

Study

# International Mediation Efforts to Settle the US-Iran Conflict: The Future of Iran's Regional Influence



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# **International Mediation Efforts to Settle the US-Iran Conflict: The Future of Iran's Regional Influence**

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## *Introduction*

The US-Iranian conflict has been escalating in the politically unstable Middle East and may plunge most of the region into a new war, which would generate unpredictable consequences. Yet, regional and international diplomatic moves have been accelerated in order to defuse tensions between the United States and its European allies on the one hand, and Iran and its regional proxies on the other hand. These moves are to be implemented through diplomatic tools to de-escalate tension in the region. Accordingly, several questions have arisen including: What are the expected results of international mediation efforts to bridge the US-Iranian gap, in other words, will mediation, if it continues, spare the region a war? Due to mediation attempts, what are the chances of the US and Iran sitting at the negotiating table and reaching a satisfactory settlement at a time when Iran disagrees with US negotiating conditions which have been stipulated by the US to ensure the exclusion of its regional influence during negotiations? What is the preferred option for Tehran, Washington, and the region to improve the negotiating conditions, is it armed confrontation or sitting at the negotiating table?

### **I- The Nature of International Mediation to Resolve the Crisis**

First of all, international mediation is one of the most important processes to resolve international crises. In this process, third parties (the mediators) offer help to the disputing parties, bringing together their views in regards to the dispute amicably. This process aims to reach a satisfactory settlement that prevents the outbreak of armed confrontation, the effects and risks of which may endanger the strategic interests of many neighboring countries, thereby further conflating the conflict. Furthermore, armed conflict may affect the state of international peace and security, especially in areas that are a major backbone of the global economy due to their possession of strategic goods and routes.

An international crisis, in turn, emerges as an inevitable consequence of a conflict between two or more countries as they seek to change the existing strategic balance. This poses a direct threat to the interests, objectives, and values of the adversary. As a result, strategies are developed to counter these threats. This situation continues for a period of time depending on the severity of the crisis. One of the parties may resort to armed force or the parties may reach a peaceful settlement to resolve and end the conflict, given the many variables and considerations involved such as the respective capabilities of each party, the nature of regional and international environments, and the profit and loss margins to each party.<sup>(1)</sup>

### **1-Stages of How a Crisis Develops and the Prospects of Mediation Being a Success**

International crises go through four main phases: 1-Formation and birth, 2-Growth and expansion, 3- Maturation, 4- Fading away (see Table 1). Each stage is different from the other in terms of its nature, the level of its severity and cost. Each stage can be extended or shortened depending on circumstances and ongoing developments.

**Table 1: Stages of How a Crisis Develops and the Prospects of Mediation Being a Success**

Formation and Birth (1)	Growth and Expansion (2)	Maturation (3)	Fading Away (4)
- During this stage, the variables increase leading to deadlock, as a result of each party's rigidity and lack of adherence to the negotiation terms.	- This takes place due to the failure of addressing the first phase in conjunction with the availability of self-stimuli and external feeders  -During this stage, pressure cards become available that each party resorts to implement in order to achieve its strategies and goals.	- The crisis has reached a level where each party is aware of the depletion of available pressure cards, or the futility of using them to achieve more gains.	- This occurs when the parties decide to go to war or to sit at the negotiating table based on the vision of the decision-makers to maximize the gains of either option.

According to historical facts and experiences with regard to the settlement of international conflicts, the first phase of the crisis is the best stage for effective mediation to attract the parties to the negotiating table. In his report on mediation and its support activities, the UN Secretary-General said, "The best time for ending a conflict is at the earlier stages and before it turns into a violent conflict; when the underlying causes of the conflict are less complex, the parties to the conflict are too few, the positions are less rigid, the relationships are less affected, the reactions are contained, and the geographic patch is less expanding."<sup>(2)</sup>

The first phase in terms of the best stage for mediation success is followed by the third phase, but with lower gains, where the crisis reaches a higher level of intensity and severity. This type of conflict leads to significant losses because of the parties' adoption of a costly escalation and counter-escalation policy. The report notes that the term "maturation" refers to the parties' calculating the potential benefits of entering negotiations instead of continuing the conflict. Therefore, conflicts are considered "mature" for resolution when the parties reach a "hurting stalemate,"<sup>(3)</sup> i.e., when the crisis reaches a level where each party is aware of the available leverage cards, or the futility their use in bringing further gains.

Therefore, it is difficult for the third party to attract the parties to the crisis to the negotiating table during the second phase, which is the stage of growth and expansion due to self-stimulation and external feeders to the crisis.<sup>(4)</sup> At this stage, each side aims to maximize gains and improve negotiating conditions before sitting at the negotiating table. The crisis also becomes more complex, involves multi-parties, and escalations are difficult to contain and the geographical area of the crisis is expanded. In addition, each party resorts to using available pressure cards because each party thinks that they

are maximizing gains and improving negotiating conditions before the negotiation stage.

The crisis can be resolved through only two ways. First, each party accepts a peaceful settlement (through good offices, mediation, and negotiations) or surrender (by withdrawal, avoidance, or cession as a result of concern about the disastrous and devastating effects of the continuation of conflict.<sup>(5)</sup> Second, both parties to the crisis, or one of the them, resorts to war when they believe that the gains obtained from the use of armed force to resolve the crisis are greater than that from negotiations, or when both parties inaccurately assess the military capabilities available to each other, or when they miscalculate and misunderstand the capabilities of other parties offering potential military support to the hostile party.<sup>(6)</sup>

## **2-Conditions for the Success of International Mediation**

The literature of international relations and disputes presumes many conditions for the success of the third-party (mediator). These are not only limited to calling the parties to the crisis to the negotiating table in order to resolve the crisis, but also include the signing of crisis settlement agreements. These conditions may include the neutrality and credibility of the mediator, the acceptance of the mediator by all parties to the crisis, the third party's creation of a suitable environment for the negotiation process, the mediator's concern for the interests of the parties rather than its own position, the mediator's ability to acknowledge the responsibility of each party, and the consequences and risks of a failure in negotiations on each party's interests. In addition, the mediator must possess the relevant capabilities for the task and have open communication channels between the parties. The mediator must also use any influence wisely to change the behavior of parties and influential players involved in the crisis. This will enable the mediator to call the parties to the crisis to the negotiating table.<sup>(7)</sup>

Crises can be managed by unequal negotiations through the exertion of pressure by the strongest party in the balance of power on the weakest party. This is carried out through various moves, such as when the strongest party shows force to demonstrate its power and firmness in order to subdue the weaker party and to force it to accept the negotiating conditions and to make the desired concessions. There are also crises that are managed through equitable negotiations by reaching a settlement satisfactory to the parties via a third party. However, the parties to a crisis usually resort to combine two patterns: flexibility (peaceful instruments) and strictness (power tools) to improve negotiating conditions. It is the most effective method instead of employing each separately.

### **3. Challenges Facing International Mediation**

International mediation faces many obstacles due to stalemate situations resulting from the positions of the parties to the crisis, or one of the parties, and the stage of the crisis itself. Historical experience indicates the difficulty of bringing the parties to the crisis to the negotiating table during the stage of growth and expansion — as we have already shown. Some of this relates to the mediator because the multiplicity of mediation efforts creates an opportunity and space for the parties to the crisis to differentiate between the mediator according to the level of relations and interests with the mediator. In addition, the mediator may be perceived as being biased in favor of one of the parties to the crisis, or that the mediator does not have the capacity and networks to influence the parties to the crisis which obstructs the mediation process.

International experience confirms that one of the most important challenges to the success of mediation is when one party to the crisis prioritizes “grey areas,” which is to agree to negotiations in conjunction with procrastination and wasting time over a period of years. This party believes that achiev-

ing peace in the short term may threaten its interests, such as losing power to a rival wing or benefits extracted from its war economy vanishing. Thus, it procrastinates for a long time before accepting mediation. This challenge is further realized when the talks make progress or the parties are close to signing the agreement.<sup>(8)</sup>

The challenge of regional environment cannot be overlooked, particularly when it comes to allies' their considerations and interests as well as the effects of outstanding crises on the interests of the parties to the crisis. Moreover, the challenge of the international environment cannot be ignored due to the nature of the international regime, and the position of world powers in regards to allied and non-allied states.

## **II- Contexts and Developments in the US-Iran Crisis**

Tensions have escalated in the Middle East between the United States and its allies on the one hand, and Iran and its regional proxies on the other, for several reasons. Initially, Iran refused to comply with the 12 US negotiating conditions in order to sit at the negotiating table.<sup>(9)</sup> These conditions would prevent Iran from going further in re-enriching uranium after 2025, constrain its ballistic missile program, and limit its regional influence by curbing all weapons, training, and financial support for its agents in Syria, Iraq, Yemen and Lebanon.

The second factor is the damaging economic consequences for the Iranian government since US President Donald Trump imposed economic sanctions on Iran as part of the US maximum pressure strategy in 2018. The economic pressure on Iran increased after Trump cancelled exemptions on Iranian oil imports for eight countries: China, Greece, India, Italy, Japan, South Korea, Taiwan, and Turkey in May 2019. As a result, Iranian oil exports dropped down to 100,000 barrels per day, in the best case scenario, reaching up to 300,000 barrels per

day in July 2019.<sup>(10)</sup> Total Iranian oil exports before US sanctions on Iran were 2.5 million barrels per day. As a matter of fact, Iranian oil revenues constitute half of Iran's total budget revenue.

The strategy of maximum pressure on the Iranian government has also intensified through the US administration's classification of the IRGC as a terrorist organization on April 8, 2019. The extreme pressure strategy has also targeted other sectors vital to the Iranian budget in addition to the oil sector such as mining, which represents 10 percent of Iran's total exports, on May 9, 2019, and the petrochemical sector with annual exports estimated at \$14 billion on June 8, 2019.<sup>(11)</sup> The US Department of the Treasury also imposed sanctions on Iran's Supreme Leader Ali Khamenei on June 24, 2019. Though the US sanctions cannot be practically imposed on Khamenei who does not leave Tehran, it has made Iran confused in managing its crisis with the United States.

In response to the US maximum pressure strategy, Iranian policymakers adopted a counter-escalation policy within the context of a "limited confrontation" scenario with the United States. This counter-escalation was not only against US interests in the region but also against the interests of its traditional and European allies, and the security of international shipping with Iran's targeting of the world's most important shipping lane: the Strait of Hormuz (through which 20 percent of the world's oil exports pass).<sup>(12)</sup> Iran has taken a range of escalatory measures:

**1-** Targeting oil tankers: US officials held Iran responsible for targeting four tankers, including two Saudi tankers, in the Arabian Gulf on May 5, 2019. In addition, two oil tankers were targeted by Iran in the south of the Strait of Hormuz on June

13, 2019. Iran also shot down a US surveillance drone on June 20, 2019, as alleged by Tehran.

In a serious escalation of tensions and an increase in the number of parties to the crisis, Iran seized the British oil tanker Stena Impero and its entire crew in the Sea of Oman on July 19, 2019. Iran took it to Bandar Abbas port on the basis that the tanker violated the laws of navigation. Iran's seizure of the British oil tanker occurred less than 24 hours after the Iranian leader Ali Khamenei stated, "The detention of the Iranian tanker in Gibraltar would not go unanswered."<sup>(13)</sup> He was referring to the Iranian tanker Grace-1, which was seized by the Gibraltar government on July 8, 2019, and released on August 18, 2019 after Iran promised it would not deliver the oil to Syria.

This prompted the United States and the European countries to call for the formation of an international military coalition in order to counter the Iranian threat, protect the security of international shipping lanes and to ensure the flow of oil supplies through the Strait of Hormuz.

**2-Reducing its nuclear obligations:** Iran announced on July 7, 2019 that it would raise the level of uranium enrichment beyond the limit allowed in the 2015 nuclear agreement, stating that it would exceed the limit allowed in the agreement from 3.67 percent to 4.5 percent.<sup>(14)</sup> On July 29, 2019, Tehran declared its intention to raise the enrichment rate to 50 percent by early September 2019.<sup>(15)</sup> Thus, Iran has violated its nuclear obligations to the UN Security Council as it has enriched uranium beyond the level set in the 2015 nuclear deal.

**3-Striking Arab and international targets inside Iraq:** various media outlets held Iran responsible for the series of attacks that targeted vital Arab and international targets inside Iraq. It also used Iraq as a platform to hit targets in the region and

the Arabian Gulf during the month of June 2019 (see Table 1).

A series of military attacks carried out by Iran against Arab and international targets inside Iraq.

14-6-2019	Targeting Balad air base in the Saladin governorate north of Baghdad with three mortar shells, resulting in minor damage to the air base's perimeter, without any casualties.
18-6-2019	<p>-Shelling of the Taji military camp, where US forces are located north of Baghdad, with Katyusha rockets, causing material damage without causing any human casualties.</p> <p>- Targeting the complex of presidential palaces in Mosul with Katyusha rockets causing material damage without any human casualties.</p> <p>- Targeting Al-Bargisia complex west of Basra province with a short-range missile. It includes a complex of international oil companies: Royal Dutch-British Shell, the Italian company Eni, and the US energy company ExxonMobil.</p>
19-6-2019	<p>- Targeting the Green Zone perimeter, which includes foreign embassies and government buildings in Baghdad with Katyusha rockets without causing any human casualties.</p> <p>- Targeting a residential camp of the US energy corporation ExxonMobil in Iraq, and the oil well of a drilling company in Al Bargesia in Basra province with Katyusha rockets.</p>
27-6-2019	- Storming the Bahraini embassy by protesters in Baghdad, leading to buildings being vandalised.
28-6-2019	US officials familiar with the nature of the aircraft attacks on Saudi oil pipelines in May 2019 stated that these attacks originated from Iraq, not Yemen. They pointed fingers at Iranian-backed militias in the region, <sup>(16)</sup> the Wall Street Journal reported

These attacks - which mostly did not hit their targets and did not result in casualties or significant damage to property - bear Iranian fingerprints. Firstly, the targeting of embassies is an old Iranian tactic adopted when Tehran wants to send political messages to certain countries. Iran has a long history of targeting diplomatic headquarters. This includes storming the US embassy in Tehran and detaining its employees for 444 days in 1979, bombing the US embassy in Beirut and Kuwait in 1983, targeting the Russian embassy in 1988, and Iranian involvement in the assassination of four Saudi diplomats in Thailand in 1989, as well as the targeting of Saudi diplomatic headquarters in Tehran and Mashhad in 2016.

Secondly, the missiles used in the attacks were short-range Katyusha rockets. These types of missiles constitute the most important Iranian military weapon in the region. These short-range missiles are easy to conceal and move and their use equates to a limited confrontation scenario.

Thirdly, These attacks occurred at a time of escalating US-Iranian tensions in the context of increasing American pressure and sanctions on Iran. In the same context, the US administration ended the exemptions granted to the eight countries from its sanctions. In addition, it classified the IRGC as a terrorist organization. The US administration sent the Abraham Lincoln carrier and B-52 bombers to the Middle East in response to intelligence that Iran was preparing to carry out military attacks against US interests, targets and forces in the Middle East. In June 2019, the IRGC shot down an American drone in its territorial waters, according to Iranian claims.

Iran's escalation measures are aimed at sending a message to its opponents that further escalatory and punitive measures against Iran means more countermeasures in the Iranian dictionary. Iran has pressure cards which it can use to affect the global economy due to its ability to disrupt international maritime traffic. Iran will not allow its oil exports to drop to

zero as the US administration wants; there is a great price to be paid by those responsible for lowering Iranian oil revenues to zero. Iran has become a supra-regional state which enjoys great sovereignty and influence in the waters of the Arabian Gulf and it is capable of disrupting and threatening global navigation.

### **III- The Initiation of Mediation to Resolve the Crisis**

Against the backdrop of rising tensions in the Middle East as Iran sought to disrupt international maritime traffic by targeting oil tankers reminiscent of the “tanker war” during the Iran-Iraq War (1980-1988), regional mediation efforts were increasingly proposed by Oman and Iraq and internationally by Japan and France to ease tensions and to curb the outbreak of armed confrontation.

These mediators share many commonalities, firstly, they fear serious disruptions in oil supplies if the Arabian Gulf slid into a catastrophic war; secondly, they want to maintain their strategic interests by securing international navigation to prevent any disruption in the transport of strategic goods via international corridors; thirdly, they aim to exercise their mediation role in order to have the ability to persuade conflicting parties to sit at the negotiating table and to achieve a settlement. This represents a true test of the ability of states to create space to play an effective and influential role in regional and international arenas.

#### **1- The Sultanate of Oman**

The Sultanate of Oman sought to prevent the escalation of the crisis through two visits to Tehran conducted by the Omani Foreign Minister Yusuf bin Alawi bin Abdullah on May 21, 2019 and on July 27, 2019. The Omani minister's visits to Tehran preceded his visit to the United States where he met with his American counterpart to discuss the US view on de-escalating tensions with Iran. During the meeting, the Iranian leadership

confirmed that Iran had no inclination to confront the United States or Britain militarily. Zarif confirmed during the meeting with Alawi on his first visit that “Iran is not seeking confrontation. Everyone understands that starting a conflict may be easy, ending it would be impossible.”<sup>(17)</sup>

The Omani mediation between the United States and Iran stems from both sides’ acceptance of the Sultanate of Oman as a neutral mediator since it maintains an equal distance in its relations with the parties involved but at the same time has close relations with them. Oman also has a historical role in mediation and played a strategic role four years earlier during the US-Iran negotiations which led to the nuclear agreement and nine years earlier between the two sides which led to the release of three American tourists detained by Iran in 2010.

## **2-Iraq**

Iraq was one of the diplomatic channels for mediation between Washington and London on the one hand and Tehran on the other. Prime Minister Adel Abdul Mahdi paid a surprise visit to Tehran on July 22, 2019 to reduce tensions and to avoid an escalation in the Arabian Gulf region. During the visit, the Iranian President Hassan Rouhani confirmed that his country does not want to increase tension with any country in the region, and also stressed that “Iran will not be the first country to wage war.”<sup>(18)</sup> Abdul Mahdi responded, “Baghdad has not and will not be part of the sanctions on Iran.”<sup>(19)</sup>

The mediation efforts by Iraq are due to Iraqi concerns about the disastrous implications of war on Iraqi security and it would return Iraq, which has paid a high price in the fight against terrorism, to square one. This is due to the fact that Iraq is one of the most important areas that would be affected by the war if the US Air Force targets pro-Iranian militias in Iraq, or if these militias targeted the 5,500 US forces in Iraq. Iraq is also a border state with Iran. Therefore, any military escalation on the border with Iran is likely to drag the oil-rich

Arab country back into a vicious cycle of violence after it has, to some degree, managed to return to normality and has succeeded in destroying many hotbeds of terrorism. Therefore, Iraq would be the most affected if war was to break out.

In addition, there is an American and British desire for Iraq to play a role in persuading Iran to desist from targeting oil tankers in the Strait of Hormuz. This was reflected in the demand made by the then British Defense Secretary Penny Mordaunt for Iraq to ensure the safety of maritime navigation lanes in the region. This demand was made before Abdul Mahdi's visit to Tehran to mediate in order to ease tensions. It was also reflected in the US administration's warning messages to Tehran through the Iraqi government about the consequences of targeting US forces in Iraq, as the US government aspires to revive Iraq's diplomatic position in the Middle East.

We cannot ignore the fact that Iraq has a strategic partnership with both countries, which have strategic interests in Iraq. America and Britain seek to preserve and protect their strategic interests. Iraq has no alternative but to maintain its relationship with Iran at least over the next two years in order to import gas and electricity, since Iran provides Iraq with about 40 percent of its electricity needs. It imports 1,200 megawatts of electricity from Iran and 28 million cubic meters of gas per day to produce electricity.<sup>(20)</sup>

Iraq is still suffering from a shortage of power needed to address its electricity crisis. Iraq also needs the United States, which supported it during its war against terrorism. Washington also provides technical assistance and military training to Iraqi forces and contributes greatly to stability and reconstruction in the areas liberated from ISIS.

### **1-Japan**

Japan became closely involved in international mediation efforts after Prime Minister Shinzō Abe paid a visit to Iran from June 12 to 14, 2019. During the visit, the Supreme Leader Ali

Khamenei refused to receive a written message delivered by Abe from Trump under the pretext of distrusting Trump's person and position. Rouhani responded to Abe's statement that Iran can play a constructive role to achieve peace in the Middle East with: "Iran will remain committed to the important agreement, which is important for the security of the region and the world ...Iran will never initiate a war but will give a crushing response to any aggression."<sup>(21)</sup>

Japanese decision-makers are aware of the danger to the Japanese economy if oil supplies to Tokyo are affected by war in the Strait of Hormuz. This pushed the Japanese government to head to Tehran. The last visit of a Japanese prime minister to Iran was in 1978. Japan was the fourth largest importer of Iranian oil in the world before the cancellation of oil exemptions by the United States to the eight countries importing Iranian oil in May 2019, which included Japan.

Japan is also concerned about high oil prices in the event of war. Thus, Japan has a semi-strategic interest to prevent the outbreak of war, to ensure the freedom of navigation and to keep the Strait of Hormuz open for maritime transit without any potential threats disrupting the movement of oil tankers. Tokyo has balanced relations with Washington and Tehran. It maintains good relations with the United States as America ensures security in East Asia. It also has good relations with Iran to maintain economic interests and oil supplies. Therefore, it seeks a strategic alliance with America in East Asia and Iran in the Middle East.

## **2-France**

On June 9, 2019 France sent Emmanuel Bonne, the architect of the 2015 Iran nuclear agreement and the highest diplomatic adviser to French President Emmanuel Macron, to Iran to de-escalate the situation. Emmanuel Bonne offered a "freeze-for-freeze" truce proposal based on the two sides implement-

ing obligatory minimum steps in order to de-escalate the situation.”<sup>(22)</sup> This meant that the Trump administration would stop imposing more sanctions on Iran in the next phase. In exchange, Iran would not take further steps to reduce its commitment to the nuclear deal, and INSTEX would be activated to continue trade between Iran and Europe.

The French proposal was rejected by the Iranian media, because it believed that it fulfilled American aspirations and requirements but in French diplomatic language. It aimed to prepare the ground for new negotiations on all outstanding issues, not just the nuclear agreement, such as on Iran’s ballistic missile program, and its regional activities. In addition, France urged Tehran to stop reducing its commitments to the 2015 nuclear deal.

As part of the French meditation, President Emmanuel Macron also met with Iran’s Foreign Minister Mohammad Javad Zarif on August 23, 2019, on the eve of the G7 summit in Paris. Macron presented a second French proposal which included the United States allowing Iran to export some of its oil, and in exchange Iran would continue to observe its commitment to the terms of the nuclear agreement for enriching uranium. This proposal also offered to launch a compensation mechanism “to improve the lives of Iranian citizens.”<sup>(23)</sup> It also referred to an alternative proposal that does not include the United States if Iran rejected the French proposal. Although Iran accepted the French proposal, America does not agree with it. The proposal is considered by the US as compromising its maximum pressure strategy against Iran as well as indicating its failure to deal with Iranian nuclear ambitions.

Along with these regional and international diplomatic efforts to resolve the US-Iranian crisis, the US administration has announced on several occasions its adherence to the negotiating option under the pressure of economic sanctions imposed

on Iran, while it refuses to pursue the military option. President Trump announced on June 21, 2019 that he called off military strikes 10 minutes before they were to begin because it was not proportionate to the downing of an unmanned drone, which was shot down on July 20, 2019 under the pretext of violating Iran airspace.<sup>(24)</sup>

#### **IV- Limits and Feasibility of Mediation to Resolve the US-Iranian Crisis**

Considering the overall international mediation efforts to settle the US-Iranian crisis, we can conclude that these regional and international efforts to date have not satisfactorily defused the crisis. This is because these efforts were limited to only looking for mechanisms to stop the escalation, and to reduce tensions as well as to ensure that both sides retreat from taking further escalatory actions that may lead to war. The mediation efforts have not resulted in developing mechanisms to lower the escalation between the parties to the crisis. The failure of international mediation is due to the following factors:

##### **1-The Abilities of Mediating Actors and their Level of Acceptance by the Parties to the Crisis**

The mediators lack sufficient capacity and pressure cards to force the parties – the United States which has great power and Iran which infiltrates the Middle East – to sit at the negotiating table. For example, Iraq is still plagued by violence, economic deterioration, and a breakdown in security. Pro-Iranian armed militias exert influence over Iraq's decisions, and Iran's incursion into Iraq. However, Japan does not have a deep familiarity with the region's issues and crises and does not have extensive experience in mediation to enable it to achieve a settlement.

In addition, the accumulated European-Iranian differences act as barriers to an effective French or European mediation role. France showed solidarity with the British position following the detention of the British tanker. On October 2018, 3,

France imposed sanctions on Iranians affiliated with the Iranian Intelligence Ministry after an alleged plot to target an Iranian opposition conference in Paris in June 2018. The United States has rejected French mediation proposals as it firmly believes in the conditions it has proposed for negotiations with Iran.

## **2- The Rate of Crisis Maturity and the Volume of Pressure Cards Available to Each Party**

The crisis has gone beyond the birth stage, which is the best stage to find a settlement. The crisis is currently going through the stage of growth and expansion, where the two parties still have some pressure cards, although the United States has more pressure cards available to it. The crisis has not yet reached the stage of maturity which allows both sides to achieve maximum strategic gains. Once they sit at the negotiating table, given both sides' bets and the availability of pressure cards the following scenarios are possibly feasible:

A. The United States is betting on being patient and imposing an economic siege to exhaust the Iranian economy, which may lead to Iranian street uprisings against the government to force it to modify its behavior and to accept amendments to the nuclear agreement. The United States still has many pressure cards to harm Iran significantly. These include more economic sanctions on Iranian agents, the imposition of a naval blockade, and the formation of military alliances. This is expected to result in improved negotiation terms when they sit at the table.

B. Iran, in turn, is betting on its usual popular steadfastness during crises with the West, the possibility of a change in the US administration if Trump does not win the 2020 presidential elections, European and international concerns about the consequences resulting if the nuclear agreement collapses, and mediation efforts to settle the crisis. Iran also bets on using public rhetoric and slogans to prevent the rage on Iranian

streets which it has been able to contain so far, but this is a ticking time bomb which may explode at any time; and the adoption of policies to circumvent sanctions with the countries affected by US sanctions, such as China, Russia, India, Turkey and some European countries.

Although some politicians have asserted that the Iranian government is also betting on strategic patience before sitting at the negotiating table, the economic pressure on the government lowers the benefits of strategic patience, because of Iran's harsh economic conditions. These conditions mean that the Iranian government's policy of careful calculation will not work in its favor as it did in the past. In July 2019, the clearest example of this is the amendment made by the government on the regulation of public revenues due to it being forced by sanction to cut its oil exports from 1.5 million to 300,000 pbd.<sup>(25)</sup> This means a significant reduction in government expenditures and a substantial change in public revenues. Iran still has some cards, but they are hard to use given US-European military presence in the Arabian Gulf to secure maritime traffic including:

- The possibility of intensifying the targeting of diplomatic headquarters belonging to US allies in the region.
- The possibility of mobilizing militias on the Iraqi-Saudi and Iraqi-Kuwaiti borders.
- The possibility of intensifying the targeting of oil tankers by using missiles or drones at Bab al-Mandab.
- The possibility of conducting military maneuvers in the Arabian Gulf.

### **3. The Degree of Flexibility of the Parties to the Crisis Towards the Negotiating Conditions**

The American and Iranian sides lack the needed flexibility to accept the principle of mediation and to sit at the negotiating table:

A. The United States believes that it will not have to make concessions to Iran. It still insists on the bet, as mentioned above, to subdue Iran. This can be seen through the negotiations held on the three files: 1- the Iranian nuclear file, 2- Tehran's ballistic missile program file, and 3- Iran's regional activities file. Therefore, the Trump administration is actively seeking to draw Iran to renegotiate a new agreement but under the effects of its embargo and economic pressure to ensure:

(1) The amendment of the sunset provisions, which do not address Iranian nuclear activities after 2025.

(2) The reconsideration of the spirit of the agreement, because it does not include a provision for addressing Iran's ballistic missile program, and it does not ensure the long-term security of the region by integrating Iran into the regional and international system - although it aims to bring security and stability to the region.

The hardening US position with regard to the negotiating terms with Iran was not only reflected in the US presidential declaration on July 10, 2019 to increase sanctions on Iran,<sup>(26)</sup> but also in the new sanctions which were imposed by the US Department of the Treasury on July 9, 2019 on Lebanese Hezbollah's members of parliament Amin Sherri and Mohammad Raad on charges of misappropriating Lebanese assets for the benefit of Hezbollah and Iran.<sup>(27)</sup> On July 18, 2019, four Iraqi people including two pro-Iranian militias in Iraq, Wad Qadu and Ryan al-Kaldani, were also accused of misappropriating Lebanese assets.<sup>(28)</sup> This represents an American desire to pursue a dual policy based on preventing Iran and its regional militias from accessing economic resources on the one hand and compelling Iran to enter negotiations to conclude a new agreement on the other.

B. Iran refuses to sit at the negotiating table until US sanctions are lifted. In addition, it insists on limiting the negotiations, at

least in the current stage, to the nuclear file without including its regional activities and its ballistic missiles program.

## **V- Consequences of Mediation Interactions**

### **1. Avoiding Parallel Track Solutions**

Mediation focuses on the principle of one track only, which seeks to identify a mechanism to stop escalatory measures from both sides, without pursuing a negotiating formula. This represents the second track, to address the roots of the crisis itself in order to ensure escalatory activity continues to cease. Therefore, escalation may increase again at any time if mediation is not accompanied with addressing the roots of the crisis itself. This may be due to mediators realizing the complexity of the crisis, the long time period required and the inflexibility of the parties. In addition, some mediators are not deeply convinced of their roles, but continue with the mediation process in response to the desire of one of the parties to the crisis to avoid military confrontation.

### **2 - The Crisis has not yet Matured**

As previously stated, the crisis has gone beyond the stage of birth, and has not yet reached the stage of maturity. In this stage, the parties realize the possibility of maximizing their gains or the potential occurrence of disasters of undesired consequences if they do not sit at the negotiating table which is known as a "hurting stalemate." The Iranian side and US still maintain influential cards to improve negotiating conditions, and both sides have hardened their negotiating conditions.

### **3- The Mediation Efforts Lacked the Requirements to be Fully Accepted by Both Parties**

With the exception of the Sultanate of Oman due to its neutrality, good relations with all parties, and its past experience in the signing of the nuclear agreement in 2015, Japan and France belong to the international axis loyal to the United States despite

their good economic relations with Iran, while Iraq belongs to Iran despite its good relations with the United States.

#### **4. Crossing the Critical Point Leading to an Armed Clash**

The mediation attempts were the result of a critical point being crossed which led to military confrontation in the region, when Tehran announced the downing of a US drone and its direct attack on the British oil tanker and the detention of its crew members. In addition, the news media reported that secret negotiation channels were opened between the two sides along with international mediation. This coincided with the intensification of British and American military presence in the Arabian Gulf to accompany and protect oil tankers in order to prevent Iran from continuously targeting oil tankers in the Strait of Hormuz.

#### **VI- The Future of the Negotiating Option to Contain US-Iranian Escalation**

The question arises: does the failure of the mediators to reach a negotiation formula to stop the escalatory measures to date mean that the most likely option is military confrontation? To answer this question, the official positions of the parties to the crisis towards the negotiating and military options, the possible repercussions on the interests of each party to the crisis in the event of war, and the cost of entering a war will be analyzed and considered.

Many observers of Iranian affairs predict that the detention of the British ship by the Iranian navy would be the last link in a chain of Iranian escalatory measures targeting tankers. This may rule out the option of military confrontation. The negotiation option is likely to be pursued given the following indicators:

## **1- The Perception of the Iranian Political System and the Imbalance of Power Against It**

Iran believes that it has achieved its aim by seizing the British oil tanker, showing its ability to disrupt one of the most important shipping lanes in the world, and to retaliate, especially after the release of its tanker by Gibraltar's government on August 18, 2019. Iran's seizure of the ship demonstrates its ability to control international shipping lanes, tests the US to see if it carries out military action against Iran, provides deterrence by notifying its adversaries of the cost of any potential military strikes against Iranian oil tankers, and prevents Iran's tankers from being targeted in the future, otherwise the response would be similar to the British oil tanker incident.

Although Iran is expanding geopolitically and militarily in many Arab countries and is capable of forcing its militias in Syria, Iraq, Lebanon and Yemen to carry out hostile actions against traditional US allies, it will not make miscalculated and reckless moves such as blocking the Strait of Hormuz or attacking vital US targets. Iran recognizes that this would trigger a fierce war. This would be against Iran's interests by any measure given the imbalance of military, economic and political power which is in favor of the United States when compared to Iran's stifling economic conditions, its regional and international isolation as well as its differences with its Gulf neighbors.

## **2. The US Strategy is Devoid of a War Scenario against Iran**

Trump and Pompeo have repeatedly declared the United States' unwillingness to engage in armed confrontation with Iran. Recently, Pompeo reiterated his willingness to go to Iran to meet with officials and to negotiate again on the nuclear deal, amid the objections of the American public to engage in a new war in any region. In addition, a number of US strategic experts believe that the Iranian threats are not worth engaging

in a war. Trump is also concerned about getting involved in a military confrontation that may affect his election chances. In fact, the political dimensions of the maximum pressure strategy are not intended to launch a war against Iran. However, the Trump administration's maximum pressure strategy against Iran aims to:

A. Achieve political gains in favor of US President Trump and his Republican Party in the upcoming presidential elections by forcing Iran to negotiate a new agreement with the US administration through imposing harsh economic sanctions.

B. Sign a new nuclear agreement that benefits US companies, which are prohibited by US law to invest in a state sponsoring terrorism, such as Iran. However, European companies benefited after signing the nuclear agreement in 2015 while US companies did not.

C. Reach a new agreement that meets the demands and aspirations of the influential Zionist lobby within the US government and decision-making bodies. The Zionist lobby is one of the most powerful US lobbies and it plays a pivotal role in US presidential elections. The lobby uses its religious, media, and financial organizations to mobilize support for its preferred candidate in the US presidential elections.

D. Revive US arms exports by raising the concerns of states about the Iranian threat and its repeated threats to the security and stability of the region, and thus boost arms sales to these countries and win new potential customers in the region.

### **3- The Price or Cost of War**

Despite all the reciprocal escalatory measures including: the United States sending its aircraft carrier and bombers to the region and Iran commanding its militia arms in Syria, Iraq and Lebanon to be ready for war, these measures are carefully considered by both sides due their material costs. Therefore, they

will try their best not to slide to a breaking point. This keeps the situation on the brink of war but falls short of an actual war which would be disastrous by any standards for the parties and their allies.

The European allies of the United States; Britain, France and Germany, adopted a balanced position towards the seizure of the British oil tanker to avoid impacting European economic interests by any disturbance in oil supply. On July 22, 2019, the British Foreign Office confirmed that Britain did not seek confrontation with Tehran while it works to form a European-led naval force to ensure navigation security in the Strait of Hormuz. In addition, the British Ministry of Defense announced on July 28, 2019 the arrival of the British warship HMS Duncan to the Arabian Gulf to accompany British-flagged ships across the Strait of Hormuz. Britain also adopted a balanced position when it agreed to release the Iranian oil tanker.

In turn, the states of the region, the allies of the United States, especially the Gulf States, do not favor waging a new war in the region because it would be devastating and disastrous at all levels economically, politically and socially. They consider the risk of sliding into a destructive war through reckless steps that would trigger a major armed confrontation in the region. Therefore, the reactions of the Gulf states to the targeting of UAE vessels off the coast of Fujairah and Saudi oil pipelines were restrained and wise.

## **Conclusion**

If the crisis reaches its peak and Tehran loses its bargaining chips it may resort to make concessions but through secret negotiations like those it made with Washington during the Iran-Contra affair. This scenario is likely to happen due to Iran's harsh economic crisis and its international isolation as well as due to the intensification of European and US military presence in the Arabian Gulf .

Negotiations do not necessarily mean reaching a settlement between the two sides in light of the complexity and multifaceted nature of the crisis, the inflexibility of the parties towards the negotiating conditions, the period required for negotiations and the complicated mechanisms involved. This is what Iran is looking for primarily, given the Iranian government's ideological nature. The government has mastered the art of improving negotiating conditions in grey areas rather than finding actual solutions. This enables Iran to separate the file relating to its regional activities- based on Iran's ideological principles and exporting the Iranian revolution- from the other two files: the nuclear and ballistic missile files. If this file is included in the negotiations, it would be a significant achievement given the challenges faced in containing Iran in the region. However, this means addressing Shiite groups in Syria, Iraq and Lebanon. For example, the Houthis are a Yemeni case, the Popular Mobilization Units are an Iraqi case, and Hezbollah is a Lebanese case. The maximum that can be expected to be attained in the negotiations involving this file would be to limit Hezbollah's foreign adventures without disarming it completely.

The only file in which Iran can make concessions is the Yemeni file – although it is difficult to accomplish due to the rapprochement between the Houthis and Iran after the Houthi delegation's visit to Iran on August 13, 2019 and their announcement on August 18, 2019 of appointing a Houthi ambassador to Iran. Iran can make concessions in this file since it does not prioritize the Yemen file as much as Iraq and Lebanon in its strategy, and recognizes the difficulty of controlling Yemen, the southern flank of Saudi Arabia.

Iran took advantage of the Yemeni crisis as a pressure card against the Gulf countries and used it in the context of competition for regional leadership. This file is linked to the development of the US-Iran crisis making it difficult for Iran to com-

promise given the isolation and stifling economic sanctions imposed on it by the US and its allies. As a result, Iran's decision-makers are in dire need of a cohesive strategy to bring together its various agents, allies and non-state actors.

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