PARTICIPANTS:

FRED DEWS
Multimedia Project Manager
The Brookings Institution

SUZANNE MALONEY
Vice President and Director
Foreign Policy
The Brookings Institution
DEWS: Welcome to the Brookings Cafeteria, the podcast about ideas and the experts who have them. I’m Fred Dews.

Before I introduce today’s guest, I have a special announcement. After eight and a half years and over 400 episodes, I’m closing the doors of the Brookings Cafeteria and ending this podcast. This is the first of six final episodes airing through the end of March in which I’m talking with all five research vice presidents at Brookings and finishing with an interview with Brookings Institution President John R. Allen. In these episodes, Brookings leaders will be talking about the most important policy challenges and solutions of our time.

But this is not the end of Brookings podcasts. While the Cafeteria’s closing shop, we’re still producing other shows and launching new ones on a range of policy topics that will interest you. You can right now listen to Dollar and Sense: The Brookings Trade podcast to understand our global trading system; check out Foresight Africa on the dynamism and optimism across Africa; and subscribe to The Current for analysis and context of breaking news stories. We’ve just completed season one of 17 Rooms, a podcast about the Sustainable Development Goals, and we have other new shows in development on topics ranging from the U.S.-China competition for human talent to rural America to fossil fuels.

Here’s David Dollar, the host of Dollar and Sense: The Brookings Trade podcast, with more on that show.

DOLLAR: Hi, this is David Dollar, a scholar at the Brookings Institution in Washington, D.C. I’m the host of Dollar and Sense, the Brookings trade podcast, where I and my guests look at how trade works and the role that it plays in all our lives.

To try to make sense of the forces that drive global trade, I interview experts from D.C., across the country, and around the world about a range of challenges, including multilateral trade agreements and organizations; bilateral trade between the United States and
China; how control of the seas affects global trade; and the impact of COVID-19 on the
global trading order; and much more.

New episodes are released every other week and you can listen wherever you get your
podcasts. Learn more at Brookings dot edu slash dollar and sense.

DEWS: Visit Brookings dot edu slash podcasts to learn more and sign up to get
notified about new shows. You can also follow us on Twitter at Policy Podcasts for episode
highlights. And now on with the interview with Suzanne Maloney, vice president and director
of Foreign Policy at Brookings. Suzanne, welcome back to the Brookings Cafeteria and for
the last time.

MALONEY: Thank you, Fred. And let me just say congratulations to you on eight
years and a phenomenal amount of work and impact through this podcast that you pioneered
for Brookings, and that has been such an important avenue for all of our scholars to be able to
contribute to the public debate and to policy decisions based on the research that they do. So
thank you for all that work. Congratulations. And I’ll also note that I do hope eventually we
will reopen the doors of the Brookings cafeteria, which has been an important meeting place
for people from within the institution and across Washington for many, many years.
Shuttered, unfortunately, as a result of the pandemic for the past two years.

DEWS: And just to clarify for listeners, you’re referring to the physical cafeteria in
the building at 1775 Massachusetts Avenue. It’s a wonderful place.

MALONEY: Exactly. It’s one of the many parts of Brookings that is a very special
aspect of our convening power.

DEWS: So, let’s turn to Iran. A U.S. Army general who was nominated to lead U.S.
Central Command recently called Iran the “number one destabilizing factor in the Middle
East.” Why would he say that?
MALONEY: Well, I think this has been a fairly consistent assessment from U.S. policymakers really since 1979, the revolution that changed the nature of the Iranian government and really upended the rest of the region. Iran’s regime, the Islamic Republic that was put in place after the 1979 revolution, has been defiantly anti-American, has sought to destabilize its neighbors through support to proxy militias and to other militant groups really across the region.

And I think this is just a persistent challenge that the United States has faced, and it’s compounded by the aspirations that the Islamic Republic has long harbored to develop an indigenous nuclear weapons capability.

DEWS: Let’s turn now to the let’s turn now to one of the biggest issues between U.S. and Iran, which is the nuclear deal. Can you offer a quick overview of what that deal is or was, when it came into being, and what it was meant to accomplish?

MALONEY: Well, how long do you have, Fred? The nuclear program in Iran really dates back to almost 20 years with the revelations that the Islamic Republic had been building a massive enrichment facility for uranium, the purpose of which could only be understood to be for potential weapons material. That facility had not been declared to the International Atomic Energy Agency, which was an obligation that the Iranian government had taken on in 1970, when it signed the Nuclear Nonproliferation Treaty, and the post-revolutionary government committed to continue to adhering to those obligations.

And so when these revelations of a massive nuclear enrichment facility were made public, it really legitimized concerns that had long been brewing about what the Islamic Republic might be hoping to acquire or achieve in terms of its own deterrent capability. Iran had obviously suffered a great deal after the revolution, primarily thanks to the invasion of Saddam Hussein in 1980 and a brutal eight year war that followed. Iran was the victim of chemical weapons attacks by Saddam Hussein’s forces during that war. And we now know
that it was that experience which shifted a decision by the revolutionaries in their early days to abandon the nuclear program that had been constructed by the Shah, to revive it, and to begin to explore possibilities of developing nuclear weapons. They did so, of course, in contravention of their obligations under the NPT and in a way that was obviously very destabilizing for the rest of the region.

When the revelations about the nuclear enrichment facility became known, there was a very long effort to try to negotiate with the Iranians to bring them back into compliance with their obligations under the NPT. The United States joined that effort only after a couple of years in 2006, and it took another nine years before the international community was able to produce an agreement that all sides were comfortable with, that rolled back some of Iran’s nuclear activities, that put the most intrusive inspection regime in history on its overall nuclear industry, and provided Iran with considerable sanctions relief in terms of access to the international financial system.

That deal was concluded in 2015. And only a few years later when Donald Trump came into office, the United States opted to walk away from its own obligations under the nuclear deal and thus began what has been a growing crisis over Iran’s access to and capabilities of nuclear activity and the standoff with the international community that has ensued ever since.

DEWS: So, just to clarify my mind, President Trump pulled the U.S. out of the deal, but Iran and the other signatories to the deal, the E.U. and the other partners, stayed in the deal over the last few years. So what was the effect of the U.S. under President Trump leaving the deal on the deal and on Iran’s nuclear ambitions?

MALONEY: Well, let me just clarify. When President Trump walked away from the deal, the rest of the parties to the deal committed to continuing to implement their own obligations, which meant that the Europeans, the Russians and the Chinese committed to
continuing to provide sanctions relief to Iran and the Iranians committed to continue the restrictions on their nuclear program and the access of the International Atomic Energy Agency to monitoring and verification that they were in fact fulfilling those commitments.

That didn’t last very long, because ultimately, once the United States walked away from the deal and American sanctions went back into effect, it became effectively impossible for most European firms and entities to do business with Iran. American sanctions block Iran’s ability to conduct normal financial transactions with the rest of the world. And as the Iranians saw their economy slowly being choked off, the initial foreign investment that they began to receive in the aftermath of the deal dried up. And as they recognized that there was really no way to compensate for that as a result of smuggling and some of the other workarounds that they developed, the Iranians themselves decided to walk away from some of their obligations under the deal. They waited, they waited a full year, and they did so in concert with a broader effort to amp up regional pressure through subversion and attacks on facilities of their neighbors.

And this led to a growing concern about the outbreak of military conflict in the Gulf that culminated in early 2020 with an attack by the United States on an Iranian convoy that led to the death of Iran’s most notorious Revolutionary Guards commander and brought the two countries to the brink of war. And so there is this direct connection between the tensions over the nuclear deal, Iran’s regional activities and subversion, and the possibility and concerns about all of this boiling over into an armed military conflict between the United States, Iran, and potentially other countries in the region.

DEWS: And even as we’re talking, there’s a conference going on in Vienna and has been for a few weeks, maybe a few months, to try to revive the deal. But it seems like, especially based on what you’ve been saying, that U.S. domestic politics make this very difficult for President Biden. And the Iranians know that the next time there’s a Republican
president in the White House, that president would leave any new deal. So why do you think the Biden administration wants to have these negotiations to try to bring the U.S. back into the deal or to revive the deal at all?

MALONEY: Well, the Trump administration’s decision to pull out of the deal was consistent with the broader approach by President Trump to essentially poke a finger in the eye of the international community and walk away from American commitments to all kinds of international obligations and agreements. And so even on the campaign trail, the Biden administration made clear that they wanted to reverse that approach, that they wanted to recommit to international partners and international institutions and agreements. And so there was an expectation that it would be relatively quick business for President Biden to try to put the United States back into compliance with the nuclear deal and effectively revive the commitments on both sides to ensure that this deal continued to be implemented.

It has proven much more complicated than anyone anticipated, in part because the Iranians had begun to find effective workarounds to the American sanctions—particularly the Chinese increasingly were willing to violate American sanctions and to purchase Iranian oil in significant quantities, although the financial transactions and effectively the payment for those imports from Iran into China were still complicated by American sanctions. This was a lifeline for the Iranian economy.

And so the Iranians, as of early 2021, were prepared to drive a hard bargain. From their point of view, the U.S. was the transgressor. The U.S. had walked away from a commitment it made and cost the Iranian people upwards of $200 billion, not just in lost oil revenues, but also in the foregone growth and investment that the country would have experienced had the deal been implemented as it was intended to be. And so from the Iranian perspective, not only did they believe that the United States ought to move first, they believed
and have made the case that the United States ought to be more generous than it was in the original deal to compensate for the harm that was done to Iran.

And they were also looking for some kind of ironclad commitment from the United States that they would not find themselves once again in a situation as a result of American domestic politics that whatever expectations they would have for sanctions relief and ability to do business with the rest of the world could not be upended by a change in the American government. Obviously, those kinds of commitments are effectively impossible for any American administration to provide.

And so what we’ve had is this continuing effort on the part of American negotiators led by Rob Malley, who was one of the original negotiators of the 2015 deal, and Iranian officials never meeting together in the same room. The Iranians have refused to meet with their American counterparts, and so American negotiators sit on the outskirts of the negotiations that are happening between Iran, the European parties to the deal, Russia, and China. And there’s a kind of shuttling back and forth to try to work out terms that might be acceptable to both sides to bring both sides back into compliance with these obligations.

DEWS: And as we’re recording this, we’re learning today, February 16th, that an Iranian official has called the deal quote “an empty shell for Iran.” What are the incentives, if any, for Iran to engage on the deal at all? They’d have to give up the advances they’ve made in their nuclear weapons technology. And it seems like based on what you said that they’re finding ways around the sanctions anyway.

MALONEY: Well, the Iranian economy is limping along under American sanctions, and they have been able to find some means of exporting oil and some means of accessing other equipment and funding that they need. But ultimately, in the long term, I think there’s really no doubt that Iran cannot manage with this kind of restriction on its ability to transact normal business in perpetuity. Even the Iranians who long preach self-sufficiency, who had
long experience with American and other types of sanctions, and who fundamentally don’t necessarily want large numbers of Americans or Europeans coming in to do business in their country because of their concerns about the cultural impact that it would have, even this regime recognizes that it needs the ability to export its oil and to conduct basic financial transactions with the rest of the world.

They’re just looking to get that concession from the United States at the lowest possible price. And I think in my estimation, and certainly in the estimation of most of those who watch the program closely, Iran has no real intention of giving up its nuclear ambitions. The deal was from the Iranian point of view an acceptable set of measures in order to see the relief from American economic pressure. And that calculation still holds, but they want to pay less and they want to give up less in terms of the gains that they’ve made over the course of the past three years in particular since they began walking back their own compliance with the deal.

And so what you have is this back and forth over what’s going to be acceptable. From the Biden administration, they recognize that any return to the deal, even a perfect return to the deal, will be opposed by Republicans almost across the board, that it will be used as a battering ram against the administration in a year in which the president does face midterm elections and in which foreign policy has been surprisingly more chaotic than the Biden administration might have hoped. And so, what I think they’re trying to do is to push the Iranian issue off onto the back burner to avoid this reviving as potential military crisis and diverting the United States from larger interests in the strategic competition with China and the more urgent crisis of a potential war in the middle of Europe.

DEWS: So, Suzanne, I mean, what’s at stake ultimately, if the negotiations that are happening in Vienna sale? I mean, is there a is there a time at which maybe the deal just is declared dead?
MALONEY: I think the Biden administration is going to continue to push at every possible turn to put the deal back into compliance, but we are now getting closer and closer to a point of no return on the part of the Iranians. The original deal was intended to provide a year’s breakout time, in other words, that there would be effectively enough constraints on Iran’s nuclear activities—everything from mining and production of uranium, to enrichment, to the research on centrifuges, and other types of technology—that we would have about a year for the world to respond if it appeared that the Iranians were moving quickly to put the country in a position to have enough fuel for a nuclear weapon and actually resume the research and work that it would take to create a nuclear weapon.

At this stage, without the constraints that were imposed by the deal actually in place in Iran, there are estimates that the breakout time is only a few weeks at most before Iran would have enough fuel for a nuclear weapon. They’re still some time away from being able to produce an actual weapon, but frankly, the fuel itself is a significant concern for very good reason.

And so I think the Biden administration at this point is looking for any deal that pushes back that timeline. It almost surely won’t be a full year, whenever we get back to a nuclear agreement with Iran. We will have less time to prevent a breakout scenario if the Iranians do decide to race for a bomb at some point in the future. But anything is better than where we are now. And I think the calculus from the Biden administration is that they are prepared to sit at the table as long as it appears the Iranians may be negotiating in good faith.

There was a long period of time after elections in Iran in which there were no talks at all. And I think there was a lot of concern as we approached 2022 that this negotiation itself was going to be completely fruitless. More recently, there does seem to be an expectation that something is possible. It may not happen, but I think there are significant hopes that we may be able to get to a deal.
But the deal will be the first step. There will be a big political fight here at home. There will be a lot of scrutiny to see if the Iranians are actually going to live up to what they promised to do. And there will be a lot of concern about the fact that what has happened over the past couple of years has enabled them to learn a lot more, to develop much greater expertise in working with advanced centrifuges, and the timeline for the deal means that they will be able to reinstall those centrifuges if in fact they are uninstalled as part of a revival of the deal.

The timelines for the implementation of some of these restrictions begin to expire. These are called sunset clauses sometimes in the press, and some of these sunset clauses are only a couple of years away. And so, this is the calculation: is buying a couple of years of additional constraint on Iran’s nuclear activity worth the price that we’ll pay, which will enable the Iranians to resume normal business transactions, potentially attract new foreign investment, potentially revive their economy in a way that will be sufficient to make them an even greater threat when we’re once again faced with Iran working at a much higher and faster pace toward its nuclear ambitions.

DEWS: So widening our lens on Iran a bit. A couple of years ago, you published an edited volume through Brookings Press, “The Iranian Revolution at Forty.” You were on this podcast to discuss that. I see now that you’re working on a book focused on the question of whether Iran will pursue moderation in the future. What does that mean and what is your current thinking on that question?

MALONEY: Well, I spend less time on book writing than I ought to at this point, and the book lens has widened itself as well because I think what we’ve seen in Iran is consistent with trends that we’re seeing elsewhere around the world, which is that the hopes of some kind of a liberalization over time of authoritarian regimes as a result of greater economic
openness, as a result of greater access to information by both leaders and their own populations have not, in fact, proven true.

Twenty years or so ago when I first was beginning to work on Iran—it’s probably longer than that now, I’ll have to confess—there was, I think, a real sense of optimism that things were changing in Iran, that the revolution had hit its Thermidor, so to speak, and that there would be a kind of almost inevitable process of evolutionary progressive reform from within the system itself.

What we have found is that the Islamic Republic, like so many other authoritarian states around the world, had created roadblocks to any real reform from within, and had been so effective at preventing a push for change from the streets that this authoritarian system has become even more fixed in place than it was at the beginning of the revolution. And I think that’s not just an Iranian phenomenon. I think that’s a phenomenon that we see in Russia, in China, and elsewhere around the world. And it’s one that we as a country really haven’t confronted in a systemic way. There’s a lot of effort and a lot of thought, especially now, given that democracy is such a major priority for the Biden administration and the effort by this administration has been to try to rally the world’s democracies.

But I think that there are some consistent patterns that require additional policy tools to deal with. The legal and judicial measures that various regimes take to try to cement their position of power. Their ability to repress through use of technology is even greater today than it ever was. And from a policy point of view, I think our competitions with our strategic rivals like China really relies on our ability to advance a better way of life for all those who live in systems that include some kind of representative rule and to continue to expand those rights and freedoms around the world. It’s absolutely key. And Iran is an exemplar of how that hope can go awry, how that sense of progress and optimism can be in fact, exploited and subverted by authoritarian leaders themselves.
So unfortunately, I’m very pessimistic about the short-term prospects of significant positive change within Iran. But I continue to believe that especially of all the countries in the Middle East where I’ve had some experience, I think Iran is poised for some eventual better future in a way that’s more robust and more serious than almost all of its neighbors. Iran has had this kind of torturous experience over the past forty-three years with an authoritarian state that has used religion and used social and cultural values as a way to oppress its own people.

But they’ve also had an incredibly intense debate over the nature of democracy, of freedom. And they have a tremendous experience with a very managed electoral system. And so despite the fact that there are huge constraints on elections in Iran—these are nowhere near free and fair elections—the fact is Iranians on a regular basis go to the polls to provide political voice. There are individuals who compete for their votes. And I think that that experience, together with these really robust debates, the widespread education, the deep engagement with the rest of the world through technology and travel, I think is going to put Iran in a position where when that transition happens as a result of the age of the gerontocracy that rules Iran today, or simply as a result of other conditions that make it possible to see some kind of change in the nature of the system, Iran will move quickly and I think in a relatively stable way to a much different, much freer, and more open, and more prosperous society than it is today. So, I’m pessimistic in the short-term, but really optimistic in the long-term.

DEWS: Well, Suzanne, widen the lens even further than in looking ahead. What are some of the other issues that you are focused on, both in your own research and also as the vice president of Foreign Policy at Brookings? It’s a big world.

MALONEY: It is a big world. It’s been a very busy world since I moved into this position just about two years ago, and it’s really just a phenomenal opportunity to engage with some of the most incredibly productive and impactful scholars around the policy
community here in Washington to engage on issues around Russia, China, the transatlantic relationship, the wider concerns about transnational threats, whether it’s terrorism, technology, climate change. These are all issues that our scholars are working on. It has been a fascinating couple of years, in part because so many of our colleagues were scooped up by the Biden administration to move into senior roles at the White House, in the National Security Council, over at the State Department, and at the Department of Defense, and Department of Energy. We have upwards, I think, now of 20 scholars and affiliates and staff who’ve moved into positions in the Biden administration, which is very exciting to watch as they go off and take their scholarship and put it into action. But it’s also been a huge, huge growth opportunity for the Foreign Policy program. We’ve brought on a number of new scholars and staff. We’re still in the process of doing that and really rebuilding our program to meet some of the big challenges, intellectual and policy challenges, of the 21st century.

And let me just say, I’m lucky enough to be the first woman who served in this position in the Foreign Policy program. And from when I first came to Brookings to where we are today, it’s been a complete transformation in terms of the diversity of our scholars, in terms of their background, in terms of their philosophy, in terms of their training, and also in terms of race and gender. And this is a road that we’re still progressing along, something that’s a really big priority for the Institution as a whole and a big priority for Brookings. But I can say it’s just so exciting to bring on and to get an opportunity to work with the tremendously talented scholars who joined Foreign Policy over the course of the past two years. And I’m really excited about all the work that we have ahead of us.

DEWS: Well, I can only echo that sentiment because in my 25 years of Brookings, I’ve seen that same kind of transformation. And then in the eight and a half years that I’ve heard of the Brookings Cafeteria, I’ve been delighted to interview so many Foreign Policy
experts on this show and yourself included. So, Suzanne, I just want to thank you as always for sharing with us your time and your expertise.

MALONEY: Thank you, Fred. This has been a lot of fun, as always.

DEWS: A team of amazing colleagues makes the Brookings Cafeteria possible. Gaston Reboredo is the audio engineer; our audio intern this semester is Skye Sutton; Bill Finan, director of the Brookings Institution Press, does the book interviews; my Communications colleagues Adrianna Pita, Chris McKenna, Chris Peters, and Colin Cruickshank are key collaborators. And finally, Ian McAllister, Soren Messner-Zidell and Andrea Risotto provide guidance and support.

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Until next time, I’m Fred Dews.