

The Iran Agreement and What Comes Next



Executive Summary

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The Joint Comprehensive Plan of Action (JCPOA) agreed to by Iran and the P5+1 (China, France, Germany, Russia, the United Kingdom, and the United States) on July 14, 2015, represents a historic moment for U.S. foreign policy. The agreement will have to be judged based on its ability to help further four key American objectives:

- Prevent Iran from obtaining a nuclear weapon;
- Increase stability in the Middle East;
- Strengthen the non-proliferation regime; and
- Improve America's global standing.

Leveraging the agreement to achieve these objectives is far from a foregone conclusion. Success will depend heavily on the policies the United States and its partners pursue in the aftermath of the agreement. Over the next 20–25 years, if implemented effectively, the agreement could succeed in permanently ending Iran's pursuit of a nuclear weapon. Alternatively, if implementation fails, the JCPOA could pave the way for an Iranian bomb in 15 years or sooner. The agreement could open up new channels of cooperation with a more moderate Iran and help stabilize the Middle East, or it could cause increased destabilizing competition between Iran, Saudi Arabia, and Israel. The agreement could strengthen non-proliferation norms across the globe or result in Middle Eastern states more aggressively pursuing domestic enrichment capa-

bilities similar to that of Iran. Finally, the deal could better position the United States in a broader geopolitical competition with China and Russia, or it could lead to the Chinese and Russians taking advantage of the new channels open to Iran while the United States reaps few if any benefits.

This commentary outlines a game-plan for the United States that seeks to maximize the upsides of a diplomatic breakthrough with Iran while protecting against the negative implications of the deal. This task inherently includes tensions that pull in opposite directions. The United States will have to be prepared to quickly reimpose sanctions in the event of Iranian violations even as it encourages the return of private businesses to Iran to ensure meaningful sanctions relief. U.S. policy will have to more forcefully counter Iran's support for surrogates and proxies in the Middle East while seeking new avenues for U.S.-Iranian engagement. However, history has shown that with regional or global competitors such as China or Russia, the United States is indeed capable of both countering and engaging at the same time and its approach to Iran should be no different.

This paper provides a preview of a comprehensive report that the Center for a New American Security will release in October and lays out such a strategy based on six central pillars and more than 45 associated policy recommendations that support the strategy.

Pillar 1:

Set conditions for effective long-term enforcement and implementation by taking steps outside of the JCPOA that complement the agreement.

The United States should:

- Develop additional sanctions re-imposition or “snapback” mechanisms, beyond what is incorporated into the JCPOA, with like-minded international partners;
- Pass legislation that creates greater congressional buy-in for implementation of the agreement and includes additional resources for enforcement of the JCPOA and new U.S. unilateral “snapback” sanctions authorities that can be utilized in the event of an Iranian violation;
- Create mechanisms to promote the return of responsible, transparent private businesses to Iran – in a climate of significant commercial and political risk – to ensure meaningful implementation of sanctions relief that strengthens the overall agreement;
- Continue to hold Iran’s nuclear program at risk for military action through continued contingency planning and a public posture that makes clear this option is available in the event Iran moves towards a nuclear weapon;
- Establish a congressional commission to oversee the agreement and ensure consistent and sustained oversight and support for enforcement and implementation throughout the duration of the agreement;
- Appoint a presidential envoy for coordinating and implementing the JCPOA; and
- Invest in increasing the capacity of the IAEA.

Pillar 2:

Work closely with Sunni Arab partners to more forcefully counter Iranian actions that are against U.S. interests, most notably their support for surrogates and proxies in the Middle East.

The United States should:

- Create a high-level defense and intelligence forum at the Cabinet level that regularly meets with Gulf Cooperation Council (GCC) states and Arab partners to oversee the development and execution of a strategy to counter Iran’s destabilizing activities in the Middle East;
- Form a Multi-National Joint Task Force (MN-JTF) with Arab partners targeted at counter-

ing unconventional threats from the Islamic Revolutionary Guard Corps (IRGC) and Sunni extremists. Utilize this task force to:

- » Conduct joint exercises to counter Iran’s unconventional capabilities;
 - » Train U.S. partners in foreign internal defense and unconventional warfare; and
 - » Develop a joint intelligence fusion center to counter Iran’s asymmetric capabilities.
- Work with GCC and Arab partners to shift the balance on the ground in Syria by significantly expanding programs for arming, training, and equipping moderate opposition forces, including those forces opposing President Bashar al-Assad. Shifting the balance on the ground sets conditions in the longer term for a negotiated political settlement to the conflict.
 - Take carefully calibrated direct actions against the IRGC, either unilaterally or jointly with Israel or Arab partners;
 - Take a more aggressive approach to maritime interdictions of IRGC weapons shipments, especially in the Red Sea and around Bahrain;
 - Continue an aggressive sanctions strategy targeting Iranian support for terrorism and illicit, destabilizing activity of the IRGC, including thorough coordination with European allies;
 - Maintain current U.S. force posture in the Middle East with tailored enhancements, particularly in the form of additional ballistic-missile defense assets; and
 - Increase conventional military sales to Arab partners to bolster defensive capabilities against potential Iranian aggression but avoid the introduction of significant new offensive capabilities into the region.

Pillar 3:

Reassure Israel of U.S. commitments and deepen cooperation on countering Iran’s nuclear and asymmetric capabilities.

The United States should:

- Reinvigorate a U.S.-Israel high-level dialogue on a joint strategy to prevent a nuclear-armed Iran in the aftermath of the JCPOA, combined with professional dialogues and collaboration focused on implementation, detection of cheating, and response scenarios;
- Come to a U.S.-Israel side understanding on the steps the two allies can take together to ensure effective detection of any possible Iranian attempt to develop nuclear weapons and how they might respond jointly under various scenarios;
- Prioritize renewal of the U.S.-Israel Memorandum of Understanding on American Military Aid due to expire in 2017;
- Deepen support for Israel’s multi-layered missile defense architecture including continued and increased investments in the Iron Dome, Arrow-3, and “David’s Sling” systems;
- Reassure Israel that new efforts to strengthen the Gulf states will not come at the expense of Israel’s qualitative military edge;

- Designate senior American and Israeli officials with the task of strengthening the relationship and reestablishing trust at the political level; and
- Create a high-level political dialogue and increase military and intelligence cooperation

with Israel to address the threat posed by Iran's proxies, especially Hezbollah.

Pillar 4:

Cooperate with Iran on issues of common interest both to stabilize the Middle East and increase the likelihood of a more moderate and cooperative Iran.

The United States should:

- Eliminate the State Department's no-contact policy with Iran;
- Establish a channel between the American National Security Advisor and Iranian Secretary of the Supreme National Security Council (SNSC);
- Deepen cooperation on maritime security, including new cooperative mechanisms to avoid inadvertent escalation between naval warships, and support cooperative counter-piracy efforts;
- Test the Iranian government's willingness to accept an interests section in Tehran but proceed cautiously and gradually due to security concerns for American personnel and political challenges in Tehran;
- Deepen disaster and earthquake relief cooperation between Iranian and American civilian experts;
- Create new financial opportunities for U.S. and international lenders to empower the Iranian private sector, entrepreneurs, and civil society;
- Expand exchange and people-to-people programs between Iran and the United States in fields such as sports, business, and academia;
- Deepen cooperation in Afghanistan, especially on counter-narcotics efforts;
- In the near term, limit initial engagement with Iran on ISIS to operational de-confliction and avoid initial attempts at strategic cooperation in Iraq and Syria; and
- Over the long term, utilize high-level diplomatic channels built with Iran on the nuclear issue to provide a forum to discuss and mediate regional issues.

Pillar 5:

Leverage the agreement to strengthen non-proliferation norms and dissuade states from reacting to the deal by pursuing similar domestic enrichment capabilities.

The United States should:

- Mitigate against the risk of the JCPOA becoming a precedent for less restrictive civilian nuclear cooperation by staying committed to the “gold standard” (which ensures no self-enrichment or reprocessing capabilities), particularly in the Middle East;
- Deepen regional intelligence cooperation targeted at Iran’s nuclear program;
- Use Iran’s acquiescence to the Additional Protocol to reengage with other hold-outs such as Argentina and Brazil and encourage them to comply;
- Leverage provisions of the JCPOA to pursue stronger global norms for monitoring the entire nuclear supply chain, especially for past violators and states with large civilian nuclear programs;
- Leverage the unique compelling mechanisms in the JCPOA, such as the Joint Commission’s ability to mandate access to sites not under safeguards or the UN sanctions snapback mechanism, as a useful model to strengthen future non-proliferation agreements;
- Provide tailored nuclear security guarantees to GCC partners; and
- Clarify economic disincentives to Sunni partners if they begin proliferating in response to the JCPOA.

Pillar 6:

Build on the deal to advance U.S. global leadership and ensure that Iran’s new strategic and economic relationships do not undermine U.S. objectives in the region or U.S. relations with its major global competitors.

The United States should:

- Reduce the importance of Iran in the bilateral agenda with China in order to limit Chinese leverage and focus on issues more critical to U.S. interests in Asia;
- Maintain the importance of the Iran issue in the bilateral agenda with Russia as it remains one of the few areas of cooperation in an increasingly fraught relationship;
- Work to pry Russia away from the Assad regime and explore whether it could accept a solution for the Syrian civil war that involves a gradual transition in power;

- Cooperate with China on energy supply security in the Middle East and maritime security in the Gulf and Asia-Pacific for energy trade;
- Bring China into targeted efforts the U.S. may pursue with Iran to stabilize Afghanistan and counter the Islamic State; and
- Insulate the U.S. economy from energy market volatility caused by the introduction of increased Iranian oil supply to world markets in the aftermath of the JCPOA.

Taken together, this strategy and set of initiatives, some of which can be quickly implemented and other of which may take years to put in place, should optimally position the United States to maximize the opportunities presented by the JCPOA while guarding against downside risks.