

Viewpoints
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Breaking Taboos

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The Rouhani government, barely 100 days old, has delivered what no other Iranian government had achieved since the initiation of Iran's nuclear program: a deal between the United States and Iran. An agreement between the P5+1 (five permanent members of the United Nations Security Council plus Germany) and Iran was announced in Geneva in the early morning hours of Sunday, November 24.

The driving force behind the punishing unilateral, multilateral, and UN-imposed sanctions regime imposed on Iran was the United States; and these sanctions effectively broke the back of the Iranian economy. All along, Iran's leader, Ayatollah Ali Khamenei; President Ahmadinejad, who left office only in August; commanders of the Revolutionary Guards; Friday prayer leaders; and other hardliners sang the same song: sanctions were ineffective; Iranians would weather any hardship. But this discourse could not be credibly sustained – not when the Iranian currency, the rial, lost 60 percent of its value, Iranian oil exports fell from 2.5 million barrels a day to 1.2 million barrels, inflation reached 40 percent; and not when the average Iranian found the cost of living crushing, when cheap Chinese and Indian goods flooded the market (undermining local industries because Iranian oil earnings could not be used elsewhere), when Iranian businessmen and the government were effectively shut out of the international financial and banking system; and when money in government coffers was fast disappearing. Clearly, something had to be done.

It was Iran's bazaar merchants, industrialists, bankers, and pragmatists among the politicians – men like former president Ali-Akbar Hashemi-Rafsanjani – who convinced the Supreme Leader that this situation was not sustainable. Hassan Rouhani, elected president in June on a platform that promised to resolve the nuclear deadlock, lift sanctions, and end Iran's international isolation, should be given a chance to explore the possibility of a mutually acceptable nuclear accord and an end to sanctions. This meant talking to the Americans. Almost a decade ago the Supreme Leader had said in a speech in Mashad that he alone will decide when the right time is to talk to the Americans. The time had obviously come.

Significantly, when Rouhani announced a cabinet and appointed reformists, including pragmatic reformists like Mohammad Javad Zarif to head the foreign ministry, the Supreme Leader did not object – despite the fact that he had no love for the men who had served under the reformist president Mohammad Khatami a decade ago and despite the opposition of hardliners like Hassan Shariatmadari, the editor of *Kayhan*, a newspaper that speaks for the Intelligence Ministry and for the leader himself. Shariatmadari had urged parliament to reject Rouhani's reformist selections for cabinet posts. But most, including Zarif, were confirmed. When Rouhani and Zarif came to New York to attend the opening of the UN General Assembly in September, Zarif broke one taboo when he held one-on-one discussions with his American counterpart, John Kerry. Rouhani broke an even bigger one when he took a phone call from

President Obama on his way to the airport. Khamenei later, referring indirectly but unmistakably to the Rouhani-Obama conversation, said that some inappropriate things had occurred in New York. But the ice was broken, and even Khamenei endorsed his president's diplomatic initiatives at the UN. It was these talks, and others Zarif held with foreign ministers of the P5+1 countries (there were officially unconfirmed reports of unpublicized meetings between Iranian and American officials), that led to a reconvening of the Iran-P5+1 negotiations – this time in Geneva. A first round of talks was held in October; the second in early November, and the third convened in Geneva last week.

The Iranians, led by Zarif, came to Geneva this time well aware that the Israelis were opposed to any deal with Iran that fell short of entirely shutting down its nuclear program. They also knew that Israel had unlikely allies among the Arab states of the Persian Gulf countries, led by Saudi Arabia. The Gulf Arabs fear – indeed are terrified – that any agreement, no matter how modest, will provide the opening for the return of Iran as the “hegemonic” power to the region. Zarif also knew that his window of opportunity was short. If he could not take home an acceptable agreement in this or the next round of negotiations, Congress could impose another set of sanctions, aborting the negotiations and further punishing the already ailing Iranian economy. It was left to President Obama to attempt to persuade Israel and America's Persian Gulf allies that a deal with Iran would not be a sellout and that the United States would not allow Iran to secure nuclear weapons. In this, he had limited success but clearly decided to proceed without Israeli or Arab blessings. The hard bargaining for the United States and its allies, and for the Iranians, took place in Geneva.

Agreement on an interim deal was reached in the early hours of November 24. In brief, it freezes in place Iran's nuclear program and rolls back significant parts of it in exchange for mild sanctions relief (estimated to be worth about \$6 billion or \$7 billion to Iran in released frozen Iranian funds and exportable goods). A “final” agreement is to be pounded out by the two sides over the next six months.

Naturally, the terms of the agreement are being interpreted differently by officials in Washington and in Tehran. The Obama administration is strenuously defending and lauding the agreement. It prevents further expansion of Iran's nuclear activities; bars currently idle centrifuges from being put in operation; requires Iran to transform its stock of 20 percent enriched uranium (but a step from fuel that can be used to make a bomb) to far less threatening forms of fuel; halts a range of activities at the heavy water facility at Arak; opens nuclear facilities at Fordow and Natanz to intensive inspections; commits Iran to address concerns about the possible military dimensions of its nuclear program; and, finally, provides a six-month window to hammer out a final agreement. The sanctions relief Iran is given is limited and reversible; and the most punishing sanctions, on oil sales and banking transactions, remain in place.

The narrative officials are presenting in Tehran stresses the positives for Iran in the agreement. Rouhani noted that Iran retains the right to enrich; the progress it has achieved is secure activity at its major nuclear sites at Natanz, Bandar Abbas, Arak, and Isfahan to continue; sanctions are beginning to be lifted. He said nothing of the concessions Iran has made, nor of the intrusive inspections regime to which Iran has agreed. This is as it should be. The agreement in Geneva was framed to allow each side to take something home.

But the United States with its P5+1 partners has gained a great deal; and Iran knows that if it fails to comply with its undertakings, or if no final agreement is reached in six months, sanctions relief will be reversed and the current sanctions regime will be tightened. For the moment, the agreement Rouhani and Zarif brought home from Geneva is being applauded at home. A huge crowd, mostly composed of young people, greeted Zarif at the airport when he returned from Geneva. Some hardliners are arguing Iran could have achieved better terms in Geneva. But most have lauded the Iranian team's efforts.

The real work for the Iranian team is ahead of them. They will need to retain the support of the country, parliament, the hardliners, and of the leader. So far, Khamenei, without whose endorsement the Geneva agreement would not have been possible, seems to be on board. In an exchange of letters with President Rouhani on the signing of the Geneva agreement, he thanked and praised the negotiating team and attributed "this success" to "God's grace and the support of the people of Iran." He of course also emphasized that "firmness in the face of over-reaching demands" must remain the guideline of Iran's officials.



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