As the West’s nuclear dispute with Iran continues to dominate world headlines, it is easy to forget that Iran’s relations with the world are multifaceted and complex. Within its region, Iran’s policies are shaped by instabilities in neighbouring countries and the Middle East in general, questions of Persian Gulf security, the Israeli–Palestinian conflict and various contests for power and resources. Iran’s relations with Europe, as well as with Russia, China, India and other actors in Asia, Africa and Latin America, have long been shaped by economic interests on the one hand and, particularly in the case of Europe, political differences on the other, in addition to the growing influence of the nuclear conflict. Iran’s bilateral relations with the United States are themselves far more intricate than they sometimes appear. While the nuclear conflict has become central here too, there are a host of bilateral issues that have also shaped this particular relationship. These include historical events such as the US-backed coup against Iranian Prime Minister Mohammad Mossadegh in 1953 or the 1979–81 hostage crisis; disputes over frozen Iranian assets; Iran’s dealing with organisations that Washington deems terrorist; Tehran’s denial of Israel’s right to exist; and, more recently and increasingly, a serious geopolitical competition for predominance in the Middle East.

In addition, there is a certain fixation among policymakers on both sides with the other: Iran’s foreign policy may indeed, as Mohsen Milani has aptly
put it, be ‘as U.S.-centric’ today as it was under the Shah.¹ The question of whether and how an Iranian president can manage to open political routes to Washington may eventually be more important for his domestic legitimacy than the number of centrifuges spinning in Iranian nuclear facilities. And the fact that former US President George W. Bush named Iran as ‘one of the two greatest threats’ to the United States may well have pleased the Iranian president.² Iranian policymakers often tend to see the United States as the only counterpart worth dealing with on equal terms.³

Commentators trying to find a single doctrine or underlying driver to explain Iran’s regional and international policies, as well as its nuclear programme, have traded various possibilities, including Persian imperialism, the export of the revolution, or the religious zeal of Iran’s ruling elite. None of these explanations are convincing. Rather, Iran’s regional, international and even nuclear policies are driven by a combination of ambition and fear.

A regional power in an unsafe region

Iran clearly sees itself as a regional great power, and Iranian officials have indicated more than once that Iran expects the world to recognise it as such.⁴ Tehran therefore does not see any reason why it should not have the same right as the United States, the European Union (EU), Saudi Arabia or Egypt to make its influence felt in such places as Lebanon, Palestine, Iraq and Afghanistan. Iran’s regional position has certainly been strengthened since the overthrow of the Taliban and the fall of Saddam Hussein in 2001 and 2003 respectively, and its geopolitical reach into the Levant was clearly demonstrated, though not for the first time, during the summer 2006 war between Israel and Lebanon’s Hizbullah. Iranian influence in the Gaza Strip has become much stronger since other international and regional actors have refused to engage with the de facto Hamas government there, and Iran’s political influence in Lebanon is accepted, though not welcomed, by the Arab states. Moreover, Iran’s president, Mahmoud Ahmadinejad, was admitted, if more or less at his own invitation, as a guest at the 2007 summit meeting in Qatar of the Gulf Cooperation Council, the regional grouping of the monarchies on the Arabian Peninsula. The United States itself recognises
the importance of Iran, not least for its potential influence over developments in Iraq and Afghanistan.\(^5\)

At the same time, Iran has had plenty of reasons to feel more strategically uncomfortable in recent years, given that since 2003 it has been virtually surrounded by the United States. An Iranian policymaker studying a map of the region could not help but notice that US combat troops are stationed in Iraq and Afghanistan; the US fleet is ploughing the waters of the Gulf; Turkey is a NATO member; the US military is supporting non-NATO ally Pakistan; and even Azerbaijan is engaged in military cooperation with the United States, as well as with Israel. In addition, Iran finds itself between two nuclear-armed states, Pakistan and Israel (India’s nuclear arms do not raise concern in Iran), of which the former is a direct neighbour and fragile state with strong Sunni fundamentalist currents that sometimes give rise to anti-Shi’ite violence, and the latter an enemy. Iran has no regional allies except for Syria, which is a long-standing partner, but which could easily change allegiances as other options emerged.\(^6\)

Iran’s current geostrategic position does little to mitigate the deeply ingrained fear among Iran’s elites that the country’s sovereignty may be encroached upon from abroad. The conviction that Iran has always been targeted by outsiders and been wrongly treated by other powers over the centuries is widely shared, as far as this can be gauged, by a major part of the general population.\(^7\)

There is, of course, some historical justification for this belief: Iran has been invaded or subjected to semi-colonial control by, among others, the Arabs, the Mongols, the United Kingdom and Russia. The US-supported coup in 1953 replaced a popular prime minister with an unpopular Shah, and the United States, along with many other countries, including most of the Arab states, supported Iraq in the eight-year Iran–Iraq War. The feeling of constant victimisation that has resulted from such episodes helps to strengthen the belief that Iran has to defend its independence at all costs, that it must not bow to the will of foreigners, and that it has to resist the oppressive forces in the world.\(^8\)

**Pragmatism and ideology**

While it is tempting to conclude from Iran’s relations with the world that there are two types of policymakers in Tehran, those with little trust towards
the outside world, particularly the West, and those with no trust at all, there is actually wide-ranging agreement among analysts who have studied Iran that the country has to be seen as a rational actor whose elites take decisions by weighing risks and opportunities. The problem is that Iran is both a rational and an opportunistic actor; that is, it uses and exploits opportunities in its regional and international environment with little regard for the security perception of others or for the need to build trust in the medium to long term. This results in an Iranian diplomacy that tends to be geared toward short-term gains and which unnerves Tehran’s counterparts with constant tactical manoeuvring.

Thus, Iran tends to be remarkably pragmatic in dealing with its direct neighbours, as well as with important international partners such as the states of Central Asia and the Arabian peninsula, Iraq, Afghanistan, Pakistan, Russia or China, while adopting an ideological and highly competitive posture where this is judged affordable – not least with regard to Israel and the United States. Note, for example, that Iran has not given any support to anti-regime movements in the states of Central Asia, Russia’s Caucasus republics, or among China’s Muslim minorities. Iranian policymakers and pundits have repeatedly stressed that Iran’s national interest demands stability on its borders, good relations with neighbouring states, and, in fragmented societies such as Iraq, good relations with all constituent groups, not just the Shia majority. Transborder threats to stability such as drug trafficking from Afghanistan are of particular concern and certainly leave no place for ideology.

Indeed, in certain areas it is acknowledged even among Iranian policymakers that Iran has overlapping interests with the United States and NATO. Both sides have been supporting the same government in Iraq and do not want to see the country become a failed state; nor does either wish to see the return of the Taliban in Afghanistan or the ‘Talibanisation’ of Pakistan; and both have an interest in strengthening drug enforcement along the Afghan–Iranian border. Pragmatic cooperation on these issues has sometimes been called for by Tehran, as when it asked for night-vision...
equipment (provided by the United Kingdom in 2003) to better control the border with Afghanistan, and it is notable that Iran pledged more than $300 million for Pakistan at the Tokyo Donors Conference in April 2009.

At the same time, Iran’s leaders do not want these states to become clients of the United States, which is why, for example, Iran has become the most important external actor in Iraq after the United States (if not the most important actor). As long as the presence of US forces in Iraq seemed open-ended, Iran wanted US troops kept busy, rather than risking that the United States would use Iraq as a base for the containment of, or military action against, Iran. This gave a certain short-term rationale for Iranian support of Iraqi militants, such as Moqtada al-Sadr and his Mahdi Army, which was able to keep some heat on American troops, even if that undermined the stability of Iraq and made life more difficult for the Iranian-supported government. The November 2008 US–Iraq Status of Forces Agreement alleviated Iranian threat perceptions in this regard, not just because it set 31 December 2011 as an end-date for the American troop presence but also because it stated that Iraqi land, sea or air would not be used to launch attacks on other countries. Iranian support for armed groups within Iraq has decreased since the agreement was signed; indeed, it is quite unlikely that the agreement would have been accepted in the first place had it not enjoyed Tehran’s tacit acceptance. Washington will maintain a strong position in Iraq even after the bulk of US forces have left, but will hardly be able to match Iran’s political outreach and transnational ties.

The nuclear issue

Although it is clear that the Iranian–American struggle for influence over the broader Middle East has been shaped by various issues, these have been overshadowed by the nuclear conflict, which is now widely seen as the dominant problem in Iran–US relations. Yet even here, Iranian policy is less ideologically driven than it may at first appear. On 1 October 2009, Iran participated in a meeting with representatives of the so-called ‘P5+1’ (the United States, United Kingdom, Russia, China, France and Germany) in Geneva, at which an agreement was drafted under which a new Iranian nuclear facility would be opened to inspection and a major portion of the
country’s low-enriched uranium (LEU) exported to Russia and France for processing into higher-enriched fuel rods for the American-built research reactor in Tehran. Even before this meeting took place, Ahmadinejad demonstrated a willingness to engage with the international community, including the United States, over the nuclear issue. For example, even though Iranian officials had repeatedly stated that they would not accept any deadlines for talks on Iran’s nuclear programme, they still submitted a proposal just in time for the meeting of the P5+1 in September, which in turn made the October meeting possible. Iranian policymakers had also previously stated that they would discuss their nuclear file only with International Atomic Energy Agency (IAEA) and not the P5+1, but still submitted their proposal to the representatives of the six countries.

The draft agreement, which the international community and Iran seemed very close to signing after the Geneva meeting, was certainly the most creative proposal in many years.\textsuperscript{13} If implemented, the agreement would not have ended the nuclear conflict outright, but could have become a game changer. For the first time since the Paris agreement of November 2004, under which Iran had agreed to a voluntary suspension of enrichment activities while further negotiations took place, there was a chance to rebuild some trust over the nuclear issue. Any transfer of Iranian LEU to Russia for processing would have reduced Iranian stockpiles of a material which, at least in theory, could be further enriched to bomb grade. Perhaps more importantly, the agreement would have inaugurated a form of multilateralisation of the fuel cycle that European policymakers and the IAEA have repeatedly proposed and which Iran has never explicitly rejected. Moreover, such an agreement would have allowed Iran to claim that the international community had finally, at least implicitly, accepted its successful enrichment activities as a legitimate part of a peaceful nuclear programme.

There was little doubt that Ahmadinejad wanted a deal, as this would have been politically advantageous for him. Not only could he have claimed a victory where his predecessors had failed, his success would have prevented further isolation of his country. Ahmadinejad and his gov-
government needed to prove that they could steer Iran successfully through the troubled waters of regional and international politics. Ever since the disputed presidential elections of June 2009 and the subsequent violent crackdown on demonstrators protesting the election results, the regime has had a legitimacy problem. Regardless of the ‘real’ results of the election, which will probably never be known, a regime that still defined itself as revolutionary and populist had apparently lost control over the streets and public discourse, only regaining it by force. The resulting loss of legitimacy will not be reversed simply by adopting expensive populist economic policies at home, denouncing enemies abroad, or silencing voices of dissent.

Moreover, Ahmadinejad and Supreme Leader Ayatollah Sayyid Ali Khamenei need some success on the political front to heal the cracks that have opened among what could be called Iran’s ‘politically relevant elite’. Until recently, and despite various policy differences that have emerged over both domestic- and foreign-policy issues, this elite has been able to maintain a general consensus on strategic issues for most of the 30 years since the Islamic Revolution. In fact, Iran’s apparent difficulty in taking any strategic decisions, particularly with regard to its external relations, has often been explained by the need to reach a domestic consensus, and by the simple fact that it is often easier for Iranian leaders to do nothing (as in response to international proposals for a solution of the nuclear issue, for instance) than to do something without having obtained this consensus. For the first time since Khamenei became supreme leader in 1989, however, an important part of this elite was now excluded from policy discussions. And despite some efforts to again co-opt centrists, such as former president and current chairman of the Assembly of Experts Akbar Hashemi Rafsanjani, into the elite’s consensus, the political space in which such consensus is sought has become narrower than it once was. The relative influence of certain factions within the elite has also shifted: the traditional clergy has been losing ground, the Revolutionary Guard Corps has been gaining influence (even though it is by no means socially or politically united), and the New Right, the ideological trend represented by Ahmadinejad, has gained more weight in an altogether smaller group.
After Geneva

The aftermath of the attempted ‘LEU-for-fuel-rods’ deal suggests that decision-making has not become easier in Tehran. At the time of writing in April 2010, the intended agreement appeared dead. Iranian officials have pointed to what they see as Western mistakes in publicly discussing the deal, particularly what some have called deficiencies in the technical aspects of the draft that was presented by the IAEA. But they do not dispute, at least in private discussions, that the agreement also foundered in Tehran: that it was effectively killed by certain elites that wanted to deny Ahmadinejad this, or any, major success. In particular, Mir Hossein Mousavi, the defeated presidential candidate and leader of the opposition Green Movement, denounced the draft agreement as giving up national interests and assets, while Ali Larijani, the speaker of the Iranian parliament, suggested (and probably whispered into Khamenei’s ears) that Russia and France could not be trusted, and might simply hold back Iranian uranium once they had laid their hands on it. This was apparently enough to arouse the general scepticism of the supreme leader, and to prevent the deal from being implemented. Ahmadinejad and his aides continued, however, to speak of the possibility of reaching an understanding on the basis of the Geneva draft, though this would be altered in ways that would take the wind out of the argumentative sails of his domestic opponents: for instance, by stipulating that Iranian LEU would be stored in Iran and only directly exchanged for fuel rods, rather than sent overseas to itself be turned into fuel.

The Geneva episode is more than an important chapter in the years-long attempt to reach a diplomatic solution to the nuclear conflict. It may also help to establish whether, and under what conditions, Tehran is actually prepared for serious negotiations and a settlement that takes international concerns into consideration. Two plausible but contradictory theories have been used since the 2009 elections to predict how the domestic situation will influence Iran’s external behaviour. The first theory holds that, given his legitimacy problems at home, Ahmadinejad and his team may seek external confrontation in order to create a rally-round-the-flag effect. The second theory, which also invokes Ahmadinejad’s legitimacy problems at home, assumes that the only way for the regime to regain support, particularly
among the younger generation and the professional classes, is to seek an opening to the West and to solve the problems with the international community that have driven the country into isolation. Judging from Iran’s foreign-policy behaviour over the last couple of years, the second theory seems to better capture the calculations of the regime, which has not, as a rule, sought external confrontation, even though it certainly has tried to exploit it when confronted from abroad. Ahmadinejad’s attempt to reach a deal in Geneva seems to give additional currency to this theory. What should probably be added, however, is that the president is enough of an opportunist to switch course, or at least adapt his policies, if he would otherwise lose the ongoing intra-elite battle. Consider his well-publicised ‘order’ to Iran’s scientists to enrich uranium to 20%, and his recent move to declare Iran – not for the first time – a ‘nuclear state’.  

Even with a good theory, political developments in Iran cannot be predicted with certainty. (It may be realistic, however, to assume that any scenarios involving Iran in the next year or two will still be scenarios for the Islamic Republic: in other words, it is unlikely that the current political system will be replaced in the near future.) Of course, changes within Iran are to be expected. The depth and direction of these changes will depend on a variety of factors originating both within the country and its external environment. Two drivers, more than any others, will determine Iran’s political development in this time period: ‘regime strength’, which is largely a function of regime legitimacy, cohesion, and the availability of material resources; and ‘external conflict’ – mainly, but not exclusively, the nuclear dispute. If we imagine that these two variables have been plotted on a graph, with ‘regime strength’ forms the horizontal axis ranging over a continuum from regime consolidation to regime fragmentation, and ‘external conflict’ the vertical axis, reaching from punitive measures or even military action at one extreme to a nuclear agreement and a rapprochement between Iran and the United States at the other, four scenarios can be envisaged. None of these is extreme in that it predicts all-out war between Israel or the United States and Iran: given that Israel most probably cannot and will not embark on
such a war without the consent and support of the United States, and that Washington presently sees many more dangers than benefits in a military option, we can probably exclude this wild card for the rather short time-frame here envisaged.\textsuperscript{19}

All four scenarios assume that Iranian domestic policies play a major role in determining the country’s relations with the outside world, something that is as true today, in the aftermath of the disputed presidential elections of 2009, as it was before. Furthermore, in keeping with the analysis presented above, Iranian policymakers are assumed to be both rational and opportunistic in pursuing what they regard as the country’s national interest, including, centrally, the integrity of the regime. The United States is not the only external actor that can influence developments in Iran; but the US-fixation of the Iranian political elite makes relations with the United States, and the content of US policies, a much more important factor for Iranian calculations than the behaviour or policies of regional parties, including Israel, or of the EU, Russia or China. Finally, while the regime has developed significant skills of self-preservation, structural deficiencies within its decision-making apparatus may well increase under strain. Against this background, the first scenario envisages Iran’s increasing international isolation, but success in closing ranks domestically. The second

\textit{Figure 1. Comparison of Short-term Iran Scenarios}
scenario assumes that the regime fails to manage both the external crisis and escalating domestic tensions. Based on these conditions, the third scenario presumes an escalating power conflict within the ruling elite. Only the fourth scenario assumes that some form of détente could come about both externally and domestically.

_Circling the wagons_

Under the first scenario, by early summer 2010 it has become clear that a deal based on the Geneva proposals will not come to pass. Washington rejects further Iranian proposals, while China finally agrees to a new, relatively mild sanctions resolution at the UN Security Council, mainly affecting economic relations with Iranian companies directly involved in the construction of nuclear sites in Iran. The United States and the EU publicly announce that they will further reduce trade and financial interactions with Iran; Russia, meanwhile, silently withholds arms shipments. China declares that all diplomatic options need to be tried before another round of sanctions that would go beyond the immediate ‘proliferation problem’ gets under way. The Chinese oil company Sinopec, however, announces that it will no longer pursue an earlier agreement to build an oil refinery in Iran. Iran announces at the end of the year that it has installed a first cascade of centrifuges in its new enrichment facility in Fordo, and that it will undertake a trial run of the cascade on the occasion of the Iranian New Year in March 2011. In response, a new sanctions resolution is tabled at the Security Council and eventually passed. As with earlier sanctions that were unilaterally imposed by the industrial powers, the Security Council sanctions fail to ‘cripple’ Iran or its economy. But they do cause serious damage to its private business sector and increase the importance of illicit trade, which is largely controlled by a group within the Revolutionary Guard Corps.

Politically, Ahmadinejad, who had initially intended to make a deal with the P5+1 and the IAEA, switches course after the failure of the negotiations. He has realised that his opponents within in the Iranian political elite will not allow him to make such a deal. He therefore returns to playing the populist card – and succeeds. The leaders of the opposition and Ahmadinejad’s opponents within the ruling elite publicly declare their solidarity with the
government, particularly after the Israeli prime minister publicly threatens military action. Growing nationalist fervour is also fuelled by the increasing conviction in Iran that the United States and other Western powers are behind repeated violent incidents in Baluchestan, and that American policy has failed to achieve any progress in bringing about a fair solution to the Israeli–Palestinian conflict. Large popular demonstrations in defence of the Islamic Republic seem to show a spirit of patriotic unity in response to foreign threats. The number of centrifuges in Natanz that are actually spinning remains constant, even though the Iranian government does not announce any freeze. Iran ignores advice from Turkey and China that in order to rebuild trust, Iran should publicly announce that it will not, for the time being, install further centrifuges.

Although a wild card in this scenario would be a limited Israeli air strike that destroys some installations and disrupts the enrichment process for a time, American opposition to such a strike seems strong enough to prevent this, at least within the timeframe envisaged here. But by the beginning of 2011, there is a general feeling that confrontation is in the air. Iranians feel increasingly isolated as foreign investors shun the country. The domestic front is stable, however.

**Dysfunctionality**

In the second scenario, developments related to the nuclear conflict unfold much as they do in the first scenario, but sanctions imposed in summer 2010 limit both financial transactions with Iran and insurance for Iranian ships. Exports of goods to Iran take a dive as banks from across the G20 refuse to open letters of credit for trade with Iran. Sanctions hurt, and the economic situation deteriorates visibly. At several Iranian universities student protests erupt against stricter controls on campuses imposed by the Basij militia. While the police re-establish public order, the security forces seem increasingly unable to bring the unrest in Baluchestan and Kurdistan under control.

The political elite seem increasingly unhappy with Ahmadinejad. Parliament foils the president’s budget proposal for the new year beginning in March 2011. As Ahmadinejad threatens to go along with his budget
plans regardless, parliament withdraws its confidence from the ministers of finance, economy and energy. Even Khamenei is apparently annoyed by the president’s mismanagement. TV reports increasingly show Khamenei in the presence of Speaker Larijani.

In the meantime, the EU’s high representative for foreign and security policy makes a couple of attempts to bring some form of diplomatic engagement over the nuclear issue back on track, but fails to get a response from Iran’s foreign minister and national security adviser, who eventually stop taking her calls. The regime appears more and more dysfunctional, as both Iranians and external observers await an event that could break the stalemate.

*Military rule*

Under the third scenario, international attention on Iran has waned, partly as a result of crises in other parts of the world, and partly because the Iranian nuclear programme has stalled through serious disruptions that may or may not have been caused by external interventions. The domestic situation, as set out in the previous scenario, continues to deteriorate. There are repeated protests by university and high-school students, closures of the Tehran bazaar and strikes by workers in the public sector. The political opposition prepares for major demonstrations for the second anniversary of the presidential elections of June 2009. An assembly of clerics in Qom denounces the political repression. A few days later, a group of Basij paramilitaries storm a gathering of clerics at Mofid University in Qom. Following the scuffle, a number of clerics have to be hospitalised; the police, however, do not interfere. Spontaneous solidarity demonstrations erupt in Tehran and in several other cities, and prominent clerics ask the supreme leader to intervene and dismiss the leadership of the Basij. Khamenei, however, takes no action. The wild card in this scenario concerns reports that Khamenei is afflicted by a serious illness and is on his death bed, or possibly even dead. In this situation, an open power struggle erupts: Rafsanjani convenes the Assembly of Experts in order to prepare for the election of a new supreme leader. A detachment of the Revolutionary Guard seals off the Assembly building to prevent the meeting from taking place and Rafsanjani from manoeuvring.
to replace Khamenei as supreme leader. General Aziz Jaafari, commander of the Revolutionary Guard, announces the establishment of an Interim Committee for the Rescue of the Islamic Revolution, which, acting as a collective body, temporarily takes over the functions of the supreme leader. Parliament is dissolved, and Ahmadinejad leaves for ‘urgent medical treatment’ in Venezuela. The Interim Committee sends Acting Foreign Minister Saeed Jalili on a lightning tour of Riyadh, Moscow, Paris and Vienna to reassure regional and international leaders that things in Iran are under control, but that the temporary government will need a couple of months before it can resume diplomatic action to deal with outstanding questions.

**Dual détente**

Under the fourth scenario, the Iranian government finally agrees to accept a revised version of the IAEA’s draft nuclear package of autumn 2009 to avoid another Security Council resolution, and after deliberations with Turkish and Chinese government representatives. Washington sees no point in another round of talks, but is willing to tolerate a modified approach between the IAEA and Iran, even if this leads only to a minimal consensus that could open some space for further diplomatic engagement. Indeed, Iranian diplomats and IAEA officials agree on what is seen as a face-saving formula, according to which Iran will deliver 800kg of LEU to Turkey in exchange for fuel rods for the Tehran Research Reactor from Argentina, to be delivered within six months. In addition, the Iranian government pledges to recommit to the rules of the Additional Protocol of the Non-Proliferation Treaty once the deal is actually implemented.

This turn of events becomes possible because Ahmadinejad convinces Khamenei that a nuclear deal with the IAEA is in Iran’s best interest: it would embody an implicit acceptance of Iran’s right to enrichment and of the peaceful nature of its nuclear programme, and might even lead to a freeze, and probably a lifting, of international sanctions, thus easing Iran’s economic woes. The agreement is eventually signed in summer 2010, and preparations for its implementation quickly get under way. Shortly thereafter, experts from the United States and Iran begin meeting to establish Iran’s financial claims on the United States and to discuss procedures that
would, by the end of 2010 or early 2011, lead to the establishment of a US visa section in Tehran. This would allow, among other things, more Iranian students to study in the United States.

Realising that they cannot stop the president from reaching out to the international community, Ahmadinejad’s domestic opponents jump on the bandwagon. Larijani announces that the Additional Protocol will be ratified once Iran receives the fuel rods from Argentina. Rafsanjani announces that Mahan Air will be applying for a licence to fly the Tehran–Los Angeles route. External détente is visibly accompanied by attempts to achieve reconciliation within Iran’s political elite. Most of those imprisoned for participating in the post-election unrest of 2009 are set free. Yet many of those who have been active in Mousavi’s Green Movement since the disputed presidential elections of 2009 are not convinced that the regime’s efforts to achieve domestic détente are genuine or guarantee that parliamentary and presidential elections scheduled for 2013 will be fair. These elections are far away, however. For the time being, most opposition leaders and many activists are prepared to forgive Ahmadinejad for still being president, as long as he delivers better political and economic relations with the West and easier access to US visas.

What next?
Scenarios are just that: they are neither predictions nor prognoses. None of the scenarios presented here is intended to be taken as more likely than another, and there are other outcomes that can be imagined. These scenarios may, however, help external actors to think about the alternative futures they might need to prepare for. While policymakers in the United States, Europe or other interested countries have to realise that they cannot, through a simple act of will or policy, produce any particular scenario, they can still think about which of the possible scenarios they would most want to prevent, or to facilitate.

As of April 2010, the road to a diplomatic solution for the nuclear dispute with Iran appeared blocked. Sanctions may be imposed by the Security Council, but few officials in the United States, the EU or Russia believe that such measures would actually force Iran to change its nuclear policies. The
United States, Europe and other interested parties may therefore be well advised to consider a broader policy that reaches beyond the nuclear conflict, without ignoring it. Such a policy could consist of four key elements. Firstly, with regard to the nuclear file, and in the very short term, the West could concentrate on the minimal goal of creating the conditions (the diplomatic space, as it were) for more far-reaching negotiations at a later stage. For this purpose, Iranian proposals to place even a limited amount of LEU (perhaps some 800–1,000kg) under IAEA control inside Iran, to be exchanged later for fuel rods for the Tehran Research Reactor (TRR), could be acceptable in principle. The same goes for Turkish proposals to store Iranian LEU in Turkey until TRR fuel rods are deliverable. Iran would need to substantiate its proposals and negotiate actual terms with the IAEA rather than with the P5+1, which could tolerate such an agreement but need not be party to it. As Iran will need fuel for the TRR no matter what, it is not improbable that Tehran would repeat such proposals even after the passing of sanctions in the Security Council.

Of course, such an agreement would fall short of expectations in Washington and the major European capitals, as Tehran would still maintain control over a substantial amount of enriched nuclear material. The international community, however, would not lose anything: existing sanctions would not be scrapped, and earlier offers would remain on the table, including the ‘freeze-for-freeze’ proposal, under which the installation of centrifuges and the imposition of further sanctions would both be frozen. More importantly, an agreement along these lines would mean that Iran would not continue or increase its attempts at enriching uranium, and thereby avoid crossing another line in the nuclear conflict. One of the lessons from the Cold War is that even minimal agreements that do not solve the main problem can be useful, precisely because they help to regain diplomatic space.

Secondly, Western policy should address human-rights issues in Iran more forcefully. The Iranian government’s treatment of journalists and dissenters is disgraceful, and it would certainly not constitute any illegitimate
interference in Iran’s domestic affairs to demand that Tehran respect international human-rights conventions and indeed its own constitution. The EU and others could support this demand through various measures, such as by drawing up a list of Iranian officials responsible for grave human-rights violations, who would be denied visas. At the same time, however, European states in particular should make clear that they will continue to support cultural and scientific exchanges with Iran and keep the doors open for Iranian students. Also, dialogues between parliamentarians or academics should receive further support.

Thirdly, given that a solution to the nuclear conflict is not in sight, possibilities for cooperation on other issues need to be explored. Efforts to stabilise Afghanistan and to contain the illegal drugs trade from that country are of particular importance, both for Iran and the international community. One way to get Iran (and other regional states) involved to the same degree as Western nations could be to establish a contact group for Afghanistan. Such a group should include representatives from all direct neighbours of Afghanistan plus the permanent members of the UN Security Council, the EU and India. Not only would this group enlist the support of Afghanistan’s neighbours in ending the war and rebuilding the country, it could also contribute to rebuilding a modicum of trust between Iran, the United States and Europe. Such trust will certainly be needed for any further efforts to solve the nuclear conflict.

Finally, the United States and Europe need to answer the main question posed by those who are sceptical of the entire diplomatic process: what if Iran crosses the line and gains a military nuclear capability? Even though Iran has not yet reached this point and may not intend to eventually cross the line, the answer, in principle, lies in the concept of extended deterrence – in credible US security guarantees for its friends in the Middle East. The deployment of missile-defence systems on US vessels in the Persian Gulf sends an important message: it enhances the security of Israel and of the smaller Gulf states while clearly signalling to Iran that Washington will stand by its friends, but does not withdraw the possibility of future engagement.
Notes


3 ‘Iran is the Most Powerful Nation, Says Ahmadinejad’, AFP, 18 April 2008.

4 This is something that has been expressed by Iranian officials and citizens alike in numerous conversations with the author. The Iranian media has also addressed this issue: see, for example, ‘Iran Is A Regional Power’, Tehran Times, 27 November 2008, http://www.tehrantimes.com/index_View.asp?code=183457.


7 This has certainly been the current author’s impression based on extensive personal contact with officials and others in Iran.


10 The opportunistic nature of the Iranian regime has been stressed by Shahram Chubin, Iran’s Nuclear Ambitions (Washington DC: Carnegie Endowment for International Peace, 2006).


12 Center for Strategic Research, ‘New Equations in Iraq: Positions Taken by Iran, the United States & Arab Countries’, Tehran, undated (probably 2006), CSR Papers 1, pp. 24–9.

13 This view was expressed by several high-ranking Iranian officials, who
still seem to regret that the Geneva agreement wasn’t finalised and implemented. Author’s interviews, January and February 2010.

The ‘politically relevant elite’ (PRE) are those people in a given country who enjoy political influence and power in that they can take strategic decisions and participate in decision-making on a national level, contribute to defining political norms and values, and directly influence political discourse on strategic issues regardless of whether they actually hold a government position. In Iran, the defeated presidential candidates from the June 2009 elections, former presidents now regarded as opposition leaders, and senior clerics based in Qom are all part of this elite. For an elaboration of the PRE concept see Volker Perthes, *Arab Elites: Negotiating the Politics of Change* (Boulder, CO: Lynne Rienner, 2004).

In mid-May 2010 a new version of the fuel-swap plan was announced by the presidents of Brazil, Turkey and Iran, but it is likely to meet the same fate. See Mark Fitzpatrick, ‘Iran: The Fragile Promise of the Fuel-Swap Plan’, *Survival*, vol. 53, no. 3, June–July 2010, pp. 67–94 (this issue).


The Iranian president’s use of the term indicates only that Iran has mastered enrichment despite Western objections; there is no reference in his speech to nuclear arms. See ‘Iran is Now a “Nuclear State” Says Ahmadinejad as Thousands Take to the Streets’, *Daily Mail*, 11 February 2010, http://www.dailymail.co.uk/news/worldnews/article-1250127/Iran-Revolution-day-protests-Islamic-Republic-nuclear-state.html.

See, for example, Michael O’Hanlon and Bruce Riedel, ‘Do Not Even Think About Bombing Iran’, FT.com, 28 February 2010, www.ft.com/cms/s/0/7a5af1b8-24a3-11df-8be0-00144feab49a.html. This article seems to capture current Pentagon thinking.