

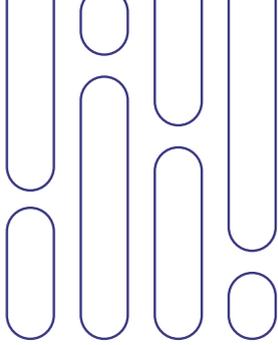
REPORT

Biden's Options for Dealing With Iran

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The developments in the US-Iran relations are accelerating amid the changes in the United States with the election of Joe Biden as president. Iranian Supreme Leader Ali Khamenei on December 16, 2020, hinted at the possibility of cautious flexibility in relation to the issue of negotiations. He said, “If the sanctions can be lifted, we should not delay even for one hour...If the sanctions can be lifted in the right, wise... and dignified way, this must be done.” These remarks are in line with Khamenei’s principle which he termed as “heroic flexibility.” He has referred to this principle on multiple occasions. It indicates showing some level of understanding without forgetting or ending hostility. Via this cautious readiness for negotiations, Khamenei opened the door for the Iranian government to respond to the current proposals without laying down specific restrictions or conditions.

On the other side, US Special Representative for Iran and Venezuela Elliott Abrams said on December 14, 2020, that he and other officials in the Trump administration had begun talks with Biden’s team on Iran and the nuclear deal. The move comes as a bid to convince the Biden team that the situation has changed and the 2015 nuclear deal with Iran will not work at the present time. He added that the sanctions imposed on Iran under the Trump administration cannot be totally reversed, such as those related to human rights violations and fighting terrorism.

Before this, the European troika (France, Germany and Britain) indicated their desire to keep the nuclear deal in place but with additions such as the Iranian missile program and Tehran’s regional role. In the meantime, the Gulf Cooperation Council (GCC) has reiterated that any nuclear deal should take into account the interests of countries in the region.

There is no doubt that Biden’s victory contributed to this impetus in relation to

the Iranian file. The concerned parties, based on the position of Biden and his transitional team, are to outline their perceptions and demands. At the same time, the two main parties to the crisis are attempting to craft an appropriate perspective to usher in a new phase in relation to the expected negotiations, with each party strengthening its leverage cards to make the most significant gains.

Considering the positions, perceptions, and clear divergences of the concerned parties, some questions come to mind: which options will be pursued by the Biden team when it comes to addressing the Iranian file? What are the opportunities and challenges facing each option, and which option is expected to be more realistic? This forward-looking report attempts to bring forth the most important available options for the Biden team when it comes to relations with Iran. This comes in light of a number of secondary variables in relation to the Iranian file as follows:

I. The Position of the Parties Linked to the Iranian Nuclear File

1. Biden's Position

Biden has promised to pursue a smarter position when it comes to dealing with Iran and pledged to prevent Iran from developing nuclear weapons, present a credible path to diplomacy and to mend the nuclear deal with the participation of US allies, with the negotiations covering a host of issues such as the Iranian missile program and human rights abuses. In addition, Biden vowed to cease Iran's activities which undermine stability, pose a threat to US allies and pledged to defend US interests in case Iran escalates the situation.

Biden has set conditions to rejoining the nuclear deal, the main ones being: Iran reversing the increased rates of uranium enrichment, curbing the range of its missiles and ending its presence in the region. Biden said, "If these conditions are accepted, sanctions will be lifted."

However, the position of Biden's advisers such as Antony Blinken and Jake Sullivan indicate that Biden's policies will not be totally different from those pursued by Trump, but in fact he will benefit from them.

2. Iran's Position

Due to the fact that the Iranian government has a multilayered system of governance, we cannot say there is a unified position in relation to the negotiations. But maybe there are divergent positions at the same time, especially considering the fact that negotiations with the United States is an election issue used by competing rivals, with each party hoping to take advantage of this file to make gains in the presidential elections expected to be held in June 2021.

There is the position of the Iranian president who has faced many accusations and his character was attacked following Trump's withdrawal from the nuclear deal. This significantly impacted his popularity and his movement. In addition, he has

been blamed for Iran's deteriorating economic situation. He hopes to swiftly reach an agreement with Washington before ending his term and address the current crises that his government is experiencing.

Furthermore, he wants to boost the chances of his movement in the coming elections. Rouhani has accused certain Iranian parties of seeking to delay the lifting of sanctions to maintain the status quo for a longer period despite the difficulties which the country is facing.

As for Iranian Foreign Minister Mohammad Javad Zarif, from a diplomatic perspective, he has set basic conditions for the negotiations to resume. These conditions include the lifting of sanctions, holding collective bargaining, Washington paying compensation to Iran and excluding the Iranian missile program from the negotiations. This proposal triggered criticism inside Iran and was dismissed as being unrealistic.

Between the flexible position of Rouhani and the radical position of Zarif, Khamenei's recent remarks indicate the nature of his role through which he dominates and exercises guardianship over the Iranian political system and reflect a midway position via which he strikes a balance between the necessity to maintain the system and uphold the ideological principles on which it bases its actions (according to which it behaves). Hence, he uses populist phrases such as "heroic flexibility" along with raising slogans of national dignity; a well-known rhetorical strategy the Iranian government has been adopting since the 1979 revolution. He provides justifications for possible negotiations which he could allow Rouhani or the president that will succeed him to participate in.

3. The Position of the European Parties

The European troika have started intensive discussions about the Iranian file. France, Britain, and Germany, on December 7, 2020, announced that they considered the nuclear escalation plan approved by the Iranian Parliament to be "very alarming." This announcement was preceded by a remarkable statement which constitutes an important political signal. German Foreign Minister Heiko Maas indicated, in an interview with the weekly magazine *Der Spiegel* on December 5, 2020, to a joint German position with both the UK and France in relation to the Iranian file. His core points were that returning to the current nuclear deal with Iran was inadequate and that there should be a "nuclear agreement plus" deal, considering this is in the interest of Europe. Maas also indicated that the additions to the current nuclear deal would include Iran's ballistic missile program and regional role. His comments are significant because they are closely linked to the potential approximation that the regional and international parties have adopted to deal with the Iranian file.

On this basis, the European parties have reconsidered their positions, taking into account a host of important developments since the signing of the nuclear deal: the end of the Trump era and electing a new president willing to repair relations with the Europeans and coordinate relations to restore Western influence at the

international level. This is in addition to the opportunity embodied in the harsh circumstances through which Iran is experiencing, following the US sanctions imposed by President Trump. His administration managed to make Iran comply with its oil and financial sanctions, which led the economic situation to deteriorate and the government's popularity to plummet.

Also, the European parties looked at the fact that there is a shortcoming in the nuclear deal itself, which makes the Iranian nuclear program, as time passes, a source of threat and a fundamental flaw in the international system for restricting nuclear proliferation. This is in addition to the fact that they realized that the bet to adopt an open approach toward Iran in order to change its behavior and end its ideological hostility with the West failed.

4. The Position of the Gulf States

The Gulf states' desire is that any negotiations with Iran in relation to its nuclear program should include serious and swift talks on its regional behavior, threats and its role in supporting chaos and terrorism in the region. This is in addition to the significance of the international community's interaction with Iran over its missile program. Here, the Gulf states share the same position with the European countries, and the two sides are working to convince the United States not to resolve the nuclear file without considering the previously mentioned two central files and to avoid repeating past mistakes by delaying negotiations on these two files.

5. The Positions of Russia and China

Russia and China support the nuclear deal's understandings within the framework of the Joint Comprehensive Plan of Action's Joint Commission and do not prefer any separate negotiations between the United States and Iran exclusively. They are closer to the position of Iran when it comes to separating between the nuclear deal and the other outstanding issues. They played a prominent role when it came to supporting Iran diplomatically and perhaps even economically in light of the campaign of maximum pressure waged by the Trump administration against Tehran.

II. The Possible Scenarios for Biden

With the "return-for-return" scenario (the United States rejoining the deal and Iran complying with its obligations), there are two remaining scenarios, one of which could be adopted by Biden's team.

1. A New Comprehensive Agreement Based on Trump's Legacy

This option means that the Biden administration will realize that addressing Iran's dangers and the threats it poses will only be possible via nothing but imposing more pressure and sanctions to reach a comprehensive understanding to curb the danger Iran poses. In essence, maintaining the Trump approach toward Iran and

seeking to sign a new agreement.

This option suggests that the Democrats' previous position of showing openness towards Iran would contribute to changing its behavior and curbing the threats it poses has failed. Furthermore, it has been proved that Iran exploited the nuclear deal, maximized its regional clout and posed major challenges to Washington's presence in the region. Also, the strategy of maximum pressure pursued by the Trump administration put the Iranian government in an unenviable situation, diminishing its strength and maneuverability. This makes reaching a new agreement something possible.

Biden's advisers believe that Trump has left a legacy that they can take advantage of, especially with the possibility of the European countries joining the new US pressure campaign after Trump's departure. In case tensions calm down between the United States and Russia and China under the Biden administration, the US ability to put more pressure on Iran will be strengthened. In addition, US allies in the region will back this option. This option could be strengthened because of Iran showing a lack of flexibility in relation to the initiatives presented by the Biden administration; insisting on excluding its missile program from negotiations; refusing to minimize its regional role that threatens security and stability; insisting on its strategy of confrontation; and circumventing sanctions and gaining more time.

Seeking to reach a new agreement faces challenges and complexities because Iran has faced a maximum pressure campaign under the Trump administration. Despite this campaign, it did not agree to signing a new agreement, however, this is likely to happen if the Biden administration pursues the same approach. Moreover, Iran's insistence on confrontation will further complicate the situation in relation to the nuclear file, which Iran is exploiting as a lever to narrow down the options available to the Biden administration.

The US assessment is that time, when it comes to the nuclear program, is in Iran's favor. Considering the possibility of using force by the Biden administration to wholly impose its will on Iran is extremely unlikely, seeking to sign a new agreement will be a complicated and difficult task.

Yet among the challenges is that Iran has its own vision for the negotiation process. There is a current inside Iran, spearheaded by President Rouhani and Foreign Minister Javad Zarif, that believes in the possibility of understanding and responding according to the principle of making mutual gains, which means the possibility of making amendments to the nuclear deal. But the radical current, led by the supreme leader and the IRGC, that maintains control over critical matters, has reservations about any conditional US return to the nuclear deal.

This current believes that any US return to the nuclear deal should be automatic and without conditions or amendments. This, in fact, creates a gap between the Americans and Iranians, and could also result in the United States facing

international opposition in this regard. Some global powers such as Russia and China have a desire to curb Washington's unilateralist approach in relation to this file, and this could impact other international issues, especially considering Biden's plans to restore US prestige at the international level.

Yet, imposing more pressure on Iran to conclude a comprehensive deal could push it to adopt extreme positions and return to the policy of "calculated confrontation and escalation" at all levels. Perhaps the West's experience stretching four-decades indicates that the Iranian government is ready to endure the harshest pressure and that the maximum pressure campaign did not result in tangible outcomes. On the contrary, the government's hostile activities increased. Finally, if reaching a comprehensive solution is being considered, the issue of changing the government – instead of exerting pressure – should be excluded. It is not an option considered by any of the powers confronting Iran regionally or internationally.

2. A Diplomatic Move Involving Multiple Paths and Parties

This means reaching a compromise where the two parties make mutual concessions in order to settle their differences. Biden's initiatives will focus mainly on urgently addressing the nuclear deal considering Iran's increasing nuclear excesses while not ignoring the ballistic missile and regional behavior files. Maybe this will happen via agreeing upon a comprehensive negotiations path; through which parties agree on identifying the nuclear deal as a technical agreement to resolve the nuclear disagreement between Iran and the United States. This shall go side by side with negotiations in relation to Iran's ballistic missile program and regional behavior, with new regional and international parties joining these talks.

Maybe Biden will reach a new agreement with Iran which leads to more nuclear restrictions in return for partially relinquishing demands in relation to Tehran's missile program and regional behavior. Anyway, diplomacy will play an important role in this option and requires confidence-building measures and raising awareness of the importance of engaging in negotiations involving multiple parties and paths.

This option is attributed to the fact that both sides are aware of the difficulty of returning to the status that existed before May 5, 2018. They also realize that making comprehensive gains is not possible. In addition, this option involves multiple paths and parties. It will gain international and regional acceptance and satisfaction as it addresses all the threats posed by Iran.

It is an option involving a degree of flexibility and maneuverability which could encourage the parties to engage and positively respond to it. This is in addition to the fact that the maximum pressure campaign pursued by the Trump administration represents an important lever for Biden against Iran.

Antony Blinken, the secretary of state in Biden's transition team, said that Trump has done well and left a good legacy. The situation in Iran is rapidly deteriorating and the government perhaps will not survive in the face of US pressure for a long time. It also needs to respond to the US initiatives and engage in new negotiations to exit the domestic crises and emerge victorious at home and abroad even if it has to concede ground as protecting the Iranian system is the main goal. Yet, Biden will have more influence on the parties to the nuclear deal than Trump and he can outline more significant pressure on Iran, especially with regard to the European parties who see eye to eye with the United States in relation to Iran's ballistic missile program and regional behavior. This means Iran is likely to face a unified front. There is no doubt that the changes occurring in the region — especially the signing of the Abraham Accord and the expected changes in regional policies — could push Iran to prefer to clearly outline its scope of competition instead of continuing on the path of conflict and hostility which is costly for the government and threatens its survival.

However, this option faces challenges, particularly as Iran refuses to discuss its ballistic missile program because it is a sovereign issue. It also wants the negotiations in relation to its regional role to be within a regional framework, without external interventions. The radical conservative current forbids Iran from returning to negotiations, arguing that the United States cannot be trusted and that the country's economic hardships should be resolved via the resistance economy doctrine adopted by the supreme leader, especially as Biden and his advisers have caused concern in Iran that the new US administration does not intend to lift the economic sanctions fully in return for resuming negotiations. Hence, resuming negotiations will indicate Iran's readiness to make concessions.

Moreover, the Iranian supreme leader did not comment on whether there would be a possibility for resuming negotiations with the Biden administration. But he repeated his long-held position that the resumption of negotiations depends on abolishing all sanctions and the talks will be held only in the framework of the P5+1 group with which Iran signed the nuclear deal, not on a bilateral level between Iran and the United States. Yet, the position of some regional powers poses a challenge to this option, as some of them want to make amendments to the nuclear deal, to guarantee stronger control over Iran's nuclear capabilities in the future. They also do not want the United States to open the door for negotiations without curbing Iran's regional ambitions and the dangers posed by Iran and its proxies possessing advanced missiles and weapons systems in the region, which pose a threat to regional security and stability.

III. Which Path Will the Biden Administration Opt For?

Biden's initiatives will likely depend on diplomacy and confidence building steps by making mutual concessions in relation to the nuclear deal. The concessions may be initiated by the United States by easing sanctions in return for Iran's full compliance with the terms of the nuclear deal. This arrangement will be made in coordination with the European parties and perhaps Russia and China. This could be the starting point towards consecutive negotiations intending to open the door for negotiations on the central issue: the nuclear deal, including negotiations on advancing and extending the agreement, as well as the secondary issues like Iran's missile program and regional behavior. In the framework of this path, there is no doubt that each party has its own well-established demands which it cannot totally relinquish and has its own levers which it will employ to maximize gains at the negotiating table.

As for the United States, its utmost priority which it cannot concede is a sustainable nuclear deal with Iran. But when it comes to Iran's ballistic missile program and regional behavior, there will be some sort of flexibility though the issues have become more urgent than before. The Biden administration has a wider array of options in relation to the course of negotiations and its position seems to be strong. The Biden administration has inherited a successful strategy for putting pressure on Iran and it will do nothing but continue the current sanctions program. It has a big opportunity to create an international consensus against Iran. This would include the participation of the regional powers which are ready and capable of making Iran incur heavy costs without placing extra burdens on the United States. As for Iran, its utmost priority is the survival of the system. However, it has some degree of flexibility when it comes to the negotiations in relation to the nuclear deal, including the possibility of amending the deal despite some official remarks indicating the impossibility of this. Here, the negotiations could produce positive results. But Iran will not make concessions in this framework without making real gains on the other files. As for the issue of its ballistic missile program, Iran will accept raising it only under Resolution 2231 reached in 2015. Changing Iran's regional behavior cannot be specified; thus, creating an opportunity for multilateral diplomatic negotiations. However, there is no doubt that the Iranian negotiating position is weak and its options for escalation are limited. It does not have the luxury of time considering the current economic circumstances which it faces. Hence, it has a dire need to lift the sanctions. Iran cannot trigger a nuclear crisis without endangering the survival of the ruling system.

Conclusion

It could be said in the end that an expected negotiation process will begin in early 2021. Mostly, it will be in accordance with Obama's approach and not according to

Trump's, but it will involve multilateral diplomacy and consecutive negotiations to address the outstanding issues. What concerns the region is that Iran's regional behavior and threats are critical issues to be discussed and should not be postponed. This would enable Iran to take advantage of the new understandings and exploit these issues to impose a *fait accompli* which throws the entire region into the vortex of a more open-ended confrontation and conflict.



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