life cycle of a non-Western revolutionary state. Initially, the new regime rejects the existing state system and norms of international behavior, especially respect for sovereignty. Foreign policy decision-making dominated by ideological considerations, even if there are concessions made to pragmatic concerns. But, over time, a clear trajectory is observed. As the next generation of leaders comes to power, the ideology is modified and later abandoned outright in favor of becoming a "normal" country, usually to promote the economic development and modernization of the country.

This continues to puzzle Western policymakers—why Iran has not yet become a post-revolutionary country. What makes this case more peculiar is that by the late 1990s, Iran did

appear to be following the footsteps of states like China and Vietnam, at least in terms of its foreign policy. Yet this evolution was deliberately halted and then more fundamentally reversed by the election of Mahmoud Ahmadinejad in 2005. Paradoxically today, it is the younger generation of Iranian leaders who have rejected the more pragmatic, non-revolutionary approach of their elders—such as Rafsanjani and Khatami—in favor of reclaiming the legacy of Khomeini in foreign affairs; a commitment, rooted in austere Islamist vision, to overturning the regional order and to find ways to challenge the existing international system.

In the end, the Islamic Republic has managed to maintain its revolutionary identity in face of counter-veiling pressures, elite defection, and mass disaffection. The institutional juggernaut of the revolution, an elite molded in Khomeini's image or mere domestic politics that press factions in a manner that ill-serves a country's interests are all valid. However, Iran's foreign policy has also played a crucial role in sustaining its domestic ideological identity. A narrow segment of conservative clerical elite, in command of key institutions of the state, have sought to fashion a foreign policy that would maintain the ideological character of the regime. As such, preoccupation with external determinants—changing balance of power in the region, the rise and fall of superpowers—misses a key ingredient about how the Islamic Republic thinks of itself and its role in the Middle East.

Nuclear Empowerment

The primary supporters and drivers of the nuclear program within the Iranian government are hardline elements associated with the Supreme Leader Ali Khamenei. Through command of key institutions, such as the Revolutionary Guards and the Guardian Council, Iran's reactionary elite have enormous influence on national security planning. A fundamental tenet of the hard-liners' ideology is that the Islamic Republic is in constant danger from predatory external forces, necessitating military self-reliance. This perception was initially molded by a revolution that sought not just to defy international norms but to refashion them. The passage of time and the failure of that mission have not necessarily diminished the hard-liners' suspicions of the international order and its primary guardian, the United States.

At the core, all disarmament agreements call upon a state to forgo a certain degree of sovereignty in exchange for enhanced security. Once a state renounces its weapons of mass destruction program it can be assured of support from the international community should it be threatened by another state possessing such arms. This implied trade-off has no value for Iran's hardliners. Iran's prolonged war with Iraq has done much to condition their worldview and behavior. Iraq's use of chemical weapons against Iran has reinforced Iran's suspicions of

international order. For many within the Islamic Republic's reactionary leaders, the only way to safeguard Iran's interests is to develop an independent nuclear deterrent.

The ultimate arbiter of Iranian politics and the person responsible for setting the national course remains Khamenei. Thus, far Khamenei has found much to recommend in the hard-liners' perception. Khamenei has echoed the claims of the militants in stressing that any setback will encourage the enemy to become more assertive. A Supreme Leader who has survived myriad of internal and external challenges, he seems at ease with the hardliners nuclear advocacy. Thus far, the Supreme Leader has opted for a more judicious and incremental approach to nuclear empowerment. It is a strategy that has served him well, as Iran has succeeded in expanding its nuclear infrastructure and has transgressed a series of Western red-lines. The price for such advances has been increasing economic penalties and a degree of international isolation. It is a price that is increasingly difficult to bear.

Beyond issues of security and power projection, there are two other factors that may impact the direction of the nuclear program—bureaucratic politics and nationalism. Whatever strategic benefits such weapons offer a state, they are certainly a source of parochial benefits to various bureaucracies and politicians. As such constituencies emerge, a state can cross the nuclear threshold even if the initial strategic factors that provoked the program are no longer salient. The emergence of bureaucracies, particularly the scientific community and military, in Iran is generating its own proliferation momentum, empowering those who seek a nuclear breakout. As time passes, the pragmatic voices within the Iranian leadership calling for hedging or moderation are likely to be marginalized and lose their influence within the regime.

The maturing of the nuclear program has generated patriotic fever, and the regime has certainly done its share to promote the importance of the atomic industry as a pathway to scientific achievement and national greatness. From issuing commemorative stamps to celebrate enrichment, the clerical regime believes that a national commitment to the cause of nuclear self-sufficiency can once more revive its political fortunes. The problem with this approach is that, once such a nationalistic narrative is created, it will be difficult for the government to offer any concessions without provoking a popular backlash. After years of proclaiming that this is the most important issue confronting Iran since the nationalization of the oil industry in 1951, the government will find that meekly suspending the program will challenge the legitimacy of the state. The Islamic Republic's deliberate strategy of marrying Iran's national identity to the cause of nuclear aggrandizement makes the task of diplomacy even more daunting.

In the end, nuclear empowerment has emerged as a core element of the Islamic Republic's strategic conception. As evident, Iran's quest for nuclear capability is not predicated on illogical or irrational assumptions. An enhanced nuclear capacity gives Iran the ability to

assume a more domineering role in a region beset by unpredictable transitions. Moreover, the history of proliferation suggests that nuclear-weapon states ordinarily receive more favorable treatment from the international community in terms of resumed diplomatic and commercial relations. The argument that a nuclear-armed nation is too dangerous to remain isolated and must be reintegrated into the global system has proved compelling over time. Given such advantages, it should not be surprising that Khamenei is averse to arresting Iran's nuclear trajectory through enduring concessions.

The Path ahead

Despite its frequent professions of autonomy and self-sufficiency, Iran is profoundly dependent on global economic structures. After all, Iran subsists on revenues derived from an export commodity whose price and means of transport are determined by actors beyond its control. For Iran to successfully sell its oil, it requires access to global financial institutions, tankers that are ensured by European firms and customers that have alternative suppliers. Can a state really reject global norms and yet benefit from the prevailing mechanisms of international trade? And here lies Khamenei's dilemma, as his revolutionary foreign policy and his quest for nuclear arms are increasingly clashing with the vulnerabilities of his state.


Ali Khamenei today faces a choice he rather not makes. The Supreme Leader would much prefer to persist with brandishing his anti-American shibboleths, incrementally expanding his nuclear apparatus and somehow managing Iran's anemic economy. In an ironic manner what may allow him to defer fundamental decisions is protracted diplomacy. A multi-staged diplomatic process plays well into his inclination to simply muddle through, as he can trade some modest compromises for a measure of sanctions relief. In such a format he can protect the essential aspects of the nuclear program while providing his regime some breathing room. Despite the limitations of the diplomatic process, there is still much that the West can do to press Khamenei toward coming to terms with his contradictions. After decades of sanctions and pressure, the international community is finally placing Khamenei in a position where he can no longer have both his enmities and his economy. The United States and its allies would be wise to stress that sanctions would not be lifted until there is a fundamentally different Iranian approach to the issue of proliferation. As such, the European boycott of Iranian oil scheduled to take place in July and the American sanctioning of Iran's Central Bank should be implemented irrespective of the offers that Iran is sure to dangle between now and then. It is entirely possible that the Supreme Leader will opt to preside over a country with an empowered nuclear program and a permanently degraded economy. Still, the objective of allied diplomacy should be to compel

Khamenei to make a choice and deprive him of his uncanny ability to continuously square his many circles.

United States House of Representatives
Committee on Foreign Affairs

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