Center for a
New American
Security

Diplomatic Strategies for Dealing with Iran: How Tehran Might Respond

Suzanne Maloney

www.cnas.org

1301 Pennsylvania Avenue, NW
Suite 403
Washington, D.C. 20004

T 202 457 9400
F 202 457 9401

In a world marked by change and transformation, the three-decades-long antagonism between Washington and Tehran seems curiously impervious to amelioration or mitigation. The durability of this conflict – which has outlasted all of America's other old enmities with the exception of Cuba – as well as its perpetual urgency has generated a rich library of official and unofficial policy studies, academic analyses, and high-level task force recommendations. Each has attempted to answer the same question that confronts U.S. policymakers every day: what can be done about Iran?

That something must be done is a matter of widespread consensus, not simply in Washington but within the international community. Thanks to its pivotal location, political legacy, cultural and religious sway, and rich natural and human resource base, Iran inevitably engages vital American interests. Since the revolution, Iran's policies and actions – its nuclear ambitions, bankrolling of terrorism, assertion of regional primacy, and its repression of its own citizenry – have placed Iran at the nexus of Washington's most immediate security dilemmas.

The widespread recognition that Washington needs a more effective approach to dealing with the challenges of Iran has produced an array of different approaches, but little apparent progress in conclusively resolving Iranian antagonism and the threat posed to American interests. Nearly every proposed revision to U.S. policy toward Iran has already featured into Washington's repertoire over the past three decades. Carrots and sticks, engagement and containment, forceful deterrence and fumbling attempts at regime change – all these recommendations have been implemented.

The single greatest enigma in this equation centers on Iran itself. Iran remains the sole state in the world which maintains no direct relationship or communications with the United States, and our efforts to craft an effective policy to influence its leadership are consistently undermined by the profound limitations in our familiarity with contemporary Iran. On the heels of her failed 2006 bid to open negotiations with Tehran on its nuclear program, Secretary of State Condoleezza Rice acknowledged somewhat ruefully that Iran is "a very opaque place." Asked about Iran's pattern of defying both logic and American expectations, Rice conceded that the Islamic Republic is "a political system I don't understand very well," adding that "one of the downsides of not having been in Iran in—for 27 years as a government is that we don't really have people who know Iran inside our own system…We're also operating from something of a disadvantage in that we don't really have very good veracity or a feel for the place."[1]

Understanding Iran represents the seminal challenge for any future American administration trying to "get Iran right," but our efforts should be humbled by our consistent underperformance in this arena over the past 30 years. While the Islamic Republic may be more accessible than hermetic North Korea and its leadership less capricious than Libya's Moammar Qaddafi during his prime, Iran's complex political dynamics and unique governing institutions have generated an often unpredictable course. We did not

predict the revolution, nor did we anticipate either the rise of the reform movement through the 1997 election of President Mohammad Khatami or the resilience of regime orthodoxy through the 2005 election of his successor, Mahmoud Ahmadinejad.

Anticipating Iranian responses is a critical component of any U.S. policy option, but one that has particular relevance for diplomacy. A clear understanding of the other side's interests, motivations and bottom-line preferences is an essential foundation for any successful diplomatic enterprise. And there is every reason to presume that diplomacy will comprise a central component of any new approach to Iran. Despite wide variations in rhetoric and tactics, every American president has pursued some mode of diplomatic engagement with the Islamic Republic. The conspicuous exception to this rule transpired under the current U.S. administration, which, in the aftermath of the first heady successes of its campaign to remove Saddam Hussein and remake the Middle East, took the unprecedented step of rejecting any dialogue with Iran. The abject failure of that approach, and the Bush administration's own reversal of its stance on negotiations with Iran, makes it almost inevitable that direct engagement will feature into the next administration's strategy, irrespective of which political party takes the White House in November 2008. This paper seeks to offer some scope for discussion on how Iran might respond to a new diplomatic initiative by considering lessons drawn from Iranian rapprochement in two other key cases, as well as prior attempts at U.S.-Iranian engagement, and concluding with some sense of Tehran's current views on dealing with Washington.

Rapprochement and Iran

Iran's estrangement from Washington may be the most enduring example of the rupture, but it is hardly the only one. Beyond the legacy of the non-relationship with Washington, there are several other cases that can offer some insight into how a diplomatic process with Tehran might unfold. Both Saudi Arabia and Great Britain have found themselves the object of intense Iranian official animosity at various points since the revolution, and yet in both cases Tehran found a *modus vivendi* for healing the breach and maintaining a tolerable, if not always amicable, relationship even during moments of intense regional and bilateral frictions.

Iranian-Saudi Relations

The Islamic Revolution profoundly exacerbated the longstanding rivalry– strategic, economic, and religio-cultural – with its southern neighbors. Iran's universalist aspirations explicitly contravened the Saudi founding narrative, which positions the King as protector of Islam's most holy places and the state as the de facto leader of the Muslim world. Khomeini's loathing toward Riyadh actually outlasted him; his final will advocates that "Muslims should curse tyrants, including the Saudi royal family, these traitors to God's great shrine, may God's curse and that of his prophets and angels be upon them."[2] There were, of course, a range of other contributing factors: Arab-Persian ethnic antipathies; the second-class status of the Kingdom's Shia minority; doctrinal antagonisms stemming from the purist Wahhabist view of Shia practices; and the Islamic Republic's resentment toward the institution of the monarchy and alliances with Washington. Add to this the inevitable insecurity of Saudi leaders in the wake of the November 1979 seizure of the Grand Mosque in Mecca and subsequent Shi'\a riots. These intrinsic frictions escalated into what was essentially a two-front proxy war in the 1980s, with the Saudis funding Saddam Hussein's war effort and Tehran cultivating Shia separatists in the Kingdom's strategic Eastern Province and sponsoring violence against the Kuwaiti and Bahraini leaderships. The internationalization of the war in the Gulf in 1986 brought Riyadh and Tehran considerably closer to direct military conflict.

Notably, even during this fractious period, the Saudis demonstrated "a strong tendency to balance relations with both adversaries [Iran and Iraq], to avoid 'provocation' of Iran, to keep channels open (because isolating a regional great power is impossible), to defuse crises by conciliation or even appeasement."[3] The Saudi propensity for conciliation manifested itself in a variety of overtures – the 1982 GCC offer to pay Iran's war damages for cessation of the conflict; the Saudi involvement with the Iran-contra arms sales to Tehran and decision to export refined products to Tehran even at the height of the "tanker war' in the Gulf; and the brief thaw in relations that took place as Iran appeared to gain the upper hand in the conflict in 1985. Conciliation did not extend to oil policy; Riyadh's 1985 decision to enforce OPEC unity by flooding a weak market with production was widely seen as a means of crippling the Iranian economy at a crucial point in the war.

For most of its first decade, the Islamic Republic was less restrained. With the exception of the occasional mollifying comment from Rafsanjani, the clerical regime frequently castigated its southern neighbors as American lackeys and "palace dwellers," openly scoffed at Riyadh's Islamic pretensions, and transformed the annual performance of the pilgrimage to Mecca and Medina into a "vehicle for pan-Islamic agitation" and an opportunity to discomfit the Saudis for their cooperation with Washington.[4] The Iranian view of the *hajj* as an inherently political event collided with the Saudi determination to safeguard both the ritual and the hundreds of thousands of annual participants. The resulting clashes between demonstrating Iranian pilgrims and Saudi security forces peaked in 1987, with the death of more than 400 pilgrims, most of them Iranian. In Tehran, mobs stormed the Saudi embassy, Khomeini announced that the Saudi royal family "had forfeited the right…to rule over the holy places," while Rafsanjani exhorted that "the Saudi rulers have chosen an evil path, and we will send them to hell."[5] The Saudis severed diplomatic relations in April 1988, and the Gulf's two heavyweights were openly at odds.

Iran's reluctant decision to accept a ceasefire with Iraq later that year, and Khomeini's death in June 1989, set in motion a wide-ranging shift in Iran's domestic and foreign policies. The reform movement is generally credited with engineering Iran's rapprochement with Saudi Arabia and the Gulf states more broadly, in part because of the marked deepening of the bilateral relationships during Khatami's tenure. But in fact Tehran began reaching out to the Gulf – and welcoming overtures from the same leaders it castigated for supporting Saddam – as early as August 1988. Relieved by the war's end – the Saudis helped pressure Saddam to accept the ceasefire – the Gulf states were receptive to a fresh start. By the start of 1989, Iran had resumed full diplomatic relations with Kuwait and Bahrain; engaged in quiet talks with Riyadh; welcomed the Omani Foreign Minister to Tehran; and undertaken high-level visits to Qatar, Bahrain, and the UAE. Iraq's August 1990 invasion of Kuwait and Rafsanjani's consolidation of power helped nudge the process of regional détente forward. In the wake of Tehran's constructive neutrality, diplomatic ties with Riyadh were restored and Iran launched a wary new diplomatic and economic relationship with the Gulf.

Restoration of ties with Riyadh did not come without a domestic political penalty. Resentment over Gulf support for Saddam remained fresh, and hard-liners called for conditioning any détente on compensation. An MP editorialized in *Resalat* that rapprochement with Riyadh (and London) "smells of surrender to the enemies of Islam, of intolerable passivity regarding the demands of the Imam."[6] Fierce opposition also emanated from Iranian leftists, many of whom remained committed to exporting the revolution even as they began to embrace more critical positions on the Islamic Republic's domestic politics.

Given the environment, nearly a decade passed before Iran's cold peace with the Kingdom progressed to a higher level. In the interim, Tehran continued to agitate at the *hajj* and stoke regional radicalism as part of a wide-ranging rivalry with Saudi influence and funding. Riyadh's embrace of the American security

umbrella – along with its pointed exclusion of Iran in the March 1991 "Damascus Declaration" by the GCC, Egypt, and Syria – ran directly counter to Tehran's efforts to mobilize the Islamic world against Washington and the nascent Arab-Israeli peace process. These abiding frictions serve as the backdrop for Tehran's involvement in the June 1996 bombing of Khobar Towers in Dhahran, in which 19 American servicemen were killed. The June 2001 U.S. indictment offers detailed allegations of the plot, involving a little-known group of Saudi Shia with the direct involvement and support of the group's Iranian patrons.[7]

In the aftermath of this marked escalation in Iranian-Saudi conflict, however, denouement followed shortly thereafter, largely thanks to a suddenly fortuitous context. The accusations of Iranian involvement in the Khobar attacks mounted as Tehran was contending with new external pressures – largely emanating from the diplomatic fallout from Germany's April 1997 indictment of Iranian officials in overseas dissident assassinations – and significant internal political shifts, with Khatami's May 1997 election. In the Kingdom, then-Crown Prince Abdullah had consolidated his domestic position, and was seeking ways to distance himself from Washington and reduce regional tensions, as a means of addressing his domestic economic and demographic challenges.[8] The concomitant shifts made the environment ripe for Iranian overtures, and helped persuade the Saudis to stiff-arm U.S. efforts to unravel the Khobar conspiracy fully.

The seminal moment of the new relationship came in late 1997, when Tehran hosted the annual summit of the Organization of the Islamic Conference. Even bookended by a dose of Khamenei's orthodox tripe, Khatami's address on the need for the revitalization of "Islamic civil society" clearly signified a new tone, as did the attendance of CP Abdullah and an array of senior Arab officials. The OIC conference was another example of the broad support for rapprochement within Iran's fractured internal politics; outreach to the GCC leaders in preparation for the event began well before Khatami's election. The summit success was followed by a series of historic visits to and from the Kingdom: former President Rafsanjani's visit in 1998, President Khatami in 1999, and routine ministerial exchanges. The two states even signed a series of agreements on trade, culture, science, and technology, including a 2001 security pact, and launched a number of joint projects.

The Saudis had to manage their smaller neighbors, particularly those such as Bahrain with ongoing sectarian tensions linked to Iranian agitation, and the UAE, which has contested Iran's provocative occupation of three Persian Gulf islands that the two countries jointly claim. For its part, Riyadh balked at the implication that it was not free to determine its policies based solely on the country's interests. In particular, mitigating tensions with the UAE required continued intervention of Saudi Arabia and other Arab interlocutors (particularly Qatar and Oman) on Iran's behalf. In contrast, Kuwait was more amenable, despite harboring justifiable grievances against Tehran for its terrorist activities in the 1980s.

Surprisingly, the rapprochement has largely survived a series of shocks – including the demise of the reform movement, the revival of Iran's ideological rhetoric, and the profound regional tension and uncertainty emanating from Iraq as a result of the U.S. occupation and Iran's vastly expanded influence there. Ahmadinejad is openly reviled by many Gulf leaders, who mock his lower-class persona and deeply resent his penchant for appealing to the most radical sentiments of their citizenry. Revanchist rhetoric about Bahrain in a powerful conservative newspaper stirred fears about the possible resumption of Iranian efforts to destabilize its southern neighbors. But it is Iraq, and by extension Iran's deepening sway in Lebanon and among the Palestinians, that unnerves Riyadh most profoundly. "(T)o us, it seems out of this world that you do this," Saudi Foreign Minister Prince Saud Al Faisal told an American audience in September 2005. "We fought a war together to keep Iran from occupying Iraq after Iraq was driven out of Kuwait. Now we are handing the whole country over to Iran without reason."[9]

Notably, both sides have worked diligently to preserve some modicum of cooperation and prevent the deterioration of the relationship even as regional tensions have escalated significantly. Tehran has repeatedly dispatched envoys to Riyadh over the past several years to assuage concerns, including former foreign minister Ali Akbar Velayati, the supreme leader's personal advisor on foreign affairs, who first embarked on a damage control mission after Ahmadinejad's outrageous performance at the December 2005 Organization of the Islamic Conference summit. As Ali Larijani acknowledged, "We do have our disagreements in certain areas, but overall the relations between Iran and Saudi are very dignified with excellent underpinning."[10]

Despite their profound trepidations about Iran, the Saudis have signaled that they are not prepared to lead an anti-Iranian coalition. Riyadh has hosted Ahmadinejad several times, including for the December 2007 *hajj* pilgrimage – a first for a sitting Iranian president and remarkable given the Saudis' traditional consternation over Iranian troublemaking at the pilgrimage. Riyadh also undoubtedly sanctioned another unprecedented act of regional comity, Ahmadinejad's participation in the annual summit of the leaders of the Gulf Cooperation Council in December 2007, where he proposed a regional security pact and new economic cooperation between Iran and its Gulf rivals. At the same time, however, the Saudis have agreed to massive new arms sales from Washington and have greatly intensified their diplomatic efforts in Lebanon and elsewhere to combat Iran's sway.

The endurance of the Saudi-Iranian rapprochement even in an era of tension suggests Riyadh's commitment to an independent foreign policy that prioritizes conflict management over conflict resolution. It also reflects growing cooperation between Tehran and Riyadh within OPEC, which helped facilitate the recovery of oil prices from their late 1990s low. As a variety of factors – most importantly, epic growth and energy demand in China and India – have pushed the price of oil beyond $120 a barrel, Riyadh and Tehran found even greater grounds for cooperation in this arena, despite the regressions in Iran's internal situation.

Iranian-British Relations

In addition to its regional quarrels, Tehran has also experienced repeated ruptures in its relations with Europe, most notably with Britain. In the collective Iranian imagination, Britain rivals America as a source of both bitterness and fascination; even more than Washington, London has long been seen as "a manipulative and exploitative power whose policies have hampered Iran's development, undermined its independence and caused the loss of its territory and influence."[11] Inevitably, the revolution brought new tensions to the British-Iranian relationship. The UK Embassy in Tehran was briefly attacked, and in their inimitable provocative fashion, Iran's revolutionary leadership renamed the street in front of the British Embassy in Tehran after Irish hunger striker Bobby Sands.

Unlike Washington, however, the British had cultivated networks within Iran, including among the revolutionary clergy. These relationships – as well as London's cynical support to Tehran in various moments of crisis, including the provision of intelligence on Iranian communists – preserved at least a small British diplomatic presence in Iran, albeit without a sitting ambassador for many years. Along with the rest of Europe, the British rebuffed early U.S. entreaties to join in multilateral sanctions during the 1979 hostage crisis, and eventually enacted only the most minimalist restrictions on trade. Iranian trade with Europe actually expanded during the 444-day standoff, and the measures were quickly lifted as soon as the hostages were released.[12]

The overall bilateral dynamic remained deeply mistrustful, particularly during the "tanker war" phase of the Iran-Iraq conflict, and over the years the underlying frictions have manifested themselves in a series of bizarre clashes over diplomatic protocol. In 1986, over the British refusal to accredit an Iranian diplomat because of his involvement in the U.S. Embassy seizure; a year later, the arrest of an Iranian consular office was arrested in Manchester for shoplifting sparked the armed seizure and beating of a British diplomat in Tehran and a series of expulsions and reprisals that practically emptied the embassies on both sides. Still, even as political frictions kept the two governments at odds, Iranian-British trade remained considerable – more than $1 billion by 1992, as the British benefited from both the arms trade during the early years of the war and the reconstruction opportunities thereafter.[13] A similar theatrical pattern has persisted, including 1999 and 2002 spats over British ambassadorial nominations, with the formal diplomatic relationship routinely disrupted even as economic and cultural ties remain generally intact.

Relations briefly warmed in the wake of the ceasefire with Iraq, when the British announced the resumption of full diplomatic relations "on the basis of 'reciprocity and mutual respect.'"[14] Several months later, however, the relationship was rocked yet again when Ayatollah Khomeini seized on an allegedly blasphemous novel by a British writer, an issue that had been on a low simmer across the Muslim world for months, and predictably fanned the flames. Khomeini's February 14, 1989 declaration condemning to death Salman Rushdie and anyone involved with *The Satanic Verses* enabled the Iranian leader to revive revolutionary fervor in the aftermath of the Iraqi ceasefire and reasserted the regime's radical status in the Muslim world. British demands for an official renunciation brought no relief; instead, a parastatal foundation in Iran pledged a multimillion-dollar bounty for Rushdie's death.

In the ensuing uproar, the Majlis voted to sever the country's diplomatic relationship with the U.K., and London issued rare warnings for British travelers, and expelled several dozen Iranians, including several diplomats suspected of involvement with the bombing of bookstores that sold the Rushdie book. London tried to dampen the uproar while also seeking to safeguard the principle of free expression as well as Rushdie himself. "The Government will continue to uphold freedom of speech within the law upon a rock-solid basis," the Foreign Secretary said in March 1989. "That does not mean that either the Government or members of Parliament are required to condone or defend any particular book."[15] Some Iranian officials sought to contain the damage, explicitly enjoining any repeat of the 1979 Embassy seizure, but Khomeini was determined to stoke the controversy.

While the rest of Europe moved quickly to resolve the clash and returned their ambassadors to Tehran in April 1989, domestic politics as well as other irritants in the relationship delayed any parallel improvement for London. Diplomatic relations were formally resumed in September 1990, but divisions within the post-Khomeini order perpetuated the standoff for eight more years. For much of this period, Rafsanjani and his Foreign Ministry sought to distance Iran's elected institutions from the *fatwa*, but these efforts were undercut by Ayatollah Khamenei and hardliners close to the regime, who repeatedly reaffirmed its validity and pledged its implementation.

Ironically, rapprochement with Britain received a major boost from Iran's conservatives in preparation for an expected consolidation of their domestic position. In February 1997, Mohammad Javad Larijani – a parliamentarian and campaign chief for Iran's presumptive next president – met with the head of the Foreign Office's Middle East desk in London. In his London discussions, Larijani promised to settle the Rushdie issue and open new trade links.[16] Leaked transcripts of the meeting cost Larijani his reputation, and several months later, his candidate lost at the polls to the relatively unknown Khatami.

Given the existing factional differences over Rushdie, Iran's election of a moderate new president might well have further impeded any resolution. However, the reformists calculated that reducing international tensions and increasing foreign investment would be critical for advancing their domestic agenda, and from that perspective, addressing the Rushdie *fatwa* offered a potentially valuable payoff. Quiet talks began in mid-1998 on a bilateral basis and through the European Union, and by September a formulation was hammered out that satisfied both sides. In an official statement, Iran's foreign minister declared that Iran would neither undertake action against Rushdie, nor support others in doing so, and the two countries simultaneously announced that relations would be upgraded to the ambassadorial level. The resolution "was indicative of the changed climate, in so far as Khatami was offering little in addition to what Rafsanjani had been saying for years…the chief difference was that he had carefully prepared the ground, so that his protagonist would be willing to listen."[17]

The 1999 exchange of ambassadors put Iranian relations with Britain on a new, more secure footing, but has not permanently settled the tensions within the relationship. A myriad of triggers – British participation in the U.S.-led invasion and occupation of Iraq, close U.K.-U.S. cooperation on Iran's nuclear file, and efforts to bring Iranian officials to justice for the 1994 bombing of a Jewish cultural center in Buenos Aires – generated new discord between Tehran and London in recent years. However, even in the face of considerable irritants, particularly the 2004 and 2007 Iranian seizures of British sailors in the Gulf, the hard-fought diplomatic relationship has been preserved.

Lessons from Two Iranian Experiences with Détente

There are several telling lessons from these two separate episodes in Iranian foreign policy. First, and perhaps most importantly, these two examples should serve as an important reminder that Iranian foreign policy is not static and that Iranian leaders are capable of making important reversals on issues of considerable internal political sensitivity. Given the depth of Khomeini's antipathy toward Riyadh and the prevailing conspiratorial sentiments toward Britain, that full diplomatic relations were reestablished in both cases is a testament to the flexibility that exists beneath Iran's ideologically rigid surface, as well as to the utility of engagement itself.

On the specific strategies, it is worth noting that both cases of rapprochement entailed protracted periods of negotiation and was made possible primarily by the existence of prior ties and informal relationships between the leaderships. Formal relations were reestablished relatively quickly, but the full process of détente unfolded over a sporadic series of dialogue over a multi-year period (seven years for Saudi Arabia; eight for Britain). Third-party mediators (Oman, Pakistan, and Qatar in the Saudi case; the United Nations in the British case) played small roles. However, the reality is that the real work of repairing frayed relationships was undertaken by the parties themselves, even as the official tenor of relations was exceptionally hostile, through an array of official dialogue and quiet diplomacy by influence-brokers on each side.

Key to the success of both diplomatic processes was the ability and willingness of Iran's adversaries to accept a considerable degree of ambiguity in Iran's undertakings and to provide significant scope for face-saving rhetoric and actions. The British endorsed Iranian declarations on Rushdie despite the fact that semi-official organizations continued to encourage and (at least nominally) fund the bounty on his head. And even though Tehran's issuance of a formal statement was intended to hedge against backtracking, Iranian officials indulged nonetheless. "All countries, one after the other, are trying to bring about changes in their policy towards our country...without having any change in our position," Kamal Kharrazi trumpeted the following month in Tehran. "Britain decided not to hold its relations with the

Islamic Republic of Iran hostage to Salman Rushdie"[18] In the Saudi case, the decision to rebuff a vigorous public investigation into the Khobar bombing was essential to facilitating an improved relationship with Tehran; Riyadh effectively absolved Tehran's complicity in exchange for implicit assurances that its subversive activities in the Gulf would cease. Saudi forbearance surely reflected multiple strategic objectives, including a desire to conceal its internal fissures; still, this kind of *quid pro quo* requires a level of mutual confidence and political will that may be hard to replicate elsewhere.

The willingness of the British and the Saudis to move forward despite inherent uncertainty reflects both the strategic investment and the restrained expectations that all parties invested in the process of détente. Subsequent developments in each case make clear that rapprochement with Iran was not a magical cure-all. Iran's ties to both Riyadh and London have experienced significant ebbs and flows since the reestablishment of full diplomatic relations, an eventuality that appears to have been fully anticipated by the antagonists. At various points in the process, the Foreign Office acknowledged that close cooperation with Tehran was still unlikely, but "outstanding bilateral problems between us will be more easily settled inside diplomatic relations."[19] "All is not now a honeymoon with roses in the garden," a British diplomat conceded eight years later, when the two states finally exchanged ambassadors for the first time since the revolution. "There are difficult issues still to be discussed, but at least we've cleared the undergrowth."[20] For the Islamic Republic, then, rapprochement may best be understood as a waystation between conflict and goodwill.

Finally, and perhaps most significantly, both cases were linked to a tangible shift in the ideological complexion of the Iranian government. The salience of that shift appears to be twofold: first, the shift in the governing balance of power facilitated new policy initiatives that were simply not possible under previous leaders; secondly – and perhaps more importantly – the internal transition revised its adversaries' perceptions of Iran and its intentions. The protracted trajectory of the détente in each case undercuts any argument that these internal political shifts were causatory – indeed, in both cases the track record of "bipartisan" support within Iran may have been crucial for facilitating the policy reversals. Rather, what seems clear is that the domestic political changes provided both an impetus for greater diplomatic engagement on both sides and an important measure of reliability for Iran's justifiably suspicious interlocutors. In these two specific cases, then, a durable framework for Iranian rapprochement with former adversaries was contingent upon some meaningful shift in the ideological outlook of the Iranian leadership, if only for persuading Iran's old enemies of the sincerity of its overtures and the potential efficacy of engagement.

American-Iranian Engagement: What Have We Learned?

In considering how today's Iranian leaders might respond to American diplomatic efforts, it is worthwhile to examine the historical track record. Although the United States and Iran have not had diplomatic relations for 28 years, each American administration has engaged in at least one serious round of diplomatic dialogue with Tehran, albeit in vastly different forms and without ever generating enough traction to produce lasting progress in ending the estrangement and tensions between the two states. For most of the lengthy U.S.-Iranian estrangement, the chief obstacle to any progress has emanated from Iran's refusal to countenance direct dialogue with its old adversary. The very notion of dialogue with Washington remained so controversial that as recently as 2002, amidst of a spate of rumors about secret dialogue between Washington and Tehran, the Iranian judiciary banned any public debate of the issue, albeit to relatively little effect. And yet throughout this period, the Islamic Republic has repeatedly engaged in direct discussions and interaction with Washington when it suited Iranian interests to do so. Each of these episodes – the 1981 Algiers Accords; the Iran-contra dealings; the U.S. overtures in the

1990s; and the 2001-2003 discussions on Afghanistan – provides a platform for gauging Iranian interests, aims, and behavior in the negotiating process. While Iran's political dynamics and strategic context have evolved in significant ways, these experiences will inevitably frame perceptions and reactions within Iran.

Domestic Political Constraints

The most obvious and essential characteristic of Iran's approach to Washington over the past 30 years is the formative influence of Iran's complicated domestic political dynamics. Iran's ruling system is the product of its revolution, a competing, multi-pronged beast that incorporates a wide array of aims, interests, and actors. At every point in the regime's history, its leadership has engaged in fratricidal partisanship. Even Ayatollah Khomeini, whose charismatic authority was almost undisputed, could not enforce obedience to his every mandate, and the ferocity of factional disputes has only intensified since his 1989 death. The contested internal political battlefield shapes all policy outcomes in Iran. At the same time, no single individual wields complete or uncontested power. Iran's multiple spheres of influence, jockeying political factions, and semi-autonomous institutions make it virtually impossible for any political actor to move absent broad buy-in. This is the hidden strength of the system, as well as the source of its opacity, inconsistency, and inefficiency.

From the outset of the Islamic Republic, the question of Iran's relationship with Washington has been intertwined with the fate of the revolution and the state itself. While the causes of the revolution itself were largely domestic in nature, the post-revolutionary state and leadership has always defined itself in a small but meaningful fashion on the basis of its antagonism toward America. In a political environment perpetually marked by competition for power and deep-seated concerns about regime survival, the notion of engaging Washington has been both the third rail and the holy grail of Iranian politics. That combination has tended to paralyze Iran's leadership and bureaucracy. As former MP Mohammad Javad Larijani said in 2001, "(w)e have been deprived of a proper policy towards America because for the past 20 years we have been politicizing the issue inside the country."[21]

During the new state's first decade, anti-Americanism was the glue that bound the disparate and warring revolutionary coalition, and the war with Iraq muted their differences over foreign policy. However, the 1988 ceasefire removed this constraint, and coincided with intensified jockeying for power in advance of the anticipated succession of the aging Khomeini. Contradictory signals began emanating from Tehran, as Rafsanjani repeatedly made public overtures to Washington – in particular, offering assistance in freeing Western hostages held in Lebanon, albeit on the condition of advance American concessions – only to find his propositions openly contradicted by Khamenei. "Next to the usurper regime ruling over occupied Palestine, you are the most cursed government in the eyes of the Iranian people," Khamenei thundered in August 1989, shortly after his ascension to the post of supreme leader. "No one in the Islamic Republic will hold talks with you."[22] Despite internal opposition, Rafsajani's intercessions in the complex and erratic Lebanese morass eventually produced modest results. However, the mixed signals from Tehran, combined with the emergence of other complications for U.S.-Iran relations including the launch of the Middle East peace process, meant that Tehran saw little direct benefit from its efforts.

During this period, among the fiercest opponents of Washington were the left-wing Islamists, a grouping that would evolve into the reform movement. This was the faction that led the embassy takeover, agitated for export of the revolution and nurtured Hezbollah, excoriated the pragmatists for purchasing arms from the Great Satan, and remained virulently mistrustful of the West even as the Cold War ended.[23] Their socialist economic leanings prompted Rafsanjani to oust many of the leftists from government positions in the early 1990s, and over the course of the next few years, the faction began to reassess the state it had

helped create, recognizing in their own political isolation the absolutism and capriciousness that represent the systemic flaws of the post-revolutionary state. Iran's Islamic leftists came to see foreign policy – and more specifically, effort to promote rapprochement with Iran's old adversaries – as a "useful and constructive ballast for his domestic policy…a valid sphere of political operations which, if well harnessed, could have a positive bearing on internal developments."[24] Thus in 1997 Khatami launched his unexpected presidency with a quiet but determined pursuit of regional détente, and a dramatic transformation in tone extended toward Washington.

Khatami's January 1998 interview with CNN represented a remarkable gambit, given that Iranian officials had granted only rare interviews to the U.S. press. His stunning rhetoric – he began by paying respect to the "great American people" and expressed "an intellectual affinity for American civilization" – stood in sharp contrast to a speech only days before by Khamenei, who accused the West of using "guileful propaganda tricks…to bring about instability and insecurity in the nation."[25] However, while the bold move was intended to open new channels with the West, it closed doors at home. The interview ignited a storm of controversy within Iran, exacerbating conservative mistrust of Khatami. Conservative opposition reflected self-interest, as rapprochement with the United States would have boosted Khatami's approval ratings to stratospheric levels, as well as an ideology that equated regime orthodoxy with regime survival. Two weeks after the CNN interview, after a muted response from Washington, Khatami spoke about the United States in much more strident terms in an address before the tomb of Ayatollah Khomeini, and on a subsequent visit to the United Nations suggested that the interview had been "misinterpreted" and asked Americans "not to confuse a dialogue among people and cultures with political dialogue."[26] For much of the rest of his presidency, Khatami and the reformists focused their attentions on mending other breaches in Iran's international relations, and took relatively few concrete actions to reach out to Washington or respond to the belated overtures mounted by the Clinton administration two years later.

Even still, throughout the reform period, the intense entanglement of the issue of U.S. dialogue with Iran's factional divide generated regular efforts by the conservatives to sabotage Khatami's foreign policy initiatives. The most notable case involved the 1999 arrest of 13 Jewish Iranians in the south-central city of Shiraz, on what appeared to be patently trumped-up charges of espionage involving Israel, a crime punishable by death in Iran. The case quickly became a cause célèbre outside Iran, with Congressional outcry, international petitions, and a flurry of cancelled foreign visits. The debate in the Iranian press all but acknowledged that the 13 were being used as pawns in an internal struggle for power. Hard-line newspaper *Jomhuri-ye Eslami* opined that "Washington's support for these spies shows that the United States remains the enemy of the Iranian people…This should be a lesson for those in Iran who support a resumption of relations with the United States." For their part, the reformers sought to intercede behind the scenes and contain the international damage to little avail, given their limited control over the Judiciary and the Intelligence Ministry. Khatami, who would later complain that his first term had been marred by a crisis every nine days, regretted that "(s)ome people take advantage in every possible way in order to disrupt the government's plans."[27]

The manufacture of scandals intended to disrupt Iranian engagement with its adversaries is a tactic deployed by Iranian conservatives on an almost routine basis. It has been used to undercut small-scale initiatives, as in the November 1998 harassment of a small American business delegation visiting Tehran, as well as a much more elaborate scale, such as the January 2002 revelation of a ship laden with Iranian arms bound for the Palestinian Authority. Some skepticism is warranted about the genesis and denouement of these episodes; in the conspiratorial Iranian political culture, nearly every disastrous undertaking in recent years – including the Rushdie *fatwa* and the dissident assassinations in Europe – is

seen retrospectively as a hard-line effort to undermine intended détente with the West.[28] Still, perceptions can be as powerful as any reality, and the conviction among many Iranian political actors that there is much to be lost in pursuing rapprochement, both personally and politically, has further impeded Iran's room for maneuver vis-à-vis Washington. This paralysis helps explain why even the low-hanging fruit that has bipartisan support on both sides, such as parliamentary exchanges, remains a perennial topic of conversation with little prospect of forward movement.

Iranian Preconditions

One of the perpetual questions with respect to American diplomacy is ascertaining precisely what Iran seeks to achieve through any engagement with Washington. Tehran's position is shaped by its own deeply suspicious view of American intentions and its long-held perception of a pernicious nature of U.S. power. For Iranian leaders such as Khamenei, even when Americans "appear with a deceitful smile…[they] have a dagger hidden behind their backs and the other hand is ready to plunder…[W]ar, bloodshed, destruction, [and] annihilation are the results of [its] satanic behavior."[29]

From this viewpoint, Iran can only enter into discussion if they have confidence that the process enhances their domestic standing and provides them some ability to deliver on perceived interests to their own constituencies. As a result, Tehran – which has staked its recent standoff with the UN Security Council over its refusal to accept preconditions for negotiations – has consistently predicated its willingness to enter into direct dialogue with Washington upon preemptive American concessions, with specific expectations in terms of U.S. policies and actions. For Khomeini, "relations with American could be resumed if it 'behaves itself' (*agar adam beshavad*)."[30] That formulation has been adapted over the years by Khamenei and other senior Iranian officials. In 1993, after reports that several high-level officials were urging a reconsideration of Iran's stance toward the U.S., Khamenei announced that "(r)elations with the United States at this stage are neither possible nor beneficial. They have yet to show a genuine change in their position towards Iran."[31] The expectation of prior American changes to facilitate negotiations is hardly limited to Iran's conservative factions. Rafsanjani, who has been Iran's primary proponent of reaching out to Washington for many years, has repeatedly echoed this same theme, as did Khatami in the aftermath of his CNN overture.

The particular preconditions most frequently sought by Tehran have involved the release of the remaining American-banked Iranian assets that were frozen by the United States after the embassy seizure and the lifting of American sanctions, including U.S. efforts to develop oil and gas transportation networks that bypass Iran. Certainly in the popular imagination, there seems to be some inflation of the value of Iran's outstanding frozen assets, which at this stage mainly derive from pre-revolutionary payments for military equipment that was never delivered, as well as a sense of denial about the complications created by a series of successful lawsuits against the Iranian government.

Tehran sees its imposition of hurdles to the negotiating process as a means to rectify the inherent power imbalance. Defending the Iran-contra arms purchases from the United States before a hostile parliament, Rafsanjani in 1986 crowed that the episode "demonstrated that the decision is with us. Rafsanjani exulted before the Majlis. "When we desired, we talked. When we desired, we remained silent; we got everything we wanted."[32]

Still, the significance of preconditions for Tehran appears as much symbolic as practical. During his long tenure as Iran's UN representative, Kamal Kharrazi urged Washington to "respect us and respect our ideas," adding that the issue of respect "is very important for us." Kharrazi sought "practical steps" from

Washington in order to "establish its sincerity and good faith" and show that the United States "abides by the principle of non-intervention."[33] American supplication was needed to assuage Iran's persistently offended sensibilities. Conservative editor Taha Hashemi described this as a matter of pride. "How can Ayatollah Khamenei accept relations with America if it shows no sign of repentance for its past actions?"[34]

Khamenei's position appears to have hardened in the aftermath of President Bush's inclusion of Iran as part of "the axis of evil" in his January 2002 inauguration address. Since that time, the Supreme Leader's resentment appeared focused on American interest in regime change, saying that "(w)hile the United States sets an official budget for anti-Iranian activities, it would be treason and stupidity to want to negotiate or talk with them."[35] Within days the Judiciary took the extraordinary step of banning any discussion of dialogue with Washington. The fact that the order was immediately disregarded speaks to the profound opening of Iran's political space that was affected by Khatami and the reform movement; by 2005, even Iran's conservative presidential candidates ventured tentative interest in a different relationship with Washington.

Khamenei's prior positions also offer necessary context for his March 2006 announcement that "there are no objections" to talks with Washington "if the Iranian officials think they can make the Americans clearly understand the issues pertaining to Iraq." He also cautioned, however, that "we do not support the talks, if they provide a venue for the bullying, aggressive and deceptive side to impose its own views."[36] His announcement echoed calls by conservative MPs and Iranian power brokers such as Larijani and Rafsanjani and marked the first time in post-revolutionary history that the entire Iranian political spectrum, at the highest level, had publicly endorsed U.S. negotiations. Khamenei has reiterated his willingness to countenance a better relationship with Washington as recently as January 2008.

Divergent Narratives

Iran's approach to any new negotiating process will reflect its own narrative of the past 30 years of tortured interactions, and it is one that differs substantially from that harbored by American policymakers. Both sides believe that they have been mistreated by the adversary's persistent hostility, underhanded diplomacy, and fundamental treacherousness. American diplomats still recoil at the unfathomable breach of international law and civilized norms in the unprecedented seizure of the U.S. embassy and its personnel. In Iran, views are mixed; while some of those involved have publicly regretted their participation and described the episode as a strategic disaster, within the Iranian political elite there remains a persistent conviction that the hostage-taking was unfortunate but justified by the historic grievances and chaotic atmosphere. In his blockbuster 1998 CNN interview, President Khatami apologized for the hostage-taking while appearing to defend it:

> I do know that the feelings of the great American people have been hurt, and of course I regret it. Yet, these same feelings were also hurt when bodies of young Americans were brought back from Vietnam, but the American people never blamed the Vietnamese people, but rather blamed their own politicians for dragging their country and its youth into the Vietnam quagmire…The feelings of our people were seriously hurt by U.S. policies. And as you said, in the heat of the revolutionary fervor, things happen which cannot be fully contained or judged according to usual norms. This was the crying out of the people against humiliations and inequities imposed upon them by the policies of the U.S. and others, particularly in the early days of the revolution. With the grace of God, today our new society has been institutionalized and we have a popularly

> elected powerful government, and there is no need for unconventional methods of expression of concerns and anxieties.[37]

There is a similar disparity in the takeaways from other previous interactions. For Washington, the Iran-contra affair engrained a persistent aversion to dealing with self-proclaimed Iranian moderates and an insistence on official, publicly acknowledged dialogue. The United States delivered the missiles, spare parts, and intelligence that Iran so desperately needed, but in return found its demands for the release of American hostages held in Lebanon stymied or delayed. The American view held that Washington fell prey to an Iranian bait-and-switch and that got Tehran the better of the deal. In Tehran, the episode was a cautionary tale, but of a different sort, as the affair ultimately entailed a tremendous political and human price. Only Khomeini's active intervention helped save Rafsanjani from the internal uproar once word of the deal leaked, and the incident also helped affect the downfall of Khomeini's designated successor, Ayatollah Ali Montazeri, whose son-in-law was executed in connection with the revelations. As a result, Iranian officials came away from Iran-contra with a set of imperatives diametrically opposed to those of their American counterparts, including an enduring preference for secret diplomacy that offers plausible deniability.

In America, Iran's long war with Iraq is effectively consigned to ancient history, trumped in the minds of policymakers by two subsequent Iraqi conflicts. But for Iran, and particularly for the current array of decision makers in Tehran, the "Sacred Defense" was evidence of the permanence of American antipathy and as "not a war between two countries, two armies; it was a war between an unwritten, global coalition against one nation."[38] Tehran's persistent sense of strategic vulnerability and its willingness to use any tactics necessary to defend itself were inculcated by the multiple menaces it faced during the war – the unanticipated invasion to which Iran was ill prepared to respond, the occupation and devastation of its territory, the "tanker war" in which the world engaged in direct operations on the side of Saddam, the "war of the cities" when Tehranis rushed to shelters, and the international community's failure to protest Iraq's use of chemical weapons.

These incongruous accounts of history can be extended to the recent experiences with direct dialogue. Both the Clinton and second Bush administrations' approaches to Iran were molded by their basic mistrust of Iranian negotiating tactics – a conviction that "Americans had a bad habit of being seduced by the siren song from Tehran and then badly betrayed by it" and a determination to avoid getting entrapped by Iranian duplicity or factional divisions.[39] Iranians harbor parallel grievances about their efforts to reach out to Washington over the years. "We invited an American firm and entered a deal for a billion dollars," Rafsanjani complained after a 1995 oil deal offered to an American firm triggered a greatly intensified array of economic sanctions. "This was a message to the United States that was not properly understood. We had a lot of difficulty in this country by inviting an American company to come here with such a project because of public opinion."[40]

We need not adjudicate between these dueling versions of history, nor are we obliged to accept the Iranian rendition as accurate. However, if we disregard it, it is unlikely that we will be able to develop a framework for negotiations that addresses the underlying forces that drive Iranian foreign policy. Negotiations cannot succeed without a clear understanding of the other side's interests, motivations, and bottom-line preferences.

Predicting Future Iranian Responses

While historical precedent and the long history of American-Iranian interactions can offer some insight into how Tehran might respond to a new American diplomatic initiative, understanding Iran's current leadership is equally important. Iran's diffuse and overlapping power structures complicate any analysis of its leadership, but a brief review of the current lineup of decision makers suggests that the governing context is not particularly conducive to a significant breakthrough in Iran's approach to diplomatic engagement with Washington.

Iran's Current Leadership

Iran's leadership has been shaped by the violence and myriad challenges to the state's very survival that dominated the first post-revolutionary decade. Consider the dilemmas that faced the Islamic Republic in its early days: tribal revolts in its provinces, social unrest in its cities, labor stoppages, economic sanctions, a war that brought a long-standing enemy into its cities, and a vicious power struggle that devolved into an open terrorist campaign against its leadership. Two 1981 bombings by the Mojahideen-e Khalq alone killed much of the Islamic Republic's senior leadership, including the president, the prime minister, the head of cleric's political party, and dozens of parliamentarians, cabinet members, and deputies. Khamenei survived the first attack, although he lost the use of his right arm, and later was tapped to replace the assassinated president.

Today, Iranian leaders see their state as besieged from all directions by Washington, a product of both its deeply engrained paranoia as well as actual facts on the ground. At the same time, the leadership – in particular President Ahmadinejad – is buoyed by a sense of confidence, even arrogance, about the country's domestic and regional status. What this bifurcated view of the world translates to in practice is a tendency to equate assertiveness as equivalent to, or an effective substitute for, power – both in internal politics and in foreign policy. This Hobbesian worldview encourages adventurism and discourages compromise. Molded by their perception of an inherently hostile world and the conviction that that the exigencies of regime survival justify its actions, Iranian leaders seek to exploit every opening, pursue multiple or contradictory agendas, play various capitals against one another, and engage in pressure tactics – including the limited use of force – to advance their interests. As Khamenei has argued, "rights cannot be achieved by entreating. If you supplicate, withdraw and show flexibility, arrogant powers will make their threat more serious."[41]

This context is not especially conducive to launching a new diplomatic initiative between Tehran and Washington. Proponents of engagement should have no illusions about who we are seeking to bring to the table; Iran's current array of leaders is uniformly committed to an orthodox and unyielding vision of Islamic government, and does not share the affinity for America that some reformers expressed. Even as its economy crumbles from internal mismanagement, Tehran boasts that U.S. sanctions will strengthen its indigenous capabilities. Moreover, Iran's current decision makers are more interested in looking eastward to China and India, and less gripped by the demons of Washington. "The domestic mindset that negotiations with America will solve all our problems is a mirage," commented former Foreign Minister Ali Akbar Velayati. "Those people who have gotten over excited about the fact that negotiations with America will be the cure to all problems have miscalculated."[42]

As Iran's ultimate authority, Khamenei sets the tone and can wield a veto over any overtures or responses. While he is often portrayed as a potential moderate or "balancer" of a divided system, Khamenei's strident backing of Ahmadinejad calls that interpretation into question. Moreover, there is literally nothing in his writings or public rhetoric since 1979 that would suggest he harbors any positive sentiments toward Washington.

Efforts to develop a quiet dialogue with Khamenei will prove exceptionally difficult. Although he has a substantial staff and wide array of representatives entrenched throughout the bureaucracy and the country, the question of who truly influences Khamenei on international affairs is subject to some opacity, in part because the United States has had no direct contact with either Supreme Leader or anyone in his office for the past 29 years. Among those who are often suggested to be particularly close to Khamenei are his son Mojtaba, renowned for his role in swaying the 2005 election in Ahmadinejad's favor, and several conservative luminaries, including former Parliamentary Speaker Ali Akbar Nateq-Nuri, who became Khamenei's chief auditor after his surprise loss in the 1997 presidential election, and former Foreign Minister Velayati. In addition to his medical practice, Velayati is occasionally dispatched quietly on sensitive overseas missions; however, his ability to engage with Washington or Europe will likely be complicated by a November 2006 arrest warrant issued by Argentina for alleged complicity in the 1994 bombing of a Jewish cultural center.

Beyond Khamenei, any overtures toward Iran will have to contend with the outsized personality and ambitions of President Ahmadinejad. Despite his manifest difficulties with both Iran's political elites as well as its population, it would be a mistake to presume that the era of Ahmadinejad is inherently on the wane. Ahmadinejad will not go quietly from the center stage of Iranian political life. There is no precedent for an Iranian president declining to run for reelection or being defeated at the polls, and given Khamenei's generous support to date, he will likely support his radical protégé unless he sees a grave risk to the Islamic Republic. As Iran approaches presidential elections in mid-2009, the president benefits from the authority to stack the deck in his own favor, as well as from his patrons in the hard-line clergy, the Revolutionary Guards, and the Supreme Leader's office. His proclivity for intervening wantonly in the country's management and distributing oil largesse as widely as possible has done tremendous damage to Iran's economy; however, he has also cultivated a potentially crucial base of support in the Iranian provinces, where voting rates tend to be much higher than in urban areas. New American diplomacy toward Iran must find a way to co-opt Ahmadinejad, unlikely to prove an easy task for a president who has surrounded himself with devoted, like-minded advisors who have little international experience, or circumvent him. Moreover, even if Ahmadinejad somehow passes from the scene, there is every reason to believe that the legacy of his ideological fervor and the constituency whose worldview he has represented – "neoconservatives" or second and third generation ideologues – will continue to shape the options available to any future Iranian leader.

Beyond the ideological dimensions, the current balance of power suggests another worrying uncertainty. It is simply not clear today if there is an Iranian political figure who is both willing and capable of championing this agenda. For more than 20 years, Akbar Hashemi Rafsanjani played that role, advocating consistently for an improved – if not wholly restored – relationship with Washington both in public remarks since as early as 1983 and, more relevantly, behind the scenes as one of the regime's central power brokers. Rafsanjani engineered Iran's outreach to the United States to obtain desperately needed arms and intelligence during the Iraq War, and he was behind many of the overtures of the 1990s. However, the past decade has demonstrated that he is not well-suited for Iran's contemporary political environment. Rafsanjani cannot command a vast popular mandate, as his embarrassing performances in the 2000 parliamentary and 2005 presidential ballots demonstrate. Nor have his wily, backroom tactics proven particularly effective in neutralizing the bombast or the populism that has elevated Ahmadinejad. Rafsanjani remains a central player and will continue to have an important role in the determination of Iranian policies and the dynamics of its political evolution, but his heyday is well behind him and persistent reports of his imminent resurgence have proven vastly overstated.

Who might take on this role? Former president Khatami has begun to stake out a prominent public position as Iran's voice of reason and moral authority, but even if he were to run for a third term in 2009, there is little evidence that he has the grit or the cunning that would be required to spearhead a successful effort. Other frequent nominees include the trio of conservatives who were defeated in the 2005 election by Ahmadinejad and have tangled with him repeatedly since that time: former Revolutionary Guards commander Mohsen Rezai, former nuclear negotiator Ali Larijani, and current Tehran mayor Mohammad Baqr Qalibaf. All three are politically ambitious and pose useful counterweights to Ahmadinejad. However, there are copious reasons to be skeptical about anointing any of these individuals as a future diplomatic white knight, including Rezai's outstanding Interpol warrant, Larijani's limited charisma and longstanding hard-line tendencies, and Qalibaf's assiduous cultivation of external opinion, which has seldom proven a lasting formula for political influence inside the Islamic Republic.

Conclusion: Can Iran Say Yes?

The central puzzle in embarking on any new American diplomatic initiative concerns the ultimate interest and willingness of the Islamic Republic to accept a new relationship with Washington, specifically one that would involve compromises on Iran's nuclear program and involvement with terrorist groups. Ultimately, it is impossible to answer this question conclusively. Although we have seen innumerable missed opportunities and crossed signals from both sides, we have never managed to undertake a viable and sustainable diplomatic process. From the Saudi and British examples, as well as policy shifts in other arenas, it is clear that Iranian leaders are fully capable of reversing core policies and embracing old enemies. Moreover, it is also clear that today's Iranian officials can engage in selective, constructive dialogue with the United States and that they have cross-factional support for direct, authoritative dialogue with their American adversaries – a condition that did not exist for most of the past 30 years. Finally, it is worth noting that Tehran has long harbored similar doubts about prospective American capability and willingness to embrace a regime that has long been the subject of official animosity and that various U.S. officials have vowed to replace.

With these important caveats noted, it also must be acknowledged that there remains no hard evidence that Iranian leaders have ever been prepared, fully and authoritatively, to make epic concessions on the key areas of U.S. concern. Even more uncertain is whether Iran has had or will ever attain the level of policy coordination and institutional coherence that would enable any overarching agreement to be implemented successfully. In fact, each of the opportunities that we have missed has been just that – a prospective opening that Washington either botched or failed to explore or exploit.

Most infamous among these missed opportunities was a 2003 episode that has generated considerable speculation and media attention. In early May 2003, Swiss Ambassador to Tehran Tim Guldimann – who represented U.S. interests in the country in the absence of an American embassy – faxed a document entitled "Roadmap" to the State Department. The document contained a breathtaking outline of proposed U.S.-Iranian negotiations on the entire array of issues at stake – from Washington's standpoint, weapons of mass destruction, support for terrorism, and Iran's stances toward Iraq and the peace process. Guldimann reported that the document had been prepared by Sadeq Kharrazi, who at the time was Iran's ambassador to Paris and the nephew of its then-Foreign Minister, and that Kharrazi had indicated the document had been reviewed by Iran's senior leadership. Guldimann met with State Department officials and also provided the document to U.S. Representative Bob Ney, who reportedly forwarded a copy to the White House.[43]

This incident has generated a considerable amount of media coverage and partisan furor in Washington, and the precise contours of the administration's response remain officially classified.[44] Nonetheless, the suggestion that this overture represented a credible offer to negotiate a "grand bargain" is certainly overstated. Sadeq Kharrazi was associated with the reformist camp, and while he had family connections to the Supreme Leader, there was no evidence beyond Guldimann's third-hand assurances of Khamenei's endorsement.[45] Guldimann's perception of his role as a mediator rather than an information conduit, as per traditional diplomatic protocol, had discomforted Washington for some time. For these reasons, as former Deputy Secretary of State Richard Armitage has noted, "we came to have some questions about where the Iranian message ended and the Swiss message may begin."[46]

A more realistic assessment of this episode would conclude that this overture represented a trial balloon, emanating from the collaboration between sophisticated mid-ranking Iranian diplomats and an eager third-party mediator. Had it been pursued, the overture is unlikely to have led to a comprehensive settlement of all the issues at stake, but might have helped to broaden the U.S.-Iranian dialogue on Afghanistan, which was ongoing at the time, to tackle a wider range of issues and concerns. We will never know. The administration's decision to rebuff this overture without any attempt at verification or follow-up was a regrettable blunder, informed by U.S. hubris in the immediate aftermath of the Iraqi invasion.

The history and the current context should condition our expectations and shape any prospective new American diplomacy. The duration of the negotiations required in both the Saudi and British cases to resume a constructive working relationship – and the continuation of tensions thereafter – suggests that we are many years away from a durable U.S.-Iranian accord that settles our mutual grievances and concerns, and even further away from any final resolution. We need to consider what kind of strategic bargain we are willing to accept, as the Saudi and British examples suggest that Tehran will be either unwilling or unable to provide explicit, extensive commitments, even in exchange for U.S. concessions. Devising an effective formula for engaging Tehran, and maintaining momentum, will be key – and yet we will face imposing hurdles in finding mechanisms that succeed in drawing in a leadership that is insular and profoundly suspicious of Washington.

An understanding of the obstacles and the effort required to surmount them should not deter diplomacy, but rather spur a proportionate American bureaucratic and political investment in it. As Ahmadinejad confidante Said Jalili argued several months before his ascension to the post of Iran's chief nuclear negotiator, "U.S.-Iran relation is not something that can be fixed with one person saying one thing and everything will be okay."[47] Still, the scope and urgency of our concerns about Iranian policies should easily justify the effort.

---

[1] *Interview with* The Wall Street Journal *editorial board, (New York, June 8, 2007). Transcript accessed at http://www.state.gov/secretary/rm/2007/06/86254.htm.*
[2] *Baqer Moin,* Khomeini: Life of the Ayatollah *(New York: St. Martin's Press, 1999): 305.*
[3] *Shahram Chubin and Charles Tripp,* Iran and Iraq at War *(Boulder: Westview Press, 1988): 160.*
[4] *Henner Fürtig,* Iran's Rivalry with Saudi Arabia Between the Gulf Wars *(Ithaca: Cornell University Press, 2006): 43.*
[5] *Fürtig (2006): 48.*
[6] *Fürtig (2006):123.*
[7] *James Risen and Jane Perlez, "Terror, Iran and the U.S.,"* The New York Times *(23 June 2001).*
[8] *Gwenn Okruhlik, "Saudi Arabian-Iranian relations: External rapprochement and internal consolidation,"* Middle East Policy *10:2 (Summer 2003).*

[9] *Prince Saud Al Faisal, remarks at the Council on Foreign Relations discussion on "The Fight Against Extremism and the Search for Peace," (New York, September 20, 2005). Transcript by Federal News Service, text accessed at http://www.cfr.org/publication/8908/fight_against_extremism_and_the_search_for_peace_rush_transcript_federal_news_service_inc.html.*
[10] *Open Source Center, "Larijani: Discusses Nuclear Issue; Improvements in Iraq Due To 'Iran's Assistance,'" Islamic Republic of Iran News Network Television (13 September 2007).*
[11] *Shireen Hunter,* Iran and the World Continuity in a Revolutionary Decade *(Bloomington: Indiana University Press, 1990): 145.*
[12] *"Europe Takes Steps to Lift Its Embargo,"* The New York Times *(22 January 1981): A11.*
[13] *Mohsen Milani,* The Making of Iran's Islamic Revolution: From Monarchy to Islamic Republic *(Boulder: Westview Press, 1994): 233.*
[14] *Hunter (1990): 147.*
[15] *Craig R. Whitney, "Britain, Citing Death Threats, Expels 20 Iranians,"* The New York Times *(9 March 1989): A6.*
[16] *Ali M. Ansari,* Iran, Islam and Democracy: The Politics of Managing Change *(London: Chatham House, 2006): 106.*
[17] *Ansari (2006): 39-40.*
[18] *Barry May, "Iran says it has changed nothing over Rushdie,"* Reuters *(7 October 1998).*
[19] *Steve Prokesch, "Iran Reported Ready to Restore British Ties,"* The New York Times *(5 August 1990): A11.*
[20] *Susan Cornwell, "UK hopes to work with Iran after Rushdie,"* Reuters *(25 September 1998).*
[21] *"Exclusive Interview with Javad Larijani on a Letter Written by Majlis Deputies to the American Congress, the Press Bans, the Accusations Against Ganji, the Cheragh Program and the Mafia Group of Mehdi Hashemi,"* Aftab-e Yazd *(11 July 2001): 1-2.*
[22] *Alan Cowell, "Iran's Top Cleric Rejects Talking to Washington,"* The New York Times *(15 August 1989).*
[23] *In 1991, left-wing standard-bearer and future Khatami cabinet member Behzad Nabavi published a pamphlet contending that the notion of a "new world order" represented a new American scheme for world domination. Mehdi Moslem,* Factional Politics in Post-Khomeini Iran *(Syracuse: Syracuse University Press, 2002): 124.*
[24] *Ansari (2006): 130-1.*
[25] *Transcript of Khatami's January 7, 1998 interview with CNN reporter Christiane Amanpour (accessed at http://www.cnn.com/WORLD/9801/07/iran/interview.html); "Spiritual Head of Iran Renews Attacks on US,"* The New York Times *(3 January 1998).*
[26] *Elaine Sciolino, "Iranian Leader Dismisses All Hopes of Early Political Thaw,"* The New York Times *(23 September 1998).*
[27] AFP, *"Arrest of Jewish 'spies' triggers new round of factional fighting in Iran," (12 June 1999).*
[28] *Dissident journalist Akbar Banji alleged that Saeed Emami, who was arrested in connection with the 1999 "serial murders" of domestic dissidents but died in prison before his trial, had orchestrated assassinations of Kurdish oppositionists based in Europe in hopes of derailing any rapprochement with Europe.* Ansari *(2006): 180.*
[29] *Menashri (2001): 188.*
[30] *Ramazani: 237.*
[31] *Moslem (2002): 226; Ettela'at (24 October 1993).*
[32] *Milani (1994): 182.*
[33] *David Menashri,* Post-Revolutionary Politics in Iran *(London: Frank Cass Publishers, 2001): 192.*
[34] *"'Islamic new thinker' sees formula for Iran-U.S. ties,"* Reuters *(29 May 2001).*
[35] Agence-France Presse*, "Ban on U.S. Talks Revives Leftist-Rightist Tensions," (26 May 2002).*
[36] *World News Connection, speech delivered by Ayatollah Ali Khamenei in Mashhad (21 March 2006), broadcast by the Vision of the Islamic Republic of Iran Network 1.*
[37] *Khatami, CNN interview (7 January 1998), op. cit.*
[38] *World News Connection, "Supreme Leader Khamene'i emphasizes spiritual strength of Iranian army," Tehran Voice of the Islamic Republic of Iran Radio 1 (16 April 2003).*
[39] *Quotation attributed to then-National Security Advisor Anthony Lake. Kenneth M. Pollack,* Persian Puzzle: The Conflict Between Iran and America *(New York: Random House, 2004): 259. Bush administration officials harbored*

similar suspicions of the reformists. See Glen Kessler, "U.S. changes policy on Iranian reform," The Washington Post *(23 July 2002): A1.*

[40] Elaine Sciolino, "Iranian Leader Says U.S. Move on Oil Deal Wrecked Chance to Improve Ties," The New York Times *(16 May 1995).*

[41] Karim Sadjadpour, "Reading Khamenei: The World View of Iran's Most Powerful Leader," Carnegie Endowment Report (March 2008): 16.

[42] Roundtable interview with Ali Akbar Velayati (17 May 2007), broadcast on the Vision of the Islamic Republic of Iran Network 2.

[43] Glen Kessler, "2003 Memo Says Iranian Leaders Backed Talks," The Washington Post (14 February 2007): A14; Trita Parsi, Treacherous Alliance The Secret Dealings of Israel, Iran, and the U.S. (New Haven: Yale University Press, 2007): 234-50.

[44] Among other articles: Flynt Leverett and Hillary Mann, "What We Wanted to Tell You about Iran," The New York Times *(22 December 2006); Scott Shane, "Iran Article is Blocked Amid Dispute on Cause,"* The New York Times *(19 December 2006); and Michael Rubin, "The Iranian 'roadmap' wasn't a roadmap and wasn't Iranian,"* The Weekly Standard *13:6 (22 October 2007).*

[45] Several Iranian officials have subsequently confirmed that the overture had the sanction of Ayatollah Khamenei and President Khatami, including in personal conversations with the author, while other influential Iranians have flatly denied this. For the latter, see the PBS interview with Hossein Shariatmadari, editor of Keyhan newspaper, http://www.pbs.org/wgbh/pages/frontline/showdown/interviews/shariatmadari.html.

[46] "Showdown with Iran," PBS Frontline, broadcast in October 20007. Transcript of interview with Armitage accessed at http://www.pbs.org/wgbh/pages/frontline/showdown/interviews/armitage.html. Parsi notes that the State Department reprimanded Guldimann for his role in this episode. Also see Parsi (2007): 249.

[47] Morteza Qamari Vafa and Akram Sharifi, text of interview with Said Jalili, Fars News Agency. Text accessed at http://www.farsnews.com/newstext.php?nn=8512130522.