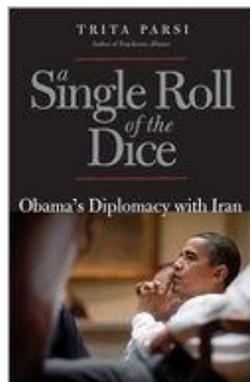


A Single Roll of the Dice: Obama's Diplomacy with Iran

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- [Introduction](#)
- [Remarks](#)
- [Questions and Answers](#)

Introduction

JOANNE MYERS: Good morning. I'm Joanne Myers, director of Public Affairs Programs, and on behalf of the Carnegie Council, I would like to thank you all for joining us for this new season of lectures.

Today our speaker is Trita Parsi. He is one of our country's foremost analysts on Iran and has been consulting with the [Obama administration](#) on its policy towards this country. His views on America's diplomatic efforts, its attempts at engagement, lack of success in curtailing [Iran's nuclear program](#), and Tehran's responses are especially welcome amid this ongoing standoff between the West and Iran over the latter's nuclear program. His

discussion is based on his most recent book, [A Single Roll of the Dice: Obama's Diplomacy with Iran](#), and reflects the experience of the Washington insider that he is.

When President [Obama](#) was running for president and shortly after taking office, he expressed support for opening a dialogue with Iran. This marked a dramatic change in tone from the [Bush administration](#) and reflected Obama's genuine desire to use diplomacy to defuse an enemy three decades in the making. Obama's concern was in part to ask for Iran's assistance in playing a more constructive role in Iraq, but it was also due to his belief that Iran's nuclear ambitions represented a serious threat, one that could set off an arms race in the Middle East.

Three years into this administration, it seems that this president has concluded that the Iranian regime is neither ready nor able to make a strategic reconciliation with the West or reign in its nuclear program. The regime is too divided, with [Khamenei](#), the ultimate authority, too ideologically rigid. Accordingly, Washington has chosen to enact more [sanctions](#) as a way of putting added pressure on Iran, and it hopes that this will move the regime towards serious negotiations. While this strategy is understandable, it also risks building up pressures that could take on a course of their own.

In *A Single Roll of the Dice*, our guest takes a closer look at the history of Obama's outreach to Iran and challenges existing views. He writes that contrary to the prevailing narrative, the limited diplomatic encounters between Iran and the United States in 2009 and 2010 cannot be characterized as an exhaustion of diplomacy, as 30 years of mistrust cannot be wiped away with just a few encounters. His basic premise is that diplomacy didn't fail; it was simply abandoned. In the end, he calls for long-term, patient diplomacy on matters of concern, which should include the issue of human rights.

Trita has done his homework, and his argument is persuasive. He conducted conversations with over 60 high-level decision-makers, including government officials, as well as actual negotiators. These exchanges included representatives from Iran, the United States, Israel, Saudi Arabia, Turkey, and Brazil, among others, and reveal aspects of the relationship between the United States and Iran that until this writing have been unknown. His conclusions are thoughtful and demonstrate an appreciation for the vulnerabilities of both Iran and the United States.

After reading this work, it is apparent why there is an ongoing stalemate.

As we know, for some time relations between the United States and Iran have been on shaky ground, but in recent days tensions have escalated and have the potential to spiral out of control. Having Trita here provides us with an opportunity to better understand what we need to do before increasing pressure and more defensive posturing results in explosive consequences.

That being said, please join me in giving a warm welcome to our guest this morning, Trita Parsi. Thank you for coming.

Remarks

TRITA PARSI: Thank you so much. It's a great pleasure being here at the Carnegie Council. I'm delighted to be invited to speak on this topic.

I have been extremely fortunate. Every time I have written a book, it ended up being a very topical issue in the news. I wrote my book on Iran and Israel that came out in 2007 [[Treacherous Alliance: The Secret Dealings of Israel, Iran, and the United States](#)], in the nick of time. This book came out right when the Republicans decided to make Iran a major issue in the [presidential campaigns](#).

The book, as was explained, is based on numerous interviews with officials and negotiators from all sides. I spent time with top officials from the Obama administration, as well as with negotiators on the Iranian side, as well as other countries that have been involved in this—Japan, Turkey, Brazil, and, of course, the European states, and other U.S. allies, such as Saudi Arabia and Israel.

Let me start off by giving you a [quote](#) from President Obama himself:

"To the Muslim world, we seek a new way forward, based on mutual interest and mutual respect. To those who cling to power through corruption and deceit and the silencing of dissent, know that you are on the wrong side of history, but that we will extend a hand if you are willing to unclench your fist."

Only 12-and-a-half minutes into President Obama's presidency, he reached out to Iran offering America's hand of friendship if the Iranians would unclench their fists.

This was a bold move, but not born out of desire but of necessity. To the best of our knowledge, there was no childhood dream of President Obama to conduct diplomacy and negotiations with ayatollahs of Iran. It was something that was born out of the results of the policies of the previous administration that had made peace a necessity, essentially.

The Bush administration pursued an ideological [foreign policy](#) that essentially treated negotiations as a reward: We should only talk to countries that deserve our company. We are the ultimate source of legitimacy, and if we talk to the regime in Iran, for instance, we would risk legitimizing it. As a result, we will punish and isolate it by simply not speaking to it.

One can have whatever view about the value or correctness of that ideology, but its track record, I think, is difficult to dispute. This is a track record in which, during the eight years that the Bush administration sought to punish Iran by not talking to it, the Iranians went from having only a few dozen centrifuges to having more than 8,000. The Iranians expanded their influence in Lebanon, they became the kingmakers in Afghanistan and in Iraq, and Iran's soft power in the region skyrocketed, partly, if not mainly, because it was challenging an increasingly unpopular America in the Middle East.

Against this backdrop, candidate Obama did what no one else had done before him. He made negotiations with America's foes a central part of his election [platform](#). Negotiations with Iran became the poster child of that platform. What surely would have been political suicide under normal circumstances—and it probably would be under the current circumstances—became the winning card in those elections, mainly because of the American population's rejection of the Bush foreign policy and the philosophy that was underlying it.

But time was short. The Obama administration knew that this opening in the political landscape for diplomacy with Iran was limited. It mostly likely would not be able to last more than approximately 12 months.

From the very outset, there were pressures on the Obama administration to pursue this as quickly as possible. On the one hand, of course, you had a situation in which the Iranians were progressing with their nuclear program. By the first few months of the Obama administration being in office, the Iranians had managed to amass enough low-enriched uranium [LEU] to be able to build one nuclear bomb. There were pressures from Saudi Arabia and Israel against diplomacy, fearing that in a diplomatic agreement with Iran, the United States essentially would accept Iran's growing influence in the region and make a deal that essentially would turn Iran into a virtual nuclear power.

There was a lot of support in Europe, but there was also a lot of anxiety. There was fear, particularly in certain capitals in Europe, that Obama would be too eager to change the West's red lines on Iran in order to get a deal. Of course, the threat of a preemptive Israeli strike against Iran, which would have disastrous consequences for the United States, according to the U.S. military, was constantly hanging over Obama's head.

Of America's key allies, there were plenty of them that wished Obama well, but very few that actually wished him

success in this endeavor.

After 30 years of enmity, and what essentially has become institutionalized enmity, and mutual demonization between the United States and Iran, there was little room for maneuver. Obama recognized very quickly that one of the first things he needed to do was to change the atmosphere. The atmosphere of the Iranians calling the United States "[the great Satan](#)," the United States putting Iran in the "[axis of evil](#)" were not conducive to the success of diplomacy. The language needed to change.

That was one of the first things that the Obama administration did, changing the language of hostility, essentially eliminating the language that the Bush administration in particular had been using. It was a cost-free exercise, but one that was critical because it was hoped to signal to the Iranians that Obama's and America's intent for diplomacy was a genuine one.

This was best exemplified when, only three months into his presidency, he did something completely unprecedented. He taped a three-and-a-half-minute [video message](#), both to the Iranian people and the Iranian government, on the eve of the Iranian New Year. It was not only the medium that was unprecedented, but also the fact that the message was one in which Obama was reaching out both to the government and to the people. Obama was talking about how diplomacy was needed in order to have reconciliation between the United States and Iran, and that the problems between the United States and Iran could not be resolved through threats, which was a very clear departure from the philosophy of the Bush administration's approach towards Iran.

The Iranian [response](#) to Obama's video message was very swift. Within a day, Iran's supreme leader, Ali Khamenei, held a 40-minute [speech](#) in his hometown of Mashhad. Most of those 40 minutes—in fact, probably 38 of those minutes—were spent on blasting the United States, all of the crimes that the United States had committed against Iran, from the Iranian perspective, but also expressing a lot of skepticism as to whether Obama is genuine, as to whether Obama actually is in control of U.S. policy. Is Obama capable of changing a policy of enmity that essentially had been institutionalized on both sides? Is Congress more powerful than Obama or can Obama himself actually call the shots?

But at the end of the speech, he actually gave an opening, a very critical opening, in which he said that Iran is not opposed to the negotiations and better relations. But "you change, we change" was the line.

He emphasized that in order for change to really matter, change had to be strategic. It could not just be tactical. It could not just be a change of tone. It had to be a change of substance. The Iranians repeatedly, throughout the first six months of the Obama administration, while expressing some hope, some positive approach, were emphasizing that at the end of the day they would be convinced when they saw that there was an indication of a change in policy, not a change in posture.

Time was short for the Obama administration. It took until April to actually formulate the new policy. They didn't come in with a ready policy. Then Iran entered into its election season, and it was decided by the Obama administration not to pursue any diplomacy with Iran prior to the elections, partly because there was a fear that this could actually tilt the elections in the wrong direction, but partly because it was clear that the Iranians actually were not capable of negotiating with the United States while they were in the midst of a very heated presidential campaign.

The expectation, of course, on the U.S. side was that at the end of the elections, on June 13, 2009, there would be some political clarity in Iran. Someone would have lost; someone would have won. From the Obama administration's perspective, clearly there was a preference for [Ahmadinejad](#) not to be reelected. But even if he was, there was a readiness to pursue diplomacy.

What was not expected, however, was that on June 13, instead of having political clarity, you would have greater political confusion than ever before because of the fraudulent [elections](#), because of the massive [demonstrations](#) that followed these fraudulent elections, the massive human rights abuses that were taking place right in front of the world's eyes to see, and, of course, the violent, paralyzing infighting within the Iranian political elite that made it essentially impossible to pursue any diplomacy at that time.

I'm not going to go too deep into the election and the question as to whether there was or was not any fraud. I think that's one of those issues that is not going to get resolved until 100 years from now, when passions really die down. But there are a couple of things that are interesting to note.

If there wasn't any fraud in the elections, it's difficult to understand why security officials stormed [Mousavi's](#), the reformist candidate's, headquarters in the morning of the election day, on the pretext that there was a TV station operating out of that office that didn't have a license. There, of course, wasn't a TV station. It was the young kids in the Mousavi campaign who were taping videos with their cameras and putting it out on YouTube. But they came in there essentially to disturb what the Mousavi campaign was doing.

The volunteers at the office wrestled down the security officers and locked them down in the basement. They

called the head of the judiciary in Iran, and he said, "Well, call on the police and the police will take care of them." The police came, they took these security officers out, and the police let them disappear into the crowds. Nothing was done.

A couple of hours later, the security officers were back, but with backup this time. They ransacked the election headquarters of Mousavi, and they arrested the first and second circle of the advisors around Mousavi, which in the long run ended up probably being quite decisive. With Mousavi being disconnected from his first and second circle of advisors, he was disconnected from his grassroots. As the protests continued throughout the summer, you could see a clear divergence between what the streets wanted and what Mousavi was talking about. That was partly because of the lack of an ability to communicate and ensure that there was a convergence of views.

Moreover, not to say that the Iranians are not necessarily very effective in counting votes, but to count 40 million votes in a couple of hours is quite a feat—certainly not something that Florida would be able to do. But to count those votes before all the votes have been actually cast is really quite an astonishing feat.

So there may not be a smoking gun, but there's plenty of circumstantial evidence that really casts a lot of doubt as to what happened in those elections.

What was the result for the Obama administration when all of this happened? First of all, they had expected that within this one-year window that they could pursue diplomacy, they would be able to start it pretty soon after the elections. But now this was not a possibility, because there was no political clarity in Iran, there was no functioning decision-making body in Iran that could actually focus on foreign policy. So they had to wait even further.

Moreover, this was the first moral blow to the Obama administration's policy. They had taken a very strong position against what [Bush](#) had said about talking to governments such as that of Iran, but now, when the entire world was seeing the abuse of the Iranian people on TV, it made it very difficult. One Obama administration official called it the first moral dilemma of the Obama administration when dealing with Iran.

But there was something else that had happened just a couple of days before the elections that really fueled the Obama administration's belief that perhaps they really could succeed with negotiations, and that was that on June 2, ten days before the elections, the Iranians had sent a letter to [Mohamed ElBaradei](#), the head of the [IAEA](#) [International Atomic Energy Agency], saying that they were in need of buying fuel pads for their Tehran research reactor, a reactor given to the Iranians by the United States 40 or so years ago that produced medical isotopes for about 850,000 cancer and other forms of illness that patients were suffering from in Iran.

This was a huge opportunity. The Obama administration had already been thinking, what are the ways that we can get the low-enriched uranium that Iran is amassing out of Iran?

The reason why this was so critical is because the low-enriched uranium is what you would use if you wanted to re-enrich it to higher levels and produce a bomb. If the Iranians had enough low-enriched uranium in order to produce one bomb, that was something that would significantly increase the pressure on the Obama administration. If they managed to get the LEU out of Iran, the breakout capability of Iran would significantly reduce, which would give the Obama administration more time and space to pursue diplomacy.

They had been thinking of various ways of doing this, and now suddenly a way emerged, because the Iranians wanted to buy fuel pads. ElBaradei recognized the opportunity and, instead of doing what was protocol—which is to inform all the different sellers on the market—he only informed the United States and the Russians about this. The Obama administration recognized immediately that this was an opportunity, and they came up with a plan.

The plan was, let's say that instead of any country selling the fuel pads to Iran, we take Iran's own LEU out of the country, reprocess it, and turn it into fuel pads. We get what we want, which is to get the LEU out of the country and reduce Iran's breakout capability; the Iranians get what they want, because they were the ones who asked for the fuel pads. That way, it's a win-win. It's a confidence-building measure, and it reduces this pressure for the Obama administration to essentially succeed with the entire diplomatic effort so quickly.

The problem was, of course, who was making decisions in Iran in the midst of this political infighting? The Obama administration knew that it could not wait for too long. It tried—at one point, the president said, "We have to wait until the dust settles." But the dust, in some people's views, has actually not even settled now, three years after this. But by September, the administration felt that they really had to try.

Part of it, of course, was that there was nervousness—could it work? The decision-making process in Iran was compromised. But there was also a view in the administration saying, precisely because the Iranians have become weakened, perhaps our prospects of success are greater. "It's a proposition worth trying," a senior Obama official told me.

So they approached the Iranians. They conducted some meetings with the Russians. This proposal was then

presented, first, as a Russian-American proposal. Then it was adopted by ElBaradei. Throughout the negotiation, it was essentially referred to as ElBaradei's proposal, although it was completely American in its origins.

The first meeting is held October 1, 2009, in Geneva. Surprising success. The concept is introduced to the Iranians, and the Iranians accept. There's a decision to pursue further talks, detailed conversations, in Vienna about three weeks later. At first it seems like things are going really well, and Obama may just get that quick success that he was looking for. By October 21, when they meet in Vienna, things change dramatically.

The Obama administration had never explained the details of the proposal to the Iranians. It was essentially a concept of getting their LEU and they get fuel pads back. Once the details were explained—essentially, the details were that the United States would get all of the LEU in one shipment, send it over to Russia for reprocessing, the Russians would send it to France for the French to turn it into fuel pads, and approximately nine to 12 months later, the Iranians would get the first round of fuel pads.

As those details were explained, the Iranians said, "Absolutely not," for several different reasons. One was, the Iranians felt that this would put all of the risk on their end. Just as much as the United States and the West does not trust Iran, Iran does not trust the West. For them to give their strategic asset of the LEU into the hands of the United States and the West, and particularly the French, which the Iranians had some very bad experiences with on another nuclear issue, in return for a promise that about a year later they would get their fuel pads, was simply very difficult.

So the Iranians came with a bunch of counterproposals. Instead of it being one shipment, they said, "Let's divide it into three shipments." Every time a shipment was handed over, the United States or the West would hand over fuel pads. That way, if the transaction is more instantaneous, the risk would be more evenly shared.

This, however, was not something that was acceptable to the United States, partly for technological reasons. These fuel pads are not something you can buy at K-Mart. They are not ready. They take some time to produce. There's no one else even using this type of reactor in the world. So there was no available stockpile of this type of fuel pad. That was one issue.

The other issue was that it was critical to get the Iranian LEU count below anything that would be close to being able to produce a bomb. As a result, if you divided it into two or three shipments, the argument was that you actually don't achieve the key objective of this confidence-building measure.

At the end of three days of talks, in which, frankly, neither side really made any major concessions or changes to their proposals—the proposal that the United States or the IAEA came forward with in the beginning of the negotiations was essentially the same as they came with at the end—ElBaradei tells the ambassadors, "We can either go out and say that we failed or we can go out and say that we're going to take this to our capitals and come back in a couple of days with a final answer."

They all agreed to do that. The French, the Americans, the Russians all quickly accept their own deal. Their capitals had nothing against their own deal. The Iranians never actually come back with a real answer, neither a yes nor a no. The answer essentially is, let's have more meetings to work out these details.

For Obama, whose political space was quickly shrinking, this was not enough. By the end of October, there was a sense that diplomacy had completely failed. By the end of November of that year, Obama activated what is called the pressure track. Now the United States went towards pursuing sanctions against Iran instead. The promise had from the very early stages been that if diplomacy did not work, we would go for sanctions.

The sanctions were not technically supposed to start until sometime in December, but already by November, the decision was made that the sanctions track needed to be adopted.

The expectation, however, was that going to the Security Council for a new round of sanctions against Iran would be a relatively quick deal, that sometime by February or early March a Security Council resolution could be accepted, and with that, Obama would at least have been able to say, "My diplomacy did not succeed, but I got very strong sanctions as a result. I have been able to deliver." The argument that he had been weak could be defeated.

What he didn't expect, of course, was that there was significant resistance both from Russia and China, and it took a very, very long time in order to be able to get these countries on board. In fact, it dragged out all the way to March, all the way to April. There was a sense of frustration in the Obama administration, because Congress was constantly coming after Obama and saying, "You have to adopt sanctions. If you can't get the UN Security Council sanctions, then Congress is going to pass its own sanctions."

The Obama administration, of course, feared that if Congress imposed sanctions first, then there would be no chance of getting any sanctions at the UN Security Council, because the congressional sanctions would be targeting some of the United States's allies, and that would break the consensus in the Security Council against

Iran. That would only favor the Iranians.

What Obama didn't expect, though, towards the end of this phase in which the Russians and the Chinese started to come along, was that two other countries had not given up on diplomacy. Turkey and Brazil felt, based on their own conversations with the Iranians, that there still was a chance of being able to secure this deal. They had been in conversations with the Obama administration already back in the fall of 2009. In fact, the United States had encouraged Turkey to see if they could use their good offices and their good relations with Iran to be able to convince the Iranians to agree to the deal.

The Turks and the Brazilians find each other in January 2010 and realize they have common interests in this issue—as well, both of them sitting in the Security Council.

By May 2010, President [Lula](#) of Brazil goes to Iran, together with, a day later, Prime Minister [Erdogan](#) from Turkey and the two very energetic foreign ministers of these two countries, [Celso Amorim](#) and [Ahmet Davutoglu](#), and they have an 18-hour marathon negotiation with the Iranians. The United States and the European powers were a little bit frustrated. They had officially encouraged it and felt that if they could do something good—but they were very skeptical at the same time. There was a feeling that the Turks and the Brazilians needed to fail on their own in order to come around on sanctions.

But, to their surprise, after 18 hours, Turkey and Brazil had a [deal](#) with Iran. They had managed to achieve in a couple of months what the Europeans and the United States had failed to do over the course of several years. They had a deal that was essentially based on the same benchmarks as the 2009 deal.

There was an expectation, of course, that this would dramatically change the picture. Diplomacy would have been saved, there would be no need for a new round of Security Council sanctions, and that confidence-building measure, that first success that was needed in order to infuse trust and confidence into this process, would have been provided that would enable further negotiations to take place.

What the Turks and the Brazilians, however, did not know was that a day before Lula arrived in Tehran, Russia and China had officially told the Obama administration that they were on board with sanctions and that all final negotiations on the details of the sanctions were already cleared up.

By the time that the Obama administration then was faced with having worked so hard to get the sanctions and then having the Turks and the Brazilians get a deal that was built on the same benchmarks as those that the Obama administration itself had presented, the choice became very difficult.

In the Obama administration's defense, one has to point out that some of the facts on the ground had changed. The Iranians had approximately 1,500 kilos of LEU back in October 2009. The United States wanted to get 1,200 kilos of that out of the country—that's 75 percent of their stockpile—leaving them only with 300 kilos. By May 2010, the Iranian stockpile had changed to 2,400. Getting 1,200 out would only be 50 percent of their stockpile, leaving them with approximately 50 percent, 1,200 kilos. Moreover, the Iranians had in February of that year started enrichment at the 20 percent level, which they had not done in October 2009. The Obama administration thought that was a provocation and that the Iranians had advanced their positions.

However, in a letter to the president of Brazil and the prime minister of Turkey, dated April 20, 2010, Obama gives a final answer to the position of the United States on this issue, in which he encourages the two countries to pursue this negotiation with the Iranians, to put the Iranian LEU into an escrow account in Turkey, and he specifically mentions the number 1,200 kilos. He was not asking the Turks and the Brazilians to get more than 1,200 kilos of LEU out of Iran, nor was there any mention of the 20 percent issue, even though those issues had been presented in previous conversations. But in the final word, in the letter from the president, it was not mentioned.

The Obama administration's response was very swift, but perhaps not particularly thoughtful. The [secretary of state](#), two days after the success of Turkey and Brazil in Tehran, gives a speech during a hearing in the Senate in which she announces, "We have now reached a consensus on a [Security Council resolution](#). We will circulate the draft today."

Then she says, "This is the clearest answer that we can give to the developments that occurred over the past weekend," a reference to what Turkey and Brazil had succeeded in doing with Iran. She also mentioned at one point that the intervention of Turkey and Brazil had actually made the world more dangerous.

What happened? Well, what happened essentially is partly that the lure of sanctions became more attractive than the diplomatic breakthrough that the Obama administration itself originally had set out to get.

The amount of resources—and I don't have to tell you that; I know there are a lot of UN ambassadors in the room—the amount of resources you have to set aside to find a consensus among so many different nations on an issue such as sanctions on Iran is so great that by the time you have invested it, it's very difficult to walk back,

even though your threat actually may have succeeded in getting what you were looking for.

Moreover, there were a lot of agreements between Russia and the United States and China on what to do on concessions given on missile defense, on [START](#) and other things. Those were based on the idea that sanctions would be adopted. Sanctions had become the organizing principle for keeping the consensus within the P5+1 [permanent Security Council members plus Germany].

We couldn't agree on a strategic objective. We couldn't agree on a strategy even. But we could agree on a tactic. That agreement on tactic, that consensus, was important in order to say that the P5+1 is united and Iran is isolated—a stark difference from what existed during the Bush years.

Perhaps most important was that the Obama administration felt that they had completely run out of political space. Their diplomacy, as explained to me by one senior Obama official, had become a single roll of the dice. It either needed to work right away or not at all. If it didn't work in October, they couldn't pursue further diplomacy without first imposing some sanctions on Iran.

There was also the fear that if they didn't impose these sanctions, Congress would go forward with their threat of their own sanctions. That, then, would clearly break up the consensus in the Security Council and put Iran in a much more favorable position, because once again the major powers in the Security Council were at odds with each other and those fissures could be utilized by the Iranians.

I think what this episode shows, however, is that it's not so much that diplomacy actually failed. It certainly isn't so that diplomacy was exhausted. Diplomacy was abandoned, at the end of the day, because the political space did not exist for it to be sustained, for it to have the patience needed to resolve an issue like this.

When you take a look at the other major conflicts where the United States has, through the negotiating table, been able to succeed—for instance, in Vietnam. It took four years of negotiations—four years— to normalize [relations](#) between the United States and Vietnam, between 1990 and 1994, and another six years to get a full trade agreement.

It took exactly seven years to get the [Qaddafi](#) government to give up its nuclear program. During some courses of those seven years, there were no talks taking place at all. But diplomacy was not abandoned.

In [Northern Ireland](#), Senator [Mitchell](#) famously said on [Charlie Rose](#), "For 700 days, all the different parties told me that they would never agree to what the other side would agree to, but on the 701st day, they all changed their minds." Fortunately, for 700 days, Senator Mitchell did not give up, because it was clear that the cost of abandoning diplomacy was greater than the cost of sustaining it.

As long as the political landscape in Washington and in Tehran—and I think it's important to note that Iran did nothing to help create more political space for the Obama administration in Iran. Their skepticism and mistrust was so great, there was really very little that they did to help. But as long as the political space in Washington and in Tehran is such that it's easier for leaders—it's politically less costly, less risky—to send thousands of men and women off to war, even an unnecessary war, than it is for them to send off a dozen diplomats to negotiate, then, unfortunately, we will have far more clenched fists than open hands between the United States and Iran.

Thank you so much.

Questions and Answers

QUESTION: Mr. Parsi, after that excellent review of the history of diplomatic relations, I would like to fast-forward to the present and near future. Given the succession of recent events, the race by Iran to get a nuclear weapon, the [threats](#) to close the Strait of Hormuz and now the [sentence to death](#) of American citizens, at what point do you think all these events will achieve critical mass? What would be the trigger, if it came to that, for an explosive or military crisis?

I say this given a recent [article](#) in *Foreign Affairs* that says that now is the time for a preemptive strike against the Iranians.

TRITA PARSI: Thank you so much. I think that's an excellent question. I think you correctly pointed out that we are in an extremely dangerous impasse right now.

I would say that the optimistic view, perhaps, is that all of these different things are actually the two sides positioning themselves to maximize their bargaining position in a potential future negotiation round, because there is talk about another round of talks potentially taking place in Turkey in the next couple of weeks between the P5+1 and Iran. In that context, perhaps we can then better understand this ratcheting-up of sanctions that we have seen on our end.

Obama just [signed into law](#) sanctions against the Iranian Central Bank. Congress is also considering additional sanctions. The Europeans are [considering](#) a full oil embargo, as well as Central Bank sanctions.

The Iranians are responding by threatening to close the Strait of Hormuz. They are announcing that they have now [started enrichment](#) in the Fordo plant, which, according to the Israelis, would be a very, very dangerous development because it would give Iranian access to a "zone of immunity," in the words of [Ehud Barak](#), because the Fordo plant is deep into ground and much more difficult to take out militarily, as well as what they are doing with this young Iranian-American whom they are accusing of spying.

I have had a chance to look into that case a little bit, and I have not seen a single shred of evidence to support their claim. It seems to be far more used by them for political purposes to maximize their negotiating position in the future round of talks.

But this is the optimistic view.

The more pessimistic view is that things are getting completely out of control. We are deep into a conflict dynamic, and the deeper you go into a conflict dynamic, the greater the psychological cost of restraint becomes and the more additional escalatory steps come across as being justified and logical. At some point in this conflict dynamic, the governments lose control. It's no longer the governments controlling the dynamic; it's the dynamic controlling the governments. At that point you have your trigger.

I know that elements both in the United States, in the Obama administration and elsewhere, are deeply concerned about this. They are concerned that the other side is going to miscalculate. They are also concerned that they themselves will miscalculate. In the absence of real diplomacy, in the words of [Mike Mullen](#), right before he left as chairman of the Joint Chiefs of Staff, the slightest misunderstanding between two parties who have not communicated with each other properly for 30 years is very likely. That misunderstanding leads to miscalculation. When you miscalculate, you escalate.

It's a very bizarre situation in some ways. If you compare it to what existed during the Bush administration, I don't think you have any element in the Obama administration that actually wants war. I don't think you have leading elements in Iran that want war. But the course that we are on, nevertheless, is driving us toward that end, unless there is a real renewed effort at diplomacy.

With that, I just want to say, not another exchange of ultimatums. The diplomacy that we have had has not been the type of negotiation in which parties really come in, reassess their red lines, reassess their assumptions. It has been more of an exchange of ultimatums. It's not to say that it wasn't genuine; it just wasn't the right form.

QUESTION: James Starkman.

Right in this room, Dr. [Larijani addressed](#) a smaller group of the Carnegie Council. He stated two facts. I asked him whether legitimate peaceful dissent was permitted in Iran. He said, "No. There are very clear boundaries on that."

At the time of the election, the Mousavi people obviously had their civil rights violated drastically. Might we not—the West, led by the United States—address the Iranian people in our tactics, in our strategy, rather than an administration which is intractable? [Neville Chamberlain](#) waved the peaceful piece of paper. That was the ultimate diplomatic attempt to solve that situation. This seems, with regard to this particular administration in Iran, to be similarly intractable—playing for time to develop the bomb in any way they possibly can.

What would you feel about an approach to the people on a multilateral front?

TRITA PARSI: I think an approach to the people would be quite appropriate.

But I think also to keep in mind, when the election violence began and when the Iranian government was abusing the rights of the Iranian people in the most violent and brutal way—I interviewed several of the people in the Mousavi headquarters and his close advisors, and they made it very clear that in the beginning they were very concerned that the United States would come out and take the [John McCain](#) position and put on a green wristband and say, "We're with Mousavi." They felt that that would be a great disaster for them. This was not what they were looking for.

As time progressed, however, and there was deafening silence from the Obama administration—it took Obama approximately ten days before he condemned the violence, and that was at the time when the violence got really out of control—there started to be concern amongst the opposition figures, fearing that the Obama administration was so eager to get a nuclear deal that they would be willing to sacrifice the rights of the Iranian people in the process.

What was interesting in my interviews with the people from the Mousavi camp was to see the amount of mistrust

that they, too, had vis-à-vis the United States. It's not just something that was held by the more hard-line elements in Iran.

So I think, absolutely, we should do this. But we should also ask ourselves, are the things that we're doing right now—crippling sanctions—is that a proper way of communicating with the Iranian people?

Some of the first victims of the sanctions were, for instance, Iranian students who no longer could go to Dubai to take the TOEFL [Test of English as a Foreign Language] test, in order to be able to come to the United States or Canada to study. The crippling sanctions, as sanctions elsewhere have been, are affecting ordinary people far more than they are affecting the government. The government always has better ways of circumventing the pressure from the sanctions and shifting it over to the population.

So if we are interested in communicating to the Iranian people, which I think we should, we also have to realize that we also have to review some of the policies that we are pursuing that the Iranian people are clearly perceiving to be targeting them—or if not targeting them, being very reckless in the way that they are targeting the country as a whole.

It was interesting to see in the last [interview](#) that Secretary Clinton gave to BBC Persian—and there were a lot of questions that BBC Persian had collected from people in Iran prior to the interview—a very large number, if not a majority of them, were actually questions about the sanctions, expressing their frustration about how the sanctions are affecting the people.

There's another thing that you mentioned in your question that I would like to address. You say that there's an intractable government. It may very well be. But one of the things that we hopefully will understand is the purpose of diplomacy.

The purpose of diplomacy is partly for us to be able to interact with the other side and revisit our own assumptions about the other side. Even some of the red lines that the Iranians claim are theirs—and we have our red lines—are formed in the absence of any interaction with the other side and formed based on the assumptions that we have, the untested assumptions that we have, of the other side. The same is, of course, true for the Iranians.

Part of the purpose of diplomacy, particularly patient diplomacy, is to better understand what is the thinking of the other side. Hopefully that may get them to reassess their assumptions, and perhaps we will reassess some of our assumptions as well.

It may be that you are absolutely right, that they are intractable. But at this point it is an untested assumption, in my assessment.

QUESTION: Paul Seger. I'm the Swiss ambassador to the United Nations. Thanks for this very interesting lecture.

What I get as a message from you is that we are dealing with this very difficult situation now. We all try to avoid some kind of international conflict between the United States and Iran, which basically will only create losers and no winners.

One other element is, in my point of view, as I understand you, a profound lack of trust, of confidence, between the two sides. What is the possibility to get over this lack of trust, of this confidence? Is there a possibility for new efforts of middle powers, intermediate powers, to intervene, like Turkey and Brazil did in the past? Do you see any chance for other countries who maybe can be bridge builders to get into that discussion, or is there no chance at all?

TRITA PARSI: If the question is, "Could those states interject trust?" I think yes. If the question is, "Will the existing great powers accept the middle powers to play a greater role?" then it's a maybe.

I think the structure of the talks right now is somewhat problematic, in the sense that not a single country in the P5+1 trusts Iran, and Iran doesn't trust a single country within the P5+1. That is a very difficult environment to get anything constructive to come out of. Part of what countries such as Switzerland, Turkey, Brazil could do—and, to a certain extent, actually successfully—is to inject a little bit of trust into the atmosphere.

So I think it is necessary. I think it's necessary partly also because the political space within the capitals of the P5+1 states, particularly the United States, is so limited, so it's very difficult for the United States to embark too aggressively on its own diplomatic track. Perhaps outsourcing a little bit of it could be helpful.

But I think at the end of the day it's also important to keep in mind that the P5 cannot be replaced, obviously. No effort should have the ambition or give the impression that that is the case. But it can be complemented. I think there are still a couple of other countries that may be out there that could play this role. What I'm fearful of, however, is that the way that Turkey and Brazil were treated after they successfully negotiated sent a very strong signal to a lot of countries: Don't you dare to come in and solve our problem.

QUESTION: Richard Valcourt, *International Journal of Intelligence*.

Beyond the questions of, one, the nuclear weaponry and, secondly, the issue of trust, there are a couple of other factors that are really important here. Iran has been supporting Hezbollah against Israel and it has been supporting [Hezbollah](#) in the Western Hemisphere, kind of undermining American influence throughout the Western Hemisphere. That's one issue.

Second is the question of Saudi influence in the Middle East versus Iranian influence in the Middle East.

Until you address those questions, what is really there to negotiate?

TRITA PARSI: An interesting proposition, because I think you're actually right. Of course, the Iranians are supporting Hezbollah. Iran has been very actively working against American interests in the region, very actively working to counter American influence and power in the region, as well as Israeli power and influence. The United States, of course, has done exactly the same in the Middle East and is very concerned about the fact that Iran is trying to create some inroads in Latin America. The Israelis, of course, have done exactly the same vis-à-vis Iran.

So what you're restating is, you're restating the conflict. But restating the conflict is not the answer. The question is, based on your assessment of the conflict, what is the way out? We can repeat accusations to the other side and they can do the same. That in and of itself is not going to get us out of this problem.

Can negotiations resolve these issues? I think there is a chance of it to do so. Can sanctions do so? I am very, very doubtful that they can. If you take a look at what the sanctions have done so far, they have imposed a significant cost on the Iranian economy. There's no doubt about that. The Iranians are really hurting right now under these sanctions. And I think the administration is actually technically quite correct in saying that as a result of their first attempt at diplomacy, they have managed to get far greater international buy-in for a new sanctions regime, a sanctions regime that is biting the Iranians far more than the previous sanctions regime.

But even the administration itself admits that there are no signs yet that all of this cost has translated into a change in Iranian calculation on the nuclear program. We have not seen any significant change whatsoever in their posture, whether it is on the issues that you mentioned or whether it is on human rights or on the nuclear issue.

Where is, then, the logical conclusion of this? Are we more likely to find a situation in which the Iranians suddenly cave in? That certainly is the hope of the administration. Or will they be able to continue to do what they are doing and, in fact, we will see them escalating in turn, and at some point, as we discussed earlier on, perhaps things will get out of control?

We know from the experience of Iraq that even when you get a full oil embargo and a full trade embargo in a country, it doesn't guarantee in any way, shape, or form that the regime would fall or that it would significantly change its policies. In fact, in the case of Iraq, of course, after all of those [sanctions](#), we still had an [invasion](#).

When you take a look at the last ten cases of major embargoes on countries, there's only one country that, in the face of such an embargo, transitioned from a nondemocratic system towards a democratic system, and that is [South Africa](#). In all other cases the countries have become more entrenched in their positions, and we have seen more of the negative type of behavior that you mentioned than we have seen less of it.

So in my assessment, precisely because of these factors that you mentioned, I think it's worth giving diplomacy the same type of try, with the same type of patience, persistence, and resources that we would pursue any other type of policy with. In the United States I find it extremely unlikely that we would ever go to war, but we would give a 12-week limitation on what we have to achieve without war, or that we would pursue war for three weeks and then give up. But apparently, when it comes to diplomacy, we can pursue it for three weeks and then abandon it and call it a failure.

There is an asymmetric situation in the way that we deal with conflict and the way we deal with conflict solutions or conflict resolution methods. I think that's part of the problem. Psychologically—and this is not just in the United States.

In fact, if you just take a look at the discourse in Iran, it's at times even worse. The discourse in Iran is very [Manichaean](#). It's very much about Iran and the enemies, and the reference to the enemies all the time. This is extremely unhelpful and extremely unhealthy. The problem is that the more this continues, the more we restate the problem as a justification for the policy that has not been able to resolve the problems, the more difficult it will be down the road for the next generation to actually resolve this.

QUESTION: Susan Gitelson.

You have given us an excellent analysis of the current situation. But in a group like this, it's very useful to look

beyond that. You have been stressing the Obama administration, for example. Within the next year, we're going to have [elections](#), and there will be a lot of political back-and-forth among Americans, candidates and so forth, which may change the situation. In Iran there is no real unified government. Ayatollah Khamenei and Ahmadinejad appear to be rivals. There are many "ifs" which complicate the situation among the major protagonists, let alone all the other people around.

How would you deal with this? What should we be aware of? How can we strengthen the possibilities for diplomacy, which you are advocating, when there could be a lot of people who would change the equation?

TRITA PARSİ: I think that's an excellent question. The political landscape in the United States and in Iran is not particularly helpful right now and, as you mentioned, it could definitely get worse. You have a development in Iran over the last five to seven years in which you have seen some extremely hard-line elements from the Iranian [IRGC](#) [Army of the Guardians of the Iranian Revolution] getting increasingly important positions within the Iranian government.

That is changing the fabric of that regime, in a more militaristic direction oftentimes. That's a major problem.

Then, of course, if you have a new administration in the United States that doesn't even at least have the nominal commitment to diplomacy, then that could, of course, change the equation.

The way I see it is, in the next 12 to 15 months—it's not just the American election, but also the next Iranian [presidential election](#) and the upcoming [March elections](#) that are very critical here—in the next 12 to 15 months, (cut?) I find it extremely difficult to see any resolution to this conflict. That doesn't mean that diplomacy shouldn't be pursued and it doesn't mean that the problem can't be constrained. But under these circumstances, with these political clocks ticking, I don't see any prospects for an actual solution.

What I think it's critical to do during the next 12 to 15 months is to do conflict management and keep this managed so that it doesn't deteriorate further, it doesn't lead to an actual breakout of war, and that after these political clocks, hopefully we'll find a situation in which a greater political opening exists for a solution.

But one thing I would add to that is that neither on the Iranian side nor on the U.S. side can you actually make the case that the political leadership has been actively working to expand their own political space. The Iranians certainly haven't done that, and the Obama administration actually—and this is a criticism against the Obama administration that I think is not limited just to the Iran issue, but overall, actually—this has not been an administration that is particularly astute at creating more political space for its policy options. It's an administration that has a tendency of trying to find solutions within the existing political space. On Iran, there's almost no space to begin with.

If you compare it to the Bush administration, for instance, Bush himself gave more than 16, I believe, major speeches or press conferences making the [case](#) for the United States to go to war with Iraq. He realized that for this policy option to be accepted, he had to make the case—an additional 12 appearances by [Cheney](#) and other top officials in major news shows, such as [Meet the Press](#), et cetera, to make the case. Obama made the case for diplomacy as a candidate. Once he was in office, I can only count one or two points in which he actually spelled out the strategic logic as to why we should pursue diplomacy.

When I spoke to officials in the administration, as well as allies of the administration about this, there were senators who had offered Obama to create political space for him, give him political cover. That was welcomed by some elements in the White House, but it was shot down by the political folks at the top, because they felt that any national conversation on this issue ultimately would be to their detriment in the next congressional elections. So there wasn't any active effort to actually create more space for it.

If there is another attempt, which I hope there is, there needs to be a much more serious approach to this, both in Iran and in Washington.

QUESTION: Thank you for an excellent conference. Jean Ergas, GC Group Capital.

I have a question. I spent many years trading commodities, oil and whatnot, with ENI, which, of course, has huge interests in Iran. One thing we focused on a lot was tail risk, what happens when something very unusual and unexpected, as sort of part of the curve, actually takes place.

We're talking a lot about negotiation. I wish with all my heart that this all works out. But let us say it comes to war. How long is this going to last? How is it going to play out?

Also, do we risk a situation like there was in [Suez in 1956](#)—my mother is from Cairo and actually supported the regime at the time—where the people suddenly coalesce around a government and say, "We are not going to put up with foreign intervention"?

I think this is a big risk. I think this is what the reigning government is playing for, trying to rally them around the

common theme.

Is this being considered at all? If you look back on diplomatic history, there were extensive negotiations in 1956, and in the end, it didn't work.

TRITA PARSI: There's no guarantee for diplomacy to work, just as much as there's no guarantee for any policy to work, absolutely.

On the consequences of war, I think it's very interesting. You get a certain answer by political folks in Washington and you get quite a different answer from military folks, who are far more concerned and far more, I think, sanguine about the capabilities that the Iranians have, for instance.

I think it was quite telling that Chairman [Dempsey](#), on *Meet the Press* (**he said this on [Face the Nation](#)**) this past weekend, [said](#) the Iranians actually can close the Strait of Hormuz. We can, of course, reopen it. But just the process of their closing it and our reopening it is going to be sufficient to create major mayhem in the energy markets.

It's not a question as to whether they can or they cannot. They have spent the last 20 years developing asymmetric methodologies to be able to close it down, and we have spent a lot of time thinking how we can counter that. The problem is that both sides are much better off if it just simply doesn't happen, regardless of who wins at the end.

It seems to me that this regime has prepared itself—particularly if it comes to a military confrontation with the aim of getting rid of the regime, it doesn't seem likely to me that they would save a single bullet.

That means that they would have capabilities, asymmetric capabilities, throughout the region. I think we have seen some indications of those capabilities in the [2006 Israeli-Lebanese War](#), what they actually can do and how they have been able to be quite astute at using asymmetric—their weaknesses and turn them into strengths. I think it's a very, very dangerous proposition.

The rest of your question was in regards to?

QUESTIONER: [Not at microphone]

TRITA PARSI: It's interesting. In 1980, Khomeini was not in control of Iran. He was still fighting a lot of other factions. He was the main leader of the [revolution](#), but there were a lot of tensions within the country. Then he got lucky, because [Saddam Hussein](#) decided to [invade](#) Iran and save the regime in Iran and managed to get Khomeini to rally the forces around himself and eliminate all other opposition within the country. So rather than thinking that the invasion of Saddam was actually a threat, it essentially ended up saving the regime.

This regime in Iran right now, in my assessment, is deeply, deeply unpopular. The population has shown a great indication that they want to see change, and they want to see peaceful change, of course. I think the protests in 2009 and beyond were quite telling in their nonviolent nature.

But it is also a country that is deeply nationalistic. It has a strong sense of nationalism and patriotism. It has a very, very extensive—at times, perhaps exaggerated—narrative of their constantly being the victims of great powers, particularly Western powers, that have intervened in Iran and tried to make sure that Iran does not live up to its full potential. The Iranian government has already used some of that narrative to rally support around the nuclear program. It has been somewhat successful, but then its own corruption and repression has countered that.

But if you see a military intervention, particularly if you see troops on the ground, I would not be surprised if history would repeat itself exactly the way that it has repeated itself in the past.

JOANNE MYERS: Thank you for an excellent discussion of Iran and of diplomacy.

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