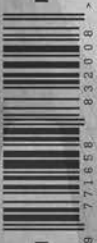




# IRAN CASE FILE

Your window on Iran from inside and abroad

May 2022



**RASANA**  
المعهد الدولي للدراسات الإيرانية  
International Institute for Iranian Studies

ICF

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May 2022

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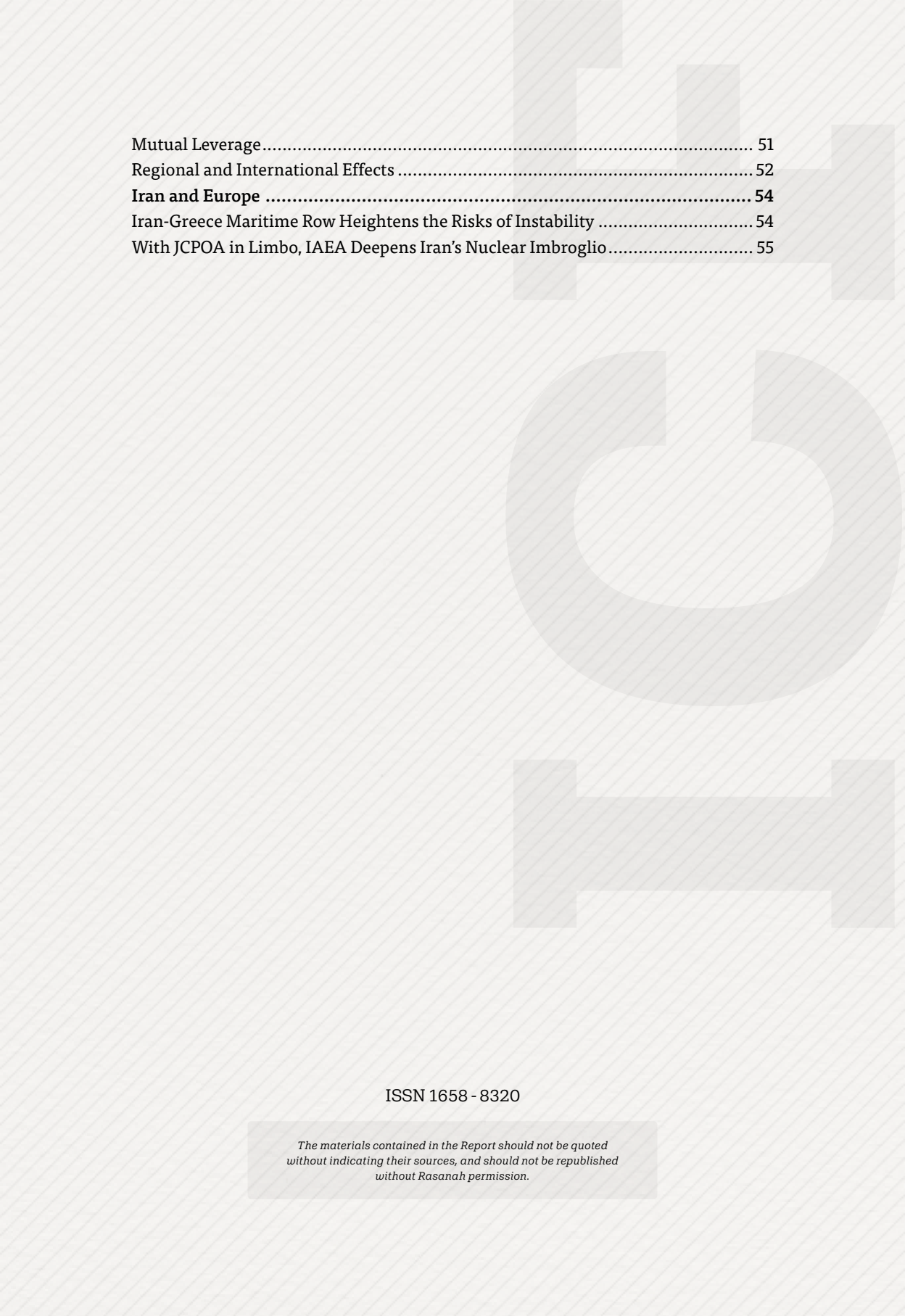
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# EXECUTIVE SUMMARY

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In May 2022, Iran was caught up in a cycle of accelerating developments. The Iran Case File (ICF) discusses the impact of the various protests that erupted across the country at the ideological, political, and economic levels. The assassination of Colonel Hassan Sayyad Khodaei, a member of the IRG-affiliated Quds Force and part of Tehran's policy of military investment outside its borders (after it established a drone factory in Azerbaijan) dominated the military scene. As for Iran's interactions with Arab countries and the world, the ICF reviews the visit of Iranian President Ebrahim Raisi to Oman, the Saudi-Iran talks, the Gulf Cooperation Council's (GCC) condemnation of Iran's destabilizing role in Yemen, Bashar al-Assad's visit to Tehran, the hindrances to the Vienna talks, and rising tensions between Iran and Europe against the backdrop of Tehran seizing two Greek vessels.

Internally, at the ideological level, the clerical elites adopted a parallel approach. First, they defended the clergy and the Raisi government, deeming them to be loyal to the Iranian state, the 1979 revolution and Khomeini's ideology. Second, they worked to appease the Iranian people, deceiving them that the clerics support their position and issues. The clerics' rhetoric is merely populist with an objective to show that they are independent from the ruling system, so they can attract the Iranian people, especially the common man. This strategy, however, indicates that leaders in Iran are quite worried because of the latest wave of protests, the mounting opposition and criticism of Wilayat al-Faqih policies. So, using religion was the ruling system's last resort to thwart the simmering anger and entrench Wilayat al-Faqih at the grassroots level, and bolster its fake legitimacy.



At the political level, the soaring prices and the government's decision to increase the prices of basic food items triggered popular protests across many Iranian cities — considered to be the first of its kind since Ebrahim Raisi came to power in August 2021. The government was occupied with addressing the new protest wave, meanwhile a building collapsed in Abadan killing 41 people. The residents of Abadan expressed their anger and other Iranian cities organized protests to show sympathy for the victims. Iranian teachers launched nationwide protests calling on the government to improve their living conditions and pensioners also organized protests over the government's decision to raise pensioners' wages by only 10 percent, calling on it to raise wages by 38 percent.

At the economic level, the government's decision to eliminate subsidies for basic items such as oil, wheat, and other food items was reflective of how far Iran's three pillars of food security — food availability, sustainability, and purchasing power — have developed. This decision was against the backdrop of disruptions in the global food supply chain. Iran faces great threats, primarily in the agricultural sector, with this sector facing persistent droughts and water scarcity. Moreover, the government's flawed water policies over the last three decades have not helped productivity in this sector. The aforementioned factors will have a dangerous impact on Iran's current and future renewable water resources, which will in turn have a negative impact on the country's food security in the future.

At the military level, Iran has been increasingly interested in developing its drone industry which has become the country's most strategic weapon in its deterrence strategy and it has heavily invested in this industry over the past years. Iran's interest in drones goes beyond its borders, with it establishing a drone factory in Tajikistan after Turkey retreated from its agreement with the Tajiks in this regard. This move is likely to enhance Iran's strategic partnership with Dushanbe. For a good while, Iran has not witnessed assassinations, but in May unknown men assassinated Colonel Hassan Sayyad Khodaei, a member of the Quds Force, when he was returning home. Iran directly accused Israel of being behind the assassination.

Iran-Arab relations witnessed developments, particularly Iran-Gulf relations, which have seen remarkable progress over the last two months. Following his visit to Qatar in April 2022, Iranian President Ebrahim Raisi visited Oman on May 23. A delegation of 50 Iranian businessmen and economists visited Muscat prior to his visit. The visit saw the signing of 12 protocols of cooperation between the two countries, demonstrating the importance of the economic dimension for Tehran, particularly in light of the country's current overwhelming economic crisis. Aside from the economic significance for Tehran at this critical juncture, it places a high value on Oman acting as a mediator in both the nuclear talks and its dialogue with the Kingdom of Saudi Arabia.

Regarding Iran-Yemen interactions, the Presidential Leadership Council's response to the extension of the truce stemmed from its well-established position on a political solution that meets the Yemeni people's aspirations for peace and development in the country. The month of May saw shuttle diplomacy,

unprecedented international momentum, and UN and international praise for the Kingdom of Saudi Arabia's role in advancing Yemen's peace process. This is despite the Houthi militia's violations, including besieging the Yemeni people and exploiting the truce for financial benefits and military mobilization, all with the goal of reducing resistance to the coup it carried out against the legitimate and internationally recognized government. The GCC states have condemned Iran's subversive role in Yemen unequivocally and explicitly. However, as is customary with Iran, it responded to the GCC statement by denying the facts and undertaking political maneuvering.

As for Iraq, Iran tried to bridge the rift between the Shiite parties to serve its own interests and achievements in Iraq. It worked to forge some rapprochement with the largest Shiites blocs: Inqath Watan (Save the Homeland) led by the Sadrists and the Coordination Framework led by Iran-backed alliances such as Fatah and Dawlat al-Qanoon alliances. Iran is fully aware of the extent of the potential ramifications that will arise, particularly for its influence in Iraq if intra-Shiite clashes break out. Iraq is Iran's most important sphere of influence for its political, economic, and security considerations. Iran still faces variant challenges in Iraq namely, Sadr's refusal to return to quotas and the absence of Iranian influential figures – like Qassim Soleimani – in Iraq. Moreover, new independent alliances have emerged that reject foreign interventions, particularly that of Iran. The Iran-Turkey dispute for influence continues in Iraq due to its strategic and geopolitical significance for Tehran and Ankara.

As for Syria, Assad's visit to Tehran was the most prominent development in Iran-Syria relations in May. Observers put emphasis on its timing and indications. In a nutshell, Iran through this visit aimed to quickly conduct political, economic and military moves to replace the vacuum of power resulting from Russia's preoccupation with the war in Ukraine. Further, many actors now work to compete with Iran's influence in Syria. Turkey, for example, established a "safe zone" along its border in northern Syria. The latest Iranian deployment on the southern Syrian border invoked Jordan which publicly announced its readiness to respond militarily if needed.

As for international affairs, Iran-US relations depend on the Vienna talks which have been hindered due to variant disagreements namely, lifting the sanctions on Iran. Iran is not cooperating with the International Atomic Energy Agency (IAEA) and neither is it willing to make any progress with or provide significant information to the UN watchdog without achieving tangible progress in the Vienna talks. The Raisi government bets that it can resolve the country's crippling economic crisis regardless of the revival of the nuclear deal; it can achieve economic recovery with its resistance economy program and diplomacy with neighboring countries. The economic ramifications of the Ukraine crisis have undermined Iran's efforts to overcome the impact of the sanctions. Foreign currency rates increased once again. Protests resurfaced across the country. Further, the Biden administration continues to impose sanctions on Iran and reconsidered its stance on removing the IRGC from its terror list — in light of internal and regional pressures. The US administration boosted cooperation with its allies in the region and threatened Iran that it

would consider alternatives/options in case the nuclear deal is not revived. After such developments, Iran was aware of the simmering escalation, i.e., if its thorny issues in the nuclear deal are not resolved, the United States will return to its confrontation policy. Washington has threatened to tighten sanctions on Iran but the Raisi “hardline” government has been preparing the country for such a scenario since it came to power. As for Iran’s relations with Europe, tensions escalated further after Greece detained an Iranian oil tanker which was confiscated later by the United States. In response, Iran detained two Greek vessels in the international waters of the Arabian Gulf. Washington did not confiscate the Iranian tanker only because of oil sanctions imposed on Iran but also because the owner of the vessel is a Russian sanctioned firm. As for their interactions in the nuclear file, Tehran received Europe’s chief nuclear negotiator Enrique Mora to push forward the diplomatic efforts to revive the nuclear deal. The IAEA director general submitted his report to the Board of Directors. An excerpt reads, “Iran has not provided explanations that are technically credible in relation to the Agency’s findings at those locations.” This report undercut Mora’s endeavors to resolve disagreements and invoked the Europeans to join hands with the Americans to seek an IAEA resolution against Iran.



# IRAN CASE FILE

May 2022

# Internal Affairs

**I**nternal Affairs is divided into four main files. The Ideological File discusses the clerics' defense of the Raisi government and their attempts to win popular sympathy for the president and the supreme leader using populist rhetoric. The Political File reviews the latest protests over soaring prices and the government's elimination of basic commodity subsidies; how the government's corruption and negligence caused a building to collapse in Abadan; and the protests of teachers and pensioners. The Economic File analyzes two significant topics: food security parameters and the reality in Iran; agriculture and the current and future food security challenges. The Military File delves into the implications of Iran establishing a new drone factory in Tajikistan and the ongoing security vulnerabilities that have become evident following the assassination of a top IRGC officer.



# The Ideological File

The Ideological File sheds light on the developments related to the Shiite religious elites in general and the Iranian ones in particular. It also spotlights their impact on the religious and political landscape in Iran and the repercussions on the Shiite community throughout the region.

The month of April's Ideological File discussed the desecration of the statue of Khomeini at Marjaya Square in Qom by protesters as well as the attacks on clerics at the Razavi Shrine. This month, the file touches on the question of employing the Friday prayer pulpit and politicizing it to warn people and curb the protests caused by the economic crisis which Iran is facing at the moment.

## Defending the Raisi Government

The Friday prayer pulpit is one of the most important tools of the Iranian political system to control the collective public mind. In light of the worsening economic crisis and the rising tide of popular protests against the political system, Iranian Friday prayer leaders attempted to calm people's outrage through reassuring sermons. The Friday prayer leaders embraced a two-pronged strategy.

The Friday prayer leaders attempted to defend the Raisi government, alleging that Iran's economic problems emerged during the pre-Raisi period. Shiraz's Friday prayer leader Lotfollah Dijakum spoke of what he classed as the economic battlefield that Iran is facing. He reiterated to the people that "Iran will surely emerge victorious on the economic battlefield with the help of the people's efforts and vision."<sup>(1)</sup> He classed the battle as an "economic jihad."<sup>(2)</sup> Meanwhile, Mashhad's Friday prayer leader and the supreme leader's representative in Khorasan Alamolhoda reassured the people about the economic situation, saying, "The first impact of implementing this scheme of change is the eradication of abject poverty. With this living assistance, a family of five without work or a source of income will receive 2 million tomans per month. Families will be able to afford many of life's necessities. They won't enjoy an ideal life, but they too won't suffer abject poverty."<sup>(3)</sup> He then stated that class disparities would be eliminated. According to him, when this scheme is implemented, class disparities will vanish, and the poorer segments will gain purchasing power.<sup>(4)</sup>

Not only that, but he also proposed an economic plan to resolve the problems. "Ending the government's control over people's tables will be the reason for economic stability in society. Give people money in their hands, put commodities into the market and let merchants import commodities and compete with one another. Each one will import better and cheaper commodities. Let people



purchase and manage their lives.”<sup>(5)</sup> He said the aforementioned plan was the essence of an Islamic economy. “The favorable Islamic approach to economy is guidance and supervision by the government.”<sup>(6)</sup>

In the same context, the Friday prayer leader in Karaj Mohammad Mahdi Hamadani highlighted the government's economic reform efforts, taking into consideration people's living problems. According to him, the Raisi government does not partake in political games nor are its efforts cosmetic. It pays attention to all the economic problems. He added that the government started its economic reforms at the very beginning of its tenure, unlike the previous governments, and he accused foreigners of being behind Iran's economic crisis. He said, “Of course, foreigners want the problems to remain unresolved. They publish false articles in media outlets and pick the enemy's side while they are speaking or writing.”<sup>(7)</sup> “We all should help the government and the people in their path for justice and progress; we should hasten [our efforts] in this regard.”<sup>(8)</sup>

The paradox is that these reassurances come from clerics, not from politicians or economic experts. When clerics weigh in on matters, they confer some sort of religious sanctity on them. The economic domain, however, does not fall under the purview of clerics. Hence, their comments on economic matters lack specialization and legitimacy. But the political system is aware that their opinions on such economic matters act as a warning to the people and defame its foes, who call into question the system's ability to overcome Iran's worrying economic crisis.

### **Populist Rhetoric and the Attempts to Win Sympathy**

In the second approach of the clerics' strategy to employ the Friday prayer pulpit to assuage the anger of the street, they attempted to win people's sympathy by embracing populist rhetoric. Ahmad Khatami, Tehran's Friday prayer leader, said that the preacher who does not speak of soaring prices is not the preacher of the people. Then he addressed the people, “Gaining people's satisfaction is an asset for any government since the people are the real controllers of the government and the government is the people's servant. We the people who speak here thank God since we are from among the people and that the suffering of the people is ours — and that some of the people's problems make us burst into tears.”<sup>(9)</sup> He moved from embracing people's suffering to lauding the government. “Each government surely doesn't want to have its people dissatisfied with it, especially the Raisi government whose core slogan is popularity.”<sup>(10)</sup>

He then concluded that the government is undertaking surgical reforms to resolve the current economic crisis caused by successive failures since 1971 (before the Iranian revolution). Everybody should help the government in carrying out this surgical operation since each surgery is painful. He also did not miss out on an opportunity to threaten the protesters and strip them of the cover of legitimacy since “constructive criticism should be directed to the government, speaking of successes and failures alike, thereby providing solutions to them. Criticism should be directed in the form of advice to be valuable because defamation is a bad thing — as well as absolute defamation.



When criticizing, the focus should be placed on two points — out of advice. The first is that condemnation, violation and defamation are inappropriate acts that don't fit revolutionary people. On the other side, criticism shouldn't be severe to the extent that we appear to be working to achieve the enemy's objectives since the foreign media targets the Islamic regime in its entirety and the Quran."<sup>(11)</sup>

This two-pronged strategy pursued by Iran's official Friday preachers is based on containing the angry Iranian street and making pragmatic concessions. The "reformist" activist Mohammad Ali Abtahi warned Iranian citizens against losing faith in the government because of the politicization of the Friday prayer sermon. "The preachers of Friday prayers should be dedicated to speaking for the people. Such acts cause harm to the Friday prayers, the nature of Friday prayers, the Friday preacher and the communication between society and Friday prayer preachers more than anything else. This communication has already been impacted for a long time. Turning the Friday prayer into a place for making partisan, politically motivated remarks is not the right thing. It causes total harm to the philosophy of Friday prayers."<sup>(12)</sup>

It seems that the primary reason for Iranian clerics defending the Raisi government is that the president is a member of the religious establishment, is close to the supreme leader and is affiliated with the "conservative," far-right movement. Hence, there are predictions and indications that he will succeed the current Supreme Leader Ali Khamenei. The defense of Raisi's government by Iranian preachers can be understood in the aforementioned context contrary to their sermons when Rouhani was in the presidency. They attributed the full blame to him and his government amid Iran's economic woes.

## Conclusion

The politicization of Friday prayers is nothing new to the Iranian political and religious landscape. It is as old as the Iranian revolution which reinstated the Friday prayer sermon to use it against the political system's rivals, level criticisms against them, justify the political, economic, and religious policies of the political system, deepen its popular incubators and infuse them with a radical, ideological religious discourse. This file provides us with two important conclusions. First, the political system is not concerned with the sanctity of religion as much as it is concerned about protecting its pillars and strengthening its existence — even if this means the employment of religion and sect and spreading lies and misinformation in their name. Hence, this led large segments, particularly women and the youth, to turn away from religion. Second, the clerics no longer speak within the boundaries of their knowledge and role. Rather, they defend the government and speak about whatever is needed to protect it, with their voices muting specialists and experts on important economic matters. Therefore, one should not expect any real success because of their suggested policies or reforms.



# The Political File



The Political File of April 2022 discussed two main topics: the “conservatives”’ rejection of the understandings reached between the government and the major world powers on returning to the nuclear deal and the criticisms leveled against President Ebrahim Raisi in light of the poor performance of his government over the past few months. The second topic touched on the significations and motives behind the sacking of Ebrahim Raisi’s deputies for economic and executive affairs from the Iranian government’s economic committee. The May 2022 file discusses the outbreak of new waves of anti-government protests in Iran because of rising prices and the elimination of basic commodity subsidies. The file also highlights the corruption and negligence that caused a building to collapse, and the protests of teachers and retirees in Abadan.

## **Protests Over Soaring Prices and the Elimination of Basic Commodity Subsidies**

The efforts of Ebrahim Raisi — who raised the slogan of prioritizing the economy and improving living conditions — did not succeed over the past months in alleviating Iran’s economic hardship from which it has been suffering since the Trump administration pulled out of the nuclear deal and reinstated tough sanctions against Tehran in 2018. The Iranian government’s economic policies have proved ineffective in addressing Iran’s economic deterioration, with its significant indicators being financial collapse, inflation, poverty and unemployment.

As a result of Iran’s economic deterioration that continues to worsen day by day and the lack of confidence in the Iranian government and its policies, the security situation was expected to spiral out of control at any time. The Iranian

government took a spate of economic decisions in May 2022 such as raising the prices of imported flour which is used in making bread, pastries, biscuits and pasta. As a consequence, the prices of these items soared by 300 percent in some Iranian provinces. A few days after this decision, the Iranian government announced its subsidy reform plan and increased the prices of four basic food items consumed on a nearly daily basis: eggs, cooking oil, chicken and dairy items.<sup>(13)</sup>

This decision caused panic in several markets and stores as a huge numbers of Iranians flocked to stock up on items. Some Iranians felt the need to take to the streets to denounce the Iranian government and its decisions.

Ahwaz was the spark of the protests this time, particularly Dezful city. This region suffers from excessive marginalization and poverty. The local residents took to the streets to denounce the Iranian government's decisions, and chanted slogans against Iranian officials, including "Death to Ebrahim Raisi," and "Death to Khamenei." The protests then spread across nine other Iranian provinces including Chaharmahal and Bakhtiari, Gilan, Ardabil, Lorestan, Razavi Khorasan, Isfahan, Kohgiluyeh and Boyer-Ahmad and Yazd, as well as the capital city of Tehran.<sup>(14)</sup>

Iran's security forces, as usual, responded with live bullets and teargas canisters in several Iranian provinces to disperse the protesters and thwart the spread of the protests. According to some Iranian sources, six protestors were killed,<sup>(15)</sup> and up to 450 Iranians were arrested in Ahwaz and hundreds of others in several other provinces.<sup>(16)</sup> State-run media outlets labelled the protesters as spies and rioters. The Iranians were protesting against the government's wrong policies, which has pushed more than 30 percent of people into poverty, according to official estimates, and more than half of the population according to unofficial tallies in a country that possesses abundant resources that are sufficient to meet the needs of the people and even to exceed them.

Maybe it is routine for "reformists" or the public to criticize the government's decisions. However, a number of Iranian governors and media outlets levelled serious accusations against Raisi himself which was not expected given the "conservatives'" grip over all the system's key levers of power and the huge support that Raisi enjoys within the system's oppressive organs such as the IRGC and police and security agencies. Parliament Speaker Mohammad Bagher Ghalibaf accused the government of acting in a way that heightened the concerns of the Iranian people after it had increased the price of flour.<sup>(17)</sup>

The pro-government Jomhuri-e Eslami newspaper criticized the government's ministers for their lack of qualifications. It urged Raisi not to depend solely on the recommendations of his inner circle, but also to seek advice from experts outside the government.<sup>(18)</sup> In a separate article, the newspaper criticized the accusations leveled by pro-government newspapers against anyone who criticizes Raisi's performance, with such people labeled as stooges or collaborators.<sup>(19)</sup> Other newspapers linked to the IRGC and other "conservative" controlled apparatuses slammed the government's decisions, reiterating the need for it to allocate subsidies for the poor segments in Iranian society before raising the price of flour, and for it to speak openly to the people



and inform them of the steps it intends to take. They also said that the flawed economic policies implemented by the Iranian government will not curb the price hikes. Instead, they will allow middlemen to carry on with their operations and expand the scope of government corruption in the country.<sup>(20)</sup>

As anger on the Iranian street over soaring prices continues to grow, Raisi's government fell back on a series of measures to swiftly handle the protests and assuage popular outrage. It carried out emergency measures and announced urgent subsidies to compensate for the current price hikes. The hikes in prices, particularly in the price of food and other essential items, is particularly sensitive for the Iranian street. Over the past years, prices hikes prompted several waves of protests. The protests that erupted in Tehran in response to the Rouhani government's decision to hike fuel prices in 2019 are still fresh in the minds of the Iranian people. These protests were widespread and widely regarded as the most violent since the 1979 revolution.

### **Corruption and Negligence Caused a Building to Collapse**

At a time when the Iranian government was attempting to thwart growing protests over soaring prices, the collapse of a 10-story building in the southwestern city of Abadan in Ahwaz sparked anger against the Iranian political system. The collapse, which killed 41 people and injured dozens more,<sup>(21)</sup> sparked massive protests in Abadan. Other cities, including the capital city of Tehran, held overnight protests in solidarity with the protestors in Abadan. However, Iranian security forces used excessive force to subdue the protests. The Iranian government attempted to quell the protesters' anger by blaming the collapse of the building on local officials, pointing fingers at their laxity when it came to ensuring safety protocols were followed in the construction process. The Iranian government announced that it had arrested 13 people, including the mayor and other officials, for construction-related violations.<sup>(22)</sup> However, the government narrative promoted by state-run media outlets failed to appease the protesters who claimed the disaster was caused by the government's corruption and negligence. The governor agreed, saying that the building had a license for only six stories, but the additional floors were built illegally.<sup>(23)</sup>

### **Protests by Teachers and Pensioners**

The protests in the month of May were not limited to denouncing soaring prices and corruption/negligence that had led to the collapse of a building in Abadan. Iranian teachers held vigils in several Iranian cities, demanding that all of their living problems be addressed and the scheme for ranking the positions of teachers and retirees be implemented. Chants against the Iranian political system were heard at some gatherings, such as those held in Shiraz. These chants prompted Iran's Education Minister Youssef Nouri to threaten protesting teachers with dismissal.<sup>(24)</sup>

Security forces in Tehran and other cities responded to the protesters with beatings and arrests. The Iranian Teachers' Syndicate announced that security forces had arrested a number of teachers in Yasuj, Tehran and Ahwaz. The



teachers were beaten and insulted. The Iranian Teachers' Syndicate described the accusations leveled by the government against the teachers as baseless and dismissed government claims that the protests were incited external parties.<sup>(25)</sup>

On the other hand, pensioners in Iranian cities such as Tabriz, Dezful, Gilan, Kermanshah, Shushtar, and Ahwaz staged a series of protests, chanting slogans such as "Death to Raisi," "Enough, no more promises," "Our tables are empty" and "Shame on you inadequate minister." This followed the government's decision to raise pensioner wages by only 10 percent, which they believe is insufficient to keep pace with inflation. They urged the government to follow the Supreme Labor Council's decision to raise wages by 38 percent.<sup>(26)</sup>

## Conclusion

The public outrage in response to the Iranian government's decisions has come at a time when the Vienna talks have stalled and face several obstacles that will take time to overcome. The country's economic situation is inextricably linked to the outcome of the nuclear talks as reviving the nuclear deal will mean the lifting of the US sanctions imposed on Tehran. The Iranian government's belligerency and lack of flexibility with regard to its redlines were stumbling blocks during the Vienna talks. This has only added to the frustration of the Iranian people as they were hoping for a new deal that would end their suffering. In light of the Iranian government not having a coherent economic plan to ensure economic stability and Iran's financial deficit estimated to run into the tens of billions, as well as the country's volatile foreign policy coupled with US sanctions, the Iranian street no longer trusts the government's economic plans which are announced from time to time. Furthermore, the Iranian people react to such plans with extreme caution. This means that Iran will see more protests in the coming period.

# The Economic File

The April 2022 file shed light on the most salient challenges facing the Iranian people in their everyday lives such as poverty, soaring prices, a lack of job opportunities and low income levels. The May 2022 files discusses the developments in relation to food security and the implications for Iran as this poses an unprecedented challenge to the country.

## Food Security Parameters and the Present Day Realities in Iran

Food security, as defined by the World Health Organization, is having physical and economic access to food at all times.<sup>[27]</sup> Food security is divided into two main types: absolute food security refers to a country's food production that is equal to or greater than local demand, whereas relative food security refers to a country's or a group of countries' capacity to supply food items in whole or in part.<sup>[28]</sup>

The concept of food security is built around three pillars:

- Providing or making available food items.
- Sustaining the supply of food items to local markets.
- Ensuring the prices of food items are affordable or fall within the purchasing power of citizens.

If we apply these three pillars to Iran's case, the picture of food security in Iran, particularly in recent times, becomes clear. Iran has been an agricultural country since ancient times, owing to the fact that its people cultivate land, the quality of its agricultural lands, the diversity of its climate, and the presence of water and rivers. However, historically, a large percentage of agriculture in Iran depended on rain-fed irrigation or rain-fed agriculture, which caused agricultural production and productivity to fluctuate with changing weather conditions (drought years or abundant rain).

This means that the first two pillars of food security have fluctuated over time. This fluctuation has decreased in recent decades because of dependence on regular irrigation instead of rain-fed irrigation alone. Nonetheless, in light of population growth and migration from rural to urban areas over the last five decades, Iran's agricultural workforce has declined. Iran, once an exporter of wheat and other strategic food items, is now an importer of basic food items. Iran imports half of its needs of wheat from abroad, particularly from Russia. A large portion of its imports are essential and strategic food items such as wheat, barley, rice, sugar, corn, soybean, and oil. Given the ramifications of the ongoing Russia-Ukraine war and the disruption of food supply chains, Iran's food security has been negatively impacted like many other countries that heavily depend on importing food items.



The third pillar, which is to ensure citizens' purchasing power, is perhaps the most important. The first two pillars (presence and sustainability of food items) may be disrupted in a specific country, thus causing prices to skyrocket. However, if the majority of the population has a high purchasing power, the deterioration of food security is less severe in comparison to other countries. In the case of Iran, we can say that the majority of the population's purchasing power has declined and has been steadily dwindling since the local currency lost 80 percent of its value over the last three years. The rate of food inflation increased by at least 50 percent. Yet, the government's capacity to provide financial aid has been hampered by the sanctions on the country's economy, a budget deficit exceeding \$21 billion, and a global rise in the price of food items as a result of the Russian invasion of Ukraine. In this context, Iran has been unable to continue to provide subsidies to its citizens, risking its food security.

Only a month ago, Iran was subsidizing basic items imported from abroad amounting to approximately \$15 billion in the previous year. The list of these items includes food and medicine.<sup>(29)</sup> Other estimates indicate that Iran pays double this amount per year.<sup>(30)</sup> However, in May 2022, Raisi's government abolished the subsidy on basic food items in exchange for a promise to provide direct cash subsidies to some of the most vulnerable segments (400,000 toman per person, equivalent to \$13.3).<sup>(31)</sup> This resulted in a hike in prices by more than 300 percent, sparking anti-government protests in at least six regions of Iran, which escalated into violent clashes with security forces. Following the rise in the price of flour, the prices of all types of pastries, with the exception of traditional Iranian bread until March 2023, rose, as did the price of French pasta and pastries. The price hikes did not end, more price hikes were announced by the government, including the price of eggs, poultry, cooking oils, and dairy items.<sup>(32)</sup>



The Iranian government ending its provision of subsidies prompted a further decline in the value of the local currency and increases in the exchange rate. The US dollar surpassed 30,000 tomans. Iranian purchasing power declined further, thus a decline in the third pillar of food security.

### **Agriculture and the Current and Future Food Security Challenges**

Agriculture-related issues such as drought, soil erosion and sustainable irrigation are regarded as the most pressing food security challenges facing Iran. These issues are manageable only for the time being, but they will become more dangerous in the future, given population growth, increased local food demand, depletion of many underground water resources, and scarcity of surface water resources. The country has 85 million people who depend on local food to survive. Nearly 3.7 million Iranians work in the agricultural sector, accounting for more than 15 percent of the total workforce.

Following the end of the Iran-Iraq War in the 1980s, the Iranian government decided to carry out a comprehensive project to ensure self-sufficiency in terms of agricultural production. It enthusiastically doubled agricultural production in the lands where access is difficult: deserts and mountainous hills. This caused severe damage to Iran's hydrological system. The consequences were as follows:<sup>(33)</sup>

- In less than two years, the number of dams increased to more than 700
- The number of deep wells increased from less than 40,000 to 1 million
- The rate of using renewable water, which should be below 40 percent, according to the UN criteria, rose to 90 percent
- Today, 90 percent of Iran's renewable water resources are used in 10 percent of the country's areas while deliberately depriving 90 percent of the country's areas
- Iran is today among the leading countries when it comes to negative environmental indicators such as soil erosion, desertification, deforestation and the loss of biological diversity
- The current waves of drought contributed to Iran's share of its annual average of water to decline from 130 billion cubic meters to less than 100 billion cubic meters.

The current rise in food prices in Iran can be attributed to the government's decision to eliminate subsidies in May 2022, and also to a global disruption in the food supply chain. However, the unprecedented rise in food prices in Iran reveals a genuine agricultural and food crisis that will pose a threat to the country's food security in the future if current water policies remain unchanged, and if other challenges such as drought, soil erosion and the decline in the domestic production of strategic food items such as wheat are not addressed. Internal emigration from rural to urban areas contributes to population growth. This foreshadows another food crisis that Iran may face in the future. The risk will be multiplied if the country lacks the financial means to import or if it faces an economic crisis, whether as a result of domestic or international factors, with the latter being of relevance today.

## Conclusion

Drought waves have occurred repeatedly over the last three decades. Iran's average rainfall has gradually decreased by 20 percent below the normal rate. The situation was supposed to be temporary, but it became permanent, causing the flow of the Karun and Karkha rivers — two major rivers that flow through the plains of Khuzestan — to drop to nearly one-fifth of their natural flow. Iran was recently hit by a severe drought, regarded as the worst in five decades, in 2021. It resulted in lower agricultural output and higher food prices. Furthermore, popular protests have erupted in recent years in cities such as Ahwaz, Kermanshah, and most recently in Isfahan, over a lack of agricultural water and even drinking water. Drought and agricultural production problems have become among the most serious threats to livelihoods in Iran, contributing to unrest inside the country. There are no signs of the Iranian government making any moves to address this unstable reality.

# The Military File

The Military File for April 2022 shed light on a number of issues, most notably Army Day and Quds Day, two occasions that featured military parades involving several combat units and strategic weapons displayed by the military establishment. It also examined the most recent military equipment produced by the Ministry of Defense's factories such as ballistic missiles, drones, and armored vehicles. In May 2022, the file covers two significant events: the opening of a drone manufacturing plant in Tajikistan and the assassination of a senior IRGC officer in Tehran by unknown assailants.

## Iran's Drone Factory and Military Cooperation With Tajikistan

With rapid improvements in technologies and batteries, drones have come a long way in a few years. However, despite the superiority and widespread use of Turkish and Chinese drones, Tajikistan has chosen to host an Iranian drone factory on its soil, the first of its kind for Iran.<sup>(34)</sup>

The Dushanbe factory installed by experts from the Iranian Ministry of Defense will produce the Ababil-2, a low-cost tactical drone designed for reconnaissance and attack missions with a range of 200 kilometers and an airborne period of 90 minutes.

"We are in a position to apart from meeting our domestic needs, we can export military equipment to allied and friendly countries to help increase security and sustainable peace," said Iran's Chief of Staff Major General Mohammad Bagheri during the factory's opening ceremony.<sup>(35)</sup>

Tajikistan has legitimate security concerns after the Taliban takeover of Afghanistan as both share a 1,357-kilometer-long border, which needs to be surveilled to track and counter the movement of smugglers, armed miscreants and extremists. Iran has sent a clear signal to the Taliban by strengthening Afghanistan's northern neighbor.

What is quite intriguing is that Russia has not obstructed the transfer of technology to Tajikistan, which has so far been its strategic backyard and where China's role does not expand beyond the economic realm and the development of infrastructure.

In addition to flaunting its drone prowess and its growing market after earlier sales to Venezuela and transfers to the Houthis, Hashd al-Shaabi and Hezbollah, Tehran is also extending its military industry outside its borders where it remains prone to foreign attacks. Will it not fall prey to Israel's strikes? There is no definitive answer to this question. In Iraq, however, Israel struck Iranian drone factories to stem the flow of weapons into Syria and beyond.<sup>(36)</sup> One drone factory in Iran's Kermanshah Province was also destroyed after



Israel identified it to be the source of an attack on an Erbil location which was allegedly housing its operatives.<sup>(37)</sup>

In May, Iran's military commanders visited another underground missile and drone base, where some newer variants of its existing drone fleet were photographed, a clear message to Iran's foes that the development of its defense industry and bases remains unchecked.<sup>(38)</sup>

A week after Iran's inauguration of the drone factory in Dushanbe, Tajik President Emomali Rahmon arrived in Tehran for a three-day official visit where he signed various MoUs alongside holding high-level talks including a meeting with Iran's Supreme Leader Ayatollah Khamenei. The Tajik leader expressed interest in acquiring Iran's military hardware, which is basically reverse-engineered and optimized Russian, Chinese or Soviet-era equipment. Iran has come a long way from having poor ties with Tajikistan in the years after its independence with the latter now becoming a user of its military hardware.

### **Ongoing Security Breaches and the Assassination of an IRGC Officer**

On the evening of May 22, 2022, an IRGC colonel named Hassan Sayyad Khodaei was killed by unknown assailants on motorcycles (see Picture No.1). The incident drew widespread attention and sent shockwaves through the media, sparking speculation about the perpetrator or entities responsible. According to a senior intelligence officer quoted by the New York Times, Israel informed the United States that it was behind Khodaei's assassination.<sup>(39)</sup>

Iran's President Ebrahim Raisi and IRGC Commander-in-Chief Hossein Salami vowed revenge against what they called the global forces of arrogance behind the assassination.<sup>(40)</sup> Despite refraining from naming the suspected country involved in the assassination, IRGC commanders and Iranian officials are likely to blame the usual suspects: the United States and Israel.

Colonel Hassan Sayyad Khodaei, 50, was one of the Iranian military commanders who partook in the Syrian war. He is described by the IRGC as a defender of the holy shrines — a label designated to fighters or military personnel who participated in the fighting in Syria and Iraq. Despite his different extraterritorial roles, Iranian sources only mentioned the news of his assassination and some details about his upbringing in East Azerbaijan Province in northwestern Iran. No details about the military missions which he participated in during the course of his military career were mentioned.





Colonel Khodaei and his private car targeted in the assassination.

Photo: Rooziato.



The assassination of Colonel Khodaei is part of a series of assassinations that have rocked Iran over the last two decades. They have targeted senior officials in state institutions, holders of senior positions, physicists, and experts in charge of Iran's nuclear program, some of whom had previously worked with the IRGC or had direct or indirect ties to it. On top of them comes Mohsen Fakhrizadeh who was assassinated in November 2020. Between 2010 and 2011, four senior Iranian officials — who were nuclear program supervisors — were also assassinated.<sup>(41)</sup>

The assassination of Khodaei, like previous assassinations, demonstrates that Tehran is still unable to address the flaws and loopholes in its security institutions. The assassinations reflect a security gap and how easily foreign powers can infiltrate Iranian soil to carry out dangerous and sensitive operations like the assassination of Khodaei and other Iranian scientists and officials.

## Conclusion

Despite its traditional adversaries in the region, such as Israel inflicting damage on its drone infrastructure, Tehran is still attempting to improve its drone industry and advance in this domain. Tehran is making advances out of fear of losing its drones capabilities, which is one of the main elements of its deterrence strategy. This is in addition to taking advantage of Turkey's failure to keep its promises made to Tajikistan in regard to cooperation in the drone domain. Washington's desire to revive the nuclear deal has raised Israeli concerns about the future of Iran's nuclear program. As a result, Israel has threatened to attack Iran. Although Israel has not carried out its threat, it did assassinate IRGC Colonel Hassan Sayyad Khodaei in an operation that exposed Iran's security flaws and reflected its ability to carry out further security breaches inside Iran.

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# Arab Affairs

**A**rab Affairs is divided into four main files. The first file discusses Iran's interactions with the Gulf states, highlighting the visit of the Iranian president to Oman and the developments in the Saudi-Iran dialogue. The second file details recent Yemen-Iran interactions, reviewing the latest developments of the truce amid hopes for peace and the Houthis' violations. Further, it sheds light on the GCC's condemnation of Iran's destabilizing behavior in Yemen. The third file explores Iran-Iraq relations regarding four major issues: Iran's position amid the political deadlock in Iraq; the continuous Iran-Turkey dispute over influence in northern Iraq; Iran's creation of crises with neighbors; the political dimensions of the Shiites' calls to reconstruct the graves in Al-Baqi' cemetery. The fourth file examines Iran-Syria interactions, analyzing four major developments: the visit of the Syrian president to Tehran; the continuous escalation in northern Syria; Jordan's hints regarding military escalation on the southern Syrian border; and the implications of the Ukraine crisis on Israel-Russia relations in Syria.



# Iran and the Gulf States

The April file addressed the developments in the Gulf-Iran relationship with a particular focus on the Qatar-Iran relationship. The exchange of messages and visits indicated the desire of both parties to increase the level of their relations. This file also details the developments that have taken place in the Saudi-Iran talks. During the month of May, regional countries actively worked to achieve a greater level of interactions. As for the May file, it addresses the implications and outcomes of the Iranian president's visit to Oman and the public statements made during the visit in addition to the most prominent interactions regarding the fifth round of Saudi-Iran talks.

## The Iranian President's Visit to Oman

On the official invitation of the Sultan of Oman Haitham bin Tariq Al Said, Iran's President Ebrahim Raisi paid an official visit to Oman. He headed a high-ranking political and economic delegation. The visit included a bilateral meeting with Sultan Haitham and the signing of several cooperation agreements. A delegation of 50 Iranian businesspeople and economists visited Oman to lay the ground for boosting trade relations between the two countries.<sup>(1)</sup>

## Emphasis on the Economy

Iran mainly focused on the economic aspects when signing agreements with Oman. This reflects Iranian official concern about the deteriorating domestic situation and the growing discontent among the Iranian people. Therefore, efforts are being made to strengthen the capacity of the Iranian government to address the internal economic problems. Iran's foreign policy has taken an economic slant in order to address the country's economic problems.

Twelve cooperation agreements were signed between senior officials of Iran and Oman. These agreements focused on cooperation in the fields of energy, politics, transport, diplomacy, trade, economics, science, environment and sports. These agreements were signed by the Iranian ministers of foreign affairs, industry, mines and trade, oil, roads and urban development and the head of the Trade Development Organization of Iran and their Omani counterparts.<sup>(2)</sup> Iran's high-level delegation reflected the significance of this visit. The Iranians believe that Oman has great potential for commercial, security and maritime cooperation.

## The Role of Omani Mediation

Iran recalls the role of Oman in reaching the 2015 nuclear deal. Therefore, Iran hopes that Oman will play a similar role in the current nuclear talks which





slowed down after the Russian invasion of Ukraine. It also believes that Oman can possibly act as a mediator between Tehran and Riyadh in order to end the Yemeni crisis which is a critical part of the Saudi-Iran talks.

An Iranian expert believes that “the Sultanate of Oman has maintained its relations with Iran over the past four decades, and it played a constructive role in resolving many problems between Iran and the Gulf states and between Iran and the West.” He added, “the barriers to the Vienna talks can be removed via cooperation with Oman.”<sup>(3)</sup>

### Developments in Saudi-Iran Talks

Following the fifth session of Saudi-Iran talks in Iraq, Iranian officials issued statements regarding the progress that had been made between the two parties. This indicates the desire of both parties to end the indirect and futile conflicts in the region.

### Scaling up the Level of the Talks

Saudi sources indicated that the previous meetings between the two countries were exploratory in nature. However, interesting messages were relayed during the discussions at the Davos World Economic Forum. In a speech at the forum, Iran's Foreign Minister Hossein Amir-Abdollahian welcomed the normalization of relations between Saudi Arabia and Iran and announced that he had met with the Saudi foreign minister in a third country. He said, “Iran welcomes the restoration of its relations with Saudi Arabia if it is willing too.” He added that “we have made progress in the recent talks with Saudi Arabia, and welcome the return of relations to normal.” The Iranian Foreign minister also mentioned that “Iran and Saudi Arabia are two big countries and have influence in the region,” and that “Tehran has not severed its relations with Riyadh completely.”<sup>(4)</sup>

Despite the diplomatic language of the aforementioned remarks, if taken within the context of Iran's approach to break the ice with the Gulf states, these remarks reflect Tehran's desire to end its international isolation and

take advantage of the new international order which is taking shape. In this new order, regional countries are exerting efforts to interact with each other impartially and end the state of polarization that exists between them. Iran also needs to boost its trade relations due to the low probability of imminently returning to the nuclear deal and in light of the current popular protests against the government's weak economic performance. Furthermore, the growing Gulf rapprochement with Turkey is an incentive for Iran to reconcile with the Gulf in light of its competition with Ankara. Iran must not partake in any more alliances which do not serve its interests. It is also aware of Saudi Arabia's weight as one of the GCC's key pillars. Therefore, any improvement in Saudi-Iran relations will inevitably lead to strong relations between Iran and the GCC member countries. This means that Iran needs to forge new paths, such as the Saudi-Iran talks, in order to alleviate the sanctions pressure on its economy.

Iran's desire for dialogue was supported by the statistics of the Economic Studies Department of the Tehran Chamber of Commerce. These statistics indicate that the inflation rate in Iran is 17 times higher than the rate in Saudi Arabia.<sup>(5)</sup> In addition, a member of the department stated, "While countries, referring to neighboring countries, have good global living standards, we are still fighting over the chicken and the egg issue," referring to the continuing argument over when this crisis first started.<sup>(6)</sup> This is an indication of the widespread discontent over the poor economic conditions in Iran. Iranians are fully aware of the sharp disparity between Iranian living standards and the higher living standards in the Gulf countries.

In his remarks at the World Economic Forum in Davos, Saudi Foreign Minister Faisal bin Farhan Al Saud stated that Saudi Arabia had made some progress but not enough to normalize relations with Iran as Tehran needs to build confidence for the future, adding, "Our hands are stretched out."<sup>(7)</sup>

While preparing this file, the 152<sup>nd</sup> session of the GCC Ministerial Council which was held at the Headquarters of the General Secretariat in Riyadh issued a statement regarding its firm positions and decisions on Iran. It stressed the need for Iran's commitment to the principles enshrined in the United Nations Charter and international agreements, including the principles of good neighborliness, respect for state sovereignty, and non-interference in the internal affairs of other states, resolving disputes by peaceful means, not using or threatening force and rejecting terrorism and sectarianism. The council stressed the need for the Iranian nuclear talks to include Tehran's destabilizing behavior in the region, its sponsorship of terror and sectarian militias, its missile program and its threats to international navigation and oil installations. The council also stressed the need for the GCC member countries to participate in these talks as well as in all regional and international discussions and meetings related to the aforementioned matters.<sup>(8)</sup>

### **Cooperation Rather Than Rivalry**

A member of Iran's parliamentary National Security and Foreign Policy committee Abbas Garlou mentioned that there is a misunderstanding on the part of the Saudi leadership when it comes to Iran's role in regional issues. He



also indicated the following: Saudi Arabia is an important country, there are regional and mutually important matters, tensions are in no one's interest, and everyone in the region realizes the importance of moving toward dialogue in order to solve problems, and establish stability, with no justification for continuous disagreements.<sup>(9)</sup>

Saudi Arabia's key demand is to form constructive relations based on mutual respect and the non-interference in the affairs of others or non-infringement of the interests of others. This is Iran's dilemma in the region, which is difficult for it to exit. The Iranian government is in crisis and is not in a stable condition to resolve ongoing conflicts unless there is a significant change in circumstances.<sup>(10)</sup>

## Conclusion

New realist thinking forms the basis of current regional interactions and the foundations of the new collective approach in the Middle East amid the repercussions of international tensions after the outbreak of the Ukrainian crisis and the revival of polarization in the international arena. There are signs of movements toward a new cold war, impacting global and regional countries. The Gulf dialogue with Iran is at the heart of Middle East interactions in order to deal with the new developments that have taken place at the international and regional levels.

The Gulf talks with Iran will not be easy. Iran will focus on achieving economic benefits without compromising on matters of concern for the Gulf countries, especially Saudi Arabia, such as concern over its regional interventions and military escalations. The Saudi talks with Iran will attempt to achieve a semblance of stability in the region by thrashing out a settlement to restore the national sovereignty of neighboring countries and limit Iran's interference in these countries. The growing optimism about a partial breakthrough in the Saudi-Iran file is because of the bitter economic situation that weighs heavily on Iran since there are no signs of an imminent breakthrough in the nuclear talks. The Russian side is trying to win over the Gulf states. Russia's Foreign Minister Sergey Lavrov is currently visiting the region to meet with the leaders of the Gulf countries and hold bilateral talks. Both sides issued statements about the important understandings which may exert pressure on the Iranian side regarding the Yemeni crisis, which is the basis for any dialogue with the Saudi side.



# Yemen and Iran

The Yemen file for April discussed the outcomes of the Yemeni talks in Riyadh and the course of the truce that came into force at the beginning of April. The May file discusses the extension of the truce from a political and military standpoint. The truce was extended as result of the extensive diplomatic and international efforts in coordination with the Yemeni Presidential Leadership Council which agreed to extend the truce based on its firm position regarding the Yemeni conflict. This council prioritizes the aspirations of the Yemeni people to end their suffering and establish a lasting and comprehensive peace in Yemen. The Houthis, however, violated the previous truce many times, continuously besieged the Yemeni people in Taiz, taking advantage of the truce's terms to secure benefits and mobilize its militia elements. Therefore, the Houthis' position called the truce into question, particularly whether it would be the start of a road map for peace and development and meeting the aspirations of the Yemeni people or merely another means of procrastination to gain more time so as to resume military escalation. This file also discusses the recent developments in the GCC's position in the context of Iran's destabilizing role in Yemen.

## The Military Truce – Hopes for Peace and the Houthis' Violations

At the end of May, the temporary Yemeni capital, Aden, saw extensive international diplomatic activity in coordination with the Yemeni Presidential Leadership Council in order to extend the truce. The US Special Envoy for Yemen Tim Lenderking and the UN Special Envoy for Yemen Hans Grundberg, including the ambassadors of the United States, the European Union, Germany, Austria, the Netherlands, Sweden, and Norway, took part in these diplomatic efforts.<sup>(11)</sup>

## Efforts Supporting the Truce

The UN envoy announced the renewal of the truce for two months which came into effect when the first truce expired on June 2, 2022. The first truce came into effect on April 2, 2022, and has been extended on the same terms. According to the statement of the UN envoy for Yemen, he commended the support of the international community in implementing the new truce, particularly the Kingdom of Saudi Arabia, the Sultanate of Oman, and members of the UN Security Council. The UN envoy added that he will continue to engage in order to make stronger the terms of the truce in full and move toward a comprehensive sustainable political solution that meets the aspirations and demands of the Yemeni people. He also called on the Yemenis to take advantage of the current momentum to ensure a peaceful future for Yemen.<sup>(12)</sup>

### **Houthis Exploiting the Truce**

Many observers believe that the Yemeni government represented by the presidential government made many concessions to agree to the truce at first and extended the truce amid the Houthis' ongoing violations. For example, the Houthis continue to besiege the Yemeni people to demonstrate to the international community that they support the truce only to further their financial benefits, particularly with regard to the revenues from the port of Hodeidah, and not for peace and the alleviation of the suffering of the Yemeni people. The Houthis employ these revenues to increase their military mobilization and recruit more fighters.

The Presidential Leadership Council informed the UN secretary general of its commitment "to support the UN-led peace process and to provide all facilities for the success of the truce and the alleviation of the suffering of all Yemeni people." The council called on the UN to impose further pressure on the Houthi militia to implement all the terms of the truce and allocate the oil shipment fees from Hodeidah port to allow the salaries of employees to be paid. The Yemeni Defense Minister Lieutenant General Mohammed Ali al-Maqdashi stated that the Houthi militia does not believe in peace and its project is based on violence and evading its commitments. He accused the Houthis of "exploiting the UN truce to mobilize its troops, transport heavy weapons and military vehicles, build fortifications, and redeploy rocket platforms and drones."<sup>(13)</sup>

### **The Restructuring of the Armed Forces and Joint Security to Support Stability**

The Yemeni Presidential Council has formed a security and military committee to reconstruct Yemen's armed forces and joint security. The military and security committee consists of 59 members headed by Major General Haitham Qaaem Taher, Major General Taher Ali al-Aqili as deputy and Brigadier General Hussein al-Hayal as rapporteur. This decision was made in accordance with Article 5 of the Declaration of the Transfer of Power which stipulates that "the formulation of a joint security and military committee to achieve security and stability by adopting policies that would prevent any armed confrontation throughout the Republic. This committee will support the restoration of the Yemeni state and protect what has been achieved through Yemeni consensus supported directly by the coalition countries led by the Kingdom of Saudi Arabia and the UAE."<sup>(14)</sup>

### **The GCC Condemns Iran's Destabilizing Role in Yemen**

The GCC foreign ministers condemned Iran's destabilizing role in Yemen at the end of the 152<sup>nd</sup> session of the GCC Ministerial Council. The council called on the Iranian government to address its destabilizing role in the region in light of its sponsorship of sectarian militias and its continued interference in the internal affairs of other countries, including Yemen, by smuggling military experts and weapons to the Houthis. It also stressed the need for the Iranian government to commit to the principles of good neighborliness, respect for state sovereignty and non-interference in the internal affairs of other countries.

The council called on all countries to include the Houthis on their terrorist lists, impose an arms embargo on the militia and firmly confront the dangerous



spread of missiles and drones. It called for international pressure to be exerted on the Houthis in order to lift the siege on the city of Taiz and open the crossing there.<sup>(15)</sup>

Iran's Foreign Ministry spokesman commented on the statement of the GCC Ministerial Council by saying "such repetitive and destructive statements show a completely wrong approach adopted by some member states toward Iran." He also claimed that such statements aimed to create strategic confusion. He further added that "makers of such demands are aware that they are baseless, demonstrating the depth of the council's failure to see the realities and it brings nothing other than a growing degree of lack of credibility for its member states."<sup>(16)</sup>



Many observers believe that these Iranian remarks are ambiguous and represent nothing more than political manipulation to evade the facts and responsibility for the deteriorating security situation in the region, especially in light of Iran's role in Yemen. They also signify Iran's intent to continue supporting the Houthis at the expense of the security and stability of Yemen and the Yemenis. This is an extension of its destabilizing project in the region. However, Iran's military, financial and political support for militias in the region is no longer a secret.

The statement of Iran's Foreign Ministry spokesman came while the Iranian government is still recognizing Ibrahim al-Dulaimi as the ambassador of the Houthis. This is a flagrant violation of international and diplomatic norms because the UN Security Council has designated the Houthis as a terrorist group. Dulaimi openly admitted to Iran's destabilizing military role in Yemen.



He said that the Houthis use Iran's expertise in the field of missiles and drones. Regarding the Houthis use of Iranian drones, he said, "We used and are using Iran's experience and expertise in this field."<sup>(17)</sup>

### Conclusion

The Houthis' position on the truce was made clear through their continual violations and siege of the Yemeni people in the city of Taiz, as well as their open alignment with the Iranian government to prolong the Yemeni crisis and their indifference to the suffering of the Yemeni people. The Houthis exploit the humanitarian file to strengthen their political position by securing military and financial benefits, with the militia ultimately aiming to reduce the resistance to its coup against the legitimate government.

This contradicts the will of the Yemeni people and the position of the UN, as well as the stance of concerned international and regional forces and the Yemeni Presidential Leadership Council that primarily aim to end the Yemeni crisis and achieve security, peace and development in Yemen through reaching a political settlement.

# Iran and Iraq

The Iraq file for April 2022 reviewed the factors contributing to Iran's replacement of its ambassador in Iraq and Iranian justifications, and the developments in the political impasse. The file for May discusses the Iranian position on the political stalemate in Iraq, and the developments in relation to the Iran-Turkey struggle for influence in northern Iraq. Moreover, the file looks at Iran and the crisis it has created between Iraq and its neighboring countries, and finally, the political dimensions of Shiite calls to reconstruct the graves of Al-Baqi Cemetery are examined.

## Iran and the Political Impasse in Iraq

Iran is fully aware of the potential ramifications of a potential Shiite-Shiite clash on its clout in Iraq; the most important sphere of influence for its political, economic and security considerations. Iran's President Ebrahim Raisi stressed to Iraq's Prime Minister Mustafa al-Kadhimi on May 4, 2022 the need to end disputes between alliances and to quickly form the government.<sup>(18)</sup> According to Iraqi political sources, the new Iranian ambassador to Iraq Mohammad Kazem al-Sadeq has commenced mediation efforts with the Iraqi Shiite alliances.<sup>(19)</sup>

Iran aims to forge some rapprochement between the biggest Shiite blocs. First, the Inqath Watan bloc (Save the Homeland) includes the Sadrist bloc, the Sunni alliances (the Taqaddum Coalition and Azm Alliance), and the Kurdish alliances (Kurdistan Democratic Party). The second bloc includes the Coordination Framework and Iran-affiliated alliances such as the Fatah and Dawlat al-Qanoun alliances. The current crisis is about the government formation. The first bloc still adheres to changing the traditional rule of forming the government — which is based on consensus — and instead forming a national majority government. The second bloc adheres to the formation of a consensual government that includes all Iran-affiliated alliances. However, Iran faces many challenges in healing the rift between the Shiite blocs.

### First Bloc Refuses to Return to Quotas

The Sadrist bloc strongly rejects the return to quotas and adheres to the state's decision to pursue a path of independence. In his most prominent remarks on May 16, 2022, Sadr renewed his strict rejection of Iraq's return to quotas.<sup>(20)</sup> This contradicts Iran's goal in Iraq as quotas are critical to preserving its achievements and executing the rest of its expansionist plans. In a new step, Sadr opted to move to the opposition for a period of no less than 30 days due to the Coordination Framework disrupting the Parliament session to elect the country's president by not attending, while the election constitutionally requires the presence of two-thirds of Parliament members (210 deputies).

### **Iran's Lack of an Influential Figure in Iraq**

The absence of the former Iranian Quds Force Commander Qassem Soleimani has greatly influenced the approach of the Shiite alliances in Iraq. Soleimani possessed the qualities to achieve harmony among the Shiite alliances, while his successor Esmail Qaani lacks charisma, extensive political experience, and good relations with the Shiite alliances. He also lacks weight and influence within the Iranian political system. Hence, Iran lost a lot of influence in Iraq after Soleimani's death.

### **New Coalition of Independents Against Foreign Interference**

The October protests in 2019 led to a new coalition of civilians and independents, the "Alliance for the People," which holds about 18 seats in Iraq's Parliament. This alliance is anti-foreign intervention, especially against Iranian interference, and aims to build a new Iraq. Consequently, the majority of Iraqi coalition forces are supportive of the Iraqi state and the formation of a national majority government.

Most observers do not expect the crisis to be resolved in the near future. Yet, we draw on different scenarios for Iraq in the upcoming period. First, the blocs will accept a national majority government or opt for dissolving Parliament and calling for new elections or even the return to demonstrations. Kadhim's government continues to rule, but the option of dissolving Parliament seems difficult because it requires two-thirds of its members to approve this. This will not happen unless the Sadrist and Kurdish blocs and the Coordination Framework agree to take this decision. In addition, this option is in the interest of the Coordination Framework because it gives it a second chance to compensate for the loss it suffered in the October 2021 elections.

How can Iraq get out of this complex crisis accompanying every election? There are several alternatives, including the transition from the present parliamentary system to a presidential system. Nevertheless, realistically it is difficult for all political forces to accept a presidential system due to Iraqi concerns about the return of dictatorship if one component or alliance dominates over the entire system. Alternatively, a transition toward a semi-presidential system in which the prime minister is elected by direct elections to ensure the smooth formation of future governments away from making political deals is a possibility. However, it is also difficult to implement because it would face Sunni and Kurdish rejection because it allows the majority Shiite component to dominate the entire system and exclude other elements. Thus, according to many observers, the best option is to adhere to the rule of the largest bloc in forming the government without adapting constitutional provisions in accordance with the interests of particular parties and foreign agendas.

### **Continuity of the Iranian-Turkish Struggle for Influence in Northern Iraq**

Northern Iraq is considered one of the most prominent arenas of Turkish-Iranian competition in the region due to its geopolitical importance in the strategy of both countries. Therefore, the mutual Turkish-Iranian escalation continues in the Iraqi region, where on May 11, 2022, Iranian artillery bombed several



Kurdish sites in the border area of Sidekan in Erbil under the justification of “containing terrorists.”<sup>(21)</sup> The military operation launched by the Turkish army since April 2022 against the PKK and its armed group in Sinjar district, “Sinjar Protection Units” continues under the name “Operation Claw-Lock.”<sup>(22)\*</sup>

While Iran accuses the Turkish government of supporting the Kurdistan Democratic Party against it, Turkey accuses the Iranian government of supporting the PKK against it. The two countries invoke the presence of terrorist parties working against their respective national security interests in northern Iraq and Sinjar. Iran puts the finger of blame on the Kurdistan Democratic Party, while Turkey blames the PKK, however, there are perhaps more important reasons than these excuses for the two countries’ involvement in northern Iraq, even though security concerns are of great significance:

### **Natural Gas**

Iran has launched strikes in northern Iraq to obstruct the new gas projects which have been agreed upon between Iraqi Kurdistan and Turkey; the former is expected to supply the latter with natural gas. Iran realizes the impact of these projects on its own energy interests, as Ankara is a major buyer of Iranian gas. It is a key source of income for Iran to alleviate the ramifications of the sanctions. Iran is also aware of the extent to which these projects undermine its ability to use the gas card as a means to pressure Ankara. Iran is also concerned about the consequences of the new Turkish gas pipeline which aims to address the shortage of Russian gas against the backdrop of the Russia-Ukraine war. In response to the Iranian strikes, Turkey expressed its insistence to carry on its new gas project and create alternatives to Iranian gas.

### **The Centrality of Northern Iraq in Iranian and Turkish Strategies**

While Turkey views northern Iraq like northern Syria as an important strategic area that should be controlled to maximize the scope of its influence, Iran views Iraq as a whole, including northern Iraq, as the most prominent arena of influence within its expansion project in the Arab region. Moreover, Sinjar constitutes a central link for Iran within its expansionist project that links Tehran to Baghdad and then to Damascus, as well as an important corridor for arms smuggling to and from its armed militias in Syria due to its proximity to the Syrian border.

### **Iran’s Creation of Crises With Iraq’s Neighbors**

Under Iran’s policy to pressure governments in its spheres of influence so that they implement its agenda, Iran has caused a crisis, through its agents in Iraq, between Iraq and Kuwait. Several Iran affiliated-parliamentarians and militants in Iraq called on the government to invade Kuwait because of their claim that Iraqi fishermen were harassed in Khor Abdullah by Kuwaiti authorities. Khor Abdullah is a marine area that is still a contentious issue between Kuwait and Iraq. The most pronounced call was made by the Iraqi parliamentarian Alaa al-Haidari who is close to the pro-Iran Fatah Alliance. In a recording uploaded on social media, he called on the Iranian-backed PMF to deploy their fighters in Khor Abdullah to protect Iraqi fishermen. He also addressed the Kuwaiti



Coast Guard forces saying, “If you do not behave, we will discipline you in our own way.” This was accompanied by online videos of Iran-affiliated militias in Iraq showing maneuvers of militia marine forces in Iraqi territorial waters near Kuwait,<sup>(23)</sup> transmitting threatening messages to the Kuwaiti side.

The Kuwaiti authorities refuted the justifications of Iran-backed groups in Iraq, affirming that their dealing with Iraqi fishermen is not new, and the Iraqi authorities never objected in the past to Kuwaiti legal measures to prevent any violations in this regard. The claims of Iran-backed groups should have been expressed through diplomatic channels. Therefore, the Kuwait Parliament held a session to discuss these threats. The Kuwaiti Foreign Ministry also summoned Iraq’s ambassador to Kuwait, Manhal al-Safi, to protest against the threats, and expressed its rejection and dissatisfaction.<sup>(24)</sup>

Many observers agree with the Kuwaiti position that such claims are illogical. For example, Iraq faced consecutive violations from Iran-backed militias when they targeted American targets — but no Iraqi lawmaker called



on the government to invade Iran; the sponsor of these militias. The militias' violations are more dangerous than the mere so-called harassment of Iraqi anglers. Iran, through its proxies in Iraq, aims to blackmail and threaten Kuwait after it concluded an agreement with Saudi Arabia in March 2022 regarding the use of the offshore Durra gas field.<sup>(25)\*</sup> Iran argues that it has a right to benefit from this field, as it is located near its maritime border with Kuwait. Iran adopted the same tactics with Iraqi Kurdistan when it concluded an agreement with Turkey to supply Ankara with gas.

Likewise, threats are part of Iran's policy to pressure Washington, particularly through its militias, in order for it to accept its demands in the Vienna talks, particularly to delist the IRGC from the US terrorist list.

### **The Political Dimensions of Shiite Calls to Reconstruct the Graves of Al-Baqi' Cemetery**

The Iraqi Twelver Shiite calls to rebuild and restore the graves of Al-Baqi' cemetery are not new, but what is new this year is that Sadr intervened and called on the Saudi leadership asking it to do so, but the question is: why did he intervene? This intervention may have come as a continuation of his position rejecting the Sarkhists' call to demolish Shiite shrines in Iraq. It is also related to his disagreements with Saudi Arabia and Iran's continuation of dialogue without his participation. Therefore, he may want to send a message by intervening, particularly for Saudi Arabia to reconsider him as a prominent personality who cannot be bypassed in Iraq, and for Iran to realize that he is capable of exposing it and creating new crises between Saudi Arabia and Iran that hinder the chances of success in the Saudi-Iran dialogue.

It is not in Iran's interest to open a new dispute with Saudi Arabia at this particular time. Iran now hopes to lift the sanctions, given the fact that there is a nearly concluded agreement between international and regional actors to link the ongoing talks in Baghdad between Riyadh and Tehran with the nuclear talks in Vienna between Iran and the P5+1 group. Iran has become convinced of the need to improve its regional behavior and is aware that the success of the Saudi-Iran dialogue is critical for the success of the Vienna talks. Hence, entering into any disputes with Saudi Arabia or opening controversial issues of this kind is against Iran's interests, especially as it no longer trusts Sadr against the backdrop of his recent positions against armed militias in Iraq. Moreover, his call to pursue the path of statehood contradicts Iran's project — given Iran's dire need for lifting sanctions amid the crippling economic crisis at home.

### **Conclusion**

Iraq has entered an advanced stage of political stalemate during which the country stands on the threshold of a new wave of security turmoil because of each of the Shiite blocs sticking to their position. Iran represented by the Coordination Framework, is refusing to form a national majority government as Sadr wants because it realizes the extent of its negative



impact on Iranian influence in Iraq. On the other hand, Iraq is still an arena for competition, as Iran and Turkey struggle for influence in the country in general and in northern Iraq in particular. In addition, Iran attempts militarily to force governments in its spheres of influence to implement its agenda.



# Iran and Syria

Since early 2022, Syria has witnessed many political developments and ground escalations. The country has also been the focus of interest for several countries to varying degrees. The aforementioned is in the context of the worsening economic, financial and social conditions in Syria. Some developments in Syria were because of the involvement of regional powers, and others due to the movements and decisions by international actors. This involvement of regional and international actors indicates that the Syrian crisis is getting more complex. The April file discussed the escalation of tensions between the trio involved in the Astana process in Syria, with Iranian-Turkish efforts to pressure the third party and expand their influence, taking advantage of the global geopolitical crisis and its impact on Syria. For the month of May, the Syria file examines the developments in the relationship between Iran and Syria.

## Indications of Syrian President's Visit to Tehran

In early May, Syrian President Bashar al-Assad visited Tehran. He met with Iran's President Ebrahim Raisi and Supreme Leader Ayatollah Ali Khamenei as well as other Iranian ministers and military officials. This visit did not merely reflect attempts to deepen the strategic relationship between Iran and Syria, but was also reflective of Iran's growing influence in Syria given its timing. Assad praised Iran's role in various regional and Syrian matters. <sup>(26)</sup>

## The Timing of the Visit and Its Indications

Assad's visit to Tehran was significant because of the issues addressed and the sensitive timing of the visit, with it occurring amid heightened volatility in the international and regional arenas. Both arenas have been affected by the Ukrainian crisis, with the Russian invasion having an impact on Syria in light of Russia's military repositioning. Simultaneously, the visit coincided with the stalled Vienna talks because of Iranian demands, especially to delist the IRGC from the US terror list. Assad's visit came shortly after Arab moves to revive relations with Syria, to distance Syria from Iran, and preserve Arab national security in light of Iran's growing role in the Arab region.

When looking at the domestic scene, the Syrian economic crisis is worsening, especially with the Syrian people finding it difficult to access daily necessities and the rising unemployment rate. Furthermore, energy and food shortages have exacerbated the domestic situation. Russia's invasion of Ukraine, resulting in a decline in Moscow's aid to Syria as well as the cessation of food imports from Ukraine, have added to the economic perils facing Syria. <sup>(27)</sup> Via Assad's visit, the Syrian regime aspired to secure Iranian aid, with many Syrian and

Iranian media sources announcing the reactivation of the Iranian credit line to Syria after years of deactivation.

### **Iran and Filling the Russian Vacuum in Syria**

The possibility of a decline in Russia's presence in Syria paves the way for speculation about Iran's future role in the country, especially the military one, which Iran has already activated in the country. There are frequent reports about Iranian militias occupying Russian bases in Syria, and the smuggling of weapons to fortify them.<sup>(28)</sup>

The increasing level of Iranian influence is not limited to the military aspect, but also includes the economic one, as Iran will find an opportunity to accelerate the implementation of its pending projects with the Assad regime after the Russian withdrawal. No economic projects have been implemented as agreed between Syria and Russia. Tehran is also betting on escalating illegal economic activities in Syria to create self-financing channels for its militias, and to raise regional concerns over its trade in narcotics for the sake of political and security leverage. This is clear in the Syria-Jordan border case, where there has been an increase in drug trafficking and smuggling.

Undoubtedly, Tehran aims to be effective in the Syrian arena, which will provide it with a margin of flexibility and allow it to impose pressure on the United States through threatening Israeli security. Iran hopes via this pressure to achieve concessions in the nuclear talks, secure sanctions relief, and breathing space in the region. During Assad's visit to Tehran, the Iranian government sent messages to the international community that it holds bargaining chips in the region that it can use to resolve the stalemate in the nuclear talks and reap more future advantages once the parties overcome their differences.

### **Iran's Ongoing Escalation in Northern Syria**

In recent months, northern Syria has become a battlefield where various military forces clashed. Turkey-affiliated forces threatened to invade the area to the east of the Euphrates River in order to establish a "safe zone" on Ankara's borders, extending 30 kilometers within Syrian territories. To confront Turkish troops, Iran and Russian-backed forces as well as Syria's forces and the Syrian Democratic Forces (SDF) were deployed in the region. The Turkish military threat in northern Syria constitutes a clear Turkish message to both Tehran and Moscow that it will effectively overwhelm their military presence in Syria. Moreover, it is working to exploit the Russian preoccupation with the Ukrainian crisis, and Iran's involvement in the nuclear talks and its preoccupation with its internal crisis to secure its strategic interests in the regions adjacent to its border with Syria.<sup>(29)</sup>

### **Contexts and Interactions of Escalation**

Since May 2022, new escalations occurred in this area, with Iranian militias bombing a Turkish military base in the western countryside of Aleppo – the *fourth de-escalation zone* in northwest Syria. Iran's militias played a key role in the current escalation. The bombing of the Turkish military base started from the Qubtan al-Jabal area, west of Aleppo. Since last April, Iran's militias have



deployed military reinforcements to this area and in locations overlooking the areas of Operation Olive Branch and Operation Euphrates Shield. Lebanese Hezbollah-affiliated forces, known as the Qassem Soleimani Regiment, were also deployed to this area, whose fighters come from Nubl and Zahraa. Artillery and missile strikes are carried out continuously on the road connecting Afrin and Azaz, north of Aleppo. The Qassem Soleimani Regiment was targeted by Turkish-backed forces on May 13, resulted in the killing of at least 12 fighters.<sup>[30]</sup>

### **The Reasons for the Iranian Escalation**

The new escalation clearly reflects Iran's return to the military scene in Syria, after Iranian attempts to revive its momentum on the political scene by receiving Assad in Tehran. Through military escalation, Tehran seeks to achieve key goals in northern Syria, most notably according to the Iranian and Turkish perspectives, exploit the Russian retreat in Syria, which represents a motive to expand their influence and cement their roles in Syria.

Tehran also escalated its political rhetoric against Ankara. On May 28, 2022, Iranian Foreign Ministry Spokesman Saeed Khatibzadeh mentioned that Tehran opposed any kind of military move and the use of force in the territories of other countries to settle disputes, when commenting on the Turkish announcement of its intention to carry out an upcoming military operation in northern Syria.<sup>[31]</sup> These remarks indicate Iranian apprehension about the possibility of Turkish escalation in Syria. Tehran considers the Turkish announcement as a threat to its policy in both Syria and Iraq. The two sides have repeatedly demonstrated shared understandings, whether regarding the Kurdish file in northern Iraq, or the political talks in Sochi, especially since Turkey succeeded in establishing a 30 kilometer safe zone along the northern strip of Syria. This means that Turkey gradually moves toward expanding its influence across this region on the Iraqi border, where Iran-backed militias in coordination with the PKK control the areas of Sinjar and Rabi'a, adjacent to the Kurdish autonomous administration areas in northeastern Syria. This also is a direct threat to the northern strongholds of Iranian militias in the western countryside of Aleppo, thus thwarting Iran's advances toward achieving its dream of establishing an important geographical corridor linking it to the Mediterranean Sea.

### **Jordan's Hint of Military Escalation on the Syrian Border**

The organized and frequent smuggling operations led by the Syrian regime along with Iran-affiliated militias in Syria, escalated political and security tensions which prompted King Abdullah II of Jordan to speak publicly about the growing dangers on the Syrian-Jordanian border. Days later, Jordanian military officials described what was happening on the northern border with Syria as a "drug war," in which they explicitly accused Iran, Hezbollah and Syrian forces and security services of running organized drug smuggling operations across the Jordanian border. This hints at a possible Jordanian military escalation inside Syrian territories.

### **Causes and Implications of the Jordanian Warning**

Jordan is concerned over the changing rules of engagement in Syria, in light of

Russia's preoccupation with its international crisis, and the attempts of Tehran and its proxies to exploit the vacuum left by Russia in Syria. Iranian militias are working to cement their influence in the regions adjacent to the Syrian-Jordanian border. Moreover, Iranians are purchasing real estate in the southern areas, especially in the Daraa Governorate, which is adjacent to the Jordanian city of Ramtha. Jordanian concerns arose after Assad's visit to Tehran and the increasing degree of political and military pressure on Amman, as well as after the escalation in Russia-Israel tensions. Further, it is likely that southern Syria might play a role in the Russian-Israeli quarrel, taking into consideration the future developments in the Ukraine crisis.

For Iran, southern Syria is of particular importance for several reasons including its proximity to the Israeli border, which gives it an opportunity to bargain with the West and the United States to achieve concessions in the nuclear talks. There is an economic importance when it comes to producing drugs, trading and smuggling them across the Jordanian border. This trade is a major source of income for Tehran and its proxies in Syria.

### **Iran's Role in Southern Syria**

Iran's militias play a significant role in the drug trade as they fully supervise the smuggling operations in the governorate of Deir Ezzor in return for a percentage of the revenues. This role is not limited to smuggling but includes the distribution of narcotics and the supervision of smuggling operations in the governorate's local markets through middlemen working in close proximity with Iranian militias.

The militias of Asa'ib Ahl al-Haq, the Lebanese Hezbollah and several PMF-affiliated groups are key to the smuggling of narcotics through the land route, taking full advantage of their complete control of the Syrian-Iraqi border. Iran also exploits the presence of these militias in eastern Syria and western Iraq to bargain for a greater financial percentage of the profits stemming from the smuggling and trade of narcotics. This opens the door to competition and disputes between these militias from time to time.<sup>(32)</sup> Moreover, drug smuggling operations are supervised by high-ranking personalities associated with Iran. Most of these personalities handle military missions within the smuggling operations along with several Syrian personalities.

### **Implications of the Ukraine Crisis on Israel-Russia Relations in Syria**

The use of the Russian air defense system (S-300) for the first time against Israel's air force during its attack against Iranian targets on May 13, 2021 in Masyaf in western Hama represented a remarkable field development, despite the fact that this system did not pose a real threat to Israel's aircraft. The use of the Russian defense system came despite Russian-Israeli military understandings that were concluded to control field tensions and overcome many crises in Syria. This development came despite the statement of Russian President Vladimir Putin at the beginning of Russia's invasion of Ukraine that it was necessary to maintain security coordination with Israel in Syria.

## Political Implications of Russia-Israel Tensions

Military developments in the field between the two countries in Syria are inseparable from their recent tensions within the context of Russia's invasion of Ukraine. Early this month, Russian-Israeli relations experienced diplomatic tensions with mutual accusations leveled. Russian remarks in media outlets were translated to represent actual deeds; Moscow withdrew some of its forces and evacuated several strategic locations in Syria. This allowed Iran and its affiliated groups to fill the vacuum left by Russian forces, even though Moscow understood the sensitivity of Israel's position toward Iranian militias inside Syria. Therefore, the use of the Russian defense system was meant to convey a message to Tel Aviv that it cannot pursue Iranian targets without Moscow's greenlight, and it must consider this when taking up a position in the Ukrainian file.

## The Reflection of These Tensions on the Future of the Syrian Scene

Russia-Israel relations are not considered to be strategic or even within the framework of an alliance, but they are governed by securing mutual interests, not only in Syria but also in Ukraine. Israel will remain important to Russia, especially now in light of worsening US-Russian relations, and the need for Israeli mediation, even if it was to be merely formal in nature. There is also an urgent need for Israel to maintain coordination with Russia in Syria as well as to distance Moscow from Syria, particularly from the southern border, so Russia cannot use its presence there as a bargaining chip against Israel; given Tel Aviv's participation in the Ukraine operations. Therefore, all military developments in Syria nowadays are mirroring the developments in the Russian-Ukrainian war and mutual efforts to maintain security understandings so that relations do not reach a crisis point that may cost the two parties strategic losses.

## Conclusion

The aforementioned discussion suggest that a new cycle of multifaceted escalation is looming in Syria; each actor will work to entrench its influence amid the present chaotic international situation. Turkey and Iran, on the one hand, are racing to secure the largest circle of influence in Syria amid the Russian and American preoccupation with their strategic crisis in Ukraine. On the other hand, the Syrian regime took advantage of these regional and international tensions through Assad's visit to Tehran, as it attempted to compensate for Russian losses with Iranian profits. Iran is not very different from Syria, with Tehran aiming to secure political, economic and military privileges in Syria. On the other side, Israel is aware of the gradual growth of Iran's threat and the expansion of its differences with the Russians.

In sum, the escalation in Syria will remain dependent on the repercussions of the Ukrainian war, and it is also dependent on the future of the nuclear talks, particularly whether or not the concerned parties can reach a new understanding to resolve the regional and international impasse regarding Iran's nuclear program.



## Endnotes

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# International Affairs

**I**nternational Affairs discusses Iran's interactions with the United States and Europe. As for Iran-US relations, three main developments are explored: the stalemate in the Vienna talks, diplomatic alternatives, mutual leverage, and regional and international effects. As for Iran's relations with the Europeans, the most prominent developments discussed are: the Iran-Greece maritime row which heightens the risk of instability; the complexities plaguing the nuclear file amid the impasse in the Vienna talks.





# Iran and the United States

The United States could not resolve the remaining disagreements to revive the nuclear deal; most prominently removing the IRGC from its terror list — discussed in our April file. In May, mediation efforts aimed to forge some rapprochement between the two sides turned fruitless, leading the two sides toward further escalation as each side was strengthening its position and placing further pressure while searching for other options/alternatives. The May file sheds light on the most prominent developments in Iran-US relations and reviews the following: the halted Vienna talks, Iran's nuclear violations and US options/alternatives, the continuation of confrontation and mutual pressures, and the regional and international effects of the latter.

## The Floundering Vienna Talks and Diplomatic Alternatives

Pessimism prevailed in the Vienna talks as the US administration insisted on maintaining the IRGC's designation as a terrorist organization after previously suggesting that it could possibly respond to Iranian demands to delist it. The US retreat came against the backdrop of mounting criticism from its allies in the region as well as scathing criticism from voices in the Congress, who were successful in passing a draft motion to prevent the Biden administration from delisting the IRGC in addition to another motion to prevent sanctions from being lifted on the IRGC and the Central Bank of Iran. The Senate motion is not binding, however, some Democrats joined the Republicans to pass this motion, which poses a serious challenge to the Biden administration's diplomatic efforts. It is believed that the next congressional elections to be held by the end of this year will chip away at Biden's diplomatic efforts toward Iran. Biden is expected to face mounting challenges at home over reviving the Iranian nuclear deal.<sup>(1)</sup>

Tehran believes that its disagreements with Washington are not only over removing the IRGC from the US terror list. Iran criticizes the United States for deceiving the public as it has not lifted the sanctions totally. Iran still insists on lifting all the sanctions and demands economic and political guarantees that the United States will implement its commitments under any new deal. Iran also emphasizes its demand for removing certain institutions and individuals from the US terrorist list, considering this to be a logical move within the context of the nuclear talks — if the sanctions are not lifted, Iran's economic relations with the world cannot be normalized.<sup>(2)</sup>

The stalemate in the Vienna talks made Iran continue with its nuclear blackmailing. The IAEA report in May 2022 mentioned that Iran's uranium stockpile exceeded the limit stipulated under the JCPOA by 18 times. According to another report, Iran failed to provide the UN watchdog with credible information

about the uranium particles found at three undeclared sites in Tehran. The IAEA Director General Rafael Mariano Grossi had warned that the talks to revive the nuclear deal may not succeed as Iran is not transparent about its nuclear program.<sup>(3)</sup>

At this critical juncture, the Biden administration is likely to resort to another scenario; disregarding the mutual return to the nuclear deal. US State Department Spokesperson Ned Price said in a briefing to the press, “Because a mutual return to compliance with the JCPOA is very much an uncertain proposition, we are now preparing equally for either scenario.” Robert Malley, US President Joe Biden’s special envoy for Iran said, “Of course as I speak to you, we do not have a deal and prospects for reaching one are tenuous at best.” He added, “If Iran maintains demands that we go beyond the scope of the JCPOA, we will continue to reject them and there will be no deal.”<sup>(4)</sup>

### Mutual Leverage

Despite its laxity in implementing the sanctions on Iran, the Biden administration has not totally given up on them and has continued to enforce some sanctions on Iran. The Office of Foreign Assets Control of the US Treasury Department sanctioned a Lebanese businessman and Hezbollah financial facilitator, as well as five of his associates and eight of his companies in Lebanon and Iraq over funding the group’s terrorist activities in Lebanon and across the region. The US Treasury Department also sanctioned an international oil smuggling and money laundering network led by the IRGC-Quds Force’s (IRGC-QF) officials. It is accused of facilitating the sale of hundreds of millions of dollars’ worth of Iranian oil for both the IRGC-QF and Hezbollah.

As part of the government’s plan (directed by the supreme leader) to evade the ramifications of US sanctions and to reduce dependence on the conclusion of a nuclear deal in the future, President Ebrahim Raisi has formed a strategy to thwart the sanctions. The Iranian government continues to pursue an open policy with neighboring countries through trade cooperation and boosting economic diplomacy at the regional and international levels. Undoubtedly, this Iranian policy will help Tehran to a great extent to overcome its international isolation and rebuild its trade relations.

For example, according to the statistics of the Iran-Oman Joint Chamber of Commerce, the trade volume between the two countries increased to 63 percent.<sup>(5)</sup> Eurostat, a database that provides official statistics in regard to the European Union (EU) member states and sub-state regions, revealed that European trade with Iran witnessed a noticeable increase within the first three months of 2022; Iranian exports increased to 40 percent compared to the same period in 2021. European exports also increased to nearly 18 percent.<sup>(6)</sup> Iranian Energy exports increased to 60 percent in the first two months of the Iranian solar year; March 21 to May 21, 2022, compared to the same period last year.<sup>(7)</sup>

Despite this progress, the government faced protests over the increase in the price of some food items. Though the recent inflation is linked to the Russia-Ukraine war, the deteriorating economic conditions in Iran cannot be explained without considering the impact of the sanctions. Needless to say, China reportedly decreased its oil imports from Iran and resorted to Russia’s oil due to its low price.

It is well known that China is the biggest importer of Iranian oil amid the crippling sanctions; it has been the most prominent way out for Iran's trade with the world.<sup>(8)</sup>

### Regional and International Effects

The Biden administration has not abandoned the policy of deterring Iran at the regional level. In this context, Israel and the United States have adopted new means to exert further pressure on Iran, with the latter preparing for a no return to the nuclear deal scenario in the coming period. The Israeli army announced that it will conduct a large-scale maneuver simulating attacks on Iranian nuclear facilities.

Washington and Tel Aviv also agreed to establish an interagency working group to focus on drone and precision-guided missiles which Iran produces and provides to its regional proxies. The US administration has also imposed sanctions on any individual involved in supplying, selling, or transferring combat drones to and from Iran. The bill, which is expected to be passed in the US Senate, aims to prevent Iran and its allied groups from acquiring combat drones that can be used to attack the United States or its partners, and the US administration escalated its interactions with the Gulf states to coordinate efforts against Iran.

Iran has adopted a regional policy ranging from calculated escalation and de-escalation, with the intention to confront the United States. Iran unveiled a drone base after the Parchin base was bombed. Iran's official media reported that the Iranian army had provided some details on an underground base for its military drones, without disclosing its exact location. Iran has successfully added drones to its military arsenal as one of the defense elements to confront the United States and Israel. This is a matter of concern for both countries after Iran dispatched two drones over the occupied Palestinian territories.<sup>(9)</sup> As part of its deterrence policy, Iran released images of a US military base in the Gulf taken by its Noor 2 satellite.<sup>(10)</sup> This was a retaliatory act after an Iranian oil tanker heading to Russia was seized by the Greek authorities in accordance with the EU sanctions against Moscow. The vessel was later transferred to the United States.<sup>(11)</sup> In response to this, Iran seized two Greek vessels in the Gulf waters. These responses threatened maritime navigation in the Gulf once again.

In regard to de-escalation, Iran bets that the improvement of its relations with the Gulf states will limit the influence of the United States at the regional level and reinforce its position in the ongoing nuclear talks. In this context, a new round of the Iran-Saudi strategic dialogue was held in Iraq, and Raisi paid a visit to Oman. In addition, Iran received the emir of Qatar, who had planned to discuss the nuclear file and the stalled nuclear talks.

Internationally, developments in relation to the Ukrainian war will continue to cast a shadow of doubt over the nuclear talks. However, Russia no longer plays a positive role in the Vienna talks, because it is not in its interest during the current stage. It wants to suspend the talks and maintain the sanctions on Iran because it is afraid that Iranian oil exports will replace Russian oil and gas. The visit of Deputy Prime Minister of Russia Alexander Novak may fall within the framework of the two countries' efforts to coordinate their relations amid US pressures on both. The Russian official said during the Iran-Russia trade conference held on May 25, 2022 in Tehran that the two countries' leaders were working to increase economic



cooperation and increase financial and banking cooperation, which has already increased by 10 percent in the first quarter of 2022. This is in addition to discussing the developments of the North-South Corridor — which is of significance for Russia given its current tensions with the West and the United States — and both countries opted to trade in their national currencies away from the hegemony of the dollar.<sup>(12)</sup>

As part of its international anti-US alliances, Iran continued to aid Venezuela, which is under US sanctions. It worked to modernize oil refineries and to supply Caracas with fuel. An Iranian oil tanker carrying 1 million barrels of crude oil reached Venezuelan waters in May 2022. These moves are part of a swap deal signed by the two countries in 2021 to overcome the US sanctions on both countries. Officials of Iran's Oil Ministry said that gas condensate exports were 20,000 to 60,000 barrels per day, which increased by about 2.5 to three times during the tenure of Rouhani, and cooperation is not limited to trade and oil agreements. Israeli Defense Ministry officials mentioned that earlier Iranian precision-guided missiles had been delivered to Venezuela to be fitted into the advanced Iranian Mohajer drones and similar drone models.<sup>(13)</sup>

## Conclusion

The criticism levelled domestically and regionally impacted the Biden administration's position in relation to removing the IRGC from the US terror list. This is a major obstacle that may impede the revival of the nuclear deal. The United States and Iran continue to place further pressure on each other and advance the leverage of bargaining chips.

Iran is still untransparent when it comes to reviving the nuclear deal; it avoids reaching satisfactory understandings with the UN watchdog before its demands have been met in the context of the nuclear talks. Iran also stresses that its thorny issues with the UN watchdog and regional countries should be separated from the nuclear deal. Further, Iran does not accept any US pressure in relation to forging follow-up talks or the simultaneous handling of some differences, especially its regional activities.

To enhance its pressure on Iran, the United States imposed new sanctions and threatened to halt its diplomatic approach with Tehran and tighten sanctions further. The United States is taking advantage of the economic conditions in Iran and the growing internal protests against the government. On the other hand, Washington coordinates with its allies in the region and demonstrates readiness for pursuing other alternatives/options.

Finally, Iran and the United States, amid internal and external developments, have an interest in reviving the nuclear deal. However, this depends on mutual concessions, building trust, and Iran's good intentions and commitment to the spirit of the nuclear deal, and the non-use of this deal to continue its traditional anti-US policy. The United States is hoping to achieve the aforementioned before reaching the final stage of the talks. But, with a "hardliner" government and Parliament, Iran's position is difficult to change. The risks involved in Iran's nuclear policy may lead to consensus between the two parties on reaching an interim agreement.

# Iran and Europe

The Europe file for April 2022 delved into Iran-Europe relations examining the nuclear talks, energy policies, and human rights. European endeavors in April failed to achieve a breakthrough in the Vienna talks which have been halted since March. Doubts were rising about the fruitlessness of reviving the nuclear deal in light of Iran's stubbornness and overstated demands, such as the removal of the IRGC from the US terror list. In the United States, the Biden administration faced scathing criticism from the opposition over what is believed to be consecutive concessions made to Iran despite Washington's strong position in the nuclear talks.

The April file reviews the latest dispute between Iran and the Europeans over Tehran's maritime row with Greece and Europe's concerns that the revival of the nuclear deal has become a farfetched possibility.

## Iran-Greece Maritime Row Heightens the Risks of Instability

Greece and Iran are caught in a bitter row over maritime commerce, ignited by the United States' confiscation of Iranian oil ferried in a Russian-operated ship near Greece.<sup>(14)</sup> Predictably, Iran retaliated by impounding two Greece-owned oil tankers which were boarded by its military personnel in the Gulf on May 27.<sup>(15)</sup>

### Detention Circumstances

Washington's decision not only targets Iran's sanctions barred oil exports but also the very vessel – the Pegas – ferrying it, whose Russian owner Transmorflot was sanctioned on May 8. The tanker has since been near Greek waters. A Greek shipping ministry official was quoted by Reuters as saying, "The cargo has been transferred to another ship that was hired by the US." The oil was piped onto the Liberian-flagged tanker Ice Energy, operated by a Greek shipping company.<sup>(16)</sup>

Press TV reported that the tanker had sought refuge along Greece's coast due to technical problems and poor weather. Iran's foreign minister summoned Greece's charge d'affaires in Tehran and termed the seizure of its cargo as "a clear example of piracy."<sup>(17)</sup>

In 2020, Washington confiscated four cargoes of Iranian oil aboard foreign ships that were bound for Venezuela and transferred them with the help of undisclosed foreign partners onto two other ships which then sailed to the United States.

Greek authorities impounded the Pegas in April, with 19 Russian crew members on board, near the coast of the island of Evia, but later released it.<sup>(18)</sup>

United Against Nuclear Iran (UANI) claimed that the Pegas had loaded around 700,000 barrels of crude oil from Iran's Sirri Island in August 2021.



Earlier, the ship had transported over 3 million barrels of Iranian oil in 2021, with over 2.6 million of those barrels ending up in China.<sup>(19)</sup> The two Greek-flagged ships seized were escorted by Iran's naval vessels from international traffic lanes to Iranian waters. They are currently docked near Iran's coastline. The 94 seafarers detained aboard the two vessels included 10 Greeks, 38 Filipinos and one Cypriot.<sup>(20)</sup>

### **Limits of Iran-Europe Relations**

The ongoing skirmish is a bizarre result of the global repercussions of the Russian invasion of Ukraine as well as the deadlock over the shelved 2015 nuclear deal. The melee over Iran's nuclear program remains at the heart of its relations with Europe, which has tried to tread a fine line in cooperating with Tehran but without enraging Washington. The European Union's (EU) bid to normalize business through the Instrument in Support of Trade Exchanges (INSTEX) fell short of Iran's expectations.

Tehran is not invoking any legal options on the Greek impounding of its ship. "Athens should have cooperated by guiding the vessel to a place of safety where the problems could be resolved, before sending it off on the rest of its voyage," commented the state-owned Press TV.<sup>(21)</sup>

Iran can act calm and composed for now as it has yet again invoked fears of a disruption in global energy supplies. While the economic cost of the Russia-Ukraine war for the world is still unraveling, such uncertainty over energy supplies can cause a sudden spike in oil prices and further deepen the global economic crisis. The ongoing dispute over tankers has become much more complicated after the transfer of Iranian oil to a Greek-flagged shipped for the United States. The danger of more attempts or incidents of seizure of European vessels is high. In the recent past, Tehran's belligerence in the Gulf of Oman has served its interests.

### **With JCPOA in Limbo, IAEA Deepens Iran's Nuclear Imbroglio**

Despite shuttle diplomacy and multifaceted contacts, Iran and the United States have been unable to revive the Joint Comprehensive Plan of Action (JCPOA). Washington's terror designation of the IRGC remains one of the main sticking points.

#### **The IAEA Report**

From May 10 to May 13, Tehran received the EU's chief nuclear negotiator Enrique Mora and Emir of Qatar Sheikh Tamim bin Hamad Al Thani. Both sought to push forward the diplomatic efforts to revive the nuclear deal.<sup>(22)</sup> The optimism was short-lived. The IAEA report on Iran submitted before its Board of Directors was almost tantamount to an indictment.

In a more worrying development for Iran, the United States alongside the UK, France, and Germany have joined hands to seek an IAEA resolution against Iran.<sup>(23)</sup>

The IAEA Director General submitted his report to the Board of Directors on May 30. An excerpt read, "Iran has not provided explanations that are technically credible in relation to the Agency's findings at those locations. Nor



has Iran informed the Agency of the current location(s) of the nuclear material and/or of the equipment contaminated with nuclear material, that was moved from Turqzabad in 2018. In addition, nuclear activities and nuclear material used therein at Lavisian-Shian were not declared by Iran to the Agency as required under Iran's Comprehensive Safeguards Agreement."<sup>(24)</sup>

### Iranian Fears

Iran has warned that any such IAEA resolution will be unconstructive and will necessitate an Iranian response.<sup>(25)</sup> The IAEA finally released a report raising questions over the nuclear substances found at three different sites in Iran. Despite its constant pursuit, Tehran has not provided adequate answers to the nuclear watchdog's questions.

President Joe Biden has decided to keep the IRGC on the terrorist blacklist. It was reported that the US decision is "absolutely final and that the window for Iranian concessions had closed." After withdrawing from the 2015 nuclear deal, President Trump had imposed a plethora of sanctions against Iran in various phases, including the placement of the IRGC on its Foreign Terrorist Organizations list in 2019.<sup>(26)</sup>

After more than a year of often indirect American discussions with European, Iranian and other officials, the status quo seems to hold. The unfolding consequences of the Russian invasion of Ukraine is thought to be an important factor in keeping Iran in check through sanctions. Hence, the flexibility exhibited by the Biden administration has reduced.

Washington believes that the IRGC is not subject to nuclear-related sanctions but is designated for its other activities. Iran maintains that the Trump administration's move was part of a set of non-nuclear penalties imposed on her to exert "maximum pressure."

"The U.S. position has been that unless Iran agrees to take certain steps to assuage security concerns beyond the JCPOA, Washington will not lift the terror designation, which itself is beyond the JCPOA," a US official familiar with the issue told Politico.<sup>(27)</sup>

Iran sees the two-pronged approach of threatening and softening as part of the US pressure strategy. The IAEA report followed by a likely resolution by the E3 and the United States is meant to limit Iran's foot-dragging on crucial issues.

At the World Economic Forum, Iran's Foreign Minister Hossein Amir-Abdollahian hit an unusual reconciliatory tone. He said, "The US needs to make a decision. We've kept the window of diplomacy open and we hope that if the US adopts a realistic approach, we can reach an agreement."<sup>(28)</sup> He also delinked the removal of the IRGC terror designation from the efforts to revive the nuclear deal. However, Abdollahian's remarks did not resonate well with the powers that be in Iran. The Iranian foreign minister had to retract similar remarks in the past after facing backlash in Iran.

Until the IAEA decides on punitive measures or the United States and the West revisit their positions, Iran will continue to enrich uranium in larger quantities and beyond 60 percent purity,<sup>(29)</sup> hence shortening its nuclear breakout time more than ever.

## **Conclusion**

Iran-Europe relations have been affected by the complexities of the nuclear file in light of the Ukrainian crisis despite European endeavors with Qatar to reach an off-ramp. Iran's detention of Greek vessels retriggered tensions, indicating that it is unlikely that the Europeans will play a decisive role in resolving the nuclear standoff and the tensions between the two sides are expected to continue.

## Endnotes

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