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The Ceasefire Pause: Likely Outcomes of the Islamabad Negotiations

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The Iranian Studies Unit

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Introduction

Sometimes, wars persist not because of military strength or the will of the parties involved, but because the very notion of an "end" remains undefined. Now, after 39 days of war and two fragile ceasefires, with the closure of the Strait of Hormuz and the beginning of a naval blockade, the situation has entered a phase that can neither be called peace nor war, nor even "ceasefire", as the boundaries of the latter are also undefined. This grey area is inherently unstable. The United States, despite utilizing hard power tools, now explicitly calls for negotiations, itself a signal of an understanding of the limitations of military power in this situation. Meanwhile, in Washington, there is no clear strategic consensus, and signs of division, doubt, and confusion in decision-making are evident. Similarly, in Tehran, there are indications of a lack of coherence in defining the future course of action.

Domestic Politics and the Nature of Ceasefires

Robert Putnam's "two-level game" framework provides a rigorous lens for understanding the domestic political constraints that shape international negotiations. According to this model, leaders must negotiate simultaneously on two interconnected levels: the international arena (Level I) and the domestic political sphere (Level II). Success in foreign negotiations therefore depends not only on diplomatic leverage or external pressure but also on alignment with domestic political interests and constituencies. In the Islamabad negotiations, the Iranian leadership must balance pressures from hardline factions with economic and social demands at home, while US policymakers face constraints from public opinion, electoral cycles, and institutional checks. This parallel dynamic underscores how the current ceasefire and negotiations are influenced as much by domestic political calculations as they are by military or economic considerations, highlighting the strategic complexity of the interaction.¹

In *A World Restored*, Henry Kissinger distinguishes between temporary arrangements and genuine political solutions, emphasizing that apparent pauses in conflict often reflect strategic recalibration rather than resolution. In this light, the recent extension of the ceasefire between the US and Iran should not be read as the end of hostilities. At first glance, it may appear as a sign of calm, but a closer examination reveals it rather to be a shift in the dynamics of the conflict; a strategic pause that allows both sides to reassess their positions rather than a definitive conclusion to the war.²

Now that the dust has settled and the smell of gunpowder is no longer thick in the air, all eyes are on Islamabad. Notwithstanding those who have been calling for war from the outset and will be left unsatisfied to see its end, some Iranians consider the negotiations a repeat of past mistakes; many still believe the game is not over and assume that a "victory" can be won. Conversely, others who welcome its resolution do not view this war as a "game" and are worried about its destructive, prolonged nature. However, the reality is that the outcome of the Islamabad negotiations should not be considered "the end" of the Iran–US conflict.

¹ Robert D. Putnam, "Diplomacy and Domestic Politics: The Logic of Two-Level Games," *International Organization* 42, no. 3 (1988): 427–60.

² Henry Kissinger, *A World Restored: Metternich, Castlereagh, and the Problems of Peace, 1812 - 22* (Boston: Houghton Mifflin, 1957), 30–35.



War, Negotiation, and Strategic Pressure

In Iran, responses to this situation remain divided. One camp consistently advocates continued confrontation without articulating a clear or viable endgame, while another implicitly accepts the reality that the continuation of the war with the current conditions is not sustainable, either economically, socially, or geopolitically. Therefore, the main issue is not the choice between war or peace, but rather defining the boundaries of the relationship between the two countries within a strategic framework. It is essential to remember that war is merely the continuation of policy by other means even in its most successful form,³ which is a tool, not an objective; and when tools become the goal, politics is held captive by emotion.

In November 2025, deputy Foreign Minister Saeed Khatibzadeh made clear that if talks with Washington ever occur under the stated conditions, it will certainly be an "armed negotiation". He described such a negotiation as one in which Tehran not only has no trust in the US, but is fully prepared "to take effective measures against the deceptions of the other side".⁴

US President Donald Trump's decision to extend the ceasefire without accepting Iran's central precondition – lifting the naval blockade – while Tehran abstained entirely from the second round of negotiations signals not a US retreat but a recalibration of pressure. Rather than de-escalating, Washington has altered the shape of coercion. This dynamic can be understood through the logic of the chicken game in game theory: two drivers speed toward each other, where turning first signifies defeat, yet mutual intransigence leads to catastrophic collision. In this case, Trump has neither fully turned the wheel, nor taken his foot off the accelerator. By extending the ceasefire, he avoids immediate confrontation, but by maintaining the blockade and broader economic pressure, he sustains a credible threat.

In armed conflict, power lies not only in the direct application of force, but in the management of risk and the shaping of an adversary's perception of uncertainty. In *The Strategy of Conflict*, Thomas Schelling demonstrates that creating situations in which outcomes are not fully controllable can serve as an effective instrument of coercion, as the introduction of risk alters the opponent's calculations and makes threats more credible. This logic, developed in his discussion of brinkmanship and "threats that involve the deliberate introduction of uncertainty," explains how actors can influence adversary behaviour without direct escalation, by strategically increasing the perceived possibility of uncontrolled outcomes.⁵

Economic Pressure and Uncertainty

The initial, limited ceasefire provided Washington with a rare opportunity to "look closely at what is happening inside Iran." During this time, the US not only monitored military movements but also

³ Carl von Clausewitz, *On War*, trans. Michael Howard and Peter Paret (Princeton, NJ: Princeton University Press, 2008).

⁴ "Any Talks with US to Be 'Armed Negotiations': Iranian Diplomat," *Tabnak*, 16 November 2025, <https://acr.ps/hBxSODz>.

⁵ Thomas C. Schelling, *The Strategy of Conflict* (Cambridge, MA: Harvard University Press, 1960), chapters 7–8.

tried to understand what was happening in society. Who supports negotiations? Who opposes them? What is the decision-making algorithm, and what are the processes to which it is subject? Where do the forces become more radical, and where are they more rational? Where are the strongholds of the moderates and hardliners? Where are their loudest voices: in the military, on the streets, on state TV, among diplomats, or in Iranian social media? And most importantly, can doubts be raised about the negotiators, the path forward, or the cost-benefit of continuing this situation? How effective are Trump's contradictory, sometimes baseless social media posts and the responses countering them?

In states of conflict, the deliberate introduction of risk can be used to influence the adversary's behaviour. By creating a situation where outcomes are not fully controllable, one can observe how the opponent reacts, gain information about their intentions, and design strategies accordingly.⁶ In the second ceasefire, the dynamic appears to have shifted from observation to active influence. Time itself is becoming an instrument of pressure: economic constraints persist, and their effects, most visibly through rising inflation, are increasingly felt in daily life. Under such conditions, social dissatisfaction is likely to intensify. From Trump's perspective, this is a simple equation: the higher the cost of continuing the status quo for Iran, the greater the probability that Iran will be driven to negotiate, even without securing its core demands.

Secretary of State Marco Rubio highlighted the scale of economic strain imposed on Iran under Operation Economic Fury, noting that Inflation in Iran has surged to around 70 per cent and that their national currency is in "total and complete freefall". He further emphasized that "US sanctions enforcement is stepping up. It's moving in lockstep with a naval blockade to degrade Iran's capacity to generate, to move and repatriate revenue. The blockade alone is costing Iran as much as \$500 million a day in lost revenue, 90% of total Iranian trade has been halted, causing permanent damage to Iran's oil infrastructure."⁷

Yet, like mathematics, politics does not always yield definitive or predictable results. Experience suggests that economic pressure does not always produce expected outcomes. Sometimes, external pressures foster internal cohesion rather than fragmentation. At other times, countries find development mechanisms to circumvent or mitigate its impact. Time therefore, does not always favour the one who waits.

Deadlock and the Shift to Negotiation

The Islamabad negotiations reflect this simple reality: although Iran's resistance against two of the world's most powerful militaries and the failure of those two powers to achieve their declared objectives is a remarkable success, a crisis has emerged as a direct product of a costly deadlock after

⁶ *Ibid.*, 168–70.

⁷ *New York Post*, "Rubio Highlights Severe Economic Damage in Iran: 'Complete Freefall,'" YouTube, 7:36, 5 May 2026, <https://acr.ps/hBxSOLC>.

the 39-day war. Neither party has secured a decisive victory, nor do they have the capacity to continue the war without shouldering unmanageable costs. Therefore, the negotiations have emerged not from a change in goals, but from the inability to continue the conflict.

Within the framework of weaponized interdependence, Henry Farrell and Abraham Newman argue that power in the contemporary global economy is asymmetrically distributed through network structures. States occupying central nodes in these networks are able to monitor, filter, or restrict others' access to critical flows of finance, information, and trade, thereby transforming interdependence into a source of coercive leverage. As they argue, states positioned at key points in global networks can shape or constrain others' access to vital flows, turning structural interdependence into an instrument of state power.⁸ According to this logic, coercive capacity in the modern international system derives not only from military capabilities, but also from structural positions within global networks.

Mutual Deterrence and Strategic Limits

In such conditions, the relationship between Iran and the US can be described as "imperfect mutual deterrence". In this situation, each party has the capacity to impose heavy costs on the other but neither can fully achieve its ultimate objective. The US possesses classical military superiority, the ability to conduct precise strikes, and a network of regional bases, but this superiority does not necessarily translate into political victory in prolonged, asymmetric wars. By contrast, Iran lacks conventional military superiority but possesses disruption capabilities at the regional level, particularly in the energy sector, which allows it to create systemic economic costs.

Meanwhile, the US finds itself increasingly isolated in the Strait of Hormuz operation without the active support of its Western allies, particularly NATO members. The disruption to global energy markets exerts additional pressure on Washington. Domestically, the US faces mounting strain as fuel prices approach a 50 per cent increase, intensifying political pressure from both sides: Republicans are wary of jeopardizing their position ahead of the midterm upcoming midterm elections, while Democrats continue to criticize the war as illegal from the outset.

Mohammad Baqer Qalibaf, the head of Iran's negotiating delegation in Islamabad and the Iranian parliamentary spokesperson, acknowledged in an interview with Iranian national television that "we have won on the battlefield due to precise strategy and planning. However, this does not mean that we have destroyed their military. We must recognize that they possess the best and most advanced military equipment and technology in the world. Moreover, having waged wars and committed crimes all over the globe, they have a wealth of experience. Nevertheless, in the field of operations, the Islamic Republic has defeated them due to its wisdom and meticulous planning, which is why they have requested a ceasefire." He further emphasized, "Now, it is essential that we solidify this

⁸ Henry Farrell and Abraham L. Newman, "Weaponized Interdependence: How Global Economic Networks Shape State Coercion," *International Security* 44, no. 1 (2019): 42–79.

military advantage not only in practical terms but also in legal and political domains. In this regard, I am willing to sacrifice both my life on the battlefield and my reputation in diplomatic circles."⁹

Thus, the Islamabad negotiations are better understood not as a moment of resolution but as a reconfiguration of the conflict from a military arena to a more controlled diplomatic one. This shift is unlikely to yield a comprehensive settlement; rather it may only produce a minimal framework for managing the crisis.

Future Scenarios

In this context, several trajectories remain open for this unstable ceasefire. Economic pressure, coupled with political ambiguity may ultimately push Iran toward negotiations – a scenario Washington appears to be banking on. Yet it is equally plausible that Tehran will absorb these pressure and persist in its strategy of patience. In that case, not only would US objectives remain unfulfilled, but the associated costs, such as rising energy prices, could increasingly fall on Washington as well. Finally, there remains the ever-present risk that one of the parties will conclude that continuing this situation may judge the status quo untenable and opt to re-escalate the conflict.

The focal point of these levers is control or threat over a vital energy chokepoint defined by the Strait of Hormuz. This position allows Iran to shift the level of the crisis from a regional to a global economic scale, making Iran's power in the short term more impactful as a disruptive force than its conventional economic capacities. Experience with economic sanctions shows that they rarely achieve the objectives policymakers set for them. Sanctions are often less effective than policymakers hope, and their impact is seldom linear or certain, particularly in countries accustomed to economic hardship or instability. Factors such as the target country's ability to adapt, the presence of alternative trade partners, and domestic political cohesion all affect how sanctions influence behaviour.¹⁰

Domestic politics also play a decisive role. In the US, public sensitivity to the costs of war, energy prices, and electoral cycles limit the scope of foreign policy. Conversely, Iran's political structure enables it to withstand higher short-term costs, no matter how heavy. The result of this asymmetry is that in times of crisis, the party that can bear more pressure will hold a stronger position at the negotiating table.

Ambiguity and Limited Outcomes

What we are witnessing today is neither peace nor war but a calculated suspension in which the instruments of conflict have shifted: fewer bombs and missiles, more economic pressure; less direct

⁹ Jang-e Tahmili-ye Sevom, "Goftogu ba Doktor Mohammad-Bagher Ghalibaf – 30 Farvardin 1405 [Interview with Dr. Mohammad-Bagher Ghalibaf – 19 April 2026]," Telewebion, 1:1:18, 19 April 2026, <https://acr.ps/hBxSNPB>.

¹⁰ Gary Clyde Hufbauer, Jeffrey J. Schott, and Kimberly Ann Elliott, *Economic Sanctions Reconsidered*, 3rd ed. (Washington, DC: Peterson Institute for International Economics, 2007), 14.

confrontation, more manipulation of time, information, and perceptions; less certainty and a more lethal form of stasis. The trajectory of this situation will not be determined by statements but by these underlying dynamics – how economies endure, how societies respond, and when political leaders conclude that the cost of persistence outweighs the cost of change. Within this framework, despite the rhetoric of risk avoidance, any prospective agreement, judged against the gap between possibility and reality, is likely to be limited in scope and inherently provisional.

It is unlikely that any agreement will completely eliminate the nuclear programme; rather it will be subject to heavy limitations and stringent oversight. This aligns directly with the trajectory of the previous nuclear deal, whereby Iran's nuclear programme was not suspended but rather defined within a highly controlled framework. Therefore, any agreement that accepts limited enrichment will effectively demonstrate Tehran's retention of its strategic capacity and a retreat from Trump and Netanyahu's maximalist objectives.

Regarding sanctions, the difference between genuine removal and temporary suspension is decisive. If sanctions are merely eased through reversible exemptions, the US retains the instrument of pressure, rendering any agreement inherently fragile. By contrast, a structural and permanent lifting would constitute a substantive concession to Iran – an outcome that, given the unilateral withdrawal from the previous agreement, seems unlikely.

In regional geopolitics, the agreement will inevitably rest on a degree of ambiguity. Neither the full dismantling of regional influence networks nor their exclusion from security calculations is realistically attainable. As such, the language of the agreement in this domain will often be confined to terms like "de-escalation" or "restraint" – formulations that are deliberately open to interpretation. This ambiguity serves a functional purpose, allowing the parties to sustain the agreement despite unresolved underlying tensions.

No Clear Winner

Another critical factor is the monitoring and verification mechanism. The more stringent the oversight and broader the access, the greater the informational asymmetry in favour of the Western side. Conversely, constraining monitoring mechanisms preserves a degree of strategic opacity for Iran. Moreover, the inclusion of time limits within the agreement essentially defers concessions to the future and allows Iran to retain a returnable capacity.

In sum, these negotiations are unlikely to generate a final and stabilizing agreement, but rather an unstable and reversible equilibrium oriented toward crisis management and the purchase of time. In this equilibrium, each party adjusts but never relinquishes its core positions.

Accordingly, determining a clear "winner" in such an arrangement, particularly through the reductive lens often seen in media discourse, is impossible. However, relative advantages for each party can

be identified. For example, if the benchmark is the preservation of strategic capacity, the advantage lies with the party that safeguards its critical infrastructure while accepting only limited, reversible constraints. Conversely, if the criterion is the ability to sustain long-term pressure, the upper hand belongs to the party that retains its sanctions architecture and institutional levers of coercion.

In conclusion, the Islamabad agreement, if realized, will not mark the end of the confrontation but rather the stabilization of an intermediate condition – one in which the war has ceased yet remains unresolved, and diplomacy has begun but has not culminated in a final settlement.

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