

RSIS Commentary is a platform to provide timely and, where appropriate, policy-relevant commentary and analysis of topical issues and contemporary developments. The views of the authors are their own and do not represent the official position of the S. Rajaratnam School of International Studies, NTU. These commentaries may be reproduced electronically or in print with prior permission from RSIS and due recognition to the author(s) and RSIS. Please email: RSISPublications@ntu.edu.sg for feedback to the Editor RSIS Commentaries, Mr Yang Razali Kassim.

Iran Nuclear Deal: Expect Limited US-Iran Détente

By Sumitha Narayanan Kutty

Synopsis

The nuclear negotiations between Iran and the P5+1 countries have witnessed unprecedented diplomatic engagement between the United States and Iran. Contrary to expectations, a final nuclear deal will not achieve a significant rapprochement, but only a limited détente in US-Iran ties.

Commentary

A FINAL NUCLEAR agreement between Iran and the P5+1 countries (United States, United Kingdom, France, Russia, China, and Germany) will have far-reaching implications. The 80 million-strong country ends its isolation and the world's last frontier market will be finally open for business.

Of course, this will come about only if Iran complies with an intrusive verification and monitoring regime for at least 10 years (per the framework agreed in April). Sanctions will be lifted in a phased manner only if these "agreed-upon benchmarks" are met. Through this period, the breakout time of the Iranian nuclear programme will be kept at one year. Perhaps the most awaited historic change is that of a détente in Iran – United States relations.

The day after a deal

When American Secretary of State John Kerry met Iranian Foreign Minister Javad Zarif on the sidelines of the UN summit in September 2013, it was the first substantive high-level interaction between the two countries in 30 years. Following this meeting, Iranian President Hassan Rouhani's 15-minute phone conversation with US President Barack Obama was most significant.

Subsequently, there has been a strong demonstration of commitment from both sides to resolve the nuclear issue. Kerry and Zarif have met at each round of talks and together worked long hours to hammer out various stages of the agreement.

So what does the day after the deal hold for this relationship? The realisation of a nuclear deal cannot be extrapolated to imply a significant thaw in US-Iran relations. Both sides have made it amply clear that their present mandate focuses purely on the nuclear problem and will not extend beyond that.

Thus, in the short term, an Iran-US détente remains limited. Here's why.

What does not change

Since the Islamic Revolution in 1979, the Iranian regime has rallied around anti-Americanism. For the 75-year-old Supreme Leader, Ayatollah Ali Khamenei, his legacy after a nuclear deal will shape the future of Iran's political system. Only the second Supreme Leader of the state, Khamenei has no intention of challenging the status quo or cozying up to the 'Great Satan' in direct contradiction to the core principles of the Islamic revolution.

He played a very delicate balancing act during the negotiations process. As soon as indications of optimism emerged from Lausanne or Geneva, Khamenei would yank the conversation back into the anti-American orbit with tough rhetoric, tweets, or messages at Friday prayer sessions.

A second constraint on both Iranian and American ends is domestic politics.

In the Iranian case, the president's powers are limited. Hassan Rouhani does not dictate Iran's foreign policy. It is the Supreme Leader who has the constitutional authority to do so. Even though the negotiations with the West began with Khamenei's blessings, the Iranian hardliners (the far right conservatives closest to Khamenei) have not played nice with Rouhani and his cabinet. They have spared no efforts to keep Rouhani in check given that he was elected on a populist mandate. Furthering engagement with the US will prove detrimental to his political career.

On the American side, President Obama would have already expended a great deal of political capital to bring a nuclear deal with Iran to fruition. Getting a Republican-majority Congress to take a middle-of-the-road approach in an election year would be tremendously taxing by itself, leaving a reduced appetite for wider engagement with Iran. That battle would be left for the winner of the 2016 presidential race to follow through, if he or she thought fit.

Third, a nuclear deal will not change the US' stance on Iran being a state sponsor of terrorism. In May, Obama called out the country yet again for supporting "violent proxies inside the borders of other nations". The US State Department labelled Iran a "serious threat" facing the US and its allies in its annual Country Reports on Terrorism released in June. A nuclear deal will also not deter Iran's activities in Lebanon, Syria, or Yemen. Furthermore, Washington will not overlook human rights violations and detentions of American citizens by the Iranian regime.

Another major factor that limits the warming up of US-Iran ties are America's commitments to its allies in the Middle East – primarily, Israel and Saudi Arabia. The issue of US rapprochement with Iran was powerful enough to bring these traditional rivals together. After the deal, the Obama administration will have to adopt policies that reassure these allies, specifically on the security front. Such posturing will only further discourage bilateral engagement with Iran.

A final consideration is this – even if Iran's economy gradually opens up, American businesses cannot engage with Iran. This is because the US does not plan to lift the "primary" sanctions against Iran anytime soon. These sanctions prohibit companies owned by US individuals (and their subsidiaries) from doing business with Iran.

Modest opportunities

Despite the above factors, there may be some room to manoeuvre in a post-deal environment.

The stability of Afghanistan and the fight against Islamic State (IS) are two major issues where the US and Iran currently find common ground. It is possible that a nuclear deal may dissuade the Iranians from flirting further with the Taliban or harming American interests in Afghanistan. On combating IS, both sides have not ruled out the possibility. However, the US will first demand that Iran demonstrate its commitment to the nuclear deal.

What definitely changes though is this – there will be a rise in people-to-people interactions. Certain forms of academic engagement were authorised by the Obama government on Nowruz (the Persian

New Year) last year. This is expected to gain momentum after a deal. In the medium term, there are proposals floating in Washington to establish an interests section in the Swiss embassy that currently manages American interests. Yet another idea is to house a trade representative there.

An Iranian nuclear deal certainly sets change into motion, just not in the days right after an agreement. There are some modest opportunities here but a significant rapprochement between Iran and the US remains unlikely.

Sumitha Narayanan Kutty is Associate Research Fellow, South Asia Programme at the S. Rajaratnam School of International Studies (RSIS), Nanyang Technological University, Singapore.

Nanyang Technological University
Block S4, Level B4, 50 Nanyang Avenue, Singapore 639798
Tel: +65 6790 6982 | Fax: +65 6794 0617 | www.rsis.edu.sg